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# AGREEMENT

BETWEEN

CONVENTIONAL DAIRY  
OFFICE

AND

TEAMSTERS LOCAL UNION NOS.  
63, 166, 186, 542, 630, 683 and 952



EFFECTIVE

MARCH 1, 2004

TO

FEBRUARY 28, 2007

37 pages

**CONVENTIONAL DAIRY/OFFICE  
and  
TEAMSTERS LOCAL UNION NOS.  
63, 166, 186, 542, 630, 683 and 952**

EFFECTIVE MARCH 1, 2004 TO FEBRUARY 28, 2007

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## CONVENTIONAL DAIRY OFFICE AGREEMENT

MARCH 1, 2004 - FEBRUARY 28, 2007

THIS AGREEMENT, made and entered into this 1<sup>ST</sup> day of March 2004, by and between the "Employer" and Teamsters Local Unions Nos. 63, 166, 186, 542, 630, 683 and 952, Affiliated with the International Brotherhood of Teamsters, hereinafter referred to as "Union."

### WITNESSETH

That whereas the parties to this Agreement are desirous of promoting and maintaining harmonious relations between Employer, the Union and its membership, it is mutually agreed as follows:

#### **ARTICLE 1 - EMPLOYEES COVERED BY THIS AGREEMENT**

1.1 This Agreement shall apply only to employees of Employer eligible for membership in the Union, located at plants or branches situated in the Counties of Los Angeles, San Diego, Riverside, Orange, San Bernardino, Imperial, Santa Barbara, Ventura, and any other territory mutually agreed upon by the parties hereto.

1.2 It is understood that all office employees of Employer are eligible for membership in Union except:

- (a) Employees whose duties are predominantly in an executive or administrative capacity involving formulating or administering management policies or who customarily exercise discretionary powers regarding matters affecting the conduct of the business, and their confidential secretaries.
- (b) Employees engaged in professional or scientific duties.
- (c) Employees engaged in major portion of their time in handling and computing confidential cost and profit and loss records for general management.
- (d) The employee who is in charge of the general and/or confidential payroll.
- (e) Any executive handling labor relations and their confidential secretary.
- (f) Field employees, outside sales employees, solicitors or anyone engaged in a bona-fide executive, administrative or professional capacity shall not be covered by this Agreement.

1.3 Whenever the masculine gender is used in this Agreement, it shall be deemed to include the feminine gender as well and vice versa.

## **ARTICLE 2 - UNION MEMBERSHIP**

2.1 It shall be a condition of employment that all employees of the Employer covered by this Agreement who are members of the Union in good standing on the effective date of this Agreement shall remain members in good standing, and those who are not members on the effective date of this Agreement shall, on the thirtieth (30<sup>th</sup>) day following the effective date of this Agreement, become and thereafter remain members in good standing of the Union. It shall also be a condition of employment that all employees covered by this Agreement, and hired on or after its effective date shall, on the thirtieth (30<sup>th</sup>) day following the beginning of such employment, become and thereafter remain members in good standing in the Union.

2.2 The Employer shall discharge any employee who fails to complete or maintain membership in good standing in the Union within seventy-two (72) hours of written notice from the Union that such employee is delinquent in the payment of initiation fees and/or dues as uniformly required as a condition of union membership.

2.3 At the option of the Local Union, the Employer shall deduct monthly Union dues from the wages of each employee who has filed with the Employer a written assignment of such monies to the Local Union having jurisdiction in the area in which the individual is employed.

2.4 The assignments shall be irrevocable for a period of one (1) year or until the termination of this collective bargaining agreement, whichever occurs sooner. The assignment shall be automatically renewed and shall be irrevocable for successive periods of one (1) year each, or for the period of each succeeding applicable collective bargaining agreements, whichever shall be shorter, unless written notice is given by the employee to the Employer and to the Local Union not more than twenty (20) days and not less than ten (10) days prior to the expiration of each period of one (1) year of each applicable collective bargaining agreement.

2.5 The appropriate deduction shall be made on the first (1<sup>st</sup>) payday of each month and shall be promptly forwarded to the designated Local Union.

2.6 When new or additional employees are needed, the Employer shall notify the Union of the number and classification of employees needed. The Union shall have twenty-four (24) hours from receipt of such notice to nominate applicants for such jobs. Employer shall choose between applicants nominated by the Union and any other applicants on the basis of their respective qualifications for the job, and no applicants will be preferred or discriminated against because of membership or non-membership in the Union.

2.7 Employer agrees to notify Union of all new employees hired before the employee starts to work. Employer also agrees to notify Union promptly of all employees leaving employment.

2.8 The Employer and the Union agree not to discriminate against any employee or applicant for employment for upholding the principles of Unionism, nor because of race, color, religious creed, national origin, age, or sex, disabled or status as a Vietnam veteran.

2.9 It shall not be a violation of this Agreement, and it shall not be cause for discharge or disciplinary action in the event an employee refuses to enter upon any property involved in a lawful primary labor dispute, or refuses to go through or work behind any lawful primary picket line, including the lawful primary picket line of Union, party to this agreement, and including the lawful primary picket line at the Employer's places of business provided such lawful primary picket lines are sanctioned by Joint Council of Teamsters No. 42.

2.10 In the event of such picketing at the Employer's place of business, work shall continue for a period of time necessary to clear or remove perishable products from the plant, not to exceed seventy-two (72) hours from the commencement of such picketing.

2.11 Employer agrees to admit to its plants at all reasonable times any authorized representative of the Union for the purpose of ascertaining whether or not this Agreement is being adhered to and to assist in the adjustment of grievances. Such Union representative agrees to observe

reasonable plant entrance requirements of the Employer.

### **ARTICLE 3 - HOURS OF WORK**

3.1 The standard workweek shall be forty (40) hours consisting of five (5) workdays. There shall be no deviation from this schedule except with express permission of Union.

3.2 All hours worked in excess of forty (40) hours per calendar week or eight (8) hours in any one (1) day shall be paid for at one and one-half (1 ½) times the regular rate. To the extent practicable, the Employer will notify the employee prior to the middle of his normal shift that the employee will be expected to work overtime on that day.

3.3 The Employer may establish a basic straight-time workweek of four (4) ten (10) hour days as follows:

- (a) Ten (10) hours shall constitute a day's work and shall be completed within ten and one-half (10 ½) hours, or eleven (11) hours in the case of one (1) hour lunch periods.
- (b) Ten (10) hours work per day shall be offered each employee. When an employee requests to work less than ten (10) hours per day, the employee shall be paid at his regular hourly rate for the time actually worked.
- (c) All such employees shall receive at least two (2) consecutive days off each calendar week.
- (d) When an employee is required to work on a holiday, they shall be paid, in addition to the regular salary, a holiday premium of one and one-half (1 ½) times their regular rate for eight (8) hours.
- (e) If a holiday falls on an employee's regular day off, then such employee shall receive an additional day off or day's pay.
- (f) In the event a holiday falls within an employee's vacation period the employee shall receive a holiday premium of eight (8) hours pay in addition to his vacation pay.

