TEAMSTERS ANHEUSER-BUSCH CONTRACT VOTE

VOTING NOTICE

TEAMSTERS ANHEUSER-BUSCH CONTRACT VOTE

January 14, 2019

Dear Teamsters Anheuser-Busch Member,

The Teamsters Anheuser-Busch Contract Vote is being conducted by secret ballot using the telephone and Internet, through the BallotPoint Election Services voting system. To vote, please refer to the ***Voting Instructions*** given below. *You may recast your vote at any time during the voting period, but only your last vote will be counted.* If you have any questions, please contact your Local.

Beginning Noon (ET) Monday, January 21, and ending 4:00 PM (ET) Friday, January 25, you may request replacement access credentials. Contact your Local for assistance.

Voting closes: 12:00 Noon ET on Monday, January 28, 2019

Votes tallied: 4:00 PM ET on Monday, January 28, 2019

VOTING INSTRUCTIONS

You will have about 15 minutes to cast your vote (whether by phone or by Internet) once you have accessed the BallotPoint system. To help you cast your vote successfully, you can prepare your selections before calling or logging in by reviewing the ***Voting Guide*** shown on the back of this page.

1. **To vote by phone**: Call **1.800.238.7077 or 1.800.229.0668** toll-free within the US, Canada, and Puerto Rico. Outside these toll-free areas call **1.503.419.1112 or 1.503.419.1110**. Enter the Access Code shown above when prompted.

   To vote by Internet: Go to: **https://es1.BallotPoint.com/IBT** or **https://es2.BallotPoint.com/IBT** – be sure to type the **s** in http**s**. Enter the Access Code shown above and click *LOGIN*.

2. Follow the directions to cast your vote. Done!

Please exercise your right by casting a ballot.

ALLIED UNION SERVICES

VOTING GUIDE

NATIONAL AGREEMENT

A "Yes" vote is a vote to accept the proposed National Master Anheuser-Busch, LLC Last, Best and Final Offer.

A "No" vote is a vote to reject the proposed contract and authorize the ***Negotiating Committee to call a strike without further vote of the membership.***

- YES, I vote for the NATIONAL AGREEMENT. ..... *(phone: say or press 1)*
- NO, I vote against the NATIONAL AGREEMENT. ..... *(phone: say or press 2)*

LOCAL 469 MACHINISTS SUPPLEMENT

A "Yes" vote is a vote to accept the proposed Supplement to the National Master Anheuser-Busch, LLC Last, Best and Final Offer.

A "No" vote is a vote to reject the proposed Supplement to the National Master Anheuser-Busch, LLC Last, Best and Final Offer.

- YES, I vote for the Supplement. ..... *(phone: say or press 1)*
- NO, I vote against the Supplement. ..... *(phone: say or press 2)*

INTERNATIONAL BROTHERHOOD OF TEAMSTERS

JAMES P. HOFFA
General President

25 Louisiana Avenue, NW
Washington, DC 20001

KEN HALL
General Secretary-Treasurer

202.624.6800
www.teamster.org

January 14, 2019

Dear Anheuser-Busch Teamster:

Enclosed for your review and vote is the last, best and final five-year proposal with the company that raises wages, provides a $4,000 ratification bonus and protects members' health, welfare and pension benefits, among other improvements.

After clarifying the proposal with the company last month, the Teamsters National Bargaining Committee, made up of local union leaders from across the country, unanimously recommended ratification.

The proposal provides you and all our 4,400 A-B Teamsters with tremendous gains in wages, benefits and working conditions and continued security for you and your family. **The Memorandum of Understanding regarding the commitment to keep all breweries open has been renewed for the term of the agreement.**

The vote will be by secret ballot as it always has been, but this time you will vote via the Internet or phone (see enclosed voting information).

The tentative five-year contract addresses several major issues (see summary for more details):

Ratification Bonus: $4,000 to all regular employees, apprentices and probationary employees provided that the master and all plant agreements are ratified on the first vote. See summ ary for more details.

Wage Increases: 25 cents/hour in year one, 55 cents/hour in year two, 55 cents/hour in year three, 55 cents/hour in year four and 60 cents/hour in year five for all regular employees, apprentices, probationary employees and weekenders. The 2019 wage increase shall be retroactive to January 1, 2019, provided that the master and all plant agreements are ratified on the first vote.

D efined Benefit Plans: The Pension Multiplier will increase as follows - $3 in year one, $1 in year two, $2 in year three, $2 in year four and $2 in year five.cents/hour in year five.

Health and Welfare: Actives (See employer contribution information inside).

The committee members worked hard to make sure your priorities were addressed in negotiations. We believe this proposal delivers for our members and deserves your support.

Please remember to vote no later than noon (Eastern) on Monday, January 28.

Fraternally,

Greg Nowak

Greg Nowak, Director
Teamsters Brewery and Soft Drink Workers Conference

A-B SUMMARY OF NATIONAL CHANGES

While the contractual language of the final offer is being finalized, the members employed by Anheuser-Busch should be informed promptly of the major changes resulting from the national negotiations. The final language will be submitted soon for review and membership ratification.

Term of Agreement: Five (5) years, commencing on March 1, 2019 and expiring on February 28, 2024.

Wage Increases: 25 cents/hour in year one, 55 cents/hour in year two, 55 cents/hour in year three, 55 cents/hour in year four and 60 cents/hour in year five for all regular employees, apprentices, probationary employees and weekenders. The 2019 wage increase shall be retroactive to January 1, 2019, provided that the master and all plant agreements are ratified on the first vote.

Ratification Bonus: The Company will make a $4,000 ratification bonus payment to each full-time, active employee (Regulars, Apprentices and Probationary hired on or prior to 1/01/19) on the condition that both the Proposed National Master and their Local Supplement are ratified on the initial vote and such results are communicated to the Company by the date agreed upon by the parties.

If the Proposed National Agreement is not accepted or is not ratified in accordance with the agreement of the parties and that schedule, the terms and conditions of the Proposed National Agreement are deemed rejected and withdrawn. A rejection of a Local Supplement shall be deemed a rejection of the terms and conditions of that Local Supplement only, and shall result in the withdrawal by the Company of the terms and conditions of that Local Supplement and the ratification bonus as to the members of that Local.

Annual Bonus Program: Beginning in 2020, bonus target values change to a quarterly payout.

- 2020: $750 target value per quarter
- 2021: $1,000 target value per quarter
- 2022: $1,000 target value per quarter
- 2023: $1,000 target value per quarter

Pensions Increases - Defined Contribution and Western Conference Plans: 10 cents/hour in year one, 10 cents/hour in year two, 10 cents/hour in year three, 10 cents/hour in year four and 10 cents/hour in year five.

