

MASTER BAKERY AGREEMENT

COVERING

BIMBO BAKERIES USA

JUNE 5, 2011 – JUNE 6, 2015

TEAMSTERS

| | |
|------------------------|----------------------|
| LOCAL NO. 63 | LOCAL NO. 542 |
| LOCAL NO. 166 | LOCAL NO. 572 |
| LOCAL NO. 186 | LOCAL NO. 683 |
| LOCAL NO. 381 | LOCAL NO. 952 |
| LOCAL NO. 986-C | |

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THIS AGREEMENT made this 5th day of June, 2011 by and between **BIMBO BAKERIES USA, INC.**, hereinafter called the **Employer** and the **BAKERY DRIVERS LOCAL UNIONS NO. 63 of Los Angeles and Rialto, California; LOCAL NO. 166 of San Bernardino, California; LOCAL NO. 186 of Ventura, California; LOCAL NO. 381 of Santa Maria, California; LOCAL NO. 542 of San Diego, California; LOCAL NO. 572 of Carson, California; LOCAL NO. 683 of San Diego, California; LOCAL NO. 952 of Orange, California and vicinity; and LOCAL NO. 986-C of Lancaster, California**, hereinafter called the **Union**, acting for its members in the employ of the Employer.

WITNESSETH: That the Employer and the Local Unions, acting by their authorized agencies, agree:

Article I Union Security

Section 1: For the purpose of promoting the interest of the parties hereto, this Agreement, as to wages, hours and working conditions, is entered into and shall be binding on the parties hereto from the date hereof until terminated, as hereinabove provided.

Section 2: It shall be a condition of employment that all employees of the Employer covered by this Agreement, who are members in good standing of the Local Union having area jurisdiction 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 thirty-first (31st) day following the effective date of this Agreement, become and thereafter remain members in good standing in the local Union having area jurisdiction.

It shall also be a condition of employment that all employees of the Employer covered by this Agreement and hired on or after the effective dates shall, on the thirty-first (31st) day following such employment, become and thereafter remain members in good standing in the local Union having area jurisdiction.

The Employer shall not continue the employment of any employee covered by this Agreement after five (5) days' written notice has been received from the local Union having jurisdiction that such member is not in good standing.

The Employer agrees to deduct initiation fees and dues from the wages of employees in the bargaining unit who provide the Employer with a voluntary written authorization which shall be irrevocable for a period of one (1) year, or until the expiration date of this Agreement, or until the employee is no longer eligible for Union membership. Initiation fees will be deducted in two (2) consecutive monthly payroll deductions. No deductions will be made from the wages of any employee until the Employer has received a signed copy of the voluntary written authorization for such deduction.

The Employer agrees to deduct voluntary contributions to D.R.I.V.E. from the paycheck of all employees who submit authorization cards and are covered by this Agreement. D.R.I.V.E. shall notify the Employer of the amounts designated by each contributing employee that are to be deducted from his/her paycheck on a weekly basis for all weeks worked. The phrase "weeks worked" excludes any week other than a week in which the employee earned a wage. The Employer shall transmit to D.R.I.V.E. National Headquarters on a monthly basis, in one check, the total amount deducted, along with the name of each employee on whose behalf a deduction is made, the employee's social security number and the amount deducted from the employee's

paycheck. No such authorization shall be recognized if in violation of State and Federal law. No deduction shall be made which is prohibited by applicable law.

The Union hereby indemnifies and defends the Employer and holds it harmless against any and all suits, claims, demands and liabilities that may arise out of, or by reason of, any action that shall be taken by the Employer for the purpose of complying with the foregoing provisions of this Article, or in reliance on any list or certificate which shall have been furnished to the Employer under any of such provisions.

Section 3: When new or additional employees are needed, the Employer shall notify the Union having jurisdiction. The Union having jurisdiction shall refer applicants for such positions. The Employer shall choose between all applicants on the basis of their qualifications and the requirements of State or Federal law.

Neither the Employer nor the Union shall discriminate against any employee or applicant for employment because of membership or non-membership in the Union, or because of race, color, sex, age, religion, creed, national origin, Vietnam era veterans, disabled or protected classes recognized under Federal or State statute.

Any disputes under this Article, including, but not limited to disputes involving claims under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967, the Americans with Disabilities Act, the (state) law prohibiting discrimination in employment or any other state and federal employment discrimination law, as with any other dispute under all other Articles of this Contract shall be subject to the grievance procedure in Article XVIII.

The use of the pronouns "he" or "she" and the nouns "men" and "women" shall not be interpreted to refer to members of only one sex but shall apply to members of either sex.

The Employer, on the date of hiring or terminating an employee, shall send to the Union having jurisdiction notice giving the name of the employee and the classification of work for which he is hired or from which he is terminated. Forms for the purpose of such reports are to be supplied by the Union. During the first ninety (90) working days, the new employee shall be a temporary employee, but he shall enjoy all the benefits provided by this Agreement except that he shall not have recourse to the grievance procedure in the event of his discharge during this ninety (90) working day period. The Employer shall notify new employees of the requirements of this subsection at the time they are employed.

Section 4: In the event the Taft-Hartley Act is amended or modified so as to require or permit changes, then Sections 2 and 3 of this Article only may be reopened for further negotiations.

In the event there is a final determination by a government agency or a final decision of a court requiring a change in the method of compensation, those provisions of the contract affected shall be reopened for negotiations. On failure to agree on substitute provisions, either side may take whatever economic or legal action it may deem necessary in support of its bargaining position.

Article II Sale and Delivery of Merchandise

Section 1: Each route sales representative shall receive full credit for all merchandise he sells or delivers. No deduction shall be made from his sales to cover discounts allowed to his customers. Subject to Article XXI, Section 1A (2), 1A (3), each route sales representative shall receive commission on all sales he makes or delivers to City, County, State or Federal governments, based on the contract price of such sales. Except as provided by Article XXI, Sections 1A (2), and 1A (3), in the event any goods shall be sold or delivered to a customer by any person other than himself, the route sales representative in whose territory the merchandise is sold or delivered shall receive full appropriate commission on such sales.

It is recognized by the Union that there are certain accounts listed in Appendix A, now being served by the bakery's signatory to this Agreement under long established conditions which call for a different type of delivery. Such accounts thus established shall not be subject to the provisions of this section.

Section 2: Except as provided for in Section 4 of this Article, no deliveries shall be made on Sunday or on the route sales representative's day off. It is understood, however, that emergency pick-ups may be made at the bakeries on such days and on holidays by regular customers who are out of products; provided that in no event shall such pick-up be made for redistribution.

It is further understood that private label deliveries to a customer's central distribution center may be made on Sundays and on the route salesman representative's day off, provided the products so delivered shall not be placed in a retail store for sale on such day.

Section 3: No route sales representative shall extend credit directly or indirectly to a purchaser unless and until credit to said purchaser has been authorized by the Employer, nor shall he extend credit on his own account.

Section 4 – Downday, Sunday, Holiday Service: It is agreed between the parties that the Employer shall have the right to perform such service, as necessary, on downdays, Sundays and holidays (excluding Christmas) to insure proper sales, display and merchandising of all bakery products under the following restrictions:

- A. Service on such days, defined above, shall be offered by seniority (Entenmann's/ Oroweat unit – Old Country unit) within each particular depot to employees under the classifications listed in Article XXI, Sections 1 and 2 of the Agreement.
- B. Downday, Sunday, holiday service schedules shall be posted bi-weekly. Such posting shall take place on Thursday through Saturday allowing notification of successful recipient on Monday preceding the week of such assignment. In the event of Monday holidays, such notification shall be made Tuesday.
- C. No employee, regardless of seniority status, shall be allowed to work more than six (6) calendar days within a scheduled workweek under the provisions of this service agreement.
- D. Voluntary Selection versus Assignment. The most senior employee within each individual depot location shall be given first priority of selection or rejection of such service. If the most senior employee prefers not to perform such service, the next most senior employee within the appropriate unit (Entenmann's/Oroweat – Old Country unit) shall be given the option

until exhausting said seniority units. Failure of the senior employees to select such service shall result in the least senior employees being assigned such work. Seniority shall be the determining factor between the least senior employees assigned to such work as to which day they prefer to perform such service. During any four-week period, an employee can only be required/assigned two (2) downday assignments.

E. Based upon the number of sales employees per depot, the Employer may schedule such work assignments on a ratio of one (1) to ten (10) or major fraction thereof, with one (1) being the minimum per depot per seniority unit. In those areas where the number of sales employees per depot is less than ten (10), the Employer may combine neighboring depot(s) to reach a minimum of ten (10) eligible employees.

F. Service assignments shall be based on a minimum of four (4) hours and a maximum of eight (8) hours. Employees scheduled for eight (8)-hour assignments shall be entitled to a one (1)-hour lunch/break period excluding the eight (8)-hour assignment. Starting time for all downday service assignments, excluding hourly merchandisers, shall commence between the hours of 3:00 AM and 6:00 AM based on service and business requirements. Employees may return to their depot locations prior to the completion of the minimum or maximum scheduled assignments provided they have properly completed their scheduled service assignments.

G. Compensation shall be based upon the following daily minimums:

| | |
|---|----------|
| Employees scheduled for four (4)-hour assignments: | \$ 74.50 |
| Employees scheduled for eight (8)-hour assignments: | \$149.00 |
| Employees scheduled for four (4)-hour holiday assignments: | \$112.00 |
| Employees scheduled for eight (8)-hour holiday assignments: | \$224.00 |

H. In addition to the above compensation, the Employer shall make contributions to the Western Conference of Teamster Pension Trust Fund for each compensable hour worked (excluding overtime hours) at the appropriate contribution rate provided for in Article XVII – Pension, of the Agreement.

I. It is further agreed that downday, Sunday and holiday service assignments provided for in this section shall not be subject to, calculated in, or restricted by existing provisions in Article XXII – Hours. The bargaining parties in the implementation and utilization of downday, Sunday, shall waive conflicting provisions within any article, section or attachments of this Collective Bargaining Agreement and holiday service assignments as provided within the section of the Agreement.

J. P.M. Routes:

1. The establishment of new import routes to be operated between the hours of 3:00 PM and 3:30 AM, PST Mondays through Fridays.
2. The above-described new routes shall be awarded according to the requirements of the contract.
3. Compensation for the new routes shall be paid in accordance with the terms of the contract. These routes will be limited to 25% of the total routes from each depot.
4. It is understood that these new import routes will deliver to Ma & Pa stores, 7-11 stores, Circle K stores, AM-PM stores, Walgreen Drugstores and similar types of convenience stores and absolutely no chain stores.

5. It is understood that the products delivered by these new routes will be only import items. No Oroweat, Entenmann's, Weber or Old Country products are to be delivered by these newly created routes.
6. If the Union discovers that the Employer has gone beyond those products discussed or has committed a material breach related to this area, the Union shall give the Company a thirty (30)-day notice in writing that will end the Agreement at the expiration of that period. Arbitration could be necessary to remedy such breach.
7. It is also understood that members will have to be voted on this matter, and the outcome of this letter will be determined by said vote.

The parties hereto recognize that under certain circumstances it may become advantageous to establish similar new routes in the future. To that end, the parties agree to meet and discuss the possible creation(s) prior to their establishment.

Section 5: Employer may establish part or full time, non-commission, hourly rated merchandiser positions to support afternoon and evening business requirements after normal RSR service schedules are completed, along with downday business requirements per Section 4 on a seven (7)-day per week basis. This position may deliver product to support business on an emergency basis only. Start time shall be established for individual merchandiser(s) assignments. Merchandiser wage rate will be:

| | |
|------------------|---------|
| Effective 6/5/11 | \$21.02 |
| Effective 6/3/12 | \$21.64 |
| Effective 6/2/13 | \$22.26 |
| Effective 6/4/14 | \$22.88 |

Section 6 – Operational Changes:

- A. The Company may direct-ship Mrs Baird's products to customers that are not currently receiving any BBU products through the Company's Direct Sales Distribution routes (the DSD routes) as of the date of this Agreement without requiring such customers to also receive BBU products using the DSD routes as of the date of this Agreement without requiring such customers to also receive BBU products using the DSD routes.
- B. The Company may direct-ship Mrs Baird's products to customers that are currently receiving BBU products through the DSD routes as of the date of this Agreement, as long as such customers continue to receive any BBU product through the DSD routes.
- C. The Company may direct-ship Mrs Baird's products to customers that are currently receiving any BBU products through the DSD routes as of the date of this Agreement, and at a later date inform the Company that the customer has adopted a policy of not accepting BBU products or any comparable products through DSD routes. Only in this instance may the Company direct-ship Mrs Baird's products to customers that are currently receiving products through the DSD routes as of the date of this Agreement without requiring such customers to purchase Mrs Baird's products using the DSD routes.
- D. Each customer may select no more than fifteen (15) cake and eight (8) bread products from the Mrs Baird's product list set forth in Attachment A.

- E. Use of transport drivers: Direct shipment of any products under this paragraph shall be made exclusively by Union drivers covered by the Collective Bargaining Agreement.
- F. For the calendar years 2006, 2007, 2008, 2009 and 2010, the Company shall pay a year-end bonus to RSRs who are employed by the Company at the time such bonus is paid and who have worked at least 1,000 hours during the applicable calendar year, as follows:

For calendar years 2006, 2007, 2008, 2009 and 2010 eligible RSRs shall share equally in a bonus pool equal to one and one-half percent (1.5%) of the calendar year 2006, 2007, 2008, 2009 and 2010 net sales (i.e. gross sales less returns) of the products sold pursuant to paragraphs A., B. and C. The Company will pay each year-end bonus no later than two (2) weeks after the end of the calendar year.

- G. All products transported from outside of California will be picked up at state line(s) and transported by drivers covered by the CBA.

Section 7: It is understood that the addition of hourly merchandiser positions shall not result in the reduction in RSR premium work which is directly attributable to a reduction in scheduled, authorized service days or callbacks. Nor is the position to be a direct substitution of commissioned RSRs. Hourly merchandiser positions added in violation of Section 7 are subject to immediate removal and restoration of previously scheduled authorized service days or callbacks.