3.4 All employees shall receive two (2) designated days off in every workweek, which shall be posted. So far as possible, days off shall be consecutive. Such designated days off shall not be changed on less than seven (7) days notice unless by agreement with Union. Time worked at the Employer's request on an employee's day of rest shall be paid at the overtime rate.

3.5 Time off for meals shall be given between the third (3<sup>rd</sup>) and sixth (6<sup>th</sup>) hours of the day's work and shall not exceed one (1) hour per day. Those employees working a regular ten (10) hour shift will receive time off for meals between the fourth (4<sup>th</sup>) and sixth (6<sup>th</sup>) hour from their starting time.

3.6 Any employee who may be called as a witness or to make a deposition at the Company's request shall be reimbursed at the regular scale of wages for any time loss incurred.

3.7 The Union agrees it will meet with individual companies to try to establish alternate workweek schedules in accordance with Regulation 15 AQMD requirements.

#### **ARTICLE 4 - NIGHT WORK PREMIUM**

4.1 A premium of Twenty Cents (\$0.20) per hour over the regular hourly rate for the job performed shall be paid for regular shift hours worked between 7:00 P.M. and 7:00 A.M. and for all regular shift hours, worked by anyone who starts work between 7:00 P.M. and 5:00 A.M.

4.2 A night work overtime rate shall apply to all overtime worked between 11:00 P.M. and 7:00 A.M. and to all overtime hours worked at any time by anyone who starts work between 7:00 P.M. and 5:00 A.M. All other overtime shall be paid at the day work overtime rate.

#### **ARTICLE 5 - HOLIDAYS**

5.1 The following holidays are recognized as hereinafter provided for all employees who have been in the employ of Employer for ninety-one (91) days or more:

January 1 <sup>st</sup>	Washington's Birthday	Memorial Day
July Fourth	Labor Day	Veterans Day
Thanksgiving Day	December 25th	Employee's Birthday



The above holidays shall be observed on the day designated by Federal Legislation.

5.2 **Employee's Birthday**

- a) Employee shall be required to notify their Employer at least four (4) weeks in advance of the date of their birthday. The Employer shall be allowed to assign any regularly scheduled workday for such holiday which falls the week before, the week of, or the week after the employee's birthday.
- b) Seven (7) days prior notice shall be given the employee for his scheduled birthday holiday.
- c) Failure to give Employer notice of birthday will result in Employer assigning a day off within thirty (30) days or paying a day's wages at straight time rate.

5.3 The calendar day upon which a holiday falls is to be treated as the holiday for payroll purposes, notwithstanding that occasionally the holiday may fall on Sunday.

5.4 To be eligible for holiday pay an employee must work his scheduled workday immediately preceding and succeeding the holiday, unless he works the holiday or except for excusable absence due to illness or injury on the holiday, the day preceding or the day succeeding the holiday. The Employer may require reasonable proof of illness or injury.

5.5 It is the Employer's option as to whether or not any employee or group of employees shall work on any of the above holidays.

5.6 If a holiday falls on an employee's regular day off, then such employee shall receive an additional day off or day's pay.

5.7 If employees are required to work on the above-mentioned holidays they shall be paid, in addition to the regular salary, one extra day's pay at one and one-half (1 ½) times the regular rate.

5.8 In the event a holiday falls within an employee's vacation period he shall receive a holiday premium of eight (8) hours pay, in addition to his vacation pay.

5.9 Any regular employee who has been laid off and recalled within thirty (30) days of any holiday shall be paid for any holiday(s) that fall within the period if otherwise eligible.

5.10 The Employer shall have the option to substitute day after Thanksgiving for Veterans' Day.

#### **ARTICLE 6 - VACATIONS**

6.1 All employees covered by this Agreement shall be entitled to one (1) week vacation with pay after one (1) year continuous employment, two (2) weeks vacation with pay after two (2) years continuous employment, three (3) weeks vacation with pay after (5) years continuous employment, four (4) weeks vacation with pay after fifteen (15) years continuous employment, and five (5) weeks vacation with pay after twenty (20) years continuous employment.

6.2 A week's pay for the purpose of this Article shall be forty (40) hours of pay at the straight-time hourly rate.

6.3 Preference in the taking of vacations shall be according to departmental seniority of employment wherever possible. Vacation schedules shall be made readily available to all eligible employees. An employee may elect to split his vacation. In such case the employee's seniority preference for the remaining vacation shall not be considered until all employees have had their first choice.

6.4 In the case of severance after the first (1<sup>st</sup>) year of employment and between the first (1<sup>st</sup>) and second (2<sup>nd</sup>) year of employment, the employee shall be entitled to a pro rata of vacation which shall be one-twelfth (1/12) of one (1) week's pay, as defined herein, for each full thirty (30) days since the last anniversary date of his employment.

6.5 In the case of severance after the second (2<sup>nd</sup>) year of employment the employee shall be entitled to a pro rata of vacation which shall be one-twelfth (1/12) of two (2) weeks pay, as defined herein, for each full thirty (30) days since the last anniversary date of his employment.

6.6 In the case of severance after the fifth (5<sup>th</sup>) year of service the employee shall be entitled to a pro rata of vacation which shall be one-twelfth (1/12) of three (3) weeks pay as defined herein for each full thirty (30) days since the last anniversary date of his employment.

6.7 In the case of severance after the fifteenth (15<sup>th</sup>) year of service the employee shall be entitled to a pro rata of vacation which shall be one-twelfth (1/12) of four (4) weeks pay, as defined herein, for each full thirty (30) days since the last anniversary date of his employment.

6.8 In the case of severance after the twentieth (20<sup>th</sup>) year of service the employee shall be entitled to a pro rata of vacation which shall be one-twelfth (1/12) of five (5) weeks pay, as defined herein, for each full thirty (30) days since the last anniversary date of his employment.

6.9 If the employee works his vacation he is to be paid his earned vacation pay, plus time and one-half (1 ½), unless the Union and the Employer agree in writing that he may work his vacation, in which event the employee will be paid at his regular rate of pay, plus his earned vacation pay.

6.10 Employer will pay earned vacation pay in advance of vacation, provided employee requests such payment not less than seven (7) days prior to his scheduled vacation.