Pensions Multiplier Increases - Defined Benefit Plans: $3 in year one, $1 in year two, $2 in year three, $2 in year four and $2 in year five.

Pension – Merrimack, NH Brewery: The company will continue to participate in the New England Teamsters and Trucking Industry Pension Fund as follows:

- The company contribution rate during the term of the collective bargaining agreement shall be in accordance with the Reentry Agreement and shall remain at $6.60 per hour, up to a maximum of $264.00 per week, for each covered employee.
- The company will increase its hourly contribution up to a maximum of $.10 per hour in contract years four and five, but only to the extent necessary to avoid triggering benefit reductions as outlined in the Reentry Agreement.

Wage to Fringe

The union and the company agree that a union local, on behalf of a bargaining unit and on a onetime non-precedent setting basis during the term of this collective bargaining agreement, may request to allocate ten cents (.10) per hour of its annual general wage increase toward the cost of a fringe or other benefit. The economic value will be based on the type of ben-

efit to which the ten cents (.10) per hour of general wage increase is allocated. The company will approve union local requests based on the parameters discussed in bargaining including but not limited to considering the type of benefit to which the ten cents (.10) per hour value is requested to be applied. Notification to the company must occur no later than ninety (90) days following ratification of the terms of the Tentative Agreement including which year during the term of the contract in which the local union is requesting to allocate ten cents (.10) per hour of its annual general wage increase toward the cost of a fringe or other benefit.

Health and Welfare:

Actives – No changes to current plan design.

Employer Contributions

2019	2020	2021	2022	2023	2024
$19,216	$19,216	$19,216	$19,216	$19,985	$20,784

Welfare

Employer Contributions

2019	2020	2021	2022	2023	2024
$1,336	$1,336	$1,336	$1,336	$1,389	$1,445

Buy-up option for life insurance. Paid by the member through payroll deduction

New Hires as of 3/1/2019 – High Deductible/HSA Plan

Employer Contributions

2019	2020	2021	2022	2023	2024
$12,500	$13,000	$13,500	$14,061	$14,623	$15,208

Welfare

Employer Contributions

2019	2020	2021	2022	2023	2024
$1,336	$1,363	$1,390	$1,418	$1,446	$1,475

Pre-65 Retirees

Currently, these retirees' cost share of the benefit is 25% which was achieved through the plan design, i.e., co-pays. Commencing January 1, 2020, and each year of the contract thereafter, annual plan modifications will be made to achieve an additional 5% per year cost shift to retirees. This will be achieved through a combination of plan design changes and retiree contributions.

The current $50 per month contribution paid by pre-65 dependents of post-65 retirees will no longer be required.

Allegiant Care will now administer the pre-65 plan.

Post-65 Retirees

Any full-time employee who retires on or before March 31, 2019, and who, as of the date of retirement, meets the qualifications for the post-65 retiree annual payment; and any current post-65 retiree and pre-65 retiree upon reaching eligibility for post-65 coverage shall be entitled to the $1,300 annual stipend for the 10-year guaranteed period. For all others, the annual payment ends on December 31, 2029.

Non-Economic

All 12 breweries will use the same overtime scheduling and charging procedures.

Pre-payment of sick days is eliminated. Sick days will be paid at the time used.

Hair testing is eliminated during a random drug test.

Testing for marijuana is eliminated during a random drug test.

Bump cap policy will be suspended during periods of excessive heat.

Memorandum of Understanding regarding the commitment to keep all breweries open renewed for the term of the agreement.

IBT Voting System

To access the BallotPoint™/IBT Voting System by phone, call 1-800-229-0668 or 1-503-419-1110

Welcome to the BallotPoint™/IBT Voting System

You are not logged in.

Log In Using My Access Code...

Enter your Access Code

LOGIN

Trouble logging in? More Info

Browser Support/Security? More Info

Supported Internet Browsers

Windows – Microsoft Edge 41+, Chrome 67+, Firefox 60+, Opera 53+
Mac – Safari 11+, Chrome 67+, Firefox 60+, Opera 53+
Android Smartphone/Tablet – Android OS 8+
iPhone/iPad – Safari for iOS 11+

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BallotPoint Election Services

IBT Voting System

Teamsters Anheuser-Busch Contract Vote

NATIONAL AGREEMENT

A "Yes" vote is a vote to accept the proposed National Master Anheuser-Busch, LLC Last, Best and Final Offer.

A "No" vote is a vote to reject the proposed contract and authorize the **Negotiating Committee to call a strike without further vote of the membership.**

- [ ] YES, I vote for the NATIONAL AGREEMENT.
- [ ] NO, I vote against the NATIONAL AGREEMENT.

LOCAL 469 MACHINISTS SUPPLEMENT

A "Yes" vote is a vote to accept the proposed Supplement to the National Master Anheuser-Busch, LLC Last, Best and Final Offer.

A "No" vote is a vote to reject the proposed Supplement to the National Master Anheuser-Busch, LLC Last, Best and Final Offer.

- [ ] YES, I vote for the Supplement.
- [ ] NO, I vote against the Supplement.

Cast Ballot

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BallotPoint Election Services

BallotPoint Telephone Voting System:
LOCAL 469 MACHINISTS SUPPLEMENT

The following is the phone-script for the Teamsters Anheuser-Busch Contract Vote.

WELCOME CALLER:

Welcome to the BallotPoint Election Services telephone voting system.

PROMPT ACCESS CODE:

Please say or enter your 12-digit access code.

__ IF INVALID ACCESS CODE __

The access code you entered is … <<speak access code>>
If this is correct, say yes, or press 1. If this is incorrect, say no, or press 2.

__IF 1/YES __

I'm sorry, the access code you entered is invalid.
`End call.`

__IF 2/NO __

`Reprompt access code.`

__ IF VALID ACCESS CODE __

`Continue to Ballot`

BALLOT:

You are eligible to participate in the Teamsters Anheuser-Busch Contract Vote.

To ensure your vote is recorded, make sure you hear your confirmation number before hanging up.

PROMPT NATIONAL AGREEMENT:

National Addendum.

A "Yes" vote is a vote to accept the proposed National Master Anheuser-Busch, LLC Last, Best and Final Offer.
A "No" vote is a vote to reject the proposed contract and authorize the Negotiating Committee to call a strike without further vote of the membership.

If you have no selections for this question, say skip, or press the star key.
To Select YES, I vote for the National Agreement. Say or press 1.
To Select NO, I vote against the National Agreement. Say or press 2.