Article III Discharge/Termination

Section 1: It is agreed that any employee, subject to this Agreement, who is found guilty of working on his route after his daily checkout, his day off, or on Sunday or a holiday (excluding Article II, Section 4 above) or splitting his commissions, shall be subject to discharge.

Section 2: An employee may be discharged for illegal possession and/or sale of a controlled substance while on duty or on Company property, drunkenness, dishonesty, gross insubordination, and gross misconduct. Any employee may also be discharged for incompetence or neglect of duty in accordance with Article IV of this Agreement.

Section 3: A route sales representative or a supervisor who puts private label products on the bread table that has been delivered under a backroom delivery arrangement shall be discharged, as will a supervisor who directs an RSR to do such.

Section 4: Employees, who have been in the employ of the Employer for a period of four (4) weeks or more, shall give three (3) days' notice to the Employer before quitting, and the Employer shall give three (3) days' notice of termination of employment. Employees who have been in the employ of the Employer for twenty-six (26) weeks shall give one (1) week's notice before quitting, and the Employer shall give one (1) week's notice of termination of employment. In lieu of such notice of termination, the Employer shall give the employee three (3) days or one (1) week's pay respectively. In the event employment is terminated because of illegal possession and/or sale of a controlled substance while on duty or on company property, drunkenness while on duty, dishonesty, gross insubordination and gross misconduct, such notice or pay in lieu of notice is not required.

Article IV Employee Course of Conduct

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, including suspension or discharge, the Employer will notify the Union prior to the suspension or discharge of the employee.

Article V Wage Payments

All employees shall be paid their wages in full, less any legal authorized deductions, once each week; except that commissions shall be paid on the week following the week they were earned.

Article VI Unsold Goods

The Employer shall credit within two (2) working days each route sales representative's account in the amount of unsold goods he returns, and no employee shall be responsible for unsold goods, display racks, or service racks left in the vehicle or other location at the direction of the Employer.

Article VII Uniforms

Section 1: In the event the Employer requires employees to wear uniforms specified by it, the Employer shall pay one hundred percent (100%) of the cost of said uniforms, excluding shorts. Uniforms shall consist of trousers, blouse or shirt, cap, and safety shoes, if any of these are specified by the Employer. Employees shall keep their clothes in a neat, clean and presentable condition. When uniforms are purchased under this Article, the Employer will request the Union label. Method of distribution of said uniforms and/or related items shall be at the option of the Employer.

Section 2: For the purpose of this Article, if the Employer's name, insignia, or advertising appears on any article of clothing described herein, such article or articles shall be presumed to be required by the Employer, unless the Employer specifically – and in writing – forbids such use of his name, insignia or advertising.

Section 3: Short Pants. Route sales representatives may request and will be granted the right to wear short pants which shall be supplied through the Employer's uniform supplier based upon the following conditions:

- A. The employee shall pay one hundred percent (100%) of the cost of short pants.
- B. Length, fit and color shall be determined and designated by the Employer.
- C. Any customer complaint concerning short pants shall result in immediate discontinuance of wearing short pants on that specific route.

Article VIII Contributions

No compulsory contributions are to be forced on employees by the Employer.

Article IX Vehicle Cleaning, Washing and Repairing

Employees shall do no repair work on or washing of vehicles, but shall keep the interior of their vehicles in a clean and sanitary condition and shall not be responsible for damage accidentally occurring to their vehicles. Cleaning required under this Article shall be limited to the use of a broom or air hose.

Article X No Reduction of Benefits

Except as provided by Article XXI, no employee shall suffer any reduction in pay or any other benefits now in effect by reason of the execution of this Agreement.

Article XI Union Rules & Principles – Picket Lines/Struck Work

Section 1: No employee shall be discriminated against for observing Union rules and principles. The Union and the Employer agree that there shall be no strike or lockout during the term of this Agreement.

Section 2: 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 Unions, party to this Agreement, and including a lawful primary picket line at the Employer's places of business; provided such lawful primary picket lines are sanctioned by Joint Councils of Teamsters No. 42.

In the event of such picketing at the Employer's places of business, work shall continue for a period of time necessary to clear or remove perishable products from the plant or depot, not to exceed forty-eight (48) hours from the commencement of such picketing.

Section 3: It shall not be a violation of this Agreement, and it shall not be a cause for discharge or disciplinary action, if any employee refuses to perform any service which his Employer undertakes to perform for an Employer whose employees are on strike and which service, but for such strike, would be performed by the employees of the Employer on strike.

Article XII Seniority

Section 1: Seniority shall consist of length of continuous service with the Employer within classifications covered by this Agreement. Seniority shall not be interrupted by absence due to sickness or injury or leave of absence or layoff due to reduction of the working force of less than eighteen (18) months' duration, except for those vacation relief employees with less than six (6) months' service, will not be eligible for recall after a layoff of sixty (60) days or more.

- A. All plants or depots under one plant management, within the territorial jurisdiction of a particular local Union, shall be considered as one plant or depot for the purpose of this Article, except that vacations shall be scheduled and assigned by seniority on a depot-by-depot and plant-by-plant basis.
- B. If an employee transfers with his route from one plant or depot within the same company, but under different plant management, he shall retain his seniority for all purposes of this Agreement regardless of whether or not the plant or depot to which he transfers is within the territorial jurisdiction of another local Union.
- C. If an employee transfers with his route from one plant or depot to a plant or depot within the same company and if he is subject to layoff within six (6) months, following such transfer, he shall have the right to displace the junior employee at the plant or depot from which he transferred.
- D. An employee who transfers without a route from a plant or depot within the territorial jurisdiction of one local Union to a plant or depot of the same plant management within the territorial jurisdiction of another local Union, shall lose his accumulated seniority for all purposes except that his length of service with the Employer shall prevail as to the amount of vacation to which he is entitled.
- E. If an employee is scheduled for layoff, or if his route is discontinued, he shall exercise his seniority as provided by this Article unless there is an employee in his classification at his plant or depot with less seniority; in which case he may displace the junior employee at his plant or depot rather than displace the junior employee in the seniority unit.
- F. The Employer shall maintain and post for each plant or depot proper seniority lists in conformity with this paragraph. Separate seniority lists shall be maintained and posted for:
 - 1. RSRs (including Supervisors) and delivery drivers.
 - 2. Shag and transport employees (including central distribution, sleeper-cab single man and layover drivers).
- G. Employees on Entenmann's cake routes, Oroweat bread routes, and combination routes shall be considered as the same seniority unit.
- H. Effective June 13, 1990, a Supervisor transferred with his/her approval from the jurisdiction of one local Union to the jurisdiction of another local Union, shall retain the seniority he/she had accumulated at the time of transfer.

Section 2:

- A. When a depot is closed, the RSR who is scheduled for layoff at that depot may displace the junior RSR within the territorial jurisdiction of the Union and, failing this, displace the junior RSR within the area of that plant management, regardless of the territorial jurisdiction of the Union.
- B. When brands (e.g., Oroweat, Old Country, etc.) are transferred from one plant management to another and an RSR is scheduled to be laid off as a result of such transfer, that RSR shall displace the junior RSR in his plant management. If an opening does not exist within his plant management, and there is an employee junior in seniority within the jurisdiction of the plant management which receives the transferred brands, then he may displace the junior employee at that location and his seniority shall be merged into the seniority list at the new location.

- C. When a plant management is closed and there is no transfer of brands to another plant management, the employees laid off as a result of such closing shall not have displacement rights within a different plant management.
- D. As the plant managements are now constituted, each of the following shall be considered one plant management:

| | |
|-------------|-------------|
| Oroweat | San Diego |
| Oroweat | Los Angeles |
| Old Country | Los Angeles |

If the structure of a plant management, as now constituted, is changed, the parties will promptly meet to agree on what revisions, if any, in the above list are necessary.

Section 3: Seniority within each particular plant or depot shall prevail in choosing times for vacation.

Section 4: In the event of layoffs, seniority shall prevail, i.e., the employees with the least seniority shall be first laid off and the last rehired.

Section 5: To the extent possible, overtime work shall be distributed by seniority choice among those employees who normally perform the work.

Article XIII Route Bidding

Section 1: Sales routes, which may become open during the term of this Agreement, shall be filled by bidding as hereinafter set forth.

- A. Notices of routes coming open shall be posted together with a complete description of the route as it will be assigned to the successful bidder at the plant or depot (or plants or depots) within the geographical area covered by this Agreement in conspicuous locations for a period of three (3) working days. Such notices shall be posted not later than two (2) weeks after the vacancy occurs. A copy of the bid sheet shall be mailed to each local Union on the day it is posted. Also, a copy of the signed bid sheet with the name of the successful bidder or employee assigned to the vacancy shall be mailed to each local Union. The successful bidder shall be awarded the route per the terms of E. of this Article without loss of seniority.

The seniority provisions of this Article are for bidding only. All other provisions of the Agreement remain the same.

When a route becomes open as a result of successful bidding upon another route by the RSR as provided above, the route vacated by the RSR shall then be posted for bid within the local Union where the vacancy occurs. After a total of two (2) routes are posted for bid the third (3rd) route need not be subject to this procedure.

Geographical bidding, described herein, shall not occur when an employee with twelve (12) or more months seniority is on layoff within the local Union's jurisdiction where said vacancy occurs. In such cases, the route shall be posted for bid within that local Union's jurisdiction only and shall be bid in accordance with the bidding procedure described in item D. of this section. When global bidding does not occur because of layoffs, the bidding process shall be as follows: local, local, assignable by seniority.

- B. In the event a route sales representative removes his name from the bid sheet, he shall lose his right to bid for twelve (12) months. Bids must be signed in ink.

- C. A route sales representative may bid upon a route at any time, but such bid need not be considered during the first twelve (12) months of employment or within twelve (12) months since successfully bidding on another route; provided, however, that if a commission route sales representative has been assigned to a route as a result of the elimination of his/her route or if the employee's route is restructured resulting in a weekly earnings reduction of fifteen percent (15%) or more, said employee shall have the right to bid restored.
- D. Bidding procedure shall be observed as follows:
 - 1) Where the qualifications of two (2) or more bidders are substantially equal, seniority shall be the determining factor.
 - 2) Where there are no bidders, the Employer shall offer the vacancy by seniority.
 - 3) In determining the qualifications of bidders, the Employer shall give fair and impartial consideration to all facts relevant to the matter, and the decision shall not be arbitrary, discriminatory or the result of bias or prejudice.
 - 4) In the event of dispute resulting from the operation of this clause, the Union shall institute a grievance within fifteen (15) days of the date of the action complained of, and in the event it cannot be satisfactorily settled, it shall be subject to settlement under the arbitration procedure embodied in this Agreement.
- E. Any route filled in accordance with provisions of this section shall be given as posted to the successful bidder within fifteen (15) working days of the close of bids, unless for cause, the Union and the Employer agree upon an extension of time.
- F. When a school route is restored at the beginning of the new school year, the RSR who had that route at the end of the preceding school year shall be reassigned to that route unless he has successfully bid on another route when the school route was not in operation; in which case, the school route shall be posted for bid.

Section 2: When vacancies occur, shag and transport runs will be assigned according to seniority with preference being given to the driver with the most seniority, providing he can qualify.

Section 3: For the purpose of this Agreement, route sales representatives employed for vacation relief work shall not acquire seniority until their employment continues beyond a period of ninety (90)-working days from their original date of hire. If they are employed on and after ninety (90)-working days, then their seniority shall date from their date of employment.

Article XIV Jurisdiction

Section 1:

- A. Bakery products, other than private label, delivered for resale to retail food outlets, shall be displayed at point of sale by employees covered by this Agreement. A private label bakery product is one that is wrapped in a label that is owned by the customer and does not carry the Employer's name on the label.
- B. All work pertaining to the sale, delivery and warehousing of bakery products which has been customarily performed by employees covered by this Agreement shall continue to be performed by such employees and paid for at the rates of pay set forth in Article XXI and Article XXXII.

- C. This clause shall not be so interpreted as to require any employee to become or to remain a member earlier than the thirty-first (31st) day of his employment, or before the thirty-first (31st) day after the effective date of Article I of this Agreement, whichever is later.

Section 2: Except as to such individuals who were operating routes as non-employees prior to the effective date of this Agreement, the Employer agrees that in the distribution of its products it will use only employees of the Employer in accordance with the provisions of this Agreement. To avoid possible misunderstanding and provide equitable administration of this provision, the Employer agrees to list with the Union all such individuals who were operating routes as of June 6, 1970.

Article XV Successors and Assigns

Section 1: Each of the parties hereto warrants that it is under no disability of any kind that will prevent it from completely carrying out and performing each and all of the provisions agreed upon by the parties hereto, and no representatives of either party has authority to make, and none of the parties shall be bound by any statement, representation or agreement not set forth herein.

Section 2: This Agreement shall be binding on both parties, their successors and assigns. In the event of a sale or transfer of the business of the Employer, or any part thereof, the purchaser or transferee shall be bound by this Agreement.

Article XVI Health and Welfare

Section 1: The parties hereto agree that the Company shall participate in the established Trust Fund designated as the Southern California Bakery Drivers Security Fund for the purpose of obtaining, for employees and their dependents, the following benefits:

Life insurance (employees only) in the amount of Ten Thousand Dollars (\$10,000.00), AD&D, basic hospital and medical expenses, major medical hospital and medical expenses, prescription drug and vision benefits and the TMAP program.

The parties further agree that the Company shall participate in the Trust Fund referred to above for the purpose of obtaining, for retirees and their dependents, the following benefits:

Life insurance, for retirees only, in the amount of Two Thousand Five Hundred Dollars (\$2,500.00), basic hospital and medical expenses, major medical hospital and medical expenses and prescription drug benefits.

Retiree Plan Welfare benefits are not pre-funded or vested. Retiree coverage shall be limited to funds available for retiree benefits as determined by the Trustees. If contributions under the Collective Bargaining Agreement become inadequate to maintain retiree benefits, the Trustees have the right to reduce benefits, increase self-payments/charges, or terminate retiree coverage.