6.11 An employee may take a vacation in the year it has been earned, provided the employee's request is for a date that is beyond his anniversary date of employment.

#### **ARTICLE 7 - WELFARE BENEFITS**

7.1 Employer and Union are parties to an Agreement and Declaration of Trust providing for the Southern California Dairy Industry Security Fund, which agreement is dated March 14, 1972 as amended, and hereinafter referred to as the "Declaration of Trust."

The said Declaration of Trust established a Trust administered by an equal number of

Trustees appointed by the Union on one hand and by all employers who make contributions to such Trust on the other hand for the purpose of providing medical, hospitalization and life insurance benefits, as more particularly set forth in said Trust to which reference is hereby made for all particulars pertaining to such Trust, its administration, etc., and all provisions of such Declaration of Trust are incorporated herein by reference. Employer and Union do hereby ratify and confirm such Declaration of Trust and agree to do and perform each and every act and thing required of Union and Employer respectively therein.

7.2 Employer and Union agree that the foregoing Declaration of Trust may be amended from time to time as hereinafter provided and subject to the limitations hereinafter imposed. All amendments to such Declaration of Trust shall be in writing, shall fix the effective date thereof, and shall bear the written approval of all Employer and Union Trustees.

7.3 No such amendment shall (1) alter the basic principles of the Declaration of Trust; (2) conflict with the collective bargaining agreements between Employer and Union; (3) conflict with any then applicable statute, law, ordinance, or regulation; (4) permit monies deposited by Employer in the Trust Fund pursuant to the collective bargaining agreement between Employer and Union to be used for purposes other than providing medical and hospitalization benefits and prescription drug benefits for retired employees and eligible employees, and life insurance, a dental plan, and vision care for eligible employees, the administration of said benefits, and the administration of such fund; or (5) give the Employer or the Union or any employee or any Trustee, individually or collectively, any right, title or interest in or to any money or other property of the Trust. Copies of all amendments shall be distributed to Employer upon the final adoption thereof.

7.4 The Employer shall pay monthly into the Southern California Dairy Industry Security Fund for each eligible employee the amounts specified as determined by the Trustees necessary to maintain the health and welfare programs in effect at the commencement of this Agreement, or as provided by Plan II, or established by the Trustees during the term of this Agreement as provided by the Contribution Agreement dated September 10, 1997

A premium payment shall be due on each eligible employee following three (3) full calendar

months of employment.

7.5 The parties hereto authorize the Trustees to pay any amount into another trust for the purpose of providing such benefits. The parties hereto agree to accept and execute such "Acceptance of Trust Documents" as may be required for participation in such trust and such payments shall be made in accordance with the provisions established by the Joint Board of Trustees.

7.6 The parties hereto authorize and instruct the Trustees to review the Employer contribution rates in January of each year of the agreement and modify the Employers contribution rates effective in March of each year of the agreement if so determined by the Trustees. Employer contribution rates shall be based upon the Trustees maintaining a three (3) month fund reserve and an appropriate amount to cover incurred but unreported claims.

7.7 The Employer shall maintain Retiree Benefits as determined by the Trustees.

The Board of Trustees is authorized to adjust the retiree co-payment premium as they may determine.

7.8 For purposes of this Article an eligible for benefits Employee shall be:

- a) An employee on the payroll on the first (1st) day of the calendar month who has been continuously employed by the same Employer during the preceding four (4) full calendar months.
- b) An employee on the payroll on the first (1st) day of the calendar month who had been covered by this Welfare Plan within thirty one (31) days of his date of employment.

7.9 All premium payments required pursuant to the provisions hereof shall be due and payable on the first (1<sup>st</sup>) of each calendar month, and shall become delinquent on the twentieth (20<sup>th</sup>) day of each such month. Failure to make premium payments in accordance herewith shall be deemed a violation of this Agreement and the Union is authorized to institute proceedings for the collection

thereof from the Employer.

## **ARTICLE 8 - PENSION BENEFITS**

8.1 The Employer shall continue to pay into the Western Conference of Teamsters Pension Trust Fund sums computed as follows:

- (a) Effective April 1, 2003, based on March 2003 hours, for each employee who has worked One Hundred and Sixty hours (160) hours or more during a calendar month, Five Hundred and Ten Dollars and Thirty Five Cents (\$510.35) per month.
- (b) For each employee not covered under (a) above: One Hundred and Eighteen Dollars (\$118.00) per calendar week of work or Twenty Three Dollars and Sixty Cents (\$23.60) per day of work of more than four (4) hours (or by combination of such weekly and daily rates) or Two Dollar and Ninety Five Cents (\$2.95) for each straight-time compensable hour of work.

8.2 The contribution rate includes funding for the Program for Enhanced Early Retirement (PEER '84 which began with March 1992 hours). Effective April 1, 2003 based on March, 2003 hours, the hourly contribution rate to the Trust fund shall be increased by Twenty Cents (\$0.20) per straight time hours worked. This contribution shall be paid on the same basis as contributions provided for in 8.1(a) and 8.1(b) above. The total contribution to the Pension Trust Fund shall be Two Dollar and Ninety Five Cents (\$2.95) per straight time hour. Two Dollars and Seventy-Seven Cents (\$2.77) to basic plan and Eighteen Cents (\$0.18) to PEER '84. The contributions required to provide for PEER '84 will not be taken into consideration for benefit accrual purposes under the Plan. The additional contributions for the PEER must at all times be six and one-half percent (6.5%) of the basic contribution and can not be decreased or discontinued at any time.

Effective April 1, 2004, based on March, 2004 hours, increase contributions an additional Ten cents (\$0.10) per straight time hour to be allocated between basic benefits and PEER coverage as required.

Effective April 1, 2005, based on March, 2005 hours, increase contributions an additional

Ten Cents (\$0.10) per straight time hour to be allocated between basic benefits and PEER coverage as required

Effective April 1, 2006, based on March, 2006 hours, increase contributions an additional Ten Cents (\$0.10) per straight time hour to be allocated between basic benefits and PEER coverage as required

8.3 The Employer shall make pension contributions on all employees covered under this Agreement for all straight time compensable hours. Time paid for but not worked, such as holiday and vacation time, shall be considered as time worked for the purpose of this Article, but no payment shall be made on overtime hours.

8.4 The Employer shall not be obligated to make payments to the Pension Trust Fund of amounts in excess of those, which are deductible from gross income, by the Employer under Section 404 of the Internal Revenue Code.

