

November 1, 2008 to October 31, 2013

PEPSICO BEVERAGES CANADA

PRINCE GEORGE EMPLOYEES' ASSOCIATION

**WAGE AND WORKING AGREEMENT
FOR PRINCE GEORGE/TERRACE EMPLOYEES**

Table of Contents

(i) Irrevocability	Page 3
(ii) Omission	Page 3
(iii) Company Policy	Page 3
(iv) Term of the Agreement	Page 3
Section 1 - Association of Employees	Page 4
Section 2 - Working Conditions	Page 5
2.1 Uniform Allowance	Page 5
2.2 Boot Allowance	Page 5
2.3 Meal Allowance	Page 5
2.4 Tool Allowance	Page 5
2.5 Grievance Procedure	Page 6
2.6 Overtime Work	Page 8
2.7 Overtime Pay	Page 8
2.8 Banking of Overtime	Page 8
2.9 Lunch and Rest Breaks	Page 9
2.10 Job Postings	Page 9
2.11 Seniority List	Page 10
2.12 Layoffs	Page 10
2.13 Statutory Holiday Pay	Page 10
2.14 Vacation Plan	Page 11
2.15 Vacation Process	Page 12
2.16 The Nine Minute Rule	Page 12
2.17 Relief Sales	Page 12
2.18 Training/Meetings	Page 12
2.19 Mileage Allowance	Page 12
Wage Schedule	Page 13
Wage Schedule Notes	Page 14
Letter of Understanding #1	Page 16

Fully realizing the potential ambiguity of any written contract the following principles are intended to protect against an interpretation at a later date which was not intended at the time of the creation of this agreement.

(i) IRREVOCABILITY

Any clause, statement or part of the agreement cannot be changed without consultation, between management and the Employees' Association. Any changes to this agreement must be signed by the Employees' Association and the Senior Management Representative. The ratification of any changes to this agreement is done by a simple majority of the Association.

(ii) OMISSION

Any part of the agreement shall only be omitted from any subsequent agreement only if specifically specified.

(iii) COMPANY POLICY

If Company Policy changes come into conflict with any clauses, statements or parts of this agreement during the term of this agreement, then only changes can be made to the agreement as per article (i).

(iv) TERM OF AGREEMENT

The term of the agreement shall be November 1, 2008 to October 31, 2013.

SECTION 1 - ASSOCIATION OF EMPLOYEES

- 1.1 The Company recognizes PepsiCo Beverages Canada Prince George Employee's Association (hereinafter called "The Association"), for the purpose of negotiating the terms and conditions of employment for all Part-Time and Full-Time Prince George and Terrace Employees as contained within this agreement.
- 1.2 The Company will pay members of the Association at their regular rate of pay for all regular time spent in negotiating with Management on matters pertaining to this agreement. The member's regular day will commence when the meeting is over.
- 1.3 There will be no discrimination, as defined under the Human Rights Code, by the Company or by The Association against any employee.
- 1.4 No member of the Association shall leave his work to investigate or process grievances or to negotiate without prior consent of his Manager, which consent shall not be unreasonably withheld. Every effort will be made to use an Association Representative scheduled and present at work, however where this is impossible, an unscheduled representative may be called in and will be paid a minimum of two hours.

SECTION 2 - WORKING CONDITIONS

2.1 UNIFORM ALLOWANCE

Merchandisers: Allowance of up to \$430.00 per year which may include leather work gloves.

Full-time employees who complete the designated form before the end of January will receive a Work Glove Voucher for \$40.00 which will be available the first week of February. The \$40.00 includes all taxes and will be deducted from the total Uniform Allowance leaving a \$390 balance.

Warehouse: Allowance of up to \$230.00 per year.

Allowance is for all full time employees. Part time employees will be issued uniforms from a Company Uniform Pool.

Merchandisers who do Relief Selling may, with Management's consent, choose to use a portion of their uniform allowance to purchase a suit.

The uniform process will begin no later than April 30th of each year.

2.2 BOOT ALLOWANCE

Merchandisers: Allowance of \$170.00 plus taxes per year is available for all full time employees.

Warehouse: Allowance of \$170.00 plus taxes per year is available for all full time employees.

Allowance is for work boots/liners only and any emergency over and above boot purchase will not be applied to the individual employees' yearly allowance.