Said Trust Fund shall be in conformity with all laws and shall be administered by a Board of Trustees, on which employees and the Employer are equally represented. The parties further agree to be bound by all of the terms and provisions of the Agreement and Declaration of Trust

providing for the Southern California Bakery Drivers Security Fund. Eligibility for the above benefits shall be determined by the Board of Trustees.

Subject to change in the amount of payment, as hereinafter provided, the Employer shall continue to pay into such Trust Fund the sum of One Thousand Three Hundred and Seventy-Five Dollars (\$1,375.00) per month for each regular employee covered by this Agreement who has worked eighty (80) or more hours in the preceding calendar month. The Employer agrees to pay such further amount as may be determined necessary in the decision of the Trustees to maintain the existing level of benefits.

Such payments shall be due on the first (1st) day of the calendar month and shall be paid no later than the tenth (10th) day of the same month.

The parties hereto recognize that, because of circumstances beyond their control, premiums for such plans, as are provided herein, may change from time to time. Recognizing such changing conditions, the bargaining parties instruct the Trustees to make prudent cost containment changes to maintain the integrity of the Fund.

Benefits in effect include:

1. The Administrator for the **Southern California Bakery Drivers' Security Fund** shall integrate benefit claim payments from Medicare.
2. In the event an employee is disabled and unable to work, his eligibility will continue for the period of the disability to a maximum of twelve (12) calendar months.

Section 2. The Employer and Union recognize the significance of the Health and Welfare issues facing the Trustees of the Southern California Bakery Drivers Security Fund and hereby reaffirm and memorialize support of Trustee action to transfer benefit coverage from the Southern California Bakery Drivers Security Fund to the Teamsters Miscellaneous Security Trust Fund for the purpose of obtaining for employees and their dependents, the following benefits following the first of the month following ratification or the first of the earliest month upon which such change can be accomplished.

| | |
|-----------------------------|----------|
| Plan A1 (Composite) | \$813.00 |
| Dependent Vision | \$ 3.00 |
| Prescription Drug (JC Fund) | \$ 85.00 |
| Dental (JC Fund) | \$ 50.00 |

The parties further agree that the Company shall participate in the Teamsters Miscellaneous Security Trust Fund for the purpose of obtaining for retirees the following benefits:

| | |
|------------------------------------|------------------|
| Retiree Plan E | <u>\$ 155.00</u> |
| Total Contribution Rate: (PEPM) | \$1,106.00 |

Maintenance of Benefits

The Employer further agrees that if in the opinion of the Trustees further funding is required, the Employer will increase the contribution rate based upon Trustee action.

Article XVII Pension

Effective as of the dates shown, the Employer shall pay for each employee under this Agreement the sum shown below to the **Western Conference of Teamsters Pension Trust Fund (WCTPTF)**:

The Employer shall contribute an additional six and one-half percent (6.5%) to the WCTPTF for the purpose of providing the Program for Enhanced Early Retirement (PEER). Effective July 1, 2010, based upon June hours, total contribution to the WCTPTF shall be \$3.90 plus 25¢ (PEER) for a total contribution rate of \$4.15 per compensable hour (excluding overtime hours worked). The contributions required to provide the PEER will not be taken into consideration for benefit accrual purposes under the Plan. The additional contribution to the PEER must, at all times, be six and one-half percent (6.5%) of the basic contribution and cannot be decreased or discontinued at any time.

Bimbo Bakeries USA has historically remitted pension contributions to the WCTPTF on a fiscal-month basis. Employees are paid on a weekly basis; therefore, either four or five weeks are included in each fiscal month. Contributions have and will continue to be remitted on a maximum of 160 straight-time hours for eight (8) months (4 weeks) and on a maximum of 200 straight-time hours for four (4) months (5 weeks) throughout the year. The Employer will determine the fiscal months for reporting purposes on an annual basis. Under no circumstances is the Employer required to remit contributions on more than 2,080 hours per year, per employee.

As the material part of the consideration for the foregoing, the Union, on behalf of its members, does not hereby release any Employer signatory hereto from any and all obligations to continue or maintain an Employer or Employer-employee funded retirement plan that an Employer may have in existence on the effective date hereof. It being understood that as of said effective date, all Union members subject hereto shall be deemed to have withdrawn from any such Company plan in accordance with and subject to the terms thereof, and to have waived any and all rights to rejoin such Company plan so long as the Employer is making payments on his behalf into the Union Pension Trust Fund.

The provisions of the foregoing shall not be deemed to constitute a waiver by the Union or any employee, of any rights, privileges, or benefits which may have accrued to any employee under the terms of any Company plan prior to November 1, 1956.

The parties agree that because the Trustees of the Fund will rely on the execution of this Agreement to not reduce benefits to retiring employees as indicated above, this section shall survive the term of this Agreement and it may not be modified, terminated or rescinded by the parties, directly or indirectly, without the express written consent of the Trustees.

The Employer agrees to increase contributions to the Western Conference of Teamster Pension Trust Fund for each compensable hour worked (excluding overtime hours) by the following amounts:

| <u>Effective Date</u> | <u>Basic Contribution +</u> | <u>P.E.E.R. 84 =</u> | <u>Total Contribution</u> |
|-----------------------|-----------------------------|----------------------|---------------------------|
| Current: | \$3.90 | \$.25 | \$4.15 |
| 12/1/11 | \$3.99 | \$.26 | \$4.25 |
| 12/1/12 | \$4.08 | \$.27 | \$4.35 |
| 12/1/13 | \$4.18 | \$.27 | \$4.45 |
| 12/1/14 | \$4.27 | \$.28 | \$4.55 |

(The December effective dates shall be based upon November hours worked.)

Reduced Pension Break-In Rate

The Employer will pay an hourly contribution rate of ten cents (10¢), including one cent (1¢) for PEER 84 during the first ninety (90) calendar days of an employee's probationary period, as defined in the Collective Bargaining Agreement. Upon completion of the first ninety (90)-calendar days of the employee's probationary period, the full standard contribution rate shall be paid as defined in the Agreement.

Time paid for but not worked, such as holidays and vacation time, shall be considered as time worked for the purpose of this paragraph, but no payment shall be made on overtime hours.

The Employer shall also be permitted to apply such changes as adopted by the Western Conference Pension Fund eliminating contributions on pro rata vacation pay of terminating employees.

If, under the rules of the Western Conference Pension Fund, an Employer may make a reduced monthly contribution for new employees, then the Employer may, for employees hired the month following the effective date of the adoption of such rules, contribute on behalf of such employees the minimum contribution permitted for the first (1st) year of employment.

The total amount due for each calendar month shall be remitted in a lump sum not later than the tenth (10th) 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 reporting and recording of such amounts paid on account of the employees. Failure to make payments herein provided, within the time specified, shall be a breach of this Agreement.

Article XVIII Grievance/Arbitration

Section 1: It is agreed that should there be any grievance or dispute between the Union and the Employer with respect to the interpretation or application of any of the terms of this Agreement, the Employer and the Union shall attempt to settle such grievance and disputes amicably. In the event that any grievance or dispute is not settled between the Union and the Employer, said grievance or dispute other than grievances or disputes under Section 6 below, shall be submitted for resolution to Grievance Mediation through the Federal Mediation and Conciliation Service. Failure of either party to agree to Grievance Mediation, said dispute shall then proceed directly to Section 3. Arbitration.

Section 2 - Grievance Mediation: The parties may jointly and by mutual agreement request the assistance of the FMCS in the attempted resolution of the grievance between the parties hereto regarding the meaning or enforcement of this contract. The parties agree to the following:

1. Any time limits herein shall be waived to permit the grievance to proceed to arbitration should mediation be unsuccessful.
2. Proceedings before the mediator will be informal and rules of evidence do not apply. No record, stenographic or tape recordings of the meetings will be made. The mediator's notes are confidential and content shall not be revealed.

3. The mediator may conduct the conference utilizing all of the customary techniques associated with mediation including the use of separate caucuses.
4. The mediator has no authority to compel resolution of the grievance.
5. In the event that no resolution/settlement is reached during the mediation conference, the mediator may provide the parties either in separate or joint sessions with an oral advisory opinion.

If either party does not accept an advisory opinion, the matter may then proceed to arbitration in the manner and form provided for in Section 3 of this Article.

Section 3 – Arbitration: If Grievance Mediation outlined in Section 2 of this Article fails to result in a resolution/settlement of the dispute, the issue may be submitted by either party to Arbitration. Immediately upon receipt of the demand for arbitration, the parties shall attempt to mutually agree upon a local arbitrator. If they cannot agree within two (2) weeks from the date of notification of the desire to arbitrate, then the parties shall jointly request Federal Mediation and Conciliation Service to furnish a list of seven (7) arbitrators. The parties shall choose an arbitrator from the list by alternately striking names until only one (1) name remains and that person shall be the arbitrator. The parties must complete selection of an arbitrator within twenty (20) calendar days following receipt of said list. The arbitrator shall not modify, vary, change, add to or remove terms or conditions of this Agreement. The decision of the arbitrator shall be final and binding upon the parties hereto, and in no event shall the period of arbitration exceed thirty (30) days. Any expense incurred in the arbitration shall be borne equally by the parties. During such time as matters are pending before the arbitrator, there shall be no work stoppage or lockout.

It is further understood and agreed that all requests for arbitration must be submitted in writing within thirty (30) calendar days of occurrence or first knowledge thereof, or failure of resolution/settlement under Grievance Mediation through Federal Mediation and Conciliation Service.

Section 4: Any dispute or grievance, other than one involving seniority and/or wage rates, overtime or other matters involving the pay of employees, shall be waived for the purposes of this grievance procedure, if not submitted within thirty (30) days of its occurrence.

Section 5: A dispute or grievance involving wage rates, overtime or other matters involving the pay of employees, may be filed at any time, but retroactive compensation shall be limited to three (3) months preceding the date of filing.

Section 6: If a dispute arises concerning the application, interpretation or alleged breach of the provisions of Article XIV, Section 1A and B, or of Article XXI, either party may submit a grievance which shall be in writing to the other. The parties, upon submission of the written grievance, shall meet within seven (7) calendar days and if the matter is not resolved at this meeting, the parties, at that time, shall select an arbitrator (and notify the arbitrator of his selection) from the following, each party striking the name of one of the arbitrators:

Marshall Ross

Howard Block

Joseph Gentile

The arbitrator selected shall schedule a hearing within fifteen (15) days after notification of his selection and shall render a decision within ten (10) days following the hearing. In the event either party fails or refuses to abide by an award made under this Section, then either party shall be free to take whatever economic or legal action necessary, notwithstanding any other terms or provisions in this Agreement to the contrary.

The Union shall give the Employer forty-eight (48) hours' written notice before taking economic action.

**Article XIX
Joint Union-Management Committee**

Section 1: A Joint Union-Management Committee shall be formed consisting of members of the Wholesale Bakers Group and members of the local Union's signatory to this Agreement. Each side shall select its own Chairman. The position of Chairman and Secretary of the combined Joint Union-Management Committee shall rotate annually between the Union and Employer committees.

Section 2: The Joint Union-Management Committee shall meet not less often than semiannually, at such time and place as has been set at the preceding meeting, and shall also meet at the call of the Chairman or Secretary if deemed necessary. Attendance at such meetings shall be mandatory based upon the acceptance of a mutually acceptable time and date. A report of each meeting will be made available to the selected members of the Joint Union-Management Committee by the designated Secretary of the Committee.

**Article XX
Separability Clause**

Should any paragraph or provision of this Agreement be found to be illegal or unenforceable, it is understood and agreed that the balance of the Agreement shall not be affected but shall continue in full force and effect for the full period of this Agreement. It is further agreed that the parties hereto will enter into negotiation for correction of the illegal or unenforceable paragraph or provision.

**Article XXI
Wages/Route Cuts**

The wages of employees covered by this Agreement shall be as follows:

Section 1:

| <u>Classification</u> | <u>Rates per Week Effective:</u> | |
|---------------------------------------|----------------------------------|----------|
| | 6/6/10 | 8/1/11 |
| Bakery RSRs (incl. Extra RSRs) | \$637.00 | \$600.00 |

A new RSR who is not receiving commission shall be paid the following:

| <u>Classification</u> | <u>Rates per Week Effective:</u> |
|--|----------------------------------|
| | 6/6/10 |
| Vacation Relief RSRs | |
| 1 st 6 weeks of employment | \$835.00 |
| 2 nd 6 weeks of employment | \$860.00 |
| 3 rd 6 weeks and thereafter | \$865.00 |

A vacation relief RSR returning from the previous year, if he had completed eighteen (18) weeks, will be paid the following:

| <u>Classification</u> | <u>Rates per Week Effective:</u> |
|--|----------------------------------|
| Vacation Relief RSRs | <u>6/6/10</u> |
| 1 st and 2 nd week | \$860.00 |
| 3 rd 6 weeks and thereafter | \$865.00 |

Upon receiving commission, the new driver-salesman shall be paid a weekly base rate of fifteen percent (15%) less than the contract base rate for the first (1st) four (4) calendar months of continuous employment; ten percent (10%) less than the contract base rate for the second (2nd) four (4) calendar months of continuous employment; and five percent (5%) less than the contract base rate for the third (3rd) four (4) calendar months of continuous employment.

For the purpose of this Article, a new RSR shall be defined as anyone having less than one (1) year of service within the previous two (2) years, under the territorial jurisdiction of this Collective Bargaining Agreement.

A. (1) In addition to the wage rates specified above, Commission Route Sales Representatives shall receive the following commission rate of pay on all weekly sales:

- Eight and one-half percent (8.5%) – branded bread products
- Four and one-half percent (4.5%) – private label bakery products delivered without rack service and pick-up of stale
- Six and one-half percent (6.5%) – Entenmann's products

(2) Commission rates shall be increased as follows:

| <u>Branded Bread</u> | <u>Private Label</u> | <u>Entenmann's</u> |
|----------------------|----------------------|--------------------|
| 8-1/2% | 4-1/2% | 6-1/2% |

A commissioned RSR shall not deliver private label bakery products without rack service unless he is also delivering to the same account's brand bakery products with rack service. A commissioned RSR shall not handle private label returns which have been delivered without rack service.