8.5 The total amount due for each calendar month shall be remitted in a lump sum not later than the twentieth (20th) day of the following month. The Employer agrees to abide by such rules as may be established by the Trustees of said Trust Fund to facilitate the prompt and orderly collection of such amounts, and the accurate recording of such amounts paid on account of the employees. Failure to make the payments herein provided, within the time specified shall be a breach of this Agreement.

8.6 **Diversion of Monies to Pension:** It is understood and agreed that Local Unions that are party to this Agreement may, by proper and timely notice to the Company (certifying a majority vote of the collective membership), divert all or part of a specified, upcoming contractual wage increase to an hourly Pension contribution to the Western Conference of Teamsters Pension Fund ("Trust Fund"). If the diversion is made, it will be in lieu of a wage increase, provided the trust Fund Trustees approve and sufficient advance notice is given to make it administratively feasible to do so. Such Diversion shall be applicable to all the employees covered by this Agreement.

8.7 **Break In Rate For Probationary Employees:** For probationary employees hired on or after May 1, 2004, (or date of TRUST acceptance, if later), the employer shall pay an hourly contribution rate of ten cents (\$.10) (including PEER/84) during the probationary period as defined in Article 11/Section 11.1, but in no case for a period longer than ninety (90) calendar days from an employee's first date of hire. Contributions shall be made on the same basis as set forth in this Article 8/Section 8.1 and 8.2 of the Agreement. After the expiration of the probationary period as defined in Article 11/Section 11.1 but in no event longer than ninety (90) calendar days from an employees first date of hire, the contribution shall be increased to the full contractual rate.

**ARTICLE 9 - COST-OF-LIVING** (*Inoperative for the term of the Agreement*)

9.1 Effective March \_\_\_\_\_, all employees covered by this Agreement shall be entitled to a cost-of-living adjustment based on the following conditions:

(a) ***DATES OF COST-OF-LIVING ADJUSTMENTS***

March	September	March	September
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(b) ***INDEX***

CPI Index to be used is the CPI-W, (Revised Index, based on the 1971-73 Consumer Price Survey) Los Angeles-Long Beach-Anaheim Area-All Items (1967=100).

(c) ***FORMULA***

- (1) There shall be an annual corridor of 3.0 points.
- (2) Wage Rate increases after the "corridor" to be computed at (45/100 of one full point), equals One Cent (\$0.01) increase in the base hourly wage rate.



(3) Minimum increases in each of the four (4) adjustments to be Twenty-five Cents (\$0.25) per hour.

(d) **METHOD**

Using the July, as the Base Index for the first (1st) and second (2nd) adjustment, COL increases shall be computed as follows:

(1) **FIRST ADJUSTMENT**

The difference between the July \_\_\_\_, Index and the January \_\_\_\_, Index, less the 3.0 annual "corridor," divided by .45 equals the cents per hour increase in the Base Hourly Wage Rates, subject to the maximums referred to above. Effective date of increase to be the first Sunday in March, \_\_\_\_.

(2) **SECOND ADJUSTMENT**

The difference between the July, \_\_\_\_ Index and the July, \_\_\_\_ Index, less the 3.0 annual "corridor" divided by .45 (less the increase in March of \_\_) shall be applied to the Base Hourly Wage Rates effective the first Sunday in September, \_\_\_\_.

(3) The adjustments shall be made in the same manner as above.

**ARTICLE 10 - NEW EMPLOYEE**

10.1 All new employees hired may be hired at 20% less than classification rate for the first (1<sup>st</sup>) six (6) months, and 10% less than classification rate for the second (2<sup>nd</sup>) six (6) months of employment, after which full classification rates shall be paid.

**ARTICLE 11 - A REGULAR EMPLOYEE**

11.1 A Regular Employee is one with ninety-one (91) day's continuous service in the employ of Employer.

## **ARTICLE 12 - METHOD OF PAYMENT**

12.1 Employees shall be paid on a two (2) weeks basis. The payroll period shall end on Saturday. The actual payment will be made not later than seven (7) days following the end of each two (2) week period. Amounts due the Employer because of purchases or shortages may be deducted from the paycheck.

## **ARTICLE 13 - REMITTANCE ADVICE**

13.1 The remittance advice accompanying employee's pay shall show, separate from the regular pay, overtime, days off worked, holiday pay, social security, disability insurance, withholding tax, and any other deductions agreed upon between Employer and employee.

13.2 If the employee so requests, pay shortages shall be corrected within one (1) week after the shortage is reported.

## **ARTICLE 14 - VERIFYING PAY**

14.1 Upon request of the Union, Employer agrees to submit the payroll records of the Union members for an audit by any qualified person designated and paid for by the Union, provided, however, that the Employer's liability for any discrepancies found shall be limited to the period six (6) months immediately preceding the date of the Union's request.

## **ARTICLE 15 - TERMINATION NOTICE**

15.1 Regular employees shall give and be given one (1) week's notice in case of termination of employment, including terminations resulting from layoffs, except in case of discharge for dishonesty, drinking of alcoholic beverages, use of illegal chemical substances or flagrant insubordination while on the job, or other instances of gross misconduct. A week's notice shall not include vacation. Employees who are about to retire are requested to give a minimum of sixty (60) days notice.

15.2 A regular employee who fails to give his Employer the one (1) week's notice provided above shall be paid only for time actually worked, and shall forfeit up to one (1) week of pro-rated vacation pay, as well as all other benefits to which he might otherwise be entitled.

15.3 An employee who has not achieved the status of a regular employee as defined in Article 11 above may be terminated at the option of the Employer.

#### **ARTICLE 16 - DISCHARGE**

16.1 An employee may be discharged for just cause. Violation of Employer's posted rules may constitute grounds for disciplinary action, including discharge. The severity of any penalty may be subject to the grievance procedure under Article 33. Employer shall submit to the Union a copy of any posted rules and any subsequent changes.

16.2 Except for discharge for proven theft, drinking alcoholic beverages while on the job or on Company property, using illegal chemical substances while on the job or on Company property, violations of the substance abuse policy (which covers alcohol or illegal drugs), flagrant insubordination or other acts of serious willful misconduct, an employee shall not be discharged unless he/she has had a verbal warning (which is non-mandatory and will not always be used), a written warning, a final written warning, and is provided with an "employee conference" as a final step prior to discharge being imposed (this provides for either a three step or a four step procedure of progressive discipline before termination of employment). The affected Local Union is to be mailed a copy of all disciplinary actions, other than verbal warnings. Employee warning notices shall not be valid after twelve (12) months from date of issuance.

**Employee Conference** - When an employee's performance is deemed to be unsatisfactory, the Employer will meet with the Union and the employee in an effort to correct the employee's performance. If the employee continues to engage in a course of action that warrants disciplinary action(s), including discharge, then the Employer will notify the affected Local Union prior to the discharge of the employee.