2.3 MEAL ALLOWANCE

The Overtime Meal Allowance will be \$10.00. The allowance will be paid after 11 hours in a day. The overnight meal allowance will be \$45.00 (without receipts).

2.4 TOOL ALLOWANCE

Allowance of \$400 including all taxes payable for regular full-time Service Technicians requiring tools to perform their job function. Service Technicians must ensure they have basic hand tools identified on the inventory list.

2.5 GRIEVANCE PROCEDURE

Should any dispute arise between the Company and the Employees or the Company and the Association as to the interpretation, application or alleged violation of any of the provisions of this Agreement, an earnest effort shall be made to settle such difference without undue delay in the manner set out in this Article.

For the purpose of this procedure, a “working day” shall be defined as a company day of operation ie. Monday through Saturday exclusive of statutory holidays.

Timelines within the grievance procedure must be adhered to unless extensions are mutually agreed to between the two parties. The grievance shall be considered abandoned unless the parties have mutually agreed to the extension. Management and the employee are responsible to ensure that the grievance procedure moves forward. Should responses not occur within the timeframes, the employee and/or the Association Representative can seek assistance from the Human Resource Manager.

Grievances must be presented within three (3) working days of the incident. Should either party be absent during this time period, or during the three (3) and five (5) working day periods specified in Steps 1 through 3, the time limits may be extended to cover the duration of such absence(s).

Step 1

Within three (3) days of the occurrence of the difference, the employee with or without an Association Representative shall discuss the difference with the immediate supervisor. If an Association Representative is unavailable, any fellow employee may represent the employee at this stage in the procedure. If the matter is not resolved within three (3) working days, proceed to the next step.

Step 2

Present your problem in writing on a Grievance form to your Supervisor and forward a copy of the grievance to your Human Resources Manager. If an Association Representative is unavailable, any fellow employee may represent the employee at this stage in the procedure. If the matter is not resolved within three (3) working days, proceed to the next step.

Note: In certain work areas, additional steps involving additional levels of management may be required before reaching Step 3. The time limit for resolving each of any additional step(s) is three (3) working days.

Step 3

Present the Grievance form to the Manager. If an Association Representative is unavailable, any fellow employee may represent you at this stage in the procedure. If the matter is not resolved in five (5) working days, the employee may proceed to Arbitration.

Arbitration

1. Grievances must be submitted to the Arbitrator within fifteen (15) days of the completion of Step 3 of the Grievance Procedure.
2. Each grievance will be heard by a single independent Arbitrator.
3. The single Arbitrator will be chosen from the following list:
Brian Foley
David McPhillips
Stan Lanyon
4. The appointed Arbitrator can only apply the agreement, he cannot add/amend anything in the agreement.
5. During Arbitration, you may be accompanied by and represented by an Association Representative, if one is unavailable, any fellow employee.
6. The Company will pay the Arbitrator's expenses.
7. The Arbitrator's decision shall be final and binding.

2.6 OVERTIME WORK

All overtime shifts will be allocated on a seniority basis. Occasionally circumstances may require that the scheduled workday be extended to include overtime. Should the necessity arise to extend a regular shift into an overtime situation, the Company may require each employee to make a reasonable attempt to contact a manager for approval.

2.7 OVERTIME PAY

- 1) An employee will receive 1½ times their regular wage for all hours worked in excess of:
 - A. 8 or 10 in a day (depending on regularly scheduled shift), or
 - B. 40 in a week (excluding the hours worked in excess of either the 8 or 10)
- 2) An employee will receive double their regular wage for all hours worked in excess of:
 - A. 11 in a day, or
 - B. 48 in a week (excluding daily overtime)

2.8 BANKING OF OVERTIME

Banking of Overtime to be taken as time off will be available under the following guidelines:

At January 1st of each year, a decision must be made to either bank overtime or receive overtime pay. Maximum accumulated time will be 40 or 80 hours of regular time in the calendar year. Time will be accumulated at the amount of overtime hours worked. (i.e. 1 1/2 times or 2 times).

Upon banking 40 or 80 (depending on employee election) hours for the calendar year, employees can begin to use their banked time provided it is not taken in peak periods. Peak periods are the week leading into May long weekend inclusive through September 30 and the full week prior to Christmas. Once the 40 or 80 hours (depending on employee election) have been accumulated, overtime will then be paid out and will continue to be paid out until the end of the calendar year.