3(a) A delivery driver or a central distribution driver who exclusively delivers private label bakery products to a customer's retail store without rack service and/or private label bakery products to a customer distribution center, shall be paid at the following rates:

| <u>Effective</u> | <u>Hourly Rate of Pay</u> |
|------------------|---------------------------|
| 6/5/11 | \$25.47 |
| 6/3/12 | \$26.09 |
| 6/2/13 | \$26.71 |
| 6/4/14 | \$27.33 |

3(b) A driver-employee of a customer of an Employer signatory to this Agreement may take delivery of private label bakery products of such customer at the dock of the signatory Employer. Provided, however, that such driver-employee is employed under wages, fringe benefits and working conditions which are similar to or more favorable to him than those provided under this Agreement, and provided further that no employee covered by this Agreement shall be laid off as a result of such dock pick-up.

It is expressly understood that an hourly rated driver shall not perform rack service and shall only handle the returns of the product he delivers.

- 4(a) An RSR who delivers bakery products exclusively to government accounts – Federal, State, County and Municipal - shall be paid on the contract price for net weekly sales up to but not on sales in excess of Ten Thousand Dollars (\$10,000.00).
- 4(b) Except as provided in Article XXIV, Section 9, an extra RSR who relieves on a route because a regular RSR is on a leave of absence or by reason other than vacation, shall receive one-fifth (1/5) of the weekly earnings of the route for each day he relieves on said route.
- 4(c) In the event a route is cut, the RSR shall receive a guaranteed wage of fourteen (14) weeks equal to the average earnings of his route for the six (6) normal weeks prior to the cut. Use of the term "normal" is intended to eliminate any week in which a holiday occurs and only four (4) days are worked. Also, any week preceding a week when the holiday falls on Monday and any week following a week when the holiday falls on Saturday.
- 4(d) When an hourly rated route becomes open, it shall be posted and RSRs shall be permitted to bid on the route. In the absence of a successful bid by an RSR, preference shall be given to a transport driver or a central distribution driver who is scheduled for layoff. A transport or central distribution driver who transfers to an hourly rated route under this Section shall retain his accumulated seniority as a transport or central distribution driver.

When a central distribution run becomes open, it shall be posted and transport drivers shall be permitted to bid on the run. In the absence of a successful bid by a transport driver, preference shall be given to an RSR or a delivery driver who is scheduled for layoff.

Any such RSR or delivery driver shall be given a reasonable training period, if necessary, in order to qualify for such hourly rated route, central distribution run or for a transport vacancy prior to the filling of such job opening; this shall not preclude the Employer from filling the vacancy on a temporary basis during the training period. RSRs shall be paid not less than the RSR's guarantee during any such training period and the Employer will provide and pay for the cost of such necessary training.

An RSR or delivery driver who transfers to a central distribution run or a transport run under this Section shall retain his accumulated seniority as an RSR or delivery driver.

Section 2:

| <u>Classification</u> | <u>Rates per Week Effective:</u> |
|------------------------|----------------------------------|
| Route Foremen & Supvs. | 6/6/10 \$712.00 |
| Assistant Supervisors | \$699.00 |

- A. Route foremen and supervisors, i.e. those employees who have supervisory duties and also perform the duties of route sales representatives, shall receive the wage rate specified above or the average earnings of all routes operating under their supervision, plus One Hundred Dollars (\$100.00) per week, whichever is greater. When a supervisor is assigned a route, he shall receive the average of weekly commissions or the commission for the route, plus the differential listed above, whichever is greater.

- B. Assistant supervisors may be employed at the wage rate specified above or the average weekly earnings of all routes operating under their supervisor, whichever is greater.
- C. Assistant supervisors may be employed for a period of time not to exceed one (1) year.
- D. These classifications will be permitted one (1) additional one-half (1/2) hour per workday.

Section 3: Lump Sum Payments (Sales Only)

Effective on the following dates (payable two [2] weeks thereafter), full-time employees actively on the Employer's payroll who have successfully completed their probationary period, shall be entitled to the following lump sum payments, less applicable taxes:

| | |
|--|------------|
| Effective the week following ratification: | \$1,500.00 |
| Effective June 3, 2012: | \$1,000.00 |
| Effective June 2, 2013: | \$1,000.00 |
| Effective June 4, 2014: | \$1,000.00 |

Article XXII

Hours

Section 1: The workweek for all employees covered by this Agreement shall consist of five (5) days within a regularly scheduled workweek.

Section 2: Except as provided below, Wednesday and Sunday shall be days off for route sales representatives.

- A. Scheduled days off may be changed in a holiday week.
- B. RSRs on routes serving military installations exclusively shall have off Sunday and a day off in lieu of Wednesday when the military base is closed on a workday other than Wednesday.
- C. RSRs serving schools exclusively shall have off Sunday and Wednesday unless the Employer and the Union mutually agree to adopt Saturday and Sunday as days off.
- D. In the event an RSR is serving military installation or schools exclusively, and he delivers to a customer other than a military installation or a school on a Wednesday or on his regular day off, the days off for such RSR shall be changed automatically to Sunday and Wednesday.
- E. RSRs serving cookie routes exclusively shall have off Saturday and Sunday each week. For purposes of this Section, combination cake and cookie routes shall be considered as cake routes.

Section 3: The day off shall begin at checkout time of the previous day and shall continue until midnight of the day off. It is agreed that no work shall be performed by RSRs on their days off.

Section 4: A time clock shall be used by the Employer to show properly and correctly the daily record of the working hours of each employee, provided that a timekeeping method, other than a time clock, may be used to show properly and correctly the daily record where three (3) or fewer employees report at the same place for work and such records, together with such other records as may be required, shall be available for inspection by the Union Representative upon request when necessary for the settlement for a grievance.

Section 5:

A. All time worked, as shown in the record by RSR's, extra RSR's, new RSR's in excess of forty-five (45) hours in any one (1) week and for route Foremen, Supervisors and Assistant Supervisors in excess of forty-seven and one-half (47.5) hours in any one (1) week (overall clock time) shall be paid as a premium. It is understood that overall clock time shall include one (1) hour per day for meal period and personal time.

B. RSR's and Transport Drivers

For every shift, Employer shall provide every RSR and Transport Driver a one (1) hour uninterrupted, unpaid work-free period for all meal and personal time meal period. The meal and personal time period can be taken at such time during the shift that the RSR or Transport Driver may choose. (Established past practice covering Transport Drivers meal and personal time shall remain unchanged.)

C. All other Associates in the Collective Bargained Unit

For every shift, Employer shall provide every employee covered under this Agreement, except RSR's and Transport Drivers, a meal period and where required, a second meal period, in accordance with the requirements of Section 512 of the California Labor Code and the applicable Wage Order, as amended from time to time.

Premium Pay

Route Sales Representative Premium Pay

All hours worked in excess of those specified in Section 5 "Hours" of this Agreement shall be paid at the premium rate of \$21.23 per hour. The payment of premium pay shall be considered a contractual obligation and shall be based upon time records maintained by the Employer. When an employee is off work ill or any scheduled authorized day, each day that he or she is off shall reduce the weekly work time required by one-fifth (1/5th) in figuring premium pay. Commissions paid to employees shall not apply to premium pay. Premium pay for extra RSRs, student RSRs, new RSRs in excess of forty-five (45) hours in any one (1) week who are not receiving commission shall be paid premium rate of \$29.49 per hour.

Route Sales Representative Exempt Status

The parties agree and acknowledge that the RSRs covered by this Agreement are customarily and regularly engaged in making sales of the Employer's products. The parties acknowledge that the Employer's payment of premium pay to RSRs under this contract is made because RSRs are exempt from overtime provisions of Federal and State wage and hour laws. If an agency or court of law determines that RSRs are not exempt from the overtime provisions of Federal and State wage and hour laws, the Employer and the Union agree that premium pay will offset and reduce any liability for overtime payments that arise as a result of such a determination.

Section 6: In a holiday week, if five (5) days are worked, the above provisions apply and the employee shall receive in addition to his regular pay, one-fifth (1/5) of his weekly guarantee. If four (4) days are worked in a holiday week, all time worked by these employees in excess of

thirty-six (36) hours in the four (4)-day week, shall be paid at the premium rate as defined in Section 5.

Section 7: Premium pay shall be paid at the time wages are paid for the week such premium pay was incurred. Commissions paid shall not apply to premium pay.

Section 8: New bakery route sales representatives who have not previously worked under this Agreement shall not be paid any premium for the first six (6) weeks after the route is turned over to them in excess of the time worked on that route during the thirty (30) days preceding, provided there is no change in the route that would increase delivery time.

It is understood that this clause is intended to mean only the first six (6) weeks of employment (not six [6] weeks on each new route).

Section 9: All cake and cookie RSRs shall be checked in by 5:30 p.m. each day. All other RSRs shall be checked in by 5:00 p.m. each day.

Section 10: RSRs who finish their routes may check into their respective plants and not be required to stay out until a designated time provided their territory shall not be neglected.

Section 11: No work shall be performed on Sunday by RSRs, extra RSRs, student RSRs, new RSRs, route foremen, supervisors or assistant supervisors.

Section 12: No regular employee shall be called to work for less than eight (8) hours' pay.

Section 13: When an employee is off ill, each day that he is off shall reduce the weekly work-time requirement (overall clock time of forty-five [45] hours per week) by nine (9) hours in figuring premium pay.

Article XXIII Holidays

Section 1:

A. All employees covered by this Agreement shall be entitled to one (1) day's pay at the straight-time rate for the following holidays:

| | |
|------------------|------------------|
| New Year's Day | Labor Day |
| President's Day | Veteran's Day |
| Memorial Day | Thanksgiving Day |
| Independence Day | Christmas Day |

In lieu of one (1) more holiday, the Employer agrees to give each employee one (1) additional day's pay at the straight-time rate on his vacation check.

B. In order to be entitled to holiday pay, an employee must perform some work in the week in which the holiday falls or be on paid vacation.

C. It is agreed that when Veteran's Day falls on Saturday, an alternate day off may be observed in that holiday week.

D. If a holiday is observed by the Federal Government on Monday, but not by the State Government, school routes may be operated on that Monday and the employees on those routes shall be given the day off which is observed by the school district in that area as the holiday.

Section 2: If work is performed on a holiday by any of the following classifications, they shall be paid in addition to all other compensations for the week in which the holiday worked occurs as follows:

| <u>Classification</u> | <u>Rates per Week Effective:</u> |
|-----------------------------------|----------------------------------|
| | <u>6/6/10</u> |
| Route Sales Representative | \$191.10 |
| New RSR | |
| 1 st 4 months (85%) | \$162.44 |
| 2 nd 4 months (90%) | \$171.99 |
| 3 rd 4 months (95%) | \$181.55 |
| Route Foremen & Supvs. | \$221.10 |
| Asst. Supervisors | \$217.20 |

Article XXIV Vacations

Section 1: All employees who have been continuously employed by the Employer for at least one (1) year, shall be entitled to one (1) week's vacation with pay. If an employee is terminated after one (1) year of continuous service with the Employer, he shall be entitled to a pro rata of vacation which shall be one-sixth (1/6) of a week's vacation with pay for each one (1) month of service with the Employer after completion of the one (1) year qualifying period (anniversary date of employment).

Section 2: All employees who have been continuously employed by the Employer for a period of two (2) years, shall be entitled to two (2) weeks' vacation with pay. If an employee is terminated after completion of two (2) years' continuous employment with the Employer, he shall be entitled to a pro-rata share of vacation pay for the year in which he is terminated, pro-rata share being computed on the basis of one-sixth (1/6) of a week's vacation with pay for each month of service from the last anniversary date of employment.

Section 3: All employees who have been continuously employed by the Employer for a period of five (5) years shall be entitled to three (3) weeks' vacation with pay. If an employee is terminated after completion of five (5) years of continuous employment with the Employer, he shall be entitled to a pro-rata share of vacation pay for the year in which he is terminated, pro-rata share being computed on the basis of one-fourth (1/4) of a week's vacation with pay for each one (1) month of service from the last anniversary date of his employment.

Section 4: All employees who have been continuously employed by the Employer for a period of ten (10) years shall be entitled to four (4) weeks' vacation with pay. If an employee is terminated after completion of ten (10) years of continuous employment with the Employer, he shall be entitled to a pro-rata share of vacation pay for the year in which he is terminated, pro-rata share being computed on the basis of one-third (1/3) of a week's vacation with pay for each one (1) month of service from the last anniversary date of his employment.

Section 5: All employees who have been continuously employed by the Employer for a period of twenty (20) years shall be entitled to five (5) weeks of vacation with pay. If an employee is terminated after completion of twenty (20) years of continuous employment with the Employer, he shall be entitled to pro-rata share of vacation computed on the basis of .417 of a week's vacation with pay for each one (1) month of service from the last anniversary date of his employment.

Section 6: All employees who have been continuously employed by the Employer for a period of twenty-five (25) years shall be entitled to six (6) weeks of vacation with pay. If an employee is terminated after completion of twenty-five (25) years of continuous employment with the Employer, he shall be entitled to a pro-rata share of vacation pay for the year in which he is terminated, pro-rata share being computed on the basis of one-half (1/2) of a week's vacation with pay for each one (1) month of service from the last anniversary date of his employment.

Section 7: For all employees covered by this Agreement, vacation pay shall be calculated by averaging the full weeks worked during the four (4) completed calendar quarters prior to the employee's anniversary date of employment. Employees are to be paid when they take their vacations or on their anniversary date, employee choice.

Section 8: A new employee shall not be eligible for his first (1st) vacation benefit until after he has actually worked twelve (12) consecutive months or a total of forty-five (45) weeks, whichever occurs later. If such new employee does not receive his vacation until after he has worked a total of forty-five (45) weeks, his second (2nd) vacation shall be pro-rated on the basis of the number of weeks he works during the period from his forty-sixth (46th) week of work and his next anniversary date. Thereafter, during such anniversary year of continuous employment, an employee shall be eligible to a full vacation if forty-five (45) or more weeks have been worked or a pro-rata for less than forty-five (45) weeks.