When the Union is notified by the Employer that an Employee Conference is required and the Union Representative is unable to meet within a ten (10) day time period, the Employer may continue with the attendance of a Shop Steward. Once the Union has been notified that an Employee Conference is required and the employee commits another infraction that warrants further discipline,

the Employer may discipline that employee, provided that the Union has been notified of the Employee Conference in writing.

16.3 Failure by the employee or the Union to protest or grieve on a warning notice at the time of issuance shall not, in itself, constitute an agreement or admission as to the validity of the warning notice or the gravity of the alleged offense.

#### **ARTICLE 17 - LAYOFFS**

17.1 An employee will be allowed to displace any less senior employee when his job has been eliminated and he is subject to layoff (such displacement shall be allowed regardless of the shift or classification rates involved), provided he is capable of performing the work involved.

17.2 When Employer finds it necessary to hire additional employees he shall rehire for a period of one hundred and eighty-two (182) days immediately following layoff, those regular employees whom he has previously laid off, in the reverse order in which they were laid off, provided they are available within forty-eight (48) hours and are able to do the work.

17.3 If a regular employee, having been laid off, is notified within one hundred eighty-two (182) days by registered mail at his last known address to return to work, fails to report for work within forty-eight (48) hours after such notice, his seniority is broken.

17.4 A regular employee who has been laid off shall accumulate seniority for a period not exceeding one hundred eighty-two (182) days, at which time seniority shall be broken if such employee has not been notified to return to work.

#### **ARTICLE 18 - JOB BIDDING**

18.1 Jobs requiring performance of work covered by this Agreement shall be filled by the bidding procedure hereinafter set forth:

- (a) All jobs that are open shall be posted for a period of ninety-six (96) hours on a form agreed upon by the Employer and the Union. The results shall be

posted for ninety-six (96) hours.

- (b) The job posting for a vacancy of an existing job shall be made within seven (7) days after the vacancy occurs and will be filled as soon as it is practical to do so.
- (c) The Employer need not give consideration to the bid of any employee who would not move to a higher rated classification.
- (d) The Employer need not give consideration to the bid of an employee during the first twelve (12) months of his employment or during the twelve (12) month period after his successful bid.
- (e) The vacancy created by a successful bidder shall not be posted.

18.2 The following procedure shall be observed in filling job openings:

- (1) Where the Employer finds that the qualifications of two (2) or more bidders for the job, which is open are substantially equal, then seniority shall be the determining factor.
- (2) Where the Employer finds that there are qualified bidders, but that the qualifications of none of the qualified bidders are substantially equal, then he shall select the employee best qualified to perform the job, which is open.
- (3) Where the Employer does not find any bidder to be qualified or where there are no bidders, then the Employer shall make the best selection available.
- (4) In determining the qualifications of bidders, the Employer shall give fair and impartial consideration to all of the facts bearing on the matter and any decision made shall not be arbitrary, discriminatory, or the result of bias or prejudice.

#### **ARTICLE 19 - TRANSFERS**

19.1 It is understood and agreed that the Employer shall have the sole right to grant or deny any and all requests for transfer.

19.2 If an employee is transferred with his job to another branch within the same company and within the area covered by this Agreement, he shall retain all seniority rights.

19.3 If an employee is transferred without his job to another branch within the same company and within the area covered by this Agreement, the seniority rights of the employee will be determined by the Employer and the Union before the transfer is consummated.

19.4 If an employee is transferred to an exempt job and is subsequently returned to a Union job that is open, his departmental seniority (less time spent on the exempt job) shall be restored after six (6) months.

19.5 If an employee transfers to another department his departmental seniority will start as of the date of such transfer.

(a) If within one (1) year such employee is scheduled for layoff he may return to the department from which he transferred, with full departmental seniority rights (less time spent in the other department), and will bump the employee with the least seniority in the department, providing:

(1) He has greater departmental seniority than the employee he would replace, and;

(2) He is qualified to do the work of the employee he would replace.

(b) If such employee is unable to perform the job satisfactorily, or if he does not wish to remain on the job, he may, within one (1) year and at the option of the Employer, return to his former department and his departmental seniority (less time spent in the other department) shall be restored after six (6) months.

## **ARTICLE 20 - FIDELITY BOND**

20.1 Employer may require a fidelity bond of any employee, but the premium shall be paid by Employer.

## **ARTICLE 21 - PHYSICAL EXAMINATION**

21.1 Employer may require physical examinations of employees at Employer's expense.

## **ARTICLE 22 - REST PERIODS**

22.1 The employer shall continue present practices in regard to rest periods, provided each employee shall receive not less than two (2) ten (10) minute rest periods per day.

## **ARTICLE 23 - DONATIONS**

23.1 Employer shall not require donations or contributions from employees.

## **ARTICLE 24 - LEAVES OF ABSENCE**

24.1 Informal leaves of absence are those for a period of less than eight (8) days. Formal leaves of absence are those for a period of eight (8) days or more. An informal leave of absence without pay may be granted by Employer at any time. A formal leave of absence, without pay, for a period not to exceed ninety-one (91) days, may be granted by Employer upon written application by employee to Employer, with a copy to the Union. A formal leave of absence may, in exceptional cases, be extended by Employer upon written application from the employee and receipt of written approval from Employer. Seniority shall accumulate during both formal and informal leaves of absence provided the employee returns within the period of time specified in the leave of absence or extension thereof, and provided the employee has not been gainfully employed during leave of absence. For purposes of this article, vacation seniority shall accrue for ninety (90) days, provided the employee returns as specified herein and shall apply to all leaves of absence.

24.2 It is mutually understood that the words "gainfully employed" cover instances where an employee goes into business for himself, etc.

24.3 Whenever a regular employee becomes unable to perform his work by reason of illness or injury, he may request a medical leave of absence based on the following:

- a) Upon presentation of proper medical evidence, the Employer shall grant a leave for the period of disability. The length of the leave shall not be longer than the period of the employee's employment at the commencement date of the disability or six (6) months, whichever period is the lesser.
- b) The period of the leave of absence may be further extended by the Employer in exceptional cases. Seniority shall accumulate during the period of such leave.

24.4 Any employee returning to work from an absence due to illness or injury of thirty (30) days duration or more shall notify the Employer of his return to work seventy-two (72) hours prior to his return.

24.5 Any employee returning to work from an absence due to illness or injury of less than thirty (30) days duration shall notify the Employer of his return to work by the end of his regular shift next preceding his return to work.