No additional overtime hours will be banked in the calendar year regardless of whether banked time off has been taken. Banked Overtime must be requested in full week increments. Management will consider requests for individual days of banked overtime on a case by case basis, and based on current operational needs.

Employees may:

- 1) request a payout of accumulated banked overtime hours at year end by completing the designated form and submitting to payroll no later than December 1, or
- 2) carry overtime to March 31st of the next year. Employees' cannot bank new hours until previous years' hours are taken.

2.9 LUNCH AND REST BREAKS

No employee shall be required to work longer than five consecutive hours during his regular shift without receiving one-half hour break for the purpose of eating a meal. Each employee will receive two fifteen minute paid breaks throughout the day.

Employees working away from the plant may have their breaks scheduled one (1) hour from the commencement of work if they so choose.

Scheduled time windows and priority deliveries during an ad week will take precedence over breaks at all times.

Merchandisers will not be deducted ½ hour for the lunch break. Established merchandising standards must be maintained and loads must be delivered as scheduled.

2.10 JOB POSTINGS

Any new Employee Association position will be posted for a period of 5 days. Employees are required to apply for posted positions in writing. The selection for each position will be based on qualifications, skills and abilities. Where qualifications, skills and abilities are equal, seniority will apply. Employees who voluntarily post into different classifications will be required to serve a 3 month probationary period. Within the 3 months, if the employee is deemed unsuitable for the position or wishes to return to his former position, he will return to his former position without loss of seniority or benefits. The employee must notify his supervisor ten days prior to the end of the probationary date in order to return to his former position.

For the purposes of seniority, employees who post into a different department/classification will be placed at the bottom of the seniority list for that department/classification (eg. If a Chase Merchandiser chooses to change job classification, he will start at the bottom of the appropriate seniority list, with a 3 month probation).

Should an employee transfer between the Prince George and Terrace locations, he will transfer with all company service and benefits, but will be placed at the bottom of the seniority list for that Branch department/classification.

2.11 SENIORITY LIST

Effective Sept. 12th there will be two separate seniority lists for the Prince George location: one "Outside" seniority list for the drivers/merchandisers, and a separate "Inside" seniority list for warehouse employees.

During non-peak periods, if sufficient manpower is not available in the warehouse after using the inside seniority list, at the discretion of the manager, non-scheduled drivers may be used in seniority order.

Employees at the Terrace location will remain on their own seniority list.

2.12 LAYOFFS

There will be no bumping on layoffs unless there is an opening in the other departments.

2.13 STATUTORY HOLIDAY PAY

An employee must have been employed at least 30 days prior to the Holiday. An employee must have worked at least 15 of the 30 calendar days immediately preceding the Holiday.

The B.C. Heritage Day statutory holiday in February will be recognized as a flexible day off. Every employee covered under the terms and conditions of this agreement will have one (1) paid day off in lieu of this statutory holiday. The paid day off will be scheduled during the week of the employee's birthday and may be taken in lieu of any normally scheduled shift from Sunday to Saturday (the work schedule is based on a Sunday to Saturday Schedule).

The employee must discuss the scheduling of the paid day off with his/her supervisor one (1) week in advance to allow the supervisor time to arrange the appropriate schedule coverage. In the event an employee is on vacation the week of his/her birthday, the employee may schedule the paid day off the week prior or after the vacation week. In the event an employee is laid off during the week of his/her birthday the employee must schedule the paid day off within 30 days upon his/her return to work.

Seasonal employees are not eligible for this paid day off.

2.14 VACATION PLAN

Annual vacation entitlement is based on calendar years, January 1st to December 31st, and length of service with the Company, as shown below:

<u>If your length of Service is:</u>	<u>You are entitled to</u>
Less than 1 year	1 day/month to max. of 10
1 year but less than 3 years	2 weeks
3 years but less than 8 years	3 weeks
8 years but less than 15 years	4 weeks
15 years but less than 22 years	5 weeks
22 years or over	6 weeks

Employees obtaining full time status before April 1st of the year, will be credited with a full year for vacation entitlement purposes.

Employees obtaining full time status on April 1st or later, will not be considered as having a full year of service when computing vacation entitlement; their vacation entitlement will be based on the number of months worked. For the purpose of determining the number of vacation days per month, the 15th day of the month will be the determining date.

