

**AGREEMENT**

**BETWEEN**

**LBC MUNDIAL**

**AND**

**LBC MABUHAY HAWAII, INC.**

**AND**

**TEAMSTERS LOCALS 63 and 542**

Effective April 1,2021 to and including March 31, 2024

# **AGREEMENT**

**EFFECTIVE APRIL 1, 2021 TO AND INCLUDING MARCH 31, 2024**

## **ARTICLE – I – UNION RECOGNITION**

- A. This Agreement made effective this 1<sup>st</sup> day of April 2021 by and between LBC Mundial and LBC Mabuhay Hawaii, Inc. (“LBC”), at the locations set forth in “Exhibit “B””, first party, hereinafter referred to as the Employer or the Company, and LOCAL UNION set forth in Exhibit “B” chartered by the International Brotherhood of Teamsters, second party, hereinafter referred to as the “UNION”.
- B. The Teamsters are the exclusive bargaining representative of all drivers, warehouse workers, clerks employed by LBC Mundial and LBC Mabuhay Hawaii, Inc. (“LBC”), excluding all guards, confidential employees, supervisors, independent contractors and any others excluded by the Act.
- C. With regard to Local Union designation, the Employer agrees to abide by the jurisdictional rules and jurisdictional decisions of Teamsters Joint Council No. 42 solely as to which Local Union represents which members of, or locations in, the bargaining unit. This provision shall have no effect on the Employer’s methods of operation, distribution and work assignments.
- D. Nothing contained in this Agreement shall prevent the Employer and an individual Union from continuing or establishing systems, procedures and/or agreements regarding different methods of operation or agreements pertaining to other conditions and/or terms of employment.

## **ARTICLE II – EMPLOYEES COVERED**

- A. This Agreement shall cover and apply to employees of the Employer employed in jobs classified in the schedule attached hereto at the Employer’s place or places of business as listed in Exhibit “B”.

- B. Whenever the masculine gender is used in this Agreement, it shall be deemed to include the feminine gender as well, and vice versa.
- C. Due to the dispersed nature of the Employer's locations, it shall not be a violation of this Agreement for the Supervisors and Managers to perform bargaining unit work under the following conditions:
  - 1. On a temporary emergency basis
  - 2. For the purpose of filling in for Customer Service Associates or Drivers who are on break or are absent from work for a period of not more than two (2) weeks, where there are no other bargaining unit members at that location who can cover for the employee's absence or break.
- D. The parties specifically agree that the Company's Managers' and Supervisors' performance of the fill-in tasks shall not make them members of the bargaining unit subject to this Agreement. The parties further agree that during the times that a Manager or Supervisor is filling in for a bargaining unit member, the Manager or Supervisor may perform all duties that normally would have been performed by that unit member.

### **ARTICLE III – UNION SECURITY**

- A. It shall be a condition of employment that all employees of the Employer covered by this Agreement who are members of the Union in good standing on the effective date of this Agreement shall remain members in good standing, and those who are not members on the effective date of this Agreement shall, on the thirty-first (31<sup>st</sup>) calendar date following the effective date of this Agreement, become and thereafter remain members in good standing in the Union. It shall also be a condition of employment that all employees covered by this Agreement and hired on or after its effective date shall, on the thirty-first (31<sup>st</sup>) calendar day following the beginning of such employment, become and thereafter remain members in good standing in the Union. Good standing shall be defined as timely payment of regular dues and initiation fees, including reinitiating fees, uniformly applied to all members.

- B. The Employer shall discharge an employee at the expiration of seven (7) calendar days following receipt of written notice from the Union that the employee has failed to complete or maintain membership in good standing in the Union, unless the employee has corrected the deficiency and the Employer is so notified within the seven (7) days.
- C. The Union hereby agrees to indemnify and hold harmless the Employer for any and all back pay resulting from the Employer's termination of any employee pursuant to the Union's request for such termination.
- D. The Employer agrees to notify the Union promptly of all terminations and hires.
- E. Provided that a dues checkoff payroll deduction authorization is signed by an employee covered by this Agreement, and provided that the Employer receives an invoice from the Union by the 5<sup>th</sup> of each month, the Employer agrees to deduct from the pay of all employees covered by this Agreement the monthly dues, all back dues, initiation fees and/or uniform assessment of the Local Union and agrees to remit to said Local Union all such deductions prior to the end of the month for which the deduction is made. Union dues deductions shall be made from vacation checks when employees are on vacation during the week in which such Union dues deductions are made. The Union shall request no deduction that is prohibited by applicable law. Where an employee who is on check-off is not on the payroll during the week in which the deduction is to be made, or who has no earning or insufficient earnings during the week or is on leave of absence, the employee must make arrangements with the Union to pay such dues in advance. Dues shall be deducted during the first (1<sup>st</sup>) week of the month and be remitted to the Local Union prior to the end of the same month. With each dues remittance, the Employer shall submit a report, listing all employees alphabetically with their social security number and the amount of dues, if any, deducted for each employee.
- F. Provided that a payroll authorization is signed by an employee covered by this Agreement, and provided that the Employer

receives an invoice from the Union by the 5<sup>th</sup> of each month, the Employer agrees to deduct from the paycheck of all employees covered by this Agreement voluntary contributions to DRIVE. DRIVE 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 earned a wage. The Employer shall transmit to DRIVE National Headquarters on a monthly basis, in one (1) 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 that employee's paycheck. The International Brotherhood of Teamsters shall reimburse the Employer annually, no later than January 31<sup>st</sup> of each year, for the Employer's actual cost for the expenses incurred in administering the weekly payroll deduction plan. The Local Unions agree to guarantee this reimbursement.