#### **ARTICLE 25 - FUNERAL LEAVE**

25.1 An employee who loses time on scheduled workdays as a result of the death of a member of his immediate family will be paid a maximum of three (3) days (each day at eight (8) straight-time hours or three (3) days at ten (10) straight time hours on a four (4) ten (10) work week), for working time lost as a result of attendance at the funeral and/or burial or estate matters.

25.2 Immediate family shall be defined as employee's parents, grandparents, spouse, children, brothers, sisters, grandchildren, stepchildren of current spouse, and stepparents.

25.3 The Employer may require reasonable proof or verification.



## ARTICLE 26 - SICK LEAVE

26.1 The Employer shall provide the employee the opportunity to earn, accrue, and accumulate up to four (4) sick days per year.

For purposes of sick leave accrual calculation, the Employer shall adopt the method described below. The Employer shall not change that method during the term of the Agreement:

In months in which the Employer works the employees less than 173 hours, the employee must work at least 96.8 percent of the available hours to earn one (1) sick day.

- A. Sick days will be earned on a monthly hour accrual basis: Each month an employee works or is paid for (such as holiday, vacation or sick leave pay) at least 96.8 percent (98.6%) of the available/scheduled hours the employee will earn two and two-thirds (2 2/3) hours of sick leave if working a five (5) day eight (8) hour schedule or three and one-third (3 1/3) hours if working a four (4) day ten (10) hour schedule. In the case where the employee may work more than one schedule per month, the accrual shall be based on what schedule the employee spends the majority of time.

26.2 The employee shall either use or accumulate sick leave pay. However, if the employee is sick and has earned sick leave days available, he must use the sick leave in full day increments. All unused sick leave pay, in excess of four (4) days accrued, shall be paid to the employee on their Company anniversary date or on any other annual date selected by the Employer. At the time of termination, all unused sick leave shall be paid unless the employee is discharged for just cause.

26.3 Sick leave pay shall be paid on the first (1st) day lost. Employees working a five (5) day eight (8) hour schedule shall receive eight (8) hours pay. Employees on a four (4) day ten (10) hour schedule shall be paid ten (10) hours pay. For purposes of annual date pay off, all eligible employees shall be paid in full days only, regardless of work schedule. When hours are accrued in

addition to full days, those hours shall remain in the sick leave bank.

26.4 The use of sick leave pay shall prevent an employee from receiving an "occurrence" as it relates to attendance policies.

#### **ARTICLE 27 - EMPLOYEES UNABLE TO COMPLETE DAY'S WORK**

27.1 If an employee sustains an industrial injury and there is medical evidence that such injury prevented the employee from continuing work on the day of the injury, the employee shall be paid for the time worked on such day, but for not less than eight (8) hours.

27.2 If an employee because of illness or some other personal reason is unable to continue with his work the employee shall be paid for the actual number of hours worked.

27.3 If an employee is called in to finish a shift for an employee who for some reason is unable to finish his day's work, such an employee shall be paid at the applicable rate, for the number of hours worked, but in no event shall the employee be paid for less than four (4) hours.

#### **ARTICLE 28 - REDUCTION IN WAGE**

28.1 No employee shall have his salary reduced as the result of signing this Agreement.

#### **ARTICLE 29 - VETERANS**

29.1 A Veteran who is reemployed by his former Employer, after complying with the provisions of the Universal Military Training and Service Act, as amended, or the Reserve Forces Act of 1955, will be entitled to restoration of his former seniority date and the following vacation benefits:

Pro rata vacation for each full thirty (30) days between the date of return from service and the next following anniversary of his seniority date. This shall be payable upon the anniversary of the seniority date or date of termination if earlier.

### **ARTICLE 30 - BULLETIN BOARDS**

30.1 The Employer shall provide bulletin board space for the exclusive purpose of posting official Union notices and bulletins.

### **ARTICLE 31 - PRESERVATION OF WORK**

31.1 For the purpose of preserving work and job opportunities for the employees covered by this Agreement, the Employer agrees that no work or services presently performed or hereafter assigned to the collective bargaining unit will be subcontracted, transferred, leased, assigned or conveyed in whole or in part to any other plant, person or non-unit employees, unless such other plant, person or non-unit employee observes and causes its employees to observe substantially the same economic conditions of employment, or conditions of employment which are more beneficial to its employees, than those observed by the Employer. The word employee referred to above shall include so-called, "independent owner-operators".

### **ARTICLE 32 - NEW LOCATIONS**

32.1 In the event the Employer moves the location of his present operation covered by this Agreement, to a location within the geographical jurisdiction of Joint Council of Teamsters No. 42, Teamsters No. 92, present employees shall have preference for vacancies at such locations in accordance with seniority and qualifications. Such assignments shall be subject to Employer's work force requirements at both the old and new locations. Subject to the above, qualified employees with seniority rights who have been laid off or would be laid off because of such new locations shall have preference for employment before any new employees are hired.

### **ARTICLE 33 - SETTLEMENT OF CONTROVERSIES**

33.1 It is agreed by the Union and the Employer that there shall be no strikes or lockouts during the life of this Agreement, and that any and all controversies which may arise shall be settled as hereinafter provided.

33.2 When any dispute arises, an attempt shall first be made to settle the matter amicably by conference between the employee, a Union Steward if so desired, and his immediate supervisor. If called upon at this step of the grievance procedure, a Union Representative and supervisor or other

representative of the Company may also attempt settlement.

33.3 Any grievance including, but not limited to, discharge or suspension must be submitted by the employee in writing to the Employer and the Union, within ten (10) days of the occurrence or knowledge of the event giving rise to the grievance, or it will be considered untimely and not subject to further process through the grievance procedure.

33.4 If the issue is still unresolved, either party may submit the grievance to a joint Labor-Management Committee consisting of four (4) representatives. Two (2) representatives shall be designated by the Union and two (2) representatives shall be designated by the Employer. However, the parties may by mutual agreement, bypass the Joint Labor-Management Committee and elect to go straight to arbitration.

33.5 The Joint Labor-Management Committee shall meet on the fourth (4<sup>th</sup>) Tuesday and if necessary on the fourth (4<sup>th</sup>) Wednesday of each month, or other mutually agreed upon dates. Either party may cancel up to three (3) consecutive scheduled Joint Labor-Management Committee meetings. After the third (3<sup>rd</sup>) time a meeting has been cancelled in which an issue has been scheduled, either party may elect to by-pass the Joint Labor-Management Committee and move directly to arbitration on that issue. While the arbitration is pending, a sincere effort will be made to hold a Joint Labor-Management meeting and have the case heard. If a majority decision is rendered, then that decision will govern (as stated in the following paragraph), and the arbitration will be cancelled. If any fee or cost is associated with said cancellation, then the losing party will pay the fees and/or costs as decided by the panel decision.