__ IF 1/One __

You selected: YES, I vote for the National Agreement.
If this is correct say Yes or press 1. If this is incorrect, say No or press 2.

__ IF 1/YES __

Goto next question

__ IF 2/NO __

Reprompt question

__ IF 2/Two __

You selected: NO, I vote against the National Agreement.
If this is correct say Yes or press 1. If this is incorrect, say No or press 2.

__ IF 1/YES __

Goto next question

__ IF 2/NO __

Reprompt question

__ IF */Skip __

You selected to skip this question without making any selections.
If this is correct say Yes or press 1. If this is incorrect, say No or press 2.

__ IF 1/YES __

Goto next question

__ IF 2/NO __

Reprompt question

PROMPT SUPPLIMENT:

Local 469 Machinists Supplement.

A "Yes" vote is a vote to accept the proposed Supplement to the National Master Anheuser-Busch, LLC Last, Best and Final Offer.
A "No" vote is a vote to reject the proposed supplement to the National Master-Anheuser-Busch, LLC Last, Best and Final Offer.

If you have no selections for this question, say skip, or press the star key.
To Select YES, I vote for the Supplement. Say or press 1.
To Select NO, I vote against the Supplement. Say or press 2.

__ IF 1/One __

You selected: YES, I vote for the Supplement.
If this is correct say Yes or press 1. If this is incorrect, say No or press 2.

__ IF 1/YES __

Goto next question

__ IF 2/NO __

Reprompt question

__ IF 2/Two __

You selected: NO, I vote against the Supplement.
If this is correct say Yes or press 1. If this is incorrect, say No or press 2.

__ IF 1/YES __

Goto next question

__ IF 2/NO __

Reprompt question

__ IF */Skip __

You selected to skip this question without making any selections.
If this is correct say Yes or press 1. If this is incorrect, say No or press 2.

__ IF 1/YES __

Goto next question

__ IF 2/NO __

Reprompt question

VOTE COMPLETE:

Please wait while we record your vote.

Your vote has been recorded. Your confirmation number is ...
<<Speak Confirmation Number>>.

To repeat your confirmation number, say repeat, or press 1.
To end this call, say end, or press 2.

__ IF 1/REPEAT __

Repeat confirmation number and prompt from above.

__ IF 2/END __

Thank you for casting your vote using BallotPoint Election Services Telephone Voting System.

End of Call – Hang up.

Teamsters Anheuser-Busch

Contract Information

Supplement Ballot Materials Enclosed

The following materials, for your review, reflect the changes and letters of agreement to your unit's Supplement.

The second ballot on your "Official Ballot" should be used to vote on the following documents that are the combined changes to your supplement. A "Yes" vote is a vote to accept the proposed Supplemental changes. A "No" vote is a vote to reject the proposed Supplemental changes.

If you have any questions about the Supplement or related materials, please call your local union.

Thank you.

Tentative Agreement
Union Proposal #1

The parties have agreed to change any reference of "Local 102" with "Local 469".

FOR THE UNION

Kevin O'Connor
Business Agent
Teamsters Local 469

9/10/18
DATE

FOR THE COMPANY

Nicholas Pastore
Manager, People Department

9/11/18
DATE

Tentative Agreement
Union Proposal #2

The parties have agreed to include language in the CBA so the company will deduct union dues, initiation fees and any other fees imposed by the union with a signed check off authorization from the employee.

FOR THE UNION

Kevin O'Connor
Business Agent
Teamsters Local 469

9/10/18
DATE

FOR THE COMPANY

Nicholas Pastore
Manager, People Department

9/11/18
DATE

Tentative Agreement
Union Proposal #3

The parties have agreed to include language in the CBA so that if any Teamster employee is forced to transfer, due to job reductions, to another Newark Teamster seniority list where they have previously held a position, they would be placed back in their original seniority position.

FOR THE UNION

Kevin O'Connor
Business Agent
Teamsters Local 469

9/10/18
DATE

FOR THE COMPANY

Nicholas Pastore
Manager, People Department

9/11/18
DATE

Tentative Agreement
Union Proposal #4

The parties have agreed to include language in the CBA so that if more than one person is starting full time employment on the same day their seniority will be decided by lot, unless one or more held a position as a weekend / seasonal employee they will be placed on the end of the seniority list in order of their weekend / seasonal start date. The full time start date will be at the sole discretion of the Company and the weekend / seasonal start date will have no bearing on that decision.

FOR THE UNION

Kevin O'Connor
Business Agent
Teamsters Local 469

9/10/18
DATE

FOR THE COMPANY

Nicholas Pastore
Manager, People Department

9/11/18
DATE

Tentative Agreement
Union Proposal # 10

It is agreed that the union clearly and unmistakably waives the rights and benefits set forth in the New Jersey Paid Sick Leave Act on behalf of employees working in the Brewing Department and all employees working in a weekend position in all departments.

FOR THE UNION

Kevin O'Connor
Business Agent
Teamsters Local 469

9/27/18
DATE

FOR THE COMPANY

Nicholas Pastore
Manager, People Department

9/27/18
DATE

Tentative Agreement
Company Proposal #4

The parties have agreed to change the process for updating Machinist overtime hours from daily to weekly.

FOR THE UNION

Kevin O'Connor
Business Agent
Teamsters Local 469

9/10/18
DATE

FOR THE COMPANY

Nicholas Pastore
Manager, People Department

9/11/18
DATE

Tentative Agreement
Paid Sick Leave Waiver - Seasonals

It is agreed that the union clearly and unmistakably waives the rights and benefits set forth in the New Jersey Paid Sick Leave Act on behalf all employees working in a Seasonal position in all departments of the Newark Brewery. In exchange for signing the waiver the company agrees to pay Seasonal employees working in all departments of the Newark Brewery an additional fifty (50) cents an hour.

FOR THE UNION

Kevin O'Connor
Business Agent
Teamsters Local 469

12/14/18
DATE

FOR THE COMPANY

Nicholas Pastore
Manager, People Department

12/14/18
DATE

INTERNATIONAL BROTHERHOOD OF TEAMSTERS
MASTER AGREEMENT
ANHEUSER-BUSCH, LLC FINAL OFFER
SUMMARY OF CHANGES

To the extent language from the current National Master and all Local Supplements is not changed by this tentative agreement, the prior language is to be carried over into the new Agreement. References to Anheuser-Busch, Inc. will be changed to Anheuser-Busch, LLC, to reflect current entity. Any non-substantive grammatical, formatting and typographical errors will be corrected before integration into a new collective bargaining agreement to be executed by the parties. Likewise, obsolete dates will be changed or deleted as appropriate.