#### **ARTICLE IV – MANAGEMENT RIGHTS**

- A. It is mutually agreed that, except as expressly limited or modified in this Agreement, the Company retains all rights, powers, functions, and authority, which it had prior to signing this Agreement. The Company's rights including, among other things, the right to plan, direct, control, increase, or discontinue operations; to change, remove, install or alter machinery, equipment, appliances and facilities; to introduce different work, methods or procedures; to assign work in accordance with the needs of the facility; to determine and increase or decrease the size of the work force; to hire, assign, and lay off employees; to direct the working forces; to determine the number of employees required for its operations; to establish work schedules, to initiate and carry out cost and general improvement programs; to adopt working and safety rules and Company policies and procedures and to enforce them; to discipline or discharge for just cause; to transfer, promote, and demote employees; and to subcontract, close, liquidate, sell discontinued, or otherwise dispose of all or any part of its operation, in which event, the Company agrees that upon request, the Company will meet to discuss the impact on affected employees and consider any reasonable alternative.

- B. The listing of specific rights in this Agreement is not intended to be, nor shall it be restrictive of, or a waiver of, the rights of management not listed and specifically surrendered herein that existed prior to the signing of this Agreement. The Union and the Employer agree that although not specifically listed, the Employer retains the right, to be exercised for business reasons, to subcontract out any work that can be performed more efficiently by outside sources. Should the Employer decide to subcontract out work, the Employer agrees to bargain with the Union, in good faith, regarding the effects of such subcontracting out of said work. For the purposes of this provision regarding the bargaining on the effects of subcontracting out, the Union maintains its right to strike. Such economic action shall not be in violation of this Agreement.

## **ARTICLE V – MANAGEMENT AND DIRECTION OF PERSONNEL**

- A. The Employer shall have the right to discharge any employee for good cause, including but not limited to dishonesty, incompetency, violence or threats of violence, serious abuse or mistreatment of a customer, fighting, drinking or drug use while on duty or before duty (if the employee is still intoxicated when he or she reports to work) or during breaks, intoxication, and failure to perform work, or report to work, as normally required.

Willful falsification of a material fact on an application shall also be cause for immediate discharge.

- B. Except for discharge for dishonesty, theft, fighting or threats of violence, failure to report to work for three (3) consecutive days without significant good cause that is promptly provided to the Employer at the earliest possible point, serious abuse of a customer, falsification of the application or other company documents, an inability to be bonded or insured at reasonable business rates, an inability to perform the position due to local, state or federal laws, regulations or guidelines, intoxication, insubordination, or disobedience of posted Company rules, an employee shall not be discharged or subject to disciplinary layoff unless he has had one previous warning notice, for a like offence, in writing with a copy to the Union for an offense committed 365

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

- C. It is further agreed that any employee, who shall be discharged, suspended, or laid off shall have the right to secure a review of such discharge, suspension or layoff by making written request to the Employer not later than ten (10) business days after such discharge, suspension, or layoff; that promptly after the receipt of such a request, the Employer shall appoint a time for such review, giving notice to such employee and the Union that the time so appointed shall not be more than fourteen (14) days after the Employer's receipt of such request, and that the Union shall, if it is not satisfied with the decision of the Employer pursuant to such review, have the right to submit said disputed matter to a neutral arbitrator pursuant to Article XXII below.
  
- D. The Employer shall post notices of any promotional job which is vacant so that interested employees may have knowledge of it. Such notice shall be posted in a conspicuous place for at least five (5) days and shall indicate to whom the employee may make his interest in the opening known. When selection is made, the name of the person selected shall be posted.

## **ARTICLE VI – DONATIONS AND EXAMINATIONS**

- A. Contributions and donations for all charitable purposes shall be voluntary on the part of the employee.
  
- B. If an Employer requires physical or other examinations including examinations for controlled substances or intoxicants, and/or employee proficiency and/or ability examination, the Employer shall provide or designate a qualified physician or examiner. The Employer shall bear the cost of any examination required by him to determine proficiency and/or ability.
  
- C. The Employer shall have the right to test (using scientifically acceptable methods) any employee or group of employees for

whom the Employer has reasonable cause to believe that drug or intoxicant use is affecting work performance or safety.

- D. Employees who are tested for any of the above-mentioned tests shall be subject to the terms and conditions of the Substance Abuse Policy currently in effect, or as the Company may institute from time to time.
- E. The Employer may institute a Post-Accident/Injury Drug Testing Program.
- F. If necessary, an employee or applicant will be required to obtain a DMV report in order to remain, or begin, working. The employee or applicant will be required to obtain the DMV report on his own time, but the Company will reimburse the employee on the next regularly scheduled payday for the administrative cost of obtaining the pull-notice, or the applicant upon presentation of the DMV report. An employee will not be permitted to work without a proper pull notice. An employee who fails to provide a proper pull-notice within seven (7) calendar days shall be terminated.
- G. All employees who are required to drive as part of their work duties must be insurable to drive Company vehicles or be on the Company's insurance.
- H. Employer shall be allowed to enact rules and regulations designed to comply with TSA and BSA requirements, or any other applicable state or federal law.

## **ARTICLE VII – TIME RECORDS**

- A. All employees will record their actual work time on Company provided time cards. Time cards must reflect the actual starting time at the beginning the employee's workday, the beginning and ending of the employee's scheduled lunch period, and the end of the employee's workday. Under no circumstances is an employee permitted to record the working time for another employee. To do so may subject both employees to disciplinary action, up the and including termination.