A majority vote of the members of the Committee will decide the issue and the decision shall be final and binding on all parties. Issues to be considered at the meetings must have been received by the parties at least ten (10) days prior to the regular meeting date.

33.6 In the event of a tie vote or mutual agreement to bypass the Joint Labor-Management Committee pursuant to Article 33.4 above, either the Employer or the Union may request that the matter be submitted to an impartial arbitrator from the following list of seven (7) arbitrators by

alternately striking off names until a single name remains. (By mutual agreement, the parties may send for a list of seven (7) arbitrators from the Federal Mediation and Conciliation Service and select a single name as set forth above rather than using the following list.)

Howard Block	Donald Prayzich	George Marshall	Joseph Gentile
Harold Somers	Lionel Richman	////////////////////	John Matull

33.7 The arbitrator selected shall hear the case within thirty (30) days after notification of selection and the arbitrator may make a bench decision at the end of the hearing. In the event a bench decision is not made, however, the arbitrator shall render a decision no later than thirty (30) days following the receipt of briefs and in cases where no briefs are filed, fifteen (15) days from the close of the hearing.

33.8 The arbitrator's fee shall be borne by the losing party with the arbitrator making the decision as to whom the losing party is. If there is more than one losing party, the arbitrator is authorized to require a sharing of the arbitrator's fee. The decision of the arbitrator shall be final and binding on both parties, provided that the arbitrator shall not have the authority to change, alter or modify any of the terms or provisions of the Agreement.

**ARTICLE 34 - SUCCESSORS AND ASSIGNS**

34.1 This Agreement shall be binding upon the parties hereto, their successors, administrators, executors and assigns. In the event an entire operation, or any portion thereof, is sold, leased, transferred or taken over by sale, transfer, lease, assignment, receivership, or bankruptcy proceedings, such operation shall continue to be subject to the terms and conditions of this Agreement for the life thereof. The Employer shall give notice of the existence of this Agreement to any purchaser, transferee, lessee, assignee, etc., of the operation covered by this Agreement or any part thereof. Such notice shall be in writing with a copy to the Union not later than the effective date of sale.

## **ARTICLE 35 - SUBSTANCE ABUSE POLICY**

35.1 Substance abuse policy identified as "BITLC," is adopted and may be put into effect by individual employers. The policy is subject to change and modification by mutual agreement between the Union and Employer Negotiating Committees only. Employees covered by DOT regulations must submit to drug and alcohol testing in accordance with DOT regulations. If an employee tests positive, the employee will be subject to discipline and rehabilitation in accordance with the BITLC policy.

35.2 When a job accident occurs that requires treatment by a Medical Professional a sample will be taken for drug/alcohol testing. The sample will be split, and tested in accordance with the *Substance Abuse policy*. If the test results are reported as positive then the employee will be subject to the terms and conditions of the *Substance Abuse Policy*.

## **ARTICLE 36 - TERM**

36.1 This Agreement shall become effective on the first (1<sup>st</sup>) shift starting on March 1, 2004, and shall continue in effect until the beginning of the first shift starting March 1, 2007, and from year to year thereafter unless either party shall give the other written notice of intention to terminate or modify this Agreement at least sixty (60) days prior to March 1, 2007, or March 1st of any calendar year thereafter. The parties agree that negotiations for a new Agreement shall commence as soon as practicable after such notice is given and that irrespective of the notice to terminate or modify, such negotiations may continue after the termination date. The termination notice may be made effective by either party at any time after such termination date, by giving the other party seven (7) days written notice by registered mail. This Agreement shall be deemed terminated seven (7) days after such written notice is given.

36.2 It is understood that should abnormal changes in living costs or economic conditions in the dairy industry arise, then either party may, upon sixty (60) days written notice to the other party, request opening negotiations to adjust wage rates only as contained in Appendix A of this Agreement, in which case this Agreement shall remain in force until consummation of a new agreement on wages.

36.3 In the event that this Agreement is opened for negotiations as provided in Section 36.1 or Section 36.2 and should the parties hereto be unable to mutually reach a satisfactory agreement in the negotiations resulting from the opening of the contract within sixty (60) days after the date of such notice, then either party may request arbitration of the then existing differences as hereinabove provided.

**ARTICLE 37 - SEPARABILITY AND SAVINGS CLAUSE**

37.1 If any Article or Section of this Master Agreement, or any of the agreements supplemental hereto, or riders to such supplemental agreements, should be held invalid by operation of law or by any tribunal of competent jurisdiction or if compliance with or enforcement of any Article or Section of the agreements referred to above, should be restrained by such tribunal pending a final determination as to its validity, the remainder of this Agreement, supplemental agreements, or of any rider, or the application of same to persons or circumstances other than those as to which it has been held invalid or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.

**IN WITNESS WHEREOF**, the parties hereto have executed this agreement the day and year first hereinabove written.

**FOR THE EMPLOYER:**

Paul W. Bidart 6/9/04  
Name Date

President  
Title

**FOR THE UNIONS:**

**On Behalf Of Teamsters Unions Nos. 63  
166, 186, 542, 630, 683, 952**

Mike Dejen  
Chairman, Union Negotiating Committee

6/9/04  
Date

**APPENDIX "A"**  
**CLASSIFICATIONS, DUTIES AND WAGE RATES**

1. Classifications and duties shall be as given below and wage rates shall be as given in number 3 hereof.

**CLASS 2 - Copy Typists, File Clerks, Mail Clerks**

**Duties** - General typing other than from notes and Dictaphone; filing letters and office data; sorting and filing sales slips and route records; posting records of sales and doing general unclassified office detail work.

**Duties of Mail Clerks** - are to sort mail, run mailing machine and do special photocopy jobs.

**CLASS 3 - Receptionist/Telephone Operator (or PBX Operator), General Clerks**

**Duties of General Clerks** - are to answer routemen's inquiries, run down complaints, prepare delinquent accounts lists, handle details of route transfers, and make changes of address.

**Duties of Receptionist/Telephone Operator** - are to answer telephones, direct calls and visitors, answer inquiries and greet visitors.

**CLASS 3-B - Data Entry Operators:** Operate VDT for non-interpretive entry of data into computer.

**CLASS 4 - Order Clerks, Service Department Clerks, Inventory Record Clerks, Receivables/Route Accounting Clerks, Accounts Payable Clerk, Assistant Payroll Clerk, Senior Data Entry Operators, Production Accounting Clerk and Load and Check Clerks.**

**Duties of Order Clerks** - are taking orders by telephone or Fax and entering into



computer or on order forms.