Section 9: An extra route sales representative hired for vacation relief, may be assigned to one route for the duration of the vacation period to relieve a regular RSR who is temporarily assigned to vacation relief work. The regular RSR will then be paid commission on the route from which he is relieved or on the route to which he is temporarily assigned, whichever is greater. In the event a regular RSR is temporarily assigned to leave-of-absence relief work or other than vacation relief, the lesser of the two (2) commissions will be paid to the extra man, and the greater of the two will be paid to the regular RSR.

Section 10: Voluntary bonuses above the contract rate paid to route foremen and supervisors may be excluded in computing vacation pay.

Section 11: All employees entitled to vacation shall be scheduled for vacation and take the vacation time off except in cases of hardship, as approved by the Employer and the Union.

Section 12: When a holiday occurs during the paid vacation of an employee, he shall be given an additional day's vacation with pay, or pay for such holiday which shall be a sum equal to one (1) day's vacation pay as determined under Section 7 above.

Section 13: Sickness, accidents or an authorized leave of absence shall not break the continuity of service.

Section 14:

A. Vacations may be scheduled from January 1st to December 31st, provided the plant/depot has a minimum of forty-five (45) weeks of vacation coverage. Preference in the taking of

vacations shall be according to seniority of employment. Thus, senior employees shall be given preference over junior employees when scheduling vacations. Such preference shall be applicable where the employee desires to take his/her vacation in one continuous period, including any leave of absence granted in accordance with Article XXVII. Where the employee desires to split his/her vacation or leave of absence into two (2) or three (3) segments, in accordance with the provisions of Section 15 of this Article, the rules set forth in the second (2nd) paragraph of Section 15 shall govern.

- B. In the event a depot location has less than forty-five (45) weeks of vacation coverage and leave of absence granted in accordance with Article XXVII, the vacation period for that depot shall be fixed from May 1st to November 1st, unless the Union and the Employer agree upon a different arrangement. When there is an insufficient number of slots available to accommodate vacation requests between May 1st and November 1st, employees may be scheduled by the Employer for vacations outside of that time frame. In such event, the Employer may require those vacations to run consecutively with vacations scheduled between May 1st and November 1st, such additional weeks of vacation shall be scheduled equally on both sides of May 1st and November 1st.

Provisions of subsection B shall apply to vacation scheduling until such time that the total number of weeks of vacation at the plant/depot location meet or exceed forty-five (45) total weeks of vacation coverage. Thereafter, vacation scheduling shall be in accordance with subsection A of this Section.

- C. Vacation shall begin on Sunday.

- D. Vacation relief employees with less than six (6) months employment will have recall rights for sixty (60) days.

Section 15: Vacation schedules shall be posted no later than October 15th. Employees who have not made their selection by December 15th shall have waived their right of vacation selection.

A vacation shall be taken in one continuous period, provided, however, that should an employee be entitled to two (2) or more weeks earned vacation, he may choose to split his vacation into weekly increments, but in no case, more than three (3) increments. The employee shall select each additional increment in accordance with his seniority and the seniority of those employees making selection on that increment. In the event an employee wishes to take a leave of absence separate from his vacation, the selection of his leave of absence shall constitute a selection of a vacation increment in determining whether the employee has exceeded three (3) incremental selections.

Article XXV Americans with Disability

The parties recognize that each of them has obligations pursuant to the "*Americans with Disability Act*" to employ and in some cases, to accommodate disabled persons. The parties further acknowledge that the Employer may take whatever action necessary to comply with the provision of the Act, and nothing in this Agreement is included to interfere with or impede the Employer in the meeting of these obligations.

Article XXVI

Jury Duty

In the event that a concerted effort by both the employee and the Company does not result in the employee being excused from serving, jury duty pay will be administered as follows:

- A. Each day that a regular full time employee serves on jury duty, exclusive of Grand Jury, and when such service deprives such employee of pay that otherwise would have been earned, the Company agrees to pay such employee for days served the difference between any remuneration that such employee receives for jury duty and the amount that would normally be paid for straight-time hours normally worked (8 hours) or base plus commission in the case of route sales. Pay for such jury duty service shall be limited to once in a twelve (12)-month period for the duration of the Collective Bargaining Agreement, provided appropriate court documents are submitted to the Company within forty-eight (48) hours of completion of said service.
- B. If the employee is excused from jury duty on a scheduled workday, he shall immediately report for work to complete the remainder of the scheduled shift.

Article XXVII

Leave of Absence

Upon timely application to the Employer, an employee shall be granted a leave of absence equal in time to his paid vacation, not to exceed two (2) weeks. An employee's request for a leave of absence shall be made at the time of his selection of vacation.

Emergency leave of absence will be granted in accordance with the California Family Leave Act. A copy of the emergency leave of absence signed by the Employer and the employee shall be mailed to the Union within five (5) days of the granting of such leave.

Article XXVIII

Sick Leave

Section 1: All employees covered by this Agreement, who have been continuously employed by their Employer for a period of at least one (1) year, shall be entitled to a total of six (6) days' sick leave with pay per year. Benefits will commence on the first day of hospitalization, or in the event of incapacitating, outpatient surgery, or on the second (2nd) workday absent otherwise. A doctor's certificate shall be required stating that the employee is (or was) unable to work.

Section 2: Employees with one (1) year or more of employment as of June 1, 1996, will be eligible for six (6) days' allowance between the date and the following June 1st. Employees with less than one (1) year's employment as of June 1, 1996 will become eligible on their following anniversary date.

Sick leave allowance is cumulative for six (6) years (maximum is thirty-six [36] full days). Any full days accumulated over thirty-six (36) will be paid the week preceding Christmas.

Section 3: Sick leave pay shall be integrated with unemployment compensation disability benefits and Worker's Compensation Temporary Disability benefits so that the sum of the daily sick leave allowance hereunder and the aforesaid State Disability Benefits, exclusive of the daily hospital benefits which may be payable to an employee, shall not exceed one hundred percent

(100%) of the employee's regular daily wage at straight time (base plus commission divided by five [5] where applicable). If the sick leave pay allowable to an employee hereunder, when so combined with any such State Disability Daily benefits received by the employee, exceeds one hundred percent (100%) of his regular daily rate at straight time for any one (1) day, then such sick leave pay for that day shall be reduced accordingly. Any portion of the sick leave pay allowance not received by the employee by reason of any such reduction shall be retained in the employee's sick leave pay account as part of his accumulated sick leave pay credits.

In order to effectuate the integration with the U.C.D., all sick leave will be broken down from days of sick leave as earned to hours, and such sick leave will be used and retained as hours of sick leave.

Section 4: Sick pay shall be paid no later than seven (7) calendar days after commencement of absence and satisfactory documentation has been presented to the Employer.

Section 5: Employees who retire from active employment with the Employer under benefits provided through the Western Conference of Teamster Pension Trust Fund, shall be entitled to receive payment for accrued unused sick leave under the following formula:

A maximum of thirty-six (36) days provided the employee has an accumulated sick leave bank of at least thirty (30) days. In the event an employee dies, the Company shall pay his estate an amount equal to the employee's then current sick leave bank.

Article XXIX Funeral Leave

Each regular full-time employee shall be granted up to, but not in excess of three (3) workdays in state, five (5) calendar days out of state, without loss of pay, to arrange for and attend the funeral of a member of his/her immediate family. For the purpose of this Article, immediate family shall include the parents and present spouse of the employee, as well as his brothers, sisters, children, father-in-law, mother-in-law, brother-in-law, sister-in-law, stepchildren, grandparents, employee's step-parents, employee's grandchildren, aunt, uncle and grandparents-in-law.

This Article does not apply when an employee is on vacation, leave of absence or sick leave.

Administration of payment of funeral leave compensation based upon the definition of what constitutes the three (3) workdays' time period in cases of death in an employee's immediate family, shall be defined as three (3) consecutive workdays, inclusive of the actual calendar day of the funeral.

If the actual calendar day of the funeral is a non-scheduled workday (downday, etc.), then the employee may apply the three (3) consecutive workdays as follows:

- A. Three (3) workdays from date of death immediately preceding actual calendar day of funeral;
- B. Two (2) workdays from date of death immediately preceding actual calendar day of funeral and first workday immediately following calendar day of funeral;
- C. One (1) workday from date of death immediately preceding actual calendar day of funeral and two (2) workdays immediately following calendar day of funeral.

Furthermore, if requested by the Employer and agreed to by the employee, the employee works all scheduled workdays from date of death to the day immediately preceding the calendar day of funeral, then the employee may apply all three (3) workdays, inclusive of the actual calendar day of the funeral, to those scheduled workdays immediately following the calendar day of the funeral.

Article XXX Bulletin Board

The Employer shall furnish a bulletin board, placed in a conspicuous place, to be used exclusively for Union notices.

Article XXXI Unsafe Equipment

The Employer shall not require employee to operate any vehicle that is not safe or equipped with the safety appliances prescribed by applicable State or Federal law. It shall not be a violation of this Agreement nor cause for discharge or disciplinary action in the event an employee refuses to operate unsafe equipment.

Article XXXII Shag and Transport Wages, Hours, Special Conditions and Run Assignments

See Appendix C for additional terms and provisions covering wages, hours, run assignments, special conditions and clarifications applicable to Shag and Transport employees that, by reference, is made a part of this Agreement.

Article XXXIII Severance Pay

Employees displaced and terminated due to the closing of a plant or depot and the discontinuance of its operations, shall be entitled to severance pay subject to the following requirements and qualifications:

- A. Only employees with three (3) years of continuous service with a particular Employer shall be eligible for severance pay; eligibility for benefits shall commence at the end of the fourth (4th) year of continuous employment with a particular Employer.
- B. Upon becoming eligible as aforesaid, an employee so displaced shall be entitled to a one-half (1/2) week's pay for each full year of continuous service, including the three (3) year qualification period.
- C. The maximum benefit payable hereunder shall be twenty-three (23) one-half (1/2) weeks or eleven and one-half (11-1/2) full weeks' pay based upon twenty-three (23) full years of continuous service with a particular Employer.
- D. Severance pay as hereinabove provided will not be paid to:
 - 1) An employee who is offered other reasonable employment with his Company.

- 2) An employee who voluntarily resigns.
- E. Notwithstanding the eligibility requirements set forth in Section A above, all regular employees covered by this Agreement shall be entitled to severance pay as provided above if such employee is laid off, after the exercise of his seniority rights, because his Employer had instituted hourly rated routes and reduced the number of commission routes.

Article XXXIV Union Representative, Leave of Absence

The Company will provide on request by the Union an unpaid leave of absence to attend Union conferences or perform temporary Union assignments. The Company must be notified, in writing, seven (7) workdays prior to commencement of the leave. Such leave of absence shall be up to but not in excess of thirty (30) calendar days and shall be limited to one (1) leave per Union Local per calendar year. When necessary to maintain efficient operations, the Company may limit the number of designated Union representatives absent at any one time.

Temporary vacancies created by such leave shall be filled by management assignment. Such leaves shall be for bakery industry related business only.

Attendance - Union Local Executive Board Meetings

A Company employee elected to a Union Local's Executive Board shall be provided an unpaid leave of absence of one (1) day to attend Executive Board Meetings, provided the Union Local notifies the Company in writing seven (7) workdays prior to such absence. Furthermore, it is understood and agreed that the Union Local will attempt to schedule all Executive Board Meetings so as not to conflict with the Company's operation or the employee's work duties. Such 1-day unpaid leave of absence request shall be limited to a maximum of three (3) requests per calendar year.

Article XXXV Term of Agreement

The term of this Agreement shall commence on the 5th day of June, 2011 and continue until and including the 6th day of June, 2015, and for additional period of one (1) year thereafter, with the provision that should either party desire to terminate this Agreement or to modify a portion, or any of the terms hereof, it shall notify the other party in writing not less than sixty (60) days prior to the 6th day of June, 2015, or the end of any subsequent yearly period, that the party giving such notice desires either to terminate the Agreement at the end of such yearly period or to negotiate such amendments or changes of the terms or provisions thereof as specified in such notice.

If notice is given by either party of its desire to negotiate amendments or changes of any of the terms or provisions thereof, the party receiving such notice may not, later than sixty (60) days prior to the 6th day of June, 2015, or the end of any subsequent yearly period, notify the other party in writing of its desire to terminate or negotiate such amendments or changes of the terms or provisions as are specified in such notice.

Negotiations upon such proposed amendments or changes of the terms of this Agreement covered in the notices of desire to amend shall begin not later than thirty (30) days prior to the anniversary date or the anniversary of any subsequent yearly period and shall continue until agreement is reached. During such negotiations, this Agreement shall remain in full force and

effect, except that during such negotiations, subsequent to the anniversary date or the anniversary of any subsequent yearly period, either party on five (5) days' notice to the other may terminate said contract.

IN WITNESS WHEREOF, the parties hereto attach their hands and seals the day and year first above written.

Company: **BIMBO BAKERIES USA**
By: James R. Ham
Its: Director of Labor Relations
Date: 1/12/12

Signed for the Unions:

LOCALS UNION NUMBERS 63,166,186, 381, 542, 572, 683, 952 and 986-C affiliated with the INTERNATIONAL BROTHERHOOD OF TEAMSTERS

By: Horton Fenwick
Its: Chairman
Date: 2-28-12

APPENDIX "A"
(ARTICLE II)

House Accounts:

Belair Food Products Co. (Croutons only)

Canale Foods (El Monte location)

Coast Guard Base (Naval ships)

Coast Guard Cutters

Craig Shipyard (Naval ships)

Curland Catering (race tracks)

Disneyland (park)

FedCo Bakery (Special square sour breads,
onion rye and raisin pumpernickel only)

Harbor Ship Supply Co.