- B. Falsification of time records and improper recording of working time are grounds for immediate discharge. If time is erroneously recorded; an employee is to promptly take their time record to their supervisor who will correct and initial the time-entry correction.
  
- C. Time records are the basis for processing payroll. Each employee must, therefore, sign their own time record on the last work day of each pay period, signifying that the time recorded is proper and correct.

**ARTICLE VIII - VACATIONS**

Vacation time off with pay is available to all eligible employees to provide opportunities for rest, relaxation, and personal pursuits. Employees in the following employment classification(s) are eligible to earn and use time as described in this policy. It is important for all employees to understand that the Company’s vacation policy is an accrual policy. What this means is that the employee can only accrue a designated amount of vacation time. Once the designated amount of time is accrued, the employee will not accrue any more time until vacation days are used, and the accrued time falls below the amount of time that the Company allows employees to accrue. Only once this event occurs, will the employee begin to accrue additional vacation time.

The amount of paid vacation full time employees may accrue each year increases with the length of their employment as shown in the following schedule.

*Non-Exempt Employee*

1 to 4 years	10 days
5 to 9 years	15 days
10 and above	20 days

Employees who work less than four (4) hours per day (twenty hours per week) will not be entitled to any paid vacation leave. If an employee fails to report back to work on their scheduled date, the Company will assume he/she has terminated their employment with LBC. Employees working more than twenty (20) hours per week shall be entitled to vacation and shall accrue it on a pro rata basis by hours worked under terms in current section.

Employees will cease accruing vacation once they reach 1.5 times their annual accrual amount until such time as they drop below their annual accrual. So, an employee who accrues ten (10) days per year, may have up to fifteen (15) days of vacation in the vacation bank, at which point he or she ceases to accrue vacation until his or her unused vacation drops below that threshold again.

LBC in its sole discretion may prohibit all vacations between September 1<sup>st</sup> and December 31<sup>st</sup>. Employees may otherwise take vacation up to the amount of their vacation accrual subject to the Company's reasonable business needs.

Employees working more than twenty (20) hours per week shall be entitled to vacation and shall accrue it on a pro rata basis by hours worked under terms in current section.

## **ARTICLE IX – LEAVE OF ABSENCE**

- A. The Employer may grant a reasonable leave of absence to an employee upon written application. The employee and the Union shall be given a written notice of the terms and conditions of any leave of absence granted. Requests for leave of absence shall not be unreasonably denied to any employee who has twelve (12) months or more of continuous service.
- B. Failure to return to work in accordance with the terms of a leave of absence shall be a cause for immediate termination.

## **ARTICLE X – SICK LEAVE**

Eligible full-time employees accrue sick leave at a rate of 0.833 days per month for a total of ten (10) days per calendar year or fraction thereof. Absence may be considered excessive, regardless of entitlement, if it is of long duration or frequent occurrence. A doctor's certificate will be required after two (2) consecutive sick days. There is no monetary compensation for unused sick leave. All employees must report all sick calls to their Managers or Personnel Department before their scheduled time for work. Any sick calls not reported to Managers or Personnel Department will be considered sick without pay. Upon return to work, a sick leave application must be submitted to the Personnel Department.

LBC will not pay sick leave the day before or after vacation and/or paid legal holiday.

Employees may carry over unused sick leave from year to year. After an employee has accrued thirty (30) days of sick leave, he or she may cash out all such sick leave in excess of thirty (30) days at year end, or when he or she leaves his or her employment. Under no circumstances can an employee ever cash out sick leave between zero and thirty days, and the right to cash out sick leave only ever attaches to such leave in excess of thirty (30) days.

## **ARTICLE XI – JURY DUTY**

When eligible employees are summoned for Jury Duty, they will receive full wages up to a maximum of two (2) weeks. Employees should return to work if sessions are postponed or recessed for the day. Employees must submit written proof that the Court required their attendance for the hours and/or days absent.

### **Voting**

Generally, the polling schedule is set so that ample time is allowed for voting before or after work. However, if this is not possible, you may take up to two (2) hours with pay for this purpose. Prior arrangements should be made with Manager.

## **ARTICLE XII – FUNERAL LEAVE**

Employees who wish to take time off due to a death of an immediate\* family member should notify their Manager immediately. Up to three (3) days of paid bereavement leave will be provided to eligible employees.

\*LBC defines “immediate family” to include the following individuals: an employee’s parent, child, sibling and spouse’s parent.

## **ARTICLE XIII – HOLIDAYS**

LBC observes the following paid holidays for all eligible employees:

New Year's Day	Memorial Day
Independence Day	Labor Day
Thanksgiving Day	Christmas Day

Full-time employees shall be entitled to a floating holiday if a paid holiday falls on a non-working day (or day off) of the employee. In order for the employee to avail him or herself of the floating holiday, the employee shall inform the Personnel Department five (5) working days in advance of the designated day.

The Company will not pay sick leave before and after LBC observed holidays. Sick time used on all other holidays not observed by LBC will not be paid.

### **LBC Day**

LBC provides one (1) paid day per calendar year to all eligible employees. Any employee wishing to take advantage of this benefit must notify Manager at least five (5) working days before the date on which the employee wishes to use the LBC Day. LBC considers LBC Day to be an LBC observed holiday. Any sick time used before and after LBC Day is taken will not be paid.