**Duties of Accounts Receivable/Route Accounting Clerks**-are processing completed invoices, route transfers, branch transfers, outside purchases, applying cash to accounts, account reconciliation, preparing customer statements and answering inquiries.

**Duties of Production Accounting Clerk** - are to enter data from production runs.

**Duties of Load and Check Clerks** - are general office such as filing, answering phones and handling inquiries and entering production data.

**Duties of Accounts Payable Clerks** - are to assist in the processing of invoices for payment by matching purchase orders to invoices.

**CLASS 5 - Computer Operators** - Operates and makes normal adjustments to high speed electronic stored program computing equipment in the processing of business applications. Operates peripheral and auxiliary equipment and performs associated work necessary to the operation of the equipment.

**CLASS 6 - Senior Computer Operators**

**CLASS 7 - Group Leader**

**Duties** - A group leader shall be defined as a person who spends a major portion of his or her time doing work covered by this contract and who is also regularly assigned to supervise two or more employees doing work covered by this contract. Group leader to report to his or her immediate superior any irregularities or laxity on the part of those supervised.

It is understood that the foregoing classifications may not include descriptions of every type of work that is done or may develop in the future and it is therefore agreed that the classifications of

new jobs established after the date of this contract shall be negotiated between the Employer and the Union.

2. Employees whose work regularly falls in more than one (1) wage classification shall be paid a rate mutually agreed upon between the employee, the Employer and the Union.

3. **WAGE RATES**

	<b>Effective 3.01.03</b>	<b>Effective 3.01.04</b>	<b>Effective 3.01.05</b>	<b>Effective 3.01.06</b>
<b>Class 2</b>	\$16.605	\$17.105	\$17.555	\$18.005
<b>Class 3</b>	\$16.695	\$17.195	\$17.645	\$18.095
<b>Class 3-B</b>	\$16.745	\$17.245	\$17.695	\$18.145
<b>Class 4</b>	\$16.795	\$17.295	\$17.745	\$18.195
<b>Class 5</b>	\$16.865	\$17.365	\$17.815	\$18.265
<b>Class 6</b>	\$17.015	\$17.515	\$17.965	\$18.415
<b>Class 7 Group Leader</b>	(A)	(A)	(A)	(A)

(A) Group Leader shall receive 10% more than the highest rate of pay received by those under their supervision.

**MEMORANDUM OF AGREEMENT  
 FEBRUARY 19, 2004  
 FOR A SUCCESSION AGREEMENT BETWEEN  
 SANTEE DAIRIES**

**AND  
 Teamsters Union Locals # 63, 166, 186, 495, 542, 630 & 683**

The following represents an agreement between Santee Dairies (hereinafter referred to as the "Employer") and Teamsters Union Local's # 63, 166, 495, 542, 630 & 683 (hereinafter referred to as the "Union") to modify and renew the existing collective bargaining agreements. All of the following changes shall apply as applicable to the Conventional Dairy Agreement (Plant, Driver, Mechanic and Office) who, by signature below, exercise and memorialize this negotiation option. Except as designated and modified below, existing provisions of the 1999 - 2004 agreements shall remain in full force and effect.

**1. WAGES:**

- For Employees in all classifications the hourly straight time increases to the experienced rates, with the customary progression percentages applied, are effective as follows:

<b>Effective 3-01-04 \$50 per hour</b>	<b>Effective 3-01-05 \$45 per hour</b>	<b>Effective 3-01-06 \$45 per hour</b>
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**2. HEALTH AND WELFARE:**

- The Employer and Union agree that, for the duration of this agreement, the employer shall continue to contribute, on a monthly basis, the entire contribution amount as is deemed necessary by the Employer and Union Trustees in order to maintain such benefits levels under the Southern California Dairy Industry Security Fund, designated as Plan II, to be effective March 1, 2004.

- Contract language shall be amended consistent with the approved Southern California Dairy Industry Security Fund requirements.

A 1-1-04

- It is the intent of the parties signatory to this Memorandum of Agreement that the Employer signatory hereto shall continue to pay the entire amount as set forth by and may be amended from time to time by the Southern California Dairy Industry Security Fund without any additional cost to the employee (full Maintenance of Benefits) for the term of this Agreement.

- For Teamsters Union Local 683, the Health and Welfare programs shall continue to be provided by the Steffa Trust Fund Plan "B" under the same terms and conditions as stated above as is necessary to the appropriate Trust Fund requirements.

- For Teamsters Union Local 542, the Health and Welfare programs shall continue to be provided by the Steffa Trust Fund Plan "C" under the same terms and conditions as stated above as is necessary to the appropriate Trust Fund requirements.

### **3. PENSION CONTRIBUTIONS:**

The Employers shall increase the current contractual Pension contributions, as follows:

- Effective with the hours worked in March 2004, payable in April 2004, the Employer shall contribute and additional ten cents (\$.10) per qualifying hour.
- Effective with the hours worked in March 2005, payable in April 2005, the Employer shall contribute and additional ten cents (\$.10) per qualifying hour.
- Effective with the hours worked in March 2006, payable in April 2006, the Employer shall contribute and additional ten cents (\$.10) per qualifying hour.
- Amend the Pension Article to create an introductory, "Break In Rate" of ten cents (\$.10) per straight time hour worked or paid for the first ninety (90) calendar days (or contractual probationary period, whichever is less) of employment for those employees hired on or after March 1, 2004.
- Contractual language to be amended consistent with approved Western


Conference of Teamsters Pension Trust Fund, including the application of the ninety (90) calendar day probationary pension "Break In Rate"

**4. TERM OF AGREEMENT:**

• This Agreement shall be incorporated and included into the existing agreement between the signatory parties and shall become effective on the first shift starting on March 1, 2004, and shall continue in effect until the beginning of the first shift starting March 1, 2007, and from year to year thereafter unless either party shall give to the other party written notice of intention to terminate or modify this agreement at least sixty (60) days prior to March irrespective of the notice to terminate or modify, such negotiations may continue after the termination date.. The termination notice may be made effective by either party at any time after such termination date, by giving the other party seven (7) days written notice by registered mail. The Agreement shall be deemed terminated seven (7) days after such written notice is given.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement. the day and year first hereinabove written.

**FOR THE EMPLOYER:**

  
Name \_\_\_\_\_  
*as President*  
Date 2/23/04

**FOR THE UNIONS:**

**ON BEHALF OF TEAMSTERS LOCAL  
UNION NOS. 63, 166, 186, 495, 542, 630, 683  
and 952.**

  
Date 2/20/04  
Mike Bergen,  
Union Negotiating Committee Chairman

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