NATIONAL

Term:

Five (5) years. The new Agreement will expire on February 28, 2024.

Ratification Bonus

The company will make a $4,000 ratification bonus payment to each full-time, active employee (Regulars, Apprentices and Probationary hired on or prior to 1/01/19) on the condition that the Tentative Agreement on the National Master and all Local Supplements are ratified on the initial vote and such results are communicated to the Company by the date agreed upon by the parties. If the Master is approved but a Local Supplement is rejected, the terms and conditions of that Local Supplement and the ratification bonus shall be deemed withdrawn by the Company as to the members of that Local Union only.

WAGE & COMPENSATION

Base Wage Increases

For Regular, Seasonal, and Weekender Employees

Year 1 (3/1/2019 – 2/28/2020)*	$ .25 cents/hour
Year 2 (3/1/2020 – 2/28/2021)	$ .55 cents/hour
Year 3 (3/1/2021 – 2/28/2022)	$ .55 cents/hour
Year 4 (3/1/2022 – 2/28/2023)	$ .55 cents/hour
Year 5 (3/1/2023 – 2/29/2024)	$ .60 cents/hour

*If the tentative agreement is ratified on the first vote, the 2019 wage offer will be made retroactive to 1/1/2019.

The Memorandum of Understanding – Apprentices/Seasonals/ Weekenders and New Hires will be modified to reflect that the seasonal hourly wage rate, which includes the base wage increases above, will be the minimum seasonal hourly rate.

Quarterly Department KPI Bonus Program

The Union and the Company agree to replace the Brewery Excellence Program (BEP) with the following Quarterly Department KPI structure:

Department	KPI 1	KPI 2	KPI 3	KPI 4
	25%	25%	25%	25%
Packaging	Brewery TRI	Consumer Complaints	LEF	BEP
Brewing	Brewery TRI	Micro	TEL	BEP
Warehouse	Brewery TRI	Consumer Complaints	PNP	BEP
Utilities	Brewery TRI	Water	TPE	BEP
Quality	Brewery TRI	Consumer Complaints	Micro	BEP
Packaging Maintenance	Brewery TRI	Consumer Complaints	LEF	BEP
Brewing Maintenance	Brewery TRI	Micro	TEL	BEP
Utilities Maintenance	Brewery TRI	Water	TPE	BEP

**For illustration purposes*

Key components:

- Measured and paid quarterly by Department, by Brewery. Payout will be on a quarterly calendar basis. 1st Quarter includes January, February and March. 2nd Quarter includes April, May and June. 3rd Quarter includes July, August and September. 4th Quarter includes October, November and December.
- Effective for 2020 performance, 1st Quarter 2020 performance will be paid out no later than June 15, 2020.

Thereafter, payouts for each quarter will be made no later than the following dates: June 15 for 1st Quarter, September 15 for 2nd Quarter, December 15 for 3rd Quarter, and March 15 for 4th Quarter.

- Department based KPI's. Four KPI's, each weighted at 25% per department.
- The Company retains discretion to determine all KPI's and KPI values on an annual basis.
- The applicable Department for an employee is determined by the highest total unweighted worked hours in the department in the quarter.
- The BEP KPI will be based on the YTD tiered ranking each quarter. First tier equates to 100%, 2nd tier 75%, 3rd tier 50% and 4th tier 25% achievement. The BEP KPI will be paid quarterly, consistent with the other Department based KPI's.
- All full time regular, apprentice and probationary employees that are employed as of the last calendar day of the quarter are eligible for the quarterly bonus. Weekend Relief and Seasonal employees are not eligible for the Quarterly Department KPI program.
- For any eligible employee that worked less than a full quarter, the bonus will be pro-rated based on the number of straight-time hours worked and paid (not to exceed 520 hours) divided by 520 hours, subject to applicable law.
- The Company will adjust the rate for calculating the amount owed for overtime/double time worked during the Quarterly Department KPI program quarter and make any necessary additional overtime/double time payments resulting from the Quarterly Department KPI bonus amount paid.

Quarterly Department KPI Bonus Program Value

The Union and the Company agree to the following bonus target values for the Quarterly Department KPI Bonus Program:

- 2020: $750 target value per quarter
- 2021: $1,000 target value per quarter
- 2022: $1,000 target value per quarter
- 2023: $1,000 target value per quarter

An employee's individual quarterly bonus payout will be determined by the employee's achievement percentage in the Quarterly Department KPI Bonus Program multiplied by the target values referenced above.

TEAM LEAD

The parties tentatively agree to insert contract language that provides the Company the ability to select and assign team leads as follows:

- Lead assignments will be made by qualifications as determined in the sole discretion of the Company; provided, however, that in the event the Company, in the exercise of its discretion, determines that qualifications are equal, seniority shall prevail. Apprentices will be deemed not qualified for team lead assignments.
- The opportunity for a lead assignment will be posted electronically for a period of two (2) weeks to allow employees to express interest.
- Leads shall perform duties as assigned by the Company.
- Examples of such job responsibilities include but are not limited to:
  - o Attend on-coming SHO meeting
  - o Attend off-going SHO meeting
  - o Complete one ES Monitoring entry per shift
  - o Review and address losses with shift team
  - o Review Quality issues and discuss with shift team
  - o Review PIs for all positions and determine where help is needed
  - o Review area performance, visual boards and Department Team Room
  - o Review OPIM schedule and remind lines about upcoming conversions
  - o Verify beer availability with Shift Manager
  - o Verify material setup with Logistics
  - o Assist with generating all abnormality reports
  - o Communicate resource and maintenance assistance as needed
  - o Walk entire floor/area and verify all issues are documented with work orders or in an Action Log
  - o Work with Quality Assurance to block all defective product correctly
  - o Verify all operating parameters are entered
  - o Utilize SDCA tools to drive the daily routine (SIC, OWD, SMED, etc.)
  - o Update Shift Relief
- The Company has the right to select and deselect Leads from available volunteers. Individuals not selected to an open position or those deselected from this position will be provided feedback regarding the Company's decision.
- The Company will utilize Leads only if desired and as designated by the Company.
- While it is understood that the Leads will provide direction and coordination of work functions to any employee covered under the collective bargaining agreement(s), it is expressly agreed that a Lead does not have the authority, nor will they be required, to engage in activities traditionally performed by management with regard to the formal discipline of other bargaining unit employees.