## **ARTICLE XIV – BULLETIN BOARD AND UNION VISITS**

- A. The Employer shall provide the Union with bulletin board space at its warehouse and branches for the posting of notices to bargaining unit employees, provided that the materials posted thereon are confined to official union business and not commercial, political, religious, discriminatory, defamatory or inflammatory. Nor shall said postings denigrate the Employer. Said postings shall also comply with the Employer's workplace harassment policies and its other rules, policies and procedures relating to maintenance of discipline and order in the workplace. The Employer has the right to deny

bulletin board access to postings that do not comply with these limitations. The Employer also has the right to remove such non-compliant postings. All such union notices shall be authorized and signed by the Secretary-Treasurer of the Local Union or by his designee who shall be a full-time representative of the Local Union involved.

- B. It is mutually agreed that there will be no interference by the Union with the work of any employee covered by this Agreement during the regular work hours of said employee. Provided that it is allowed by state or federal law and regulations, and the Union representative has the required accreditation and training from any necessary federal or state agencies (which shall be the Union's sole responsibility to acquire), an authorized representative of the Union shall be admitted to the Company's premises at a reasonable time and with reasonable frequency for the purpose of adjusting grievances or monitoring the Company's compliance with this Agreement, provided, that said representative shall not enter said premises without first requesting and obtaining the Company's express authorization to do so, which shall not be unreasonably withheld or delayed, and provided that at no time shall said representative create a safety risk, interfere with any employee's performance of work or interfere with or interrupt the Company's operation.
- C. The Company will place a mutually agreeable Teamsters' logo sticker no larger than 4x4 inches on the back of its Company vehicles.

## **Stewards**

The Union will certify in writing to the Company the names of the Stewards (not to exceed three (3) stewards and two (2) alternates) and its Agents authorized to act in its behalf and will keep such list current at all times.

## **ARTICLE XV – SENIORITY**

- A. Seniority means length of continuous service without break. Any break (as hereinafter defined) in continuity will cancel seniority

theretofore accrued, and seniority can be acquired after such break only by re-employment, in which case seniority will date from such re-employment. Break in continuity of service, with resulting cancellation of seniority, will result from any of the following:

1. Discharge;
  2. Resignation or other termination of service by voluntary act of employee;
  3. Absence without good cause, which shall include but not be limited to failure to report to work for two (2) consecutive days without complying with the Company's attendance policy, unless the employee, through no fault of his or her own, is unable to comply in a timely fashion but does so at the earliest possible opportunity;
  4. Failure to return to work upon recall from layoff;
  5. Layoff for twelve (12) months or more; and
  6. Failure to make a timely return from leave of absence.
- B. Employees shall be required to give one (1) weeks' notice to the Employer before voluntarily terminating their services, except where such termination is for good cause. The Union agrees to make every effort to secure employee compliance with this provision. Employees who have been employed by the Company one (1) or more years and who are laid off because of lack of work and/or a reduction in the work force shall be entitled to one (1) weeks' notice of such termination of employment, such notice to be given no later the first (1<sup>st</sup>) half of the first (1<sup>st</sup>) shift of the employee's last workweek. It is expressly understood that employees who are discharged for cause or who voluntarily quit shall not be entitled to such termination notice.
- C. Seniority will not, however, be established until after the employee has been in the service of the Employer ninety (90) calendar days. As soon as seniority is established, same shall date from the original date of employment.

- D. Seniority shall prevail in demotions occurring as a result of reductions in the work force, layoffs, and rehiring, provided the senior employee can perform the work required.
- E. In case of rehires, the Employer agrees to notify by telegram, mailgram, certified mail, or overnight delivery service to the last known address of the laid-off employee who, in accordance with this Article, is eligible to fill the job vacancy. A copy of such written notification shall be sent to the Union. The Employer may fill the vacancy on a temporary basis pending the return of such employee. If the employee fails to report for work within forty-eight (48) hours of the day of such written notification, the vacancy may be filled in accordance with the terms of ARTICLE III – UNION SECURITY of this Agreement and the Employer’s obligation to the employee shall cease.

## **ARTICLE XVI – WORK PERIODS**

- A. The normal work schedule for all employees is eight (8) hours a day, five (5) days a week. Managers will advise members of the times their schedules will normally begin and end. Staffing needs and operational demands may necessitate variations in starting and ending times, as well as variations in the total hours that may be scheduled each day and week.
- B. Employees will note that LBC’s customary business week is Monday to Saturday. For branches that are open on Sundays, adjustments in the schedule are to be done to assure that those branches are manned during that day. All employees are expected to report promptly to their designated workstations at the designated starting time.
- C. Rest periods and meals are scheduled by Managers to cover overflow and ensure adequate department coverage. There will be “break periods” of fifteen (15) minutes in each half of the employee’s shift. It is mandatory to all full-time employees to take a one-hour lunch break. Employees may not use either break or lunch periods to make up for late arrival or early departure.

## **ARTICLE XVII OVERTIME AND PREMIUM RATES**

Overtime shall be paid to all employees who work in excess of eight (8) hours in any one (1) day or forty (40) hours in any one (1) week. Work beyond twelve (12) hours on any given shift, exclusive of lunch hour, shall be compensated for at the rate of double time (2x) the regular rate of pay. Nothing herein contained shall prevent the Employer and the Union from establishing or continuing a mutually satisfactory system regarding overtime and seniority.

## **ARTICLE XVIII – WAGE SCALE AND JOB CLASSIFICATIONS**

- A. Attached hereto and recognized as a part of this Agreement is a schedule of wage scales and classifications marked Exhibit “B” which shall be the minimum standard of wage scales for the enumerated classifications. Where the phrase 1040 hours appears in the rate schedules, it shall include all hours worked or paid for.
- B. Employees who perform work in a high paying classification less than four (4) hours will be paid at the higher rate for four (4) hours. Employees performing work in a higher classification for more than four (4) hours will be paid at the higher rate for eight (8) hours.