HiGrade Foods

Holms Bakery

Jehovah's Witnesses (Annual Convention)

Knott's Berry Farm

L.A. General Hospital

Margaret's Catering

Navy Shipyard (Naval ships)

Naval Station (Naval ships)

J.W. Robinson (Snack bars only)

Sea World

House Accounts
(Ball Parks and Special Events)

Edison Field (formerly Anaheim
Stadium) and Anaheim Convention
Center)

Dodger Stadium

Forum

Fontana Speedway

Hollywood Park

Los Alamitos

L.A. Coliseum

L.A. Convention Center

L.A. County Fair

L.A. Sports Arena

Olympic Auditorium

Rose Bowl and Victory Park

Santa Anita

Del Mar Race Track

Jack Murphy Stadium

San Diego Convention Center

San Diego Sports Arena

Saugus Raceway

Staples Center

APPENDIX "B"

MEMORANDUM OF UNDERSTANDING

The following sets forth the understanding of the undersigned as it concerns the interpretation and clarification of certain provisions of the Southern California Bakery Agreement. Points one (1) through seven (7) below shall be posted as a notice on plant and depot bulletin boards:

1. Route Foremen and Supervisors shall not do any work, attend any after-work hours' meetings in connection with their work, or remain at work after 5:00 p.m. in bread bakeries and after 5:30 p.m. in cake bakeries.
2. Route Foremen and Supervisors shall not be required to attend meetings or work on their days off without pay.
3. No one shall alter or falsify his timecard or that of another employee; and no one shall permit or influence another employee to falsify his timecard or to violate any of the provisions of this Agreement. Violation of this paragraph shall be cause for discharge.
4. At depots having more than one route Foreman or Supervisor in the work force, call-in time shall be staggered as much as possible to avoid penalizing any one Route Foreman or Supervisor.
5. At depots having only one Route Foreman or Supervisor, every effort will be made to furnish relief to minimize long hours.
6. In accordance with Bakery Labor Agreement, Article XXI, Section 2D, Route Foremen and Supervisors and Assistant Supervisors are permitted one-half (1/2) hour additional work per day, forty-seven and one-half (47-1/2) hours per week.
7. Route Foremen and Supervisors will not be required to punch timecards so long as the provisions of this notice are followed. Any violation coming to the attention of management shall be corrected immediately. Any violation coming to the attention of the Union shall be brought to the Plant Manager's notice without delay. In the event the Union advises the Company of a violation and the violation continues, the Route Foremen and Supervisors, at the depot or plant where it occurs, will then be required to punch timecards.
8. The Employer shall make every effort to minimize book work consistent with the efficient operation of his business. All book work required by the Employer shall be performed on the clock.
9. Assurances are given to all Union Locals that stale returns shall be minimized. The Unions shall be privileged to call excesses in this regard to the attention of the company involved with assurance that the matter will be discussed and corrective action taken.
10. Four (4) weeks prior to a holiday, the Employer shall notify the Union of an alternate day off to the dropout day, if any, in a holiday week (and the day in lieu of Veteran's Day when such holiday falls on a Saturday). A copy of such notice shall be posted on the bulletin boards.
11. An employee who is required by his Employer to use his own car in connection with his work shall be reimbursed at the current maximum mileage rate allowed by the I.R.S.

12. Any meeting scheduled on an employee's regular day off shall be attended on a voluntary basis only. Those employees electing to attend such meeting shall be compensated at the applicable overtime rate for a minimum of four (4) hours on an eight (8)-hour work schedule and for a minimum of five (5) hours on a four (4)-day ten (10)-hour a day work schedule. The Employer will notify the Union two (2) weeks prior to scheduling of such meetings.

Company: **BIMBO BAKERIES USA**
By: James R. Ham
Its: Director of Labor Relations
Date: 1/12/12

Signed for the Unions:

LOCALS UNION NUMBERS 63,166,186, 381, 542, 572, 683, 952 and 986-C affiliated with the INTERNATIONAL BROTHERHOOD OF TEAMSTERS

By: Hector Fernandez
Its: chairman
Date: 2-28-12

APPENDIX "C"
SHAG & TRANSPORT

1. **Seniority:** (Clarification) The Employer shall maintain and post for each plant or depot proper seniority lists in conformity with this paragraph.

Separate seniority lists shall be maintained and posted for:

- A. Sales drivers (including Supervisors) and deliver drivers.
- B. Shag and transport employees (including central distribution, sleeper-cab single man and layover drivers).

Seniority within each particular plant or depot shall prevail in choosing times for vacation.

In the event of layoffs, seniority shall prevail, i.e. the employee with the least seniority shall be the first (1st) laid off and the last rehired.

To the extent possible, overtime work shall be distributed by seniority choice among those employees who normally perform the work.

2. **Hours:** The normal workweek for shag and transport drivers, spotter loaders and swamper shall be from 12:00 a.m., Sunday to midnight the following Saturday.

Normal workday shall be either eight (8), ten (10), or thirteen and one-third (13-1/3) consecutive hours in any twenty-four (24) hour period, except for a lunch period which shall not exceed three quarters (3/4) hour. Such lunch period shall be granted within one (1) hour of the mid-point of the shift.

There shall be no split shifts except in case of a plant breakdown over which the Employer has no control.

The normal workweek may be changed, but the employees will be notified by bulletin board posting one (1) week in advance. Schedule changes will be for no less than a full workweek.

There may be three (3) schedules of hours for employees:

Group A: Will be assigned to work five (5) eight (8) hour days. All time worked in excess of eight (8) hours per day or forty (40) hours per week will be paid at the time and one-half (1 -1 /2x) rate.

Group B: Will be assigned to work four (4) ten (10) hour days. All time worked in excess of ten (10) hours per day or forty (40) hours per week will be paid at the time and one-half (1-1/2x) rate.

Group C: Will be assigned to work three (3) thirteen and one-third (13-1/3) hours per day. All work performed over thirteen and one-third (13-1/3) per day or forty (40) hours per week will be paid at the time and one-half (1-1/2x) rate.

In a holiday week, work on the seventh (7th) day shall be paid at double time.

All regular employees who report for work at the commencement of their regularly scheduled workweek shall be guaranteed no less than forty (40) hours of straight time hours work. This obligation shall not be effective when an employee is absent from work.

The day on which an employee works the majority of his hours will be considered to have been the day all of his hours were worked. For example, an employee working from 9:00 p.m. Sunday until 5:00 a.m. Monday will be considered to have been working all of that time on Monday, except as described in Article XXIII -Holidays.

Employees on ten (10) or thirteen and one-third (13-1/3) hour day schedules shall receive at least two (2) consecutive days off each calendar week.

Holiday Pay – Alternate Workweek Schedule – ten (10) hours or thirteen and one-third (13-1/3) hours.

- When a holiday falls on an employee's regularly scheduled day of work and he or she is not required to work on that day and his regularly scheduled workweek consists of four (4) ten-hour days, or three (3) thirteen and one-third (13-1/3) hour days, he or she shall be paid as holiday per ten (10) hours or thirteen and one-third (13-1/3) hours depending on the schedule on that day and those hours will be considered as hours worked for the purpose of computing overtime in the workweek.
- When a holiday falls on an employee's regularly scheduled day of work and the employee works on that day, he or she shall be paid holiday pay based on the hours scheduled for that day, and shall be paid in addition, 1-1/2 times the contract rate for the number of hours that he/she actually works.
- When a holiday falls on a day other than an employee's regularly scheduled day of work, and he/she does not work, he or she shall receive as holiday pay eight (8) hours at straight time pay.
- In the event a holiday falls on a day other than an employee's regularly scheduled day of work and the employee is required to work, he shall be paid time and one-half (1-1/2) for working that day plus the holiday pay of eight (8) hours at straight time rate.

Sick Leave Entitlement - Alternate Workweek Schedule - Ten (10) Hours or Thirteen and One-Third (13-1/3) Hours.

All transport employees assigned to an alternate workweek schedule who have been continuously employed by the Employer for a period of at least one (1) year, shall be entitled to a total of six (6) days' sick leave with pay per year based upon a maximum accumulation of forty-eight (48) hours. Sick leave allowance is cumulative for six (6) years or a maximum of thirty-six (36) days based upon a maximum not to exceed two hundred eighty-eight (288) hours.

Sick leave benefits shall be paid in accordance with the provisions provided for in Article XXIX of this Agreement with the following modifications:

Sick leave pay shall commence on the first (1st) workday absent in case of hospitalization, or in the event of incapacitating outpatient surgery.

Non-hospitalization sick leave pay shall commence following the eighth (8th) straight-time hour of work absence.

3. Section 1:

The wages of employees covered by this Article shall be as follows:

| <u>Classification</u> | <u>Rates per Hour Effective</u> | | | |
|---|---------------------------------|---------------|---------------|---------------|
| | <u>6/5/11</u> | <u>6/3/12</u> | <u>6/2/13</u> | <u>6/4/14</u> |
| Transp. Working Foremen | \$26.47 | \$27.09 | \$27.71 | \$28.33 |
| Transport Driver | \$25.47 | \$26.09 | \$26.71 | \$27.33 |
| Shag Drivers | \$25.29 | \$25.91 | \$26.53 | \$27.15 |
| Depot Checkers, Spotter Loaders and Swampers | \$23.35 | \$23.97 | \$24.59 | \$25.21 |

New Hire Rates: Transport and Hourly:

Newly hired employees who have no prior experience in the baking industry shall be paid eighty-five percent (85%) of the contract rate for the first (1st) twelve (12) months of employment.

- A. Transport drivers shall be defined as those drivers who drive equipment with a bread capacity of 6,000 pounds or more.
- B. Shag drivers are those drivers who drive equipment with a bread capacity up to 6,000 pounds.

Section 2:

- A. All hourly paid employees in Section 1 above shall receive an additional Twenty-Five Cents (25¢) per hour above the regular hourly rate for each hour worked between 6:00 p.m. and 12:00 midnight, and Forty Cents (40¢) per hour above the regular hourly rate for each hour worked between midnight and 6:00 a.m.
- B. The Employer shall post a weekly work schedule at least seven (7) days prior to the beginning of the workweek.

Section 3: If shag drivers, transport drivers, depot checkers, spotter-loaders and swampers work six (6) or seven (7) days in any one workweek, the work performed on the sixth (6th) or seventh (7th) day by any employee in these classifications, or on any of the holidays set forth herein, shall be paid at the rate of time and one-half (1-1/2x) the straight-time rate. Where any of the employees in those classifications have been given a day off prior to the holiday in lieu of the holiday, they may be called in to work the holiday at the regular rate of pay.

Section 4:

- A. An hourly transport driver, shag driver, depot checker, spotter-loader and swamper may be given a day off in a holiday week in lieu of the calendar holiday, and such day shall be his holiday. The work schedule for the holiday week for such employee, with

the day designated as his holiday, shall be posted not less than two (2) weeks in advance of the holiday week. If the employee works on the day designated as his holiday, he will be paid time and one-half (1-1/2x) for that day worked. An employee who works more than four (4) days in a holiday week shall be paid at the rate of time and one-half (1-1/2x) for days worked in excess of four (4).

- B. No regular employee shall be called to work for less than eight (8) hours' pay.
- C. In a holiday week, time and one-half (1-1/2x) will be paid for the fifth (5th) and sixth (6th) day worked and double time for the seventh (7th) day worked in that week.

Section 5: All highway transport equipment operating in desert areas must be provided with an operative air conditioner. The Employer shall provide all transports used on runs of thirty (30) or more miles outbound with air conditioners.

Section 6:

A. Run Assignment:

- 1) All transport, central distribution and shag runs shall be posted for bid each year by January 15 and awarded by the last Sunday of February.
- 2) Each employee shall sign in ink the run of their choice. No phone-in bids shall be permitted with the following exceptions: Phone-in bids shall be permitted while an employee is on vacation, authorized leave of absence, sick leave and/or funeral leave. If an employee qualifies for one (1) of the above phone-in bids, he must contact a responsible person such as a foreman or superintendent. This person must sign the bidder's name to the bid sheet in ink and then initial with verification of available Union Steward or fellow employee.
- 3) When a vacancy occurs or a run is permanently and significantly changed, it will be bid within two (2) weeks and the employee on that run has the right to bump into his seniority slot and the vacated run will then be rebid. Significantly means one (1) hour in either direction on starting time, change of days off, change in mileage of over fifty (50) miles or change in routing, that is EAST/WEST, NORTH/SOUTH. Runs becoming open because of successful bidding will be offered to employees according to seniority provided the driver is qualified. An employee who is offered an open run and elects not to take it must sign his name in ink to show that he was asked.
- 4) Bid sheets for transport, central distribution and shag runs shall contain the following information:
 - a) Scheduled starting times.
 - b) Description of run, i.e. approximate routing, number of stops, mileage of runs, hours required for runs.
 - c) Days off.

It is understood that the description of the run on the bid sheet does not in any way diminish the Employer's right to change the run as business conditions warrant; nor does

it preclude the assignment of the other work listed as long as that work is of the type normally performed by transport drivers.

5)

- a) A copy of the bid sheets shall be mailed to the Union on the day it is posted. Also a copy of the signed bid sheet with the name of the successful bidder or employee assigned to the vacancy shall be mailed to the Union.
- b) Any transport, central distribution and shag run filled under paragraph A(3) of this Section shall be given as posted to the successful bidder within fifteen (15) working days of the close of bids, unless for cause the Union and the Employer agree upon an extension of time.
- c) Shag men, checkers and loaders shall be given consideration for jobs in higher classifications and assigned according to seniority if they can qualify.

B. Each job vacancy occurring under this Article shall be filled within two (2) weeks of its becoming vacant providing a qualified employee with seniority is available.

Section 7: The Employer will pay for the time actually spent in taking physical examination required by the Employer or by State or Federal law at the appropriate hourly rate.

Section 8: The parties recognize that occasionally it is necessary, because of absences of employees, for the Company to hire casual employees who will not be guaranteed forty (40) hours' work per week but will be guaranteed eight (8) hours' work any day they work for the Company, unless they absent themselves from work for part of that eight (8) hours. Casual employees shall receive One Dollar (\$1.00) per hour above the rate for whatever job they are hired to perform by the Company and will not be eligible for fringe benefits such as vacation, sick leave, and holidays, provided, however, that pension contributions shall be made in accordance with Article XVII and Health and Welfare contributions shall be made for each month the employee works eighty (80) hours or more in accordance with Article XVI.

Casual employees must be cleared by the Local Union and have become a member of the Union on the thirty-first (31st) day of work.