If concerns arise in the administration of this proposal, the parties agree to engage in good faith discussions to resolve the concerns. Any challenge to the application of the terms of this agreement will be subject to the grievance procedure as outlined in the respective collective bargaining agreements.

This agreement supersedes any and all team lead language in existing collective bargaining agreements.

Team Lead Compensation

The Union and the Company agree to the following compensation premium for Team Leads based on the Quarterly Department KPI Program. This premium is in addition to the established bonus target values for the Quarterly Department KPI Program that is available to all employees:

- 2020: $750 target value per quarter
- 2021: $750 target value per quarter
- 2022: $750 target value per quarter
- 2023: $750 target value per quarter

An employee's individual quarterly bonus payout will be determined by the employee's achievement percentage in the Quarterly Department KPI Program multiplied by the target values referenced above.

All eligibility criteria and other terms of the Quarterly Department KPI Bonus Program apply to the Team Lead bonus premium.

ONE TIME WAGE ALLOCATION

The Union and the Company agree that a Union Local, on behalf of a bargaining unit and on a one-time non-precedent setting basis during the term of this collective bargaining agreement, may request to allocate ten cents (.10) per hour of its annual general wage increase toward the cost of a fringe or other benefit. The economic value will be based on the type of benefit to which the ten cents (.10) per hour of general wage increase is allocated. The Company will approve Union Local requests based on the parameters discussed in bargaining including but not limited to considering the type of benefit to which the ten cents (.10) per hour value is requested to be applied. Notification to the Company must occur no later than ninety (90) days following ratification of the terms of the Tentative Agreement including which year during the term of the contract in which the Local Union is requesting to allocate ten cents (.10) per hour of its annual general wage increase toward the cost of a fringe or other benefit.

PENSION

Contributions

The Company and Union agree to amend language in the applicable collective bargaining agreements and documents governing the defined benefit, MET, and /or defined contribution plans, as applicable, to provide:

➢ Effective March 1, 2019, pension contribution and/or benefit rates/increases shall be:

- Eligible new hires (employees hired after February 28, 2019) who are not eligible for a benefit under a defined benefit plan in St. Louis, Newark, Columbus and/or Jacksonville shall receive the following contributions per hour to be made into the Brewery Conference / Anheuser-Busch Defined Contribution Plan:

	Eff 3/1/19	Eff 3/1/20	Eff 3/1/21	Eff 3/1/22	Eff 3/1/23
New Hires	$2.55	$2.65	$2.75	$2.85	$2.95

- Eligible employees (employees hired prior to February 28, 2019) in Columbus, Jacksonville, Newark and St. Louis defined benefit plans including the St. Louis Brewery Workers' Pension Plan shall receive a prospective multiplier increase as follows:

Prospective Defined Benefit Multiplier Increases				
Eff 3/1/19	Eff 3/1/20	Eff 3/1/21	Eff 3/1/22	Eff 3/1/23
$3	$1	$2	$2	$2

- Eligible employees in the defined contribution plans in Baldwinsville, Cartersville, Fort Collins, Houston and Williamsburg shall receive hourly contribution rate increases as follows:

Defined Contribution Plan Increases				
Eff 3/1/19	Eff 3/1/20	Eff 3/1/21	Eff 3/1/22	Eff 3/1/23
$.10	$.10	$.10	$.10	$.10

- Eligible employees in the Western Conference MET plans in Fairfield and Los Angeles shall receive hourly contribution rate increases as follows:

Western Conference MET Plan Increases				
Eff 3/1/19	Eff 3/1/20	Eff 3/1/21	Eff 3/1/22	Eff 3/1/23
$.10	$.10	$.10	$.10	$.10

➢ The Company will continue to participate in the New England Teamsters and Trucking Industry Pension Fund as follows:

- The Company contribution rate during the term of the collective bargaining agreement shall be in accordance with the Reentry Agreement and shall remain at $6.60 per hour, up to a maximum of $264.00 per week, for each covered employee.
- The Company will increase its hourly contribution up to a maximum of $.10 per hour in contract years 4 and 5, but only to the extent necessary to avoid triggering benefit reductions as outlined in the Reentry Agreement.

DC Eligibility Contribution

The Union and the Company agree to amend the Brewery Conference/Anheuser-Busch Defined Contribution Plan, effective March 1, 2019 to provide:

- An eligible employee shall become a participant as of the date s/he first becomes an employee
- Contributions shall be made on a weekly basis.

Property Contribution

The Union and the Company agree to amend the defined benefit pension plan which covers participants at the Newark

brewery during the 2019 calendar year to permit lump sum payments as an optional form of benefit payment to deferred vested participants.

The Union and the Company agree to amend the Brewery Conference/Anheuser-Busch Defined Benefit Pension Plan (as Amended and Restated Effective January 1, 2015) and St. Louis Brewery Workers Pension Plan (Amended and Restated Effective October 1, 2014) (collectively referred to as Plans), along with any trust agreements, investment policy statements and any other documents governing the Plans during the 2019 calendar year to accomplish the following:

– To permit the Company to contribute Company-owned real property to the Plans to satisfy its future funding and contribution obligations under the Plans.

– To provide that to the extent the Company contributes property into the trusts to satisfy its obligations under the Plans, the trustees shall appoint an Independent Fiduciary to manage such property.

– To permit lump sum payments as an optional form of benefit payment to deferred vested participants.

The Union and Company agree the Independent Fiduciary will negotiate and approve the terms upon which the real property may be contributed and all the other terms which will apply to such property once it is contributed, including but not limited to the ability to sell, encumber and otherwise dispose of such property.

HEALTH AND WELFARE

The parties tentatively agree to modify the Health and Welfare contract language in all brewery Collective Bargaining Agreements, except Fairfield and Los Angeles to reflect the following. However, the Company's health and welfare financial obligations shall be no more than the financial commitments outlined below for the Fairfield and Los Angeles breweries.