### **Non-contractual Benefits**

It is further agreed by the Union and the Employer that any voluntary or extra-contractual benefits such as employee recognition and service awards, bonuses, holiday gift certificates, safety awards, etc. which are now in effect or that the Employer may elect to implement during the term of this Agreement may be modified or discontinued at any time by the Employer.



## **ARTICLE XIX – EMPLOYEE DEFINITION – PROBATIONARY PERIOD**

- A. A regular employee shall be one who has at least ninety (90) days of continuous service with the Employer.
- B. An extra employee shall be one who has less than ninety (90) days of continuous service with the employee.
- C. The first ninety (90) workdays of any employee's employment shall be probationary, but no employee shall be laid off during such probationary period to avoid his classification as a regular employee. During the probationary period, an employee may be terminated for any or no reason, with or without notice, and shall have no recourse concerning such termination to the grievance and arbitration procedures set forth in this Agreement.

## **ARTICLE XX – PART-TIME EMPLOYEES**

- A. The Employer shall have the right to continue the existing part-time program or to institute other part-time programs subject to mutual agreement with the Union.
- B. The Employer shall have the right to hire no more than ten (10) temporary employees at any one time if the Employer determines that such employees are needed due to seasonal fluctuations or temporary changes in business volume. No temporary employee shall work more than one-hundred and twenty (120) days in a year. Temporary employees shall not be members of the bargaining unit or subject to this contract.
- C. The Employer agrees to notify the Union in a timely fashion if it is hiring temporary or regular employees. All hiring decisions will be in the Employer's sole discretion, and the Employer shall be under no obligation whatsoever to hire any person proposed by the Union. The Employer's failure to hire someone proposed by the Union shall not be subject to the grievance and arbitration procedure.

## **ARTICLE XXI – EMPLOYEE OBLIGATIONS**

- A. Each employee covered by this Agreement shall comply with the terms of this Agreement.
- B. Each employee covered by this Agreement shall refrain from any conduct, act or omission which is prohibited by this Agreement or interferes with the Employer's exercise of its rights under this Agreement.
- C. Each employee covered by this Agreement shall furnish the Company with their current address and telephone number in writing and to maintain them current at all times. The Company shall be entitled to rely on the most recent information provided by the employee and contained in its records in giving any notice called for in this Agreement.

## **ARTICLE XXII – GRIEVANCE AND ARBITRATION PROCEDURE**

- A. Any complaint arising in connection with the application or interpretation of this Agreement or any other claim arising under the employment relationship including but not limited to unlawful discrimination of any type, whether based on statute or not, which cannot first be amicably adjusted between the employee and the employee's immediate supervisor shall be submitted to Management and the Steward in writing. No grievance shall be considered unless it has been presented to the non-grieving party in writing within ten (10) working days of the alleged occurrence thereof. Any past practice or earlier agreements that are in conflict with this provision are expressly void as of the date of this Agreement. The written complaint must set forth the facts, citing the specific provisions of the Agreement allegedly violated, and include the relief sought. In the event the grievance concerns the discharge or suspension of an employee, the grievance must be presented in writing in a clearly understandable form within ten (10) working days following the discharge or suspension and processed pursuant to Article XXII.

- B. The non-grieving party shall respond, in writing, to any written grievance within fourteen (14) business days of its receipt of the written grievance.
- C. If the issue is still unresolved, the Employer and the Union shall, if they so desire, within a calendar week from receipt of such timely written notice, attempt to reach a settlement. The parties also shall have the option, upon mutual agreement, to submit the question to a third-party mediator that is mutually agreeable.
- D. The decision of whether or not to proceed to Arbitration must be announced in writing within thirty (30) calendar days of the non-grieving party's response in Step II or the matter shall be deemed settled and resolved in favor of the non-grieving party. If the parties cannot agree upon an Arbitrator, one shall be selected from a list of five (5) named by the Federal Mediation Service. The arbitrator shall issue his or her decision within thirty (30) days of the end of the arbitration hearing or the receipt of hearing briefs, whichever is later.
- E. The fees and expenses of the arbitrator, the court reporter and the cost of the hearing room shall be borne by the party whose position was not sustained by the arbitrator. If the arbitrator fails to sustain a party's position in its entirety and fails to allocate the Arbitrator's cost and expenses and meeting room expense, then they shall be shared by both parties. All other expenses of the arbitration including but not limited to representation of the parties shall be paid by the party incurring said other expenses.
- F. Any claims for compensation, including but not limited to back pay, shall be limited to a maximum of sixty (60) days retroactively from the date on which a timely claim is filed.
- G. Arbitrator's Authority
  - 1. The Arbitrator shall be empowered, except as his or her powers are limited below or by the submission agreement, only to make a decision in cases of alleged violation of rights

expressly accorded by this Agreement or written supplements thereto if any.

2. The limitations of the power and discretion of the Arbitrator shall be as follows:
  - a. The Arbitrator shall have no power to substitute their discretion for that of the Company or the Union where either party has expressly retained discretion or is given discretion by the specific terms of this Agreement.
  - b. The Arbitrator shall have no power to decide any question, which under this Agreement, is within the right of the Employer or the Union to decide. In rendering consideration to responsibilities and the reserved rights of the parties, the Arbitrator shall so construe this Agreement so that there will be no interference with the exercise of such rights and responsibilities, except as those rights are expressly conditioned or limited by specific terms of this Agreement.
  - c. All awards of back wages shall be limited to the amount of wages the employee would otherwise have earned from his employment with the Company subsequent to the timely filing of the written grievance, less any unemployment or other compensation received during the period in question.