When a casual employee accumulates a total aggregate of thirty-one (31) working days, such casual employee shall be deemed to be classified as a regular casual employee with the right of preference over other casual employees for work assignments in accordance with Appendix "E" of the Agreement. Casual employees shall be given preference over other casual employees in filling vacant bid runs, following completion of the posting and bidding procedures provided for herein, based upon the date said casual employee achieves regular casual employee status. Upon being awarded a regular bid run, the casual employee will be reclassified to regular employee status and his/her seniority date shall commence upon the date regular employee status is achieved for all purposes of the Agreement, including but not limited to, eligibility for fringe benefits, vacation, sick leave, holidays, etc.

Section 9: Rent-A-Drivers: The Company agrees to begin screening applicants for permanent transport driver positions with the objective being to ultimately replace temporary or rent-a-drivers. The Union and the Company agree that this may not be able to be accomplished within certain timeframes for a variety of business related reasons, but agree that the Company may continue to utilize rent-a-drivers on an emergency basis and further agree that the Company will

notify the Union when such emergencies exist and will furnish the Union the name(s) and dates of all such drivers.

- A. Thomas Muffin/Scully: The Company and the Union agree that transport runs in Southern California between Placentia and Montebello/Southgate may be done by commercial carrier (Scully). All other Southern California runs will be made by Union drivers.
- B. Las Vegas Transport Runs: All transport runs from and to Las Vegas from Southern California facilities will be made by Union drivers.

SLEEPER CAB AND SINGLE MAN LAYOVER DRIVER

1. A Sleeper Cab run shall be not less than five hundred (500) outbound miles except as mutually agreed to between the Employer and the Union, but in no event will be paid for outbound mileage less than five hundred (500) miles and the return mileage less than five hundred (500) miles.

A Single Man Layover run shall not be less than three hundred (300) outbound miles unless mutually agreed to between the Employer and the Union.

2. The mileage rates for Sleeper Cab and Single Man Layover are:

A. Sleeper Cab - East/West

Equipment other than Doubles:

| | |
|-------------------|------------------------|
| Effective 6/5/11: | \$.6389 cents per mile |
| Effective 6/3/12: | \$.6549 cents per mile |
| Effective 6/2/13: | \$.6709 cents per mile |
| Effective 6/4/14: | \$.6869 cents per mile |

Doubles:

| | |
|-------------------|------------------------|
| Effective 6/5/11: | \$.6464 cents per mile |
| Effective 6/3/12: | \$.6624 cents per mile |
| Effective 6/2/13: | \$.6784 cents per mile |
| Effective 6/4/14: | \$.6944 cents per mile |

Sleeper Cab - North/South

Equipment other than Doubles:

| | |
|-------------------|------------------------|
| Effective 6/5/11: | \$.6319 cents per mile |
| Effective 6/3/12: | \$.6479 cents per mile |
| Effective 6/2/13: | \$.6639 cents per mile |
| Effective 6/4/14: | \$.6799 cents per mile |

Doubles:

| | |
|-------------------|------------------------|
| Effective 6/5/11: | \$.6394 cents per mile |
| Effective 6/3/12: | \$.6554 cents per mile |
| Effective 6/2/13: | \$.6714 cents per mile |
| Effective 6/4/14: | \$.6874 cents per mile |

B. Single Man Layover

| | |
|-------------------|-------------------------|
| Effective 6/5/11: | \$.62515 cents per mile |
| Effective 6/3/12: | \$.64115 cents per mile |
| Effective 6/2/13: | \$.65715 cents per mile |
| Effective 6/4/14: | \$.67315 cents per mile |

1. The hourly rate (working non-driver time) for Sleeper Cab and Single Man Layover drivers:

| | |
|-------------------|------------------|
| Effective 6/5/11: | \$24.77 per hour |
| Effective 6/3/12: | \$25.39 per hour |
| Effective 6/2/13: | \$26.01 per hour |
| Effective 6/4/14: | \$26.63 per hour |

New Hire Rates: **Transport, Hourly and Mileage:**

Newly hired employees who have no prior experience in the baking industry shall be paid eighty-five percent (85%) of the contract rate for the first (1st) twelve (12) months of employment.

4. Single Man layover runs will not be established on a mileage rated basis if the weekly sum of the mileage and non-driving earnings of the Single Man layover driver under the normal weekly schedule will be less than the hourly transport rate times forty (40).

In the event that Sleeper Cab and Single Man runs are scheduled for less than normal operation in any workweek, the drivers will exercise their seniority, under the Southern California Bakery Agreement, for regular transport work at the regular transport hourly rate.

If a Sleeper Cab or layover driver performs hourly transport work at the request of the Employer in a week in which he has performed the normal weekly mileage schedule, he will be paid for such hourly transport work at time and one-half (1-1/2x) the hourly transport rate. A Sleeper Cab or layover driver, except as provided by the above paragraph, shall not have any seniority right to perform hourly transport work. If the Employer requests a mileage driver to perform hourly work under this paragraph, such work shall be assigned by seniority.

5. Sleeper Cab and Single Man drivers will be on hourly rate of pay from scheduled reporting time until departure from established base or terminal; from the time they arrive and depart destination (except for layover time) and from time they arrive back at established base or terminal until released. There will be only one (1) designated established base or terminal.
6. All working non-driving time, including but not limited to, breakdown, hook-up, chaining, impassable roads, servicing refrigeration unit and personally fueling tractor, will be paid at the hourly rate.

Time spent making up bunks, preparing pay reports or making entries in log books will not be paid time.

7. On breakdowns or delays caused by impassable highways, drivers shall be paid at the hourly rate for all time spent on such delays commencing with the first (1st) hour or fraction thereof, not to exceed eight (8) hours out of each twenty-four (24) hour period unless the employee is required to remain with his equipment, in which case he shall be paid for all such delay time. Pay for delay time shall be in addition to monies earned for miles driven and/or work performed.

Single Man layover drivers who are paid the hourly rate in this Agreement will be paid that rate for breakdown or delay.

8. Single Man layover drivers will be provided a room in a Class A hotel or motel. If the Employer has a past practice of providing quarters other than at a hotel or motel, such quarters will be equal to a Class A hotel or motel.
9. Company will furnish and maintain mattress, linen and blankets on Sleeper Cab equipment.
10. On a Sleeper Cab run when a pup or second (2nd) trailer is hauled, an additional half cent (1/2¢) per mile will be paid (to be equally divided between the two [2] drivers) only for the miles actually hauled.
11. For all continuous and consecutive miles driven by a Single Man driver in excess of three hundred (300) miles without an intervening rest period, there shall be paid a half-cent (1/2¢) additional per mile.
12. Sleeper Cab and Single Man layover drivers shall be furnished a meal allowance of Forty Dollars (\$40.00) for each twenty-four (24) hour period, and Five Dollars (\$5.00) per meal for each meal over the twenty-four (24) hour period, but not to exceed Forty Dollars (\$40.00) for each second (2nd) consecutive twenty-four (24) hour period and subsequent twenty-four (24) hour periods.

Company:

BIMBO BAKERIES USA

By:

James R. Ham

Its:

Director of Labor Relations

Date:

1/12/12

Signed for the Unions:

LOCALS UNION NUMBERS 63,166,186, 381, 542, 572, 683, 952 and 986-C affiliated with the INTERNATIONAL BROTHERHOOD OF TEAMSTERS

By:

Victor Fernandez

Its:

Chairman

Date:

2-28-12

LETTER OF UNDERSTANDING

The Employer will continue its present practice with respect to breaks for transport drivers. If a driver is to work eleven (11) or more hours, he will be given an overtime break.

Company: **BIMBO BAKERIES USA**
By: James R. Ham
Its: Director of Labor Relations
Date: 1/13/12

Signed for the Unions:

**LOCALS UNION NUMBERS 63,166,186, 381, 542, 572, 683, 952 and 986-C affiliated
with the INTERNATIONAL BROTHERHOOD OF TEAMSTERS**

By: Hector Zerranly
Its: Chairman
Date: 12-28-12

MEMORANDUM OF AGREEMENT

Below sets forth the understanding between the Employer and Local Union Nos. 63, 166, 186, 381, 542, 572, 683, 952 and 986-C, who are parties to the Southern California Bakery Agreement.

The parties, recognizing competitive market conditions, agree on the following which shall become part of the Collective Bargaining Agreement:

In addition to the provisions of Article XXI, the Employer may distribute private label bakery products to fast food accounts having ten (10) or more outlets in the geographical area covered by the Southern California Bakery Collective Bargaining Agreement on the basis of seven (7) day delivery schedule; provided no account shall be served more than five (5) days in a seven (7) day consecutive period, and such delivery shall be made by an hourly rate delivery driver.

Deliveries made under this Memorandum shall be made pursuant to a swing schedule for drivers, each driver working five (5) consecutive days and receiving two (2) consecutive days off. The consecutive day workweek will advance each week according to the swing schedule.

Company: **BIMBO BAKERIES USA**
By: *James R. Ham*
Its: Director of Labor Relations
Date: 1/12/12

Signed for the Unions:

LOCALS UNION NUMBERS 63,166,186, 381, 542, 572, 683, 952 and 986-C affiliated with the INTERNATIONAL BROTHERHOOD OF TEAMSTERS

By: *Heater Fernandez*
Its: Chairman
Date: 2-28-12

MEMORANDUM OF UNDERSTANDING

Below sets forth the understanding between the **Employer and Local Union Numbers 63, 166, 186, 381, 542, 572, 683, 952 and 986-C** are parties to the **Southern California Bakery Agreement**.

It is understood that when any transport run or runs are posted for bid, said run or runs shall include in addition to the job description provided for in the existing contract:

1. Bids shall be posted for seven (7) calendar days.
2. Date and time the bid is posted.
3. Date and time the bid is to be removed.
4. No bids shall be honored after the date and time the bid is required to be removed.
5. In the event that a driver removes his/her name from the bid sheet, he/she shall lose his/her right to bid for the duration of the year and/or until annual bidding occurs. Bids MUST be signed in ink.

Company: **BIMBO BAKERIES USA**
By: James R. Ham
Its: Director of Labor Relations
Date: 1/12/12

Signed for the Unions:

LOCAL UNION NUMBERS 63,166,186, 381, 542, 572, 683, 952 and 986-C

By: Hector Fernandez
Its: Chairman
Date: 1-7-12

APPENDIX "D"

SUPPLEMENTAL AGREEMENT

LOCAL 683 AUTO MECHANICS

Section 1:

| <u>Classification</u> | <u>Rates per Hour Effective:</u> | | | |
|---|----------------------------------|---------------|---------------|---------------|
| | <u>6/5/11</u> | <u>6/3/12</u> | <u>6/2/13</u> | <u>6/4/14</u> |
| A. Auto Mechanics | \$25.42 | \$26.04 | \$26.66 | \$27.28 |
| B. Automotive Greasemen, Tire Changes, Truck Washers and Gas Pump Men | \$23.15 | \$23.77 | \$24.39 | \$25.01 |

C. Working Foreman: To be paid not less than ten percent (10%) above the highest journeyman supervised.

D. Skill and ability and other qualifications being substantially equal, job openings, shift openings and days off shall be on a seniority basis. When vacancies occur, provided the employee is qualified to do the work, vacancies shall be posted at least three (3) calendar days in advance so employees may exercise a shift preference or a preference for days off. Following a successful bid or assignment by the Employer, an employee shall be restricted from bidding for twelve (12) months.

E. When a working foreman's job vacancy occurs, the Employer will notify the Union and post a notice at least three (3) calendar days in advance to that effect. The Employer, in filling such vacancy, shall be the judge in determining the skill and ability of all applicants for the position. The Employer will notify the unsuccessful applicants in writing that they have been considered and the reason for not being selected.

F. Tool Allowance: Each employee who works his scheduled workweek will be credited with Seven Dollars and Fifty Cents (\$7.50) tool allowance. The tool allowance credit will be given for all weeks for which the employee is paid, as well as all weeks where the combination of time worked and paid leave (excluding sick leave pay) amounts to a full week's pay. Tool allowance will be paid annually by separate check on or before June 1 to all regular employees currently on the payroll on such date who have passed their probationary period.

G. Tool Insurance: The Employer shall reimburse the employee for the loss of hand tools required by the Employer as a result of theft by illegal breaking and entering on the Employer's premises, provided that such loss is not caused by the employee's negligence. Claims will be honored only for tools which have been listed on an appropriate inventory form filed with the Employer. The employee shall notify the Employer whenever he removes his tools from the Employer's premises.

Tool sets, once removed from the Employer's premises, may be subject to a revised tool inventory form being filed with the Employer.

Section 2: All hourly paid employees shall receive an additional twenty-five cents (25¢) per hour above the regular hourly rate for each hour worked between 6:00 p.m. and 12:00 midnight and forty cents (40¢) per hour above the regular hourly rate for each hour worked between midnight and 6:00 a.m.

Company: **BIMBO BAKERIES USA**
By: James R. Ham
Its: Director of Labor Relations
Date: _____

Signed for the Unions:

LOCAL UNION NUMBERS 63,166,186, 381, 542, 572, 683, 952 and 986-C

By: Nector Ferranally
Its: Chairman
Date: 2-28-12

APPENDIX "E"
MEMORANDUM OF AGREEMENT

Assignment of Work within the Transportation Department (excluding vacations)

- 1) All vacancies (excluding mileage) not involving extra work/work above and beyond scheduled runs consisting of two (2) weeks duration or less shall be offered employees by seniority who have the available hours in compliance with D.O.T. regulations, are off work or on a regular non-scheduled workday, and acceptance of such work does not interfere with their ability to perform their scheduled bid run upon completion of the vacancy.
- 2) All vacancies (excluding mileage) exceeding two (2) weeks' duration shall be offered subject to posting and assignment by seniority. Only the original vacancy and next subsequent vacancy shall be subject to posting and assignment by seniority. Pending assignment of the subsequent vacancy, a casual driver shall be assigned to perform such work.
- 3) Mileage runs shall be considered premium runs and shall be offered by seniority and availability regardless of duration or reason for the absence. The driver that takes the run will be replaced by a casual driver.
- 4) Overtime pay for extra work assignments shall only be paid to employees who complete their normal scheduled workweek or who exceed the daily work hours for their specific group (A, B or C), with the exception of employees unable to complete their scheduled workweek due to bona fide illness or emergency beyond the employee's control, approved by management. Employees absent due to bona fide illness or injury must present the Employer with an original doctor's statement signed by the attending physician, verifying date of absence and treatment before becoming eligible for overtime pay.
- 5) In case of emergencies where there are no drivers available, the Employer retains the right to cover such vacancies as needed.
- 6) Implementation of this Agreement shall be completed by September 1, 2001, unless mutually extended by the Union and Employer.
- 7) **Seasonal Bids**
 - A. Seasonal work assignments shall be posted and assigned to those employees who normally perform the work.
 - B. Seasonal bids shall be limited to one (1) bid. Temporary vacancy resulting from assignment of seasonal bid shall be filled by a casual driver.
 - C. Upon completion of seasonal work assignment, the employee will return to his/her original bid run.