Health and Welfare:

1. *Active Employees:*

The Company shall make contributions to the applicable health care administrator ("Administrator") to provide medical, dental, vision and prescription drug coverage ("healthcare") as well as welfare benefit plans (life insurance, short-term and voluntary long term disability, accidental death and dismemberment, T&P benefit, if applicable) to eligible employees as follows:

A. For employees who are eligible for healthcare and welfare coverage as of March 1, 2019 through the entire term of this Collective Bargaining Agreement, the following shall apply:

For the 2019, 2020, 2021 and 2022 calendar year:

The maximum annual contribution the Company will pay on behalf of all employees at all breweries, except Fairfield and Los Angeles is:

Healthcare	Welfare
$19,216	$1,336

With respect to employees at the Fairfield and Los Angeles breweries, the Company's annual contribution shall be:

Healthcare and Welfare – which includes Retiree Medical and Rx contributions

$27,189.60

The Company will increase its contributions solely to maintain the current level of benefits for employees covered by this Section 1.A. and only to the extent necessary to maintain the current level of benefits up to a maximum percentage as stated below each year effective:

CY	Healthcare	Welfare
January 1, 2023	4%	4%
January 1, 2024	4%	4%

In the event the agreed-upon, annual, per employee contribution to be provided by the Company is determined to be insufficient to support the maintenance of benefits, the excess cost to maintain the benefits over the Company's maximum annual contribution shall be paid by the employee via payroll deduction.

Administrator will provide the Company information necessary to justify the requested annual increases.

Administrator has sole discretion to add to and/or eliminate any plan offering and to otherwise modify benefits in compliance with all laws, rules and regulations. In the event Administrator decides to modify any benefits and or plans pursuant to this provision, it shall provide the Company with thirty (30) days advance written notice of any modifications.

Contributions outlined in this Section 1.A. are for Company employees identified in this Section 1.A. only. Notwithstanding anything contained in this Article to the contrary, the Company has the right to request and Administrator shall provide, in a timely manner, information and/or documentation to the Company's satisfaction demonstrating that the Company's total contribution goes toward providing benefits to the Company's employees and is not used for any other purpose, including but not limited to providing benefits to employees of other participating employers.

B. For all employees, including employees at the Fairfield and Los Angeles breweries, who become eligible for healthcare and welfare coverage after March 1, 2019 and throughout the term of this Collective Bargaining Agreement, the Company's maximum per employee annual contribution for coverage in calendar year 2019 shall be as follows:

Healthcare	Welfare
$12,500	$1,336

The Company will increase its contributions solely to maintain the current level of benefits for employees

covered by this Section 1.B. and only to the extent necessary to maintain the current level of benefits up to a maximum percentage as stated below each year effective:

CY	Healthcare	Welfare
January 1, 2020	4%	2%
January 1, 2021	4%	2%
January 1, 2022	4%	2%
January 1, 2023	4%	2%
January 1, 2024	4%	2%

Effective January 1, 2020, Administrator shall ensure there is a high deductible health plan (HDHP) paired with a Health Savings Account (HSA) offered to all employees covered by this Section 1.B, except Fairfield and Los Angeles. In the event an employee elects the HDHP/HSA option, the Company's contribution will be the lesser of the Company's maximum healthcare contributions or the amount permitted per IRS regulations.

In the event the agreed-upon, annual, per employee contribution to be provided by the Company is determined to be insufficient to support the maintenance of benefits, the excess cost to maintain the benefits over the Company's maximum annual contribution shall be paid by the employee via payroll deduction.

Administrator will provide the Company information necessary to justify the requested annual increases.

Administrator has sole discretion to add to and/or eliminate any plan offering and to otherwise modify benefits in compliance with all laws, rules and regulations. In the event Administrator decides to modify any benefits and or plans pursuant to this provision, it shall provide the Company with thirty (30) days advance written notice of any modifications.

Contributions outlined in this Section 1. B. are for Company employees identified in this Section 1.B. only. Notwithstanding anything contained in this Article to the contrary, the Company has the right to request and Administrator shall provide, in a timely manner, information and/or documentation to the Company's satisfaction demonstrating that the Company's total contribution goes toward providing benefits to the Company's employees and is not used for any other purpose, including but not limited to providing benefits to employees of other participating employers.

For Fairfield and Los Angeles Breweries:

For purposes of providing benefits to employees at the Fairfield and Los Angeles breweries who become eligible for benefits after March 1, 2019 under this Section 1.B., the Union shall secure a plan which satisfies all the requirements and conditions set forth by the health and welfare trust, including but not limited to any plan documents, trust agreements and summary plan descriptions, such that the Company will continue to be eligible to participate in both active and retiree plans. To the extent the negotiated annual maximum contribution is insufficient to secure a plan that satisfies all the requirements and conditions referenced above, the excess cost to secure such a plan shall be paid by the employee via payroll deduction. The Union shall secure and notify the Company of the existence of such plan no later than February 1, 2019.

2. *Retirees:*

Pre-65 Retiree Medical:

Effective January 1, 2020 and continuing throughout the term of this Agreement, pre-65 retiree health coverage will be administered and provided by Administrator. Any plan offered to pre-65 retirees from Administrator shall be structured such that the Actuarial Value (AV) of any single plan design shall not exceed 78%. Company will reimburse Administrator for incurred claims plus shall pay Administrator a $42.00 per pre-65 retiree subscriber / per month administrative fee for the life of this Agreement. Such fee shall cover the administrative costs associated with administering the pre-65 plan as well as the long-term disability and flexible spending account plans identified below.

This paragraph pertains to fulltime employees who meet the qualification for pre-65 retiree health insurance as outlined in the applicable summary plan descriptions, which may be amended from time to time provided that such amendments will not change eligibility or reduce benefits beyond any reduction resulting from the escalating cost share stated in this paragraph. Cost share will escalate (through either plan design modifications and/or employee premiums, as determined jointly by the Company and the Union) from the current rate at approximately 5% per year beginning 2020, such that the cumulative cost share by calendar year 2024 shall be 50%. The manner in which the amount of employee contribution is determined will continue to be based upon the year of hire (i.e. individuals hired after 1/1/95 will continue to have pro-rata contributions based on years of service).

Post-65 Retiree Medical:

This paragraph pertains to any fulltime employee who meets the qualifications to receive the post-65 annual payment of One Thousand Three Hundred Dollars ($1,300.00) made by the Company to a health reimbursement account for the benefit of the post-65 retiree (and if applicable the post-65 spouse of a retiree) ("annual payment") as they are currently in place. The Company and Union agree the annual payment shall sunset and that no further annual payments shall be made by the Company for the benefit of any post-65 retiree or any post-65 spouse of a retiree after December 31, 2029.

Notwithstanding the foregoing, the Company will continue to make the annual payment in accordance with the 2014-2019 collective bargaining agreement for the following individuals:

- Any fulltime employee who retires on or before March 31, 2019 and who, as of the date of retirement, meets the qualifications for the post-65 retiree annual payment; and
- Any current post-65 retiree and pre-65 retiree upon reaching eligibility for post-65 coverage.

Annual payments are subject to pro-ration based upon date of hire and years of Company service as outlined in previous summary plan descriptions applicable to retiree healthcare.