## **ARTICLE XXIII – HEALTH AND WELFARE**

1. Regular bargaining unit employees who work more than twenty (20) hours per week shall be eligible to participate in the Company medical and Dental plan provided through the Western Alliance Trust Fund Health. The premiums for such Plan shall be split between the Employer and participating employees on a 62/38 on 4-1-21, 64/36 on 4-1-22, 66/34 on 4-1-23 basis and the Employer shall pay no more per month per employee than the “Employer Share” provided below.

## **Single**

Total monthly premium \$592.85; Employer share \$367.57 –  
Employee Share \$225.28

## **Two Party**

Total monthly premium \$1142.85; Employer share \$708.567 –  
Employee Share \$434.283

## **Family**

Total monthly premium \$1612.35; Employer share \$999.657 –  
Employee share \$612.693

The CBA currently provides for the payment of contributions to the Western Alliance Trust Fund for the purpose of providing medical, dental, vision, employee assistance program (EAP), life, and accidental death & dismemberment coverage, hereafter referred to as “health and welfare benefits” for all full time employees and their eligible dependents under the terms of the CBA.

Section 1. Western Alliance Trust Fund. The Employer and the Union agree that the Employer shall, for the term of this Collective Bargaining Agreement (“Agreement”) be a participating employer in the Western Alliance Trust Fund (“Trust Fund”).

Section 2. Employee Coverage Effective Date. Coverage is effective the first (1<sup>st</sup>) day of the month following sixty (60) days of full-time employment.

Section 3. Employer Contributions. The Employer agrees to pay to the Trust Fund the contributions provided in this Article for the purpose of providing group health and welfare benefits for all full-time employees and for their eligible dependents covered under the terms of this Agreement.

Section 4. Reports. The Employer shall report, on a form approved by the Trust Fund, the names of each Employee performing work under this Agreement. The Employer hereby agree to pay to the Trust Fund the full amount of the contribution required for all Employees and their eligible

dependents, unless a Waiver of Benefits which meets all Trust Fund requirements is in effect.

Section 5. Contributions. Contributions to the Trust Fund for Health & Welfare benefits are due and payable on or before the first (1<sup>st</sup>) day of the month of coverage and shall be deemed delinquent if not received on or before the tenth (10<sup>th</sup>) day of the month for which coverage is provided.

Section 6. Delinquent Contributions. In the event Employer contributions are delinquent, interest shall be assessed on the amount of such contributions from the date the contributions were due until the date contributions are paid, at a rate determined by the Trust Fund's Board of Trustees, which is currently ten percent (10%) per annum, and is subject to change at any time. Such delinquent contributions and interest shall be due within ten (10) business days of written demand. In addition, liquidated damages may be assessed at a rate determined by the Trust Fund's Board of Trustees, which is currently the sum of twenty percent (20%) of the amount of contributions due and is subject to change at any time. Such liquidated damages shall become due and owing five (5) business days after written demand.

Section 7. Funding of Health & Welfare Benefits. The parties hereto recognize that because of circumstances beyond their control, contributions for such plans as are provided herein may change from time to time; and inasmuch as it is the intention of the parties that the benefits provided the employees and their dependents shall be maintained through the terms of this Agreement, it is agreed that the amount of monthly payments shall for the term of this Agreement be an amount determined by the Board of Trustees to be necessary to maintain the Western Alliance Trust Fund.

Section 8. Acceptance of Trust. The Employer hereby agrees to accept, assume and be bound by all of the terms, conditions and obligations imposed by and under the Declaration of Trust Providing for the Western Alliance Trust ("Trust Agreement") as it currently exists, or as it may thereafter be amended or restated, and by this acceptance agrees to become a party to the Trust Agreement. The Employer further agrees that the Employer Trustees named in the Trust, their successors and/or alternate Trustees ("Trustees"), if any, selected in accordance with the provisions of the Trust Agreement, are and shall be the Employer's representative, and the Employer hereby consents to be bound by the acts of said Trustees in accordance with

the provisions of the Trust Agreement. The parties hereby agree to sign the appropriate Trust Acceptance Agreement in order to implement this article.

Section 9. Termination of Coverage. Anything in the foregoing Sections of this Article or in any other Section of this Agreement, to the contrary notwithstanding, the Employer at any time during the life of this Agreement, may cease contributions to the Trust Fund cited in this Article, provided the Employer and Union are in agreement and written notice is given sixty (60) days prior to the termination date.

Section 10. Waiver of Coverage Policy. At initial or open enrollment, employees who are eligible for benefits through the Trust may waive group health and welfare benefits through the Trust, provided they are required to make a financial contribution toward the total premium for their health and welfare benefits, if doing so does not conflict with any law, and any of the following conditions are met:

1. The employee is covered by another group health plan; or
2. The employee has Medicare, Tricare, Medi-Cal or VA coverage, provided that the employer does not give a financial incentive for waiving medical benefits through the Trust; or
3. The employee is the dependent of an employee who currently received his or her coverage through the Trust.

Proof of other medical coverage must be provided to the Trust Administration Office in writing along with the Trust Fund's approved waiver of coverage form, within thirty (30) days of the employee's date of eligibility. If the "waiver of coverage" form and required documents are not received by the Trust Administration Office within thirty (30) days of eligibility, the employee will automatically be enrolled in the Trust Fund's default plan.

Upon termination of the alternative coverage, the employee, if eligible, must enroll in a group health plan offered by the Trust Fund. In order to enroll, the employee who has waived coverage must provide a completed enrollment form and a HIPPA Certificate of Creditable Coverage to the Trust Administration Office within thirty (30) days of termination of the other coverage. Employees who waived for VA coverage may only enroll in a

group health plan offered by the Trust Fund at the next open enrollment period.