James R. Ham
Signed on behalf of
Bimbo Bakeries USA

Hector Fernandez
Signed on behalf of
Teamsters Local No. 63

Dated: 1/12/12

LETTER OF UNDERSTANDING
Six (6) and Seven (7)-day Swingman Delivery System

Below sets forth the understanding between **BIMBO BAKERIES USA** and **LOCAL UNION NUMBERS 63, 166, 186, 381, 542, 572, 683, 952 and 986-C** who are parties to the Southern California Bakery Agreement.

Subject: Six (6) and Seven (7)-day Swingman Delivery System

The Company may implement a six (6) and seven (7)-day swing operation with a thirty (30)-day advance notice to the Union.

Company: **BIMBO BAKERIES USA**
By: *James R. Ham*
Its: Director of Labor Relations
Date: 1/12/12

Signed for the Unions:

LOCAL UNION NUMBERS 63, 166, 186, 381, 542, 572, 683, 952 and 986-C

By: *Heater Fernandez*
Its: Chairman
Date: 1-28-12

LETTER OF UNDERSTANDING
Mega Stores and New Accounts

Below sets forth the understanding between **BIMBO BAKERIES USA** and **LOCAL UNION NUMBERS 63, 166, 186, 381, 542, 572, 683, 952 and 986-C** who are parties to the Southern California Bakery Drivers Agreement.

Subject: Mega Stores and New Accounts

On all new business opportunities, the Company has the right to deliver by an hourly rated employee. If a merchandiser is required, the hourly rate of pay shall be determined by the parties.

Company: **BIMBO BAKERIES USA**
By: James R. Ham
Its: Director of Labor Relations
Date: 1/12/12

Signed for the Unions:

LOCAL UNION NUMBERS 63,166,186, 381, 542, 572, 683, 952 and 986-C

By: Heater Fernandez
Its: Chairman
Date: 2-28-12

LETTER OF UNDERSTANDING
Supervisor Vans

Below sets forth the understanding between **BIMBO BAKERIES USA** and **LOCAL UNION NUMBERS 63, 166, 186, 381, 542, 572, 683, 952 and 986-C** who are parties to the Southern California Bakery Drivers Agreement.

Subject: **Supervisor Vans**

The Company agrees as of ratification of this Agreement to return vans to supervisors as vans are available. The Company will discuss alternative compensation for those supervisors for whom vans are not available. Company is not required to purchase or otherwise acquire vans pursuant to this Agreement. Choice of whether or not to take van or agreed upon alternate compensation is the Company's, not the supervisors.

Company: **BIMBO BAKERIES USA**
By: *James R. Ham*
Its: Director of Labor Relations
Date: 1/12/12

Signed for the Unions:

LOCAL UNION NUMBERS 63,166,186, 381, 542, 572, 683, 952 and 986-C

By: *Hector Fernandez*
Its: Chairman
Date: 2-28-12

LETTER OF UNDERSTANDING
Plant Policy Rule Book

Below sets forth the understanding between **BIMBO BAKERIES USA** and **LOCAL UNION NUMBERS 63, 166, 186, 381, 542, 572, 683, 952 AND 986-C** who are parties to the Southern California Bakery Drivers Agreement.

Subject: **Plant Policy Rule Book**

The Company agrees as of ratification of this Agreement that the Plant Policy Rule Book and Route Sales Rule Book will be merged after the Union and Management discuss changes as applies only to Transport and Mechanics.

Company: **BIMBO BAKERIES USA**
By: *James R. Ham*
Its: Director of Labor Relations
Date: 1/12/12

Signed for the Unions:

LOCAL UNION NUMBERS 63,166,186, 381, 542, 572, 683, 952 and 986-C

By: *Nester Fernandez*
Its: Chairman
Date: 2-28-12

ATTACHMENT A (Article II Section (6D))

Drop Ship Product List

Mrs Bairds

| Bread | | Cake | |
|------------------------------------|--------|------------------------------|-----------|
| 1. Large Sliced White | 24 oz. | 1. Butter Rings | 12.5 oz. |
| 2. Whole Grain White | 24 oz. | 2. Deluxe Pecan Roll | 13.45 oz. |
| 3. 100% Wheat | 24 oz. | 3. Powdered Sugar Donut Bag | 19.5 oz. |
| 4. Split Top Wheat | 24 oz. | 4. Box Apple Pie | 16.25 oz. |
| 5. Harvest Select Honey 7-Grain | 24 oz. | 5. Box Cherry Pie | 16.25 oz. |
| 6. Harvest Select 100% Whole Grain | 24 oz. | 6. Snack Bag Powdered Donut | 12 oz. |
| 7. Coney Hot Dog Bun | 8 Pk. | 7. Snack Bag Chocolate Donut | 12 oz. |
| 8. Four Inch (4") Hamburger Buns | 8 Pk. | 8. Snack Bag Cinnamon Donut | 12 oz. |
| | | 9. Classic Frosted | 12 oz. |
| | | 10. Classic Plain | 8.5 oz. |
| | | 11. Honey Buns | 3.6 oz. |
| | | 12. Snack Donuts | 3.0 oz. |
| | | 13. Chocolate Cups | 3.325 oz. |
| | | 14. Butter Cups | 3.5 oz. |
| | | 15. Snack Cinnamon Roll | 4.69 oz. |
| | | 16. Apple Snack Roll | 5.08 oz. |
| | | 17. Cherry Snack Roll | 5.08 oz. |
| | | 18. Apple Pie | 4.25 oz. |
| | | 19. Cherry Pie | 4.25 oz. |
| | | 20. Pecan Pie | 4.25 oz. |

LETTER OF UNDERSTANDING
Rent-A-Drivers

Below sets forth the understanding between **BIMBO BAKERIES USA**-and **LOCAL UNION NUMBERS 63, 166, 186, 381, 542, 572, 683, 952 AND 986-C** who are parties to the Southern California Bakery Drivers Agreement.

Subject: **Rent-A-Drivers**

The parties agree that, upon request of the Union, they will meet for the purpose of determining the status of maintaining Rent-A-Drivers. Specifically, upon the request of the Union, the Company will provide adequate and sufficient information and facts as to why there is a continued business need for the use of such drivers. This information will not be provided more frequently than 30-day intervals.

Company: **BIMBO BAKERIES USA**
By: *James R. Ham*
Its: Director of Labor Relations
Date: 1/12/12

Signed for the Unions:

LOCAL UNION NUMBERS 63,166,186, 381, 542, 572, 683, 952 and 986-C

By: *Hector Fernandez*
Its: Chairman
Date: 1-28-12

LETTERS OF UNDERSTANDING

1. The Company and the Unions agree that the Company can install and utilize video cameras in their vehicles. Such cameras will be utilized to monitor the safe operation of the vehicles. The cameras will not be utilized in monitoring or disciplining Company employees with any interior views of the vehicle except if the driver is cited by law enforcement, and in that case images will be utilized as verification. The forward-facing data that is recorded and stored in the camera will be utilized in the event of accident investigation and other areas of Company safety and property security that might arise.
2. Upon ratification, the new practice of bypassing the Pico DC to deliver product to the Sun Valley, Fontana and Fresno depots that was instituted earlier this year (2011) after receipt of the Arbitration Award will be suspended for the first two (2) years of this contract. Should the Company elect to reinstate the practice thereafter, the Union retains its right to grieve.

Company: **BIMBO BAKERIES USA**
By: James R. Heron
Its: Director of Labor Relations
Date: 1/12/12

Signed for the Unions:

LOCAL UNION NUMBERS 63,166,186, 381, 542, 572, 683, 952 and 986-C

By: Hector Fernandez
Its: Chairman
Date: 2-28-12

LETTER OF UNDERSTANDING

This Letter of Understanding is between Bimbo Bakeries USA and the Teamsters Union, representing Locals 63, 572, 683, 952, 381, 542, 166 and 186.

Regarding the catering house commissions, we do not have a problem as far as the products being delivered to those entities on your lists, as well as agreeing to the discounted price. However, such price reductions and subsequent commissions must be effective March 29, 2005. Full commissions are to be paid through March 28, 2005.

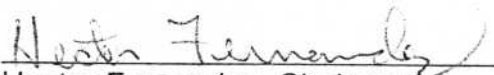
It must be understood that our agreement on the discount price remains valid so long as the products to be discounted are those which are restricted to the line items and products shown in the document entitled "CATERING/VENDING PURCHASE AGREEMENT" and referred to as "snacks", plus the four (4) new items agreed to this date. These four (4) items added are: (1) Pay de Pina, (2) Pastitas, (3) Pastisetas and (4) Mantecadas Vainilla Nuez.

If the Union discovers that Bimbo has gone beyond those products illustrated within the bordered area, or has committed a material breach related to this area, we shall give you a thirty (30) day notice in writing that will end the Agreement at the expiration of that time period. Thereafter, we expect the full price to be rejuvenated. Arbitration could be necessary to remedy such breach.


It must also be understood that the members will have to be voted on this matter and the outcome of this letter will be determined by said vote.

Agreed to this 24th day of March, 2005.

FOR THE UNION:


Hector Fernandez, Chairman
Pacific Southwest Bakery Drivers Council

FOR THE COMPANY:


James R. Ham, Director of Labor
Relations

CATERING/VENDING PURCHASING AGREEMENT

The following purchasing agreement was developed specifically for our Catering/Vending accounts to enable them to continue selling name branded "Hispanic Snacks" at a competitive price. The conditions of the agreement are as follows:

1. Bimbo/Marinela products are the "Hispanic Snack" offering.
2. All products must be purchased BULK (in full trays).
3. Credit terms net 7 days.
4. Account must be a Catering/Vending Business

Upon acceptance of this offer the following prices will be in effect and are not negotiable downward. Bimbo Bakeries USA is openly soliciting business at these prices for all Catering/Vending accounts that agree to the conditions of this purchasing agreement.

Price change effective January 10, 2011.

Customer:

| Line # | Product Description | Current Price | New Discount Unit Price |
|--------|---------------------------|------------------|-------------------------------|
| 887 | BIM-BUNUELOS 4pk | \$0.65 | \$0.70 |
| 594 | BIM-CONCHAS (2) | \$0.65 | \$0.70 |
| 595 | BIM-CUERNITOS 2 | \$0.65 | \$0.70 |
| 9113 | BIM-DONAS 4pk | \$0.65 | \$0.70 |
| 9173 | BIM-DORADITAS 3pk | \$0.65 | \$0.70 |
| 9122 | BIM-MANTECADA (4) | \$0.65 | \$0.70 |
| 612 | BIM-MANTECADAS (2) | \$0.65 | \$0.70 |
| 2112 | BIM-PANQUECITOS 2pk | \$0.65 | \$0.70 |
| 9165 | BIM-ROLE DE CANELA | \$0.65 | \$0.70 |
| 9137 | BIM-MANTECADAS(4) VANNUEZ | \$0.65 | \$0.70 |
| 624 | MAR-PINGUINOS 2pk | \$0.65 | \$0.70 |
| 871 | MAR-CHOCOROLES 2pk | \$0.65 | \$0.70 |
| Delete | MAR-CANELITAS (8) | \$0.65 | Delete |
| 884 | MAR-GANSITO 2pk | \$0.65 | \$0.70 |
| 9404 | MAR-NAPOLITANO | \$0.65 | \$0.70 |
| Delete | MAR-POLVORONES (4) | \$0.65 | Delete |
| 626 | MAR-SPONCH (6) | \$0.65 | \$0.70 |
| 9438 | MAR-STRAW BARS 4pk | \$0.65 | \$0.70 |
| 9425 | MAR-PINE APPLE BARS 4pk | \$0.65 | \$0.70 |
| 9585 | MAR-SUBMARINOS 2pk | \$0.65 | \$0.70 |
| 9412 | MAR-PASTITAS | \$0.65 | \$0.70 |
| 5156 | MAR-PASTISETAS | \$0.65 | \$0.70 |
| 3996 | MAR-PAY DE PINA | \$0.65 | \$0.70 |

Customer Representative

Date

Bimbo Bakeries USA

Date



BIMBO BAKERIES USA

Letters of Understanding

1. The Company and the Unions agree that the Company can install and utilize video cameras in their vehicles. Such cameras will be utilized to monitor the safe operation of the vehicles. The cameras will not be utilized in monitoring or disciplining Company employees with any interior views of the vehicle except if the driver is cited by law enforcement and in that case images will be utilized as verification. The forward facing data which is recorded and stored in the camera will be utilized in the event of accident investigation and other areas of Company safety and property security which might arise.
2. Upon ratification, the new practice of bypassing the Pico DC to deliver product to the Sun Valley, Fontana and Fresno depots that was instituted earlier this year (2011) after receipt of the Arbitration Award will be suspended for the first two (2) years of this contract. Should the Company elect to reinstate the practice thereafter, the Union retains its right to grieve.

Company: **BIMBO BAKERIES USA**

By:

James R. Ham

Its:

Director of Labor Relations

Dated:

July 15, 2011

Signed for the Unions

LOCAL UNION NUMBERS 63, 166, 186, 381, 542, 572, 683, 952 AND 986-C

By:

Neuter Fernandez

Its:

Chairman

Dated:

2-28-12