For example, if an employee obtains regular full time status before or on the 15th of the month, they will be entitled to a day of vacation for that month. If the employee obtains regular full time status after the 15th of the month, they will not accrue any vacation entitlement for that month.

Vacation entitlement earned in one year shall be taken in the following year.

Example:

An employee who obtains Full-time status on September 1, 2002, would be initially entitled to take 3 weeks of vacation in 2006. The vacation entitlement would be as follows:

- 2002 - No Vacation entitlement
- 2003 - 4 days (based on 4 months of service in 2002)
- 2004 - 2 weeks (based on a full year of service in 2003)
- 2005 - 2 weeks
- 2006 - 3 weeks (based on 3 full years of service, 2003, 2004, 2005)

2.15 VACATION PROCESS

On a PBC Service Date basis, vacation requests must be submitted by the end of February each year. A holiday schedule will be posted and available for viewing at all times. By the end of January, a notice will be posted advising of vacation selection in February. The vacation selection process will have three rounds:

Round 1: pick first two weeks of vacation

Round 2: pick remaining weeks of vacations

Round 3: a paper-based process to handle changing of scheduled weeks and/or select from available/non-scheduled weeks.

After the end of February, vacations may be requested for any open periods on a first come, first served basis. Vacations are to be taken between January 1 and December 31 (excluding the load up week prior to Christmas) at a time mutually agreed upon by the employee and Management. Vacations may be restricted during peak periods. Peak periods are the week leading into May long weekend inclusive through September 30 and the full week prior to Christmas. All remaining vacation must be scheduled by October 31 for use balance of calendar year.

Vacation pay will be calculated as follows:

Vacation weeks entitlement pay = regular pay in force at time taken
OR

Equivalent percentage of previous calendar year's gross earnings

"Whichever is Greater"

2.16 THE NINE MINUTE RULE

All hourly paid employees are subject to the Nine Minute Rule. Regular Pay, Overtime and lateness are calculated on time worked or not worked in the quarter hour.

eg. If you are nine minutes late, you will be docked a quarter hour of pay. If you work nine minutes of overtime, you will be paid a quarter hour of overtime.

2.17 RELIEF SALES

When an employee is temporarily appointed to Relief Sell, the employee shall be paid at his regular hourly rate for all hours worked.

2.18 TRAINING / MEETINGS

An employee will be paid his regular rate when required to attend a mandatory meeting or training session during regular working hours. Workloads will be re-adjusted to ensure that a 40 hour week is maintained.

2.19 MILEAGE ALLOWANCE

When an employee is required to drive his or her personal vehicle for work purposes, he/she will be reimbursed as per PBC Policy.

WAGE SCHEDULE

<u>Job Classification</u>	<u>Nov 1/08</u>	<u>Nov 1/09</u>	<u>Nov 1/10</u>	<u>Nov 1/11</u>	<u>Nov 1/12</u>
---------------------------	-----------------	-----------------	-----------------	-----------------	-----------------

Delivery & Merchandising Department

Full Time Delivery Driver [Bulk, Bay, FSV]	\$ 28.46	\$ 29.31	\$ 30.19	\$ 31.00	\$ 31.84
--	----------	----------	----------	----------	----------

Part Time Delivery Driver [Bulk, Bay, FSV]					
at 800 hours	\$ 24.08	\$ 24.80	\$ 25.54	\$ 26.23	\$ 26.94
at 1200 hours	\$ 28.46	\$ 29.31	\$ 30.19	\$ 31.00	\$ 31.84
at 1500 hours Full Time Status plus Benefits	\$ 28.46	\$ 29.31	\$ 30.19	\$ 31.00	\$ 31.84

Seasonal Delivery Driver					
Training Rate	\$ 13.23	\$ 13.63	\$ 14.04	\$ 14.42	\$ 14.80
Takes Responsibility for Load	\$ 18.08	\$ 18.62	\$ 19.18	\$ 19.70	\$ 20.23

Full Time Chase Merchandiser	\$ 18.06	\$ 18.60	\$ 19.16	\$ 19.68	\$ 20.21
------------------------------	----------	----------	----------	----------	----------

Part Time Chase Merchandiser/Start Rate	\$ 13.16	\$ 13.55	\$ 13.96	\$ 14.34	\$ 14.72
at 800 hours	\$ 15.35	\$ 15.81	\$ 16.28	\$ 16.72	\$ 17.17
at 1200 hours	\$ 18.06	\$ 18.60	\$ 19.16	\$ 19.68	\$ 20.21
at 1500 hours Full Time Status plus Benefits	\$ 18.06	\$ 18.60	\$ 19.16	\$ 19.68	\$ 20.21