2.For Hawaii Employees, LBC will continue to provide minimum level of benefits/payments mandated by the State of Hawaii after 120 days of employment (unless required sooner by law).

#### **ARTICLE XXIV – PENSION AND 401K**

**401K** – The Employer agrees to continue to match 25% of the employee contribution for employees who elect to contribute to the qualified plan.

#### **ARTICLE XXV – NO STRIKE NO LOCKOUT**

It is agreed that there shall not be any stoppage of work either by strike or by lockout by the Union or the Employer during the life of this Agreement. The Union and its agents and employees further agree that they will not encourage, condone, assist, authorize or counsel any type of employee slowdown, “sick out”, refusal to work overtime (except as allowed by this Agreement), or any other adverse economic activity during the term of the Agreement. The Union and its agents and the employees further agree not to engage in any adverse economic activity, including but not limited to boycotts, picketing, hand billing, do not patronize lists, against the Employer at any time during the life of this Agreement.

#### **ARTICLE XXVI – NEW LOCATIONS**

In the event the Employer opens new branches or locations of the type covered by this Agreement or moves the location of his present operation covered by this Agreement, to a location within the geographical jurisdiction of Teamster Locals 63 and 542 within Southern California, south of Delano, present employees shall have preference for vacancies at such locations in accordance with seniority and qualifications. Such assignments shall be subject to Employer’s work force requirements at both the old and new locations. Subject to the above, qualified employees with seniority rights who have been laid off or would be laid off because of such new locations shall have preference for employment before any new employees are hired.



## **ARTICLE XXVII – JURISDICTIONAL DISPUTES**

The Union agrees that it will not initiate jurisdictional disputes of any nature whatsoever on or about the premises of any of the Employer's places of business. If there should be any encroachment by any other Union, upon the established jurisdiction of the signatory Union or any affiliate of the Joint Council of Teamsters No. 42, the signatory Union, may upon written approval of Joint Council of Teamsters No. 42 or its successors or assigns, take defensive action of a lawful nature.

## **ARTICLE XXVII – SEPARABILITY CLAUSE**

- A. The provisions of this Agreement are deemed to be separable to the extent that if and when, by a final judgement, a Court or Government Agency of competent jurisdiction adjudges any provision of this Agreement to be in conflict with any law, rule or regulation issued there under, such decision shall not affect the validity of the remaining provisions of this Agreement, but such remaining provisions shall continue in full force and effect.
- B. It is further provided that in the event any provision, or provisions, are so declared to be in conflict with such law, rule, or regulation, both parties shall meet within thirty (30) days for the purpose of renegotiating the provision or provisions so invalidated.

## **ARTICLE XXIX – TERM OF AGREEMENT**

- A. This Agreement shall be in effect as of April 1, 2018 and shall remain in full force and effect to and including March 31, 2021, and shall continue from year to year thereafter unless cancelled by either the Employer or the Union by written notice given to the other party sixty (60) days prior to the expiration date.

During the term of this Agreement, the parties agree, by agreement, the parties may enter in negotiations to consider a re-opened of the Health and Welfare provisions for the purpose of exploring the possibility of alternate Health and Welfare coverage for employees in the bargaining units. Such negotiations shall be non-binding on either party, and there shall be no modifications to the Health and

Welfare provisions except by written agreement of the Company and the Union and ratification by the bargaining units.

B. Sixty (60) days prior to the above-referenced expiration date or any subsequent annual anniversary date, either party may notify the other party of its desire to modify or terminate the existing Agreement.

SIGNED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2021

**FOR THE UNION:**

**FOR THE COMPANY:**

**TEAMSTERS LOCAL 63**

**LBC MUNDIAL**

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**TEAMSTERS LOCAL 542**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTACHMENT "A"**  
**WAGE RATES**

- A. All employees shall receive a \$. 80 per hour raise on April 1, 2021, April 1, 2022 and April 1, 2023.
  
- B. New employees hired after April 1, 2021 shall receive the following wage rates plus the 2022 and 2023 annual raises noted in Paragraph A above.

**DRIVERS/WAREHOUSE CLERKS**

\$16.00 PER HOUR

**CS CLERKS**

\$15.00 PER HOUR (CA)

\$14.50 PER HOUR (HI)

**ATTACHMENT "A"  
WAGE RATES**

All employees shall receive a raise follows:

<b>APRIL 1, 2021</b>	<b>APRIL 2, 2022</b>	<b>APRIL 1, 2023</b>
5% / min \$0.80 / cap \$1.00	5% / min \$0.85 / cap \$1.00	5% / min \$0.85 / cap \$1.05

**ATTACHMENT "B"  
SOUTHERN CALIFORNIA AND HAWAII LOCATIONS**

<b>STATE</b>	<b>CITY</b>	<b>ADDRESS</b>
CA	Los Angeles	126 S. Vermont Ave., Ste. 120, Los Angeles, Ca. 90004
CA	Carson	21636 S. Figueroa St, Carson, Ca. 90745
CA	Cerritos	17208 Norwalk Blvd., Cerritos, Ca. 90703
CA	West Covina	1559 E. Amar Rd., Ste. W, West Covina, Ca. 91792
CA	San Diego	8983 Mira Mesa Blvd., San Diego, Ca. 92126
CA	Panorama City	13758 Roscoe Blvd., Panorama City Ca. 91402
CA	Los Angeles	2700 Colorado Blvd., Unit 145, Los Angeles, Ca. 90041
CA	National City	1420 East Plaza Blvd., Ste. D-9, National City, Ca. 91950
CA	Anaheim	609 North Euclid Street, Anaheim, Ca. 92801
CA	Gardena	277 East Redondo Beach Blvd., Gardena, Ca. 90248
HI	Honolulu	2146 Kamehameha Highway, HI 96819
HI	Waipahu	94-210 Leokane Street, #107, Waipahu, HI 96797
HI	Kahului	335 Hoohana Street Ste. G, Kahului, HI 96732