Effective January 1, 2020, dependents of post-65 retirees who currently pay a monthly premium for pre-65 retiree coverage will no longer be required to pay the monthly premium.

Audit Rights – Active and Retirees

The Company shall have the right to audit the Administrator, including the right to audit compliance with local, state and/or federal laws, regulations and similar requirements. The Administrator will take such steps as necessary to extend audit rights to third (3d) party designees as more fully set forth in the participation agreement between the Company and the Administrator.

The Trustees shall have the authority to have an independent Certified Public Account audit only the payroll and wage records of the Company for the purpose of determining the accuracy of contributions.

The Administrator shall comply with any rule, regulation, law, or similar requirement by any local, state and/or federal government as it relates to the provision of benefits provided through the Administrator. Moreover, the Administrator shall ensure that no provision of the Plan (design, operation, etc.) will result in the imposition of either injunction action and/or the levy of a fine, tax, assessment, toll or similar monetary penalty or sanction against either the Company or the Administrator. By way of example, but not limiting the applicability of this provision, the Administrator shall ensure that the benefits provided to employees shall not be subject to the "Cadillac" tax. To the extent the Administrator believes such tax may be applied, the Administrator shall adjust/modify benefits such that the tax does not apply.

The Company and Union will work together to ensure the Plan's compliance. If non-compliant, they will work together for resolution.

3. *Wellness:*

- Wellness: Effective January 1, 2020, employees will no longer be subject to / eligible for the Company-sponsored Wellness Program incentive payments.
- Tobacco Usage: Effective January 1, 2020, administrator will maintain a program designed to provide a monetary incentive to employees and spouses to either avoid or cease tobacco use and will provide a cessation program to support this effort. Employees will declare tobacco use/non-use annually at open enrollment. Prior to implementation of the incentive program, Administrator shall provide the details of such incentive program to the Company. By September 1 of each year, Administrator shall report the tobacco usage results to the Company.

4. *Long-Term Disability:*

Effective January 1, 2020, administration of the long-term disability benefit for the Fairfield and Los Angeles breweries shall be transferred from the Company to the Administrator.

5. *Flexible Spending Accounts*

Effective January 1, 2020, administration of the Flexible Spending Accounts, which includes the Health Care Spending Account and Dependent Care Spending Account, shall be transferred from the Company to the Administrator.

To the extent employee contributions are necessary for any coverages elected by an employee, the Company will administer the payroll deductions required for the coverages and remit those amounts to the Administrator.

TENTATIVE AGREEMENT

The Union and the Company agree to modify the collective bargaining agreement drug testing language to reflect the following changes:

- The Company will only perform bargaining unit drug testing on hair samples during the follow up tests after an employee has tested positive.
- On random drug tests, the Company will not test for the presence of marijuana (this does not effect the Company's rights during tests following an employee's initial positive drug test, which was based on reasonable suspicion or post accident testing, to include testing for marijuana).
- At the request of the Company, the parties agree to meet and discuss the drug testing program including but not limited to testing methods based on objective measures that may include, but not be limited to, increases in injuries, positive test results, and number of reasonable suspicion tests. The Union agrees it will not unreasonably object to a change to testing procedures including the reintroduction of hair or introduction of other testing upon review of information from the Company that there is an issue.

TENTATIVE AGREEMENT

MEMORANDUM OF UNDERSTANDING – OVERTIME SCHEDULING

This agreement supersedes any language and/or local practice(s) inconsistent with or contrary to the contents herein and applies to all departments with Monday through Friday work schedules (does not apply to Utilities departments that do not work a Monday through Friday schedule).

1. The following guidelines (Table 1) shall apply relating to drafting hours, overtime scheduling, and overtime charging.

TABLE 1

Topic	Scheduling Action	Proposal
Drafting Hours	What hours are used to draft employees?	Total Overtime Hours Worked
Overtime Scheduling	What hours are used to scheduled voluntary overtime?	Total Paid Overtime Hours + Charged/Refused Hours
Overtime Charging	How are Daily Overs/Earlies (Weekday) treated?	Yes Worked Hours No Charged/Refused Hours
	How are Daily Overs/Earlies (Weekend) treated?	Yes Worked Hours No Charged/Refused Hours
	How are Pre-scheduled Weekend Overs/Earlies treated?	Yes Worked Hours No Charged/Refused Hours
	How is Daily OT posted after the contractual deadline treated?	Yes Worked Hours No Charged/Refused Hours
	How is Weekend/Holiday Charging - 8 Hour Shifts accounted for?	Yes Worked Hours Yes Charged/Refused Hours

As described in the chart above, employees will be drafted according to all total overtime hours worked. Total overtime hours worked means unweighted hours (one hour equals one hour). Voluntary overtime will be scheduled by all paid overtime hours and charged/refused hours. Charged/refused hours means weighted hours (Saturday calculated at one and a half (1.5) times eight (8) hours; Sunday/Holiday calculated at two (2) times eight (8) hours). Employees will not be charged in the following scenarios where they have not signed up:

- Daily Overs/Earlies (Weekday)
- Daily Overs/Earlies (Weekend)
- Pre-scheduled Weekend Overs/Earlies
- Daily OT posted after the contractual posting deadline

The Company will continue to charge refused hours for eight (8) hour shifts on the weekend when an employee has not signed up and is above the "overtime charging line." The overtime charging line will be set according to the employee that is scheduled who has the highest Total Paid Overtime Hours + Refused Hours.

The Company agrees to modify the labor agreements to reflect the current practice whereby matching twelve (12) hour shifts are scheduled where qualified employees are available as a final step prior to drafting.

2. The following scheduling guidelines (Table 2) shall apply relating to overtime charging pertaining to vacations and absences.

TABLE 2

Topic	Scheduling Topic	Proposal
Vacation	Are employees allowed to signup the weekend BEFORE their vacation?	Yes
	Are employees charged if they do not sign up the weekend BEFORE their vacation?	No
	Are employees allowed to sign up for the weekend AFTER their vacation?	Yes
	Are employees charged if they do not sign up for the weekend AFTER their vacation?	No
Weekday Absences	If an employee does not sign up for the weekend/holiday, would any absences during the week excuse them from being charged?	No
Weekend Absences	If an employee is scheduled for the weekend/holiday and calls off for their weekend/holiday assignment, are they charged?	Yes

The Company agrees to allow employees to work the weekend during bereavement without forfeiting any remaining days of bereavement to which the employee is entitled.

The parties agree that an employee who takes a single day vacation on a Friday will not be drafted the weekend after that single day vacation. Similarly, an employee who takes a single day vacation on a Monday will not be drafted the weekend before that single day vacation.