MEM Department

Journeyman – Refrigeration (Certificate of Qualification)	\$ 29.76	\$ 30.65	\$ 31.57	\$ 32.43	\$ 33.30
Service Technician 'A'; Field Technician; Cartage; Pepsi Pro Certified Technician	\$ 28.63	\$ 29.49	\$ 30.37	\$ 31.19	\$ 32.04
Service Technician B	\$ 25.75	\$ 26.52	\$ 27.32	\$ 28.06	\$ 28.81
MEM Leadhand Premium (per hour)	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50
MEM On Call Schedule Premium (Full week)	\$ 105.00	\$ 105.00	\$ 105.00	\$ 105.00	\$ 105.00
MEM On Call Schedule Premium (Stat week)	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00

Warehouse Department

Warehouse Lead Hand	\$ 28.58	\$ 29.44	\$ 30.32	\$ 31.14	\$ 31.98
---------------------	----------	----------	----------	----------	----------

Full Time Forklift Operator	\$ 27.28	\$ 28.10	\$ 28.94	\$ 29.73	\$ 30.53
-----------------------------	----------	----------	----------	----------	----------

Part Time Forklift Operator					
at 800 hours	\$ 17.91	\$ 18.44	\$ 19.00	\$ 19.51	\$ 20.04
at 1200 hours	\$ 20.89	\$ 21.52	\$ 22.16	\$ 22.76	\$ 23.37

Wage Schedule Notes:

- Shift Differential (Warehouse Employees Only)

The shift differential premium will be applied in addition to regular and overtime pay. The differential will be paid based on start times within the following shift definitions:

Afternoons	12:00 noon - 6:00 pm
Afternoon Shift Differential:	\$0.53/hour

If the majority of the employee's regularly schedule shift falls after 12:00 noon, the employee shall be paid the appropriate shift differential for all hours worked.

- 'Journeyman – Refrigeration' to be a Licensed Refrigeration Tech with a B.C. License. This position can be limited to the needs of the department and may not be paid to all licensed Journeyman. It may include Domestic Refrigeration Ticket holders and or Techs doing Refrigeration work.
- Full Time status will be obtained upon completion of 1500 actual working hours within the employee's anniversary year. Hours worked in more than one classification within the anniversary year will be combined. Hours are reset at the anniversary date should accumulation of 1500 actual working hours not occur.

WAGES AND WORKING CONDITIONS APPROVED AND ACCEPTED THIS _____ DAY OF
_____ A.D., 2008

PEPSICO BEVERAGES CANADA, PRINCE GEORGE
EMPLOYEES ASSOCIATION

PEPSICO BEVERAGES CANADA

DAVID HAPKE

MARK BERTULLI

MARK GOGGIN

HEATHER RAY

RICHARD LEE

TOM KEIGHER

LETTER OF UNDERSTANDING

BETWEEN:

PEPSICO BEVERAGES CANADA

&

PEPSICO BEVERAGES CANADA PRINCE GEORGE EMPLOYEE ASSOCIATION

October 30, 2008

Re: Rick Doerksen

The Company and the Association agree to provide a special rate of pay for Rick Doerksen for the period of this agreement.

This rate of pay is intended to reflect Rick's unique skill set and the changing nature and requirements of his position as a Chase Merchandiser performing Sales and Delivery Driver work as required. When performing Chase Merchandiser or Relief Sales work he will receive the special rate of pay below. While performing Delivery Driver work he will be paid the Delivery Driver rate of pay.

Special Rate:

Nov 1/2008	Nov 1/2009	Nov 1/2010	Nov 1/2011	Nov 1/2012
\$19.60/hr	\$20.19/hr	\$20.80/hr	\$21.36/hr	\$21.94

The Company will regularly review the need for this position based on operational needs. The Company and the Association agree that the special rate of pay is not precedent setting and does not apply to other employees or circumstances. In the event that Rick is no longer required to perform Relief Sales or Delivery Driver work and performs only Chase Merchandiser work for a period of one year, he will then be paid the regular Chase Merchandiser rate of pay as the special circumstances are no longer relevant.