## **SIDE LETTER**

LBC Mundial (“Employer”) and Locals 63 and 542 chartered by the International Brotherhood of Teamsters, second party, hereinafter referred to as the “Union”, agree as follows:

The Employer and the Union believe that it is in the mutual interest of the employees and Company for the Company to be able to continue focus on expanding its cargo/freight business resulting in expanded opportunities and openings for bargaining unit personnel. As part of this strategy, the Company is looking to streamline its poorly performing money remittance operations and redirect its efforts to the cargo side of the Company. The Company could close its money remittance offices and lay off the employees, but the Company believes that will hamper the ability to grow the freight business.

The Employer strongly believes that the clear language of the expired CBA gives it the right, among other things, to use money remittance agents in areas currently serviced by a bargaining unit member, or otherwise act in accordance with the management rights clause.

The Union strongly believes that the Employer cannot replace employees with money remittance agents. The parties have expressed their opposing views of the contract language and have agreed to disagree on the language.

In the interest of moving the discussions forward, however, and working together constructively, the parties agree to the following side letter.

The parties agree that this side letter shall not be used as evidence to support the argument that the contract does, or does not, give the Employer certain management rights. This side letter is intended to resolve the specific dispute at issue.

1. In the event the Employer closes a money remittance location and thereafter contracts with an independent dedicated agent in the same geographic area (within a 15-mile radius), any affected employees from that closed location shall be subject to preferential rehiring for open employee positions at other locations for which they are qualified. In addition, any employees affected by the prior closure of the store who were not otherwise transferred by the Employer or rehired, shall if they are interested, qualified, and willing and able to accept the terms of the independent agency agreement, be offered the opportunity to become an agent. The agent shall not be deemed an employee of the Employer or a member of the bargaining unit. In the event that a money remittance location is closed, and an agent is hired for the same geographic area, if the agent in that area subsequently exceeds 2500 units on average in any six (6) month period, then the Employer shall not renew the agent's contract and shall reopen a money remittance location in that area upon termination of the agent's contract. Nothing herein shall affect the Employer's rights to close locations completely or to use in any location independent money remittance agents that offer money remittance as just one service of other unrelated services offered (such as, by way of example only and without limitation, a grocery store or liquor store that also can accept LBC money remittance).
2. The Employer shall have the right to expand its freight business in areas not currently served by bargaining unit personnel within the jurisdiction of the Union. These areas include but are not limited to: Lancaster, Victorville, El Centro, Santa Maria, Santa Clarita, Palmdale, Oceanside, Temecula, Palm Springs, Santa Barbara. The Employer agrees to meet and confer with the Union in advance regarding other possible areas. Within these expanded areas, the Employer shall be able to use wholesalers who are not employees of the bargaining unit subject to the following limitations:

- a. Every six (6) months from the date of ratification, the Employer shall review the number of packages shipped on a monthly average by the agent in that area. If the total shipped by that agent averages more than 800 per month, then the Employer shall not renew the contracts of package wholesalers in that city and the termination of those contracts shall retain a bargaining unit employee(s) absent and unforeseen and material change in circumstances during the interim period that would materially decrease packages to be shipped. Upon reasonable request, the Employer will provide the Union with data as to packages shipped from one of the covered regions.
  
- b. Wholesalers will not pick up packages in areas outside their approved area except in unforeseeable, emergency circumstances.

**TABLE OF CONTENTS  
LBC MUNDIAL**

<b>ARTICLE</b>	<b>TITLE</b>	<b>PAGE</b>
I	UNION RECOGNITION	2
II	EMPLOYEES COVERED	2
III	UNION SECURITY	3 & 4
IV	MANAGEMENT RIGHTS	5
V	MANAGEMENTS AND DIRECTION OF PERSONNEL	6
VI	DONATIONS AND EXAMINATIONS	7
VII	TIME RECORDS	8
VIII	VACATIONS	9
IX	LEAVE OF ABSENCE	10
X	SICK LEAVE	10



XI	JURY DUTY	11
XII	FUNERAL LEAVE	11
XIII	HOLIDAYS	12
XIV	BULLETIN BOARD AND UNION VISITS	12
XV	SENIORITY	13 & 14
XVI	WORK PERIODS	15
XVII	OVERTIME AND PREMIUM RATES	16
XVIII	WAGE SCALE AND JOB CLASSIFICATION	16
XIX	EMPLOYEE DEFINITION – PROBATION PERIOD	17
XX	PART-TIME EMPLOYEES	17
XXI	EMPLOYEE OBLIGATIONS	18
XXII	GRIEVANCE AND ARBITRATION PROCEDURE	18 & 19
XXIII	HEALTH AND WELFARE	20 - 23
XXIV	PENSION AND 401K	24
XXV	NO STRIKE/NO LOCKOUT	24
XXVI	NEW LOCATIONS	24
XXVII	JURISDICTIONAL DISPUTES	25
XXVIII	SEPARABILITY CLAUSE	25
XXIX	TERM OF AGREEMENT	25

SIGNATURE PAGE	26
ATTACHMENT A (WAGE RATES)	27 & 28
ATTACHMENT B (LOCATIONS)	29
SIDE LETTER	30 – 32
TABLE OF CONTENTS	33