3. The Memorandum of Understanding – Apprentices/ Seasonals/Weekenders will be modified to reflect the following:
   - Apprentices will be scheduled for voluntary overtime according to Total Paid Overtime Hours plus Refused Hours within the Apprentice classification
   - Apprentices will be drafted based on Total Overtime Hours Worked
   - When an Apprentice achieves regular status they will retain their actual worked hours, but will receive the equivalent of the highest refused hours in the department, plus one (1) hour
4. When transferring between departments pursuant to Article 24, employees' overtime hours will be treated as follows:
   - Employees transferring between departments pursuant to Article 24 will retain their Total Overtime Hours Worked
   - Employees transferring between departments pursuant to Article 24 will receive the equivalent of the highest refused hours in the new department, plus one (1) hour
5. The sign up deadline for weekend overtime will close Tuesday at 7:00 am (facility's local time). The Company will post the weekend overtime schedule by Wednesday at 11:00 pm (facility's local time). The Company will open up the sign up window and employees will be able to sign up for weekend overtime two weeks in advance of the close of the sign up window.

The parties agree to determine a mechanism in which the Company and the Union will address unforeseen situations arising out of this Memorandum of Understanding.

Prior to implementation of the scheduling practices in this Memorandum of Understanding, the parties will meet to discuss how to communicate the changes set forth herein. Implementation is anticipated to occur January 1, 2020. Implementation will not occur earlier than January 1 following ratification of the contract, unless the parties meet and agree that certain aspects can be rolled out prior to implementation of all changes set forth herein.

The parties intend to modify all non-conforming language to reflect the foregoing agreement and agree that non-conforming language identified after ratification will be revised by the Company in consultation with the Union consistent with the terms of this Memorandum of Understanding.

TENTATIVE AGREEMENT

The parties tentatively agree that the Company will no longer pre-pay for sick days. In the new Nine contracts, the sick leave article will be amended to eliminate the following: "The Company will prepay the paid sick days early in the year as designated by the Company."

The New Nine sick leave article will also eliminate the following: "The Company will payout these pro-rated sick days for the remainder of the calendar year, within the first thirty (30) days of employment."

The following will be added to Article 36: "The Company will comply with all applicable laws regarding sick pay."

Contracts in the St. Louis, Newark, and Los Angeles breweries will also be modified to reflect corresponding changes.

TENTATIVE AGREEMENT

The Company and the Union have agreed to shorten the probationary period for employees who are hired as apprentices, MTDPs, or regular employees directly from the then current pool of weekenders or seasonals accordingly.

Add the following to the New Nine contracts as a new second sentence in Section 1 of the Seniority Article:

"Provided, however, employees who are hired from among the then current weekenders or seasonals shall serve a probationary period of three (3) months during which they may be terminated without Union review."

In the current second sentence of the Seniority Article, eliminate the following words: "six (6) month."

Probationary language in the St. Louis, Newark, and Los Angeles contracts shall likewise be modified to correspondingly reflect this agreement.

TENTATIVE AGREEMENT

The parties tentatively agree to modify Article 24 Inter-Departmental Transfers as follows:

Delete the sentence: "An employee transferring to a department in accordance with this Article shall not have the right to select his shift under Article 23 until he has worked in that department three (3) months and then shall have the right to so select his shift on the next date as provided for in Article 23."

Insert the sentence: "An employee transferring to a department in accordance with this Article shall not have his shift preference honored until he has worked in that department thirty (30) days."

This tentative agreement does not change any other language of Article 24.

TENTATIVE AGREEMENT

The parties tentatively agree that the Company has discretion to determine how to dispose of dump beer holds of 10,000 cases or more.

ANHEUSER-BUSCH

October 16, 2018

Mr. Dennis Hart
Western Region International Field Rep.
Principal Officer / Secy. Treasurer – Local 853
7750 Pardee Lane
Oakland, CA 94621

Re: Bump Cap Policy

Dear Dennis -

This is to confirm our discussions regarding the Company's bump cap policy. The parties had extensive dialogue about the implementation of the current policy among the breweries for addressing bump cap heat related concerns. As a result of those discussions, the Company commits to modify its policy to include the following bump cap heat related exceptions:

- Houston and Jacksonville – The heat related bump cap exception will be triggered when the outside air temperature reaches 85 degrees and the exception ends when the outside air temperature reaches 80 degrees. (This is the current practice at Houston).

- All other breweries – The heat related bump cap exception will be triggered when the outside air temperature reaches 90 degrees and the exception will be in effect for 24 hours. The breweries will inform the business agents about the exact method for determining the trigger temperature for the 24 hour period in which the exception will be in place. (This is the current practice at Fort Collins).

As discussed, employees are expected to continue to comply with the following:

1. Maintain head bump protection at your work station or on their persons when not at their work stations, allowing them to don it if task or risk conditions change.
2. Minimize the time without head bump protection.
3. Don head bump protection whenever performing tasks with any risk of head bumps.
4. Continue to wear all other required PPE.
5. Wear head bump protection to go under a duck under or low hanging pipe/object.
6. Areas with open containers will require hair and beard coverage.
7. Hair must be restrained even if the bump cap has been removed.

ANHEUSER-BUSCH

For the sake of clarity, the Company does not agree to anything beyond what is stated above.

The Company maintains the inherent right to manage its operations based on the needs of the Company and the Union maintains its rights under the Grievance Procedure of the collective bargaining agreement. As with any policy, the Company has the discretion to alter the policy from time to time, and will revisit these terms if there are problems. Nothing herein shall be construed as relinquishing any managerial right.

If you have any further questions, please do not hesitate to contact me.

Sincerely,

Darryl Uffelmann
Associate General Counsel

ANHEUSER-BUSCH

October 18, 2018

Mr. Daniel Grace
International Brotherhood of Teamsters
Brewery & Soft Drink Workers Conference
25 Louisiana Avenue N.W.
Washington, D.C. 20001

Dear Dan,

During the course of negotiations, the union inquired about the Company's process of advising temporary employees who are not selected for full-time positions of the reason(s) for the decision.

It is the expectation and intention of the Company that temporary employees who are interviewed and not selected for full-time opportunities shall be notified of the reason(s) for such decisions and, where applicable, of steps the employee may take to improve his or her opportunity for selection as an apprentice in the future.

Further, upon request the Company will inform the Union of the reason(s) for its decision.

Sincerely,

Lisa Gonzales
Sr. Director, Labor Relations
Anheuser-Busch Companies, LLC