AGREEMENT

Between

ALBERTSON'S, INC.
(ROCK SPRINGS, WYOMING - SERVICE DELI CLERKS)

and

UNITED FOOD AND COMMERCIAL WORKERS UNION, AFL-CIO
LOCAL #7, DENVER, COLORADO

Chartered by the

UNITED FOOD AND COMMERCIAL WORKERS
INTERNATIONAL UNION
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Article</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>ARTICLE 1 -</td>
<td>RECOGNITION AND BARGAINING UNIT</td>
<td>1</td>
</tr>
<tr>
<td>ARTICLE 2 -</td>
<td>UNION MEMBERSHIP</td>
<td>1</td>
</tr>
<tr>
<td>ARTICLE 3 -</td>
<td>DISCHARGE</td>
<td>2</td>
</tr>
<tr>
<td>ARTICLE 4 -</td>
<td>SENIORITY</td>
<td>2</td>
</tr>
<tr>
<td>ARTICLE 5 -</td>
<td>EXPERIENCE</td>
<td>3</td>
</tr>
<tr>
<td>ARTICLE 6 -</td>
<td>SCHEDULES, WORKWEEK, OVERTIME, AND PREMIUMS</td>
<td>4</td>
</tr>
<tr>
<td>ARTICLE 7 -</td>
<td>WAGES</td>
<td>6</td>
</tr>
<tr>
<td>ARTICLE 8 -</td>
<td>HOLIDAYS</td>
<td>6</td>
</tr>
<tr>
<td>ARTICLE 9 -</td>
<td>VACATIONS</td>
<td>8</td>
</tr>
<tr>
<td>ARTICLE 10 -</td>
<td>LEAVE OF ABSENCE</td>
<td>9</td>
</tr>
<tr>
<td>ARTICLE 11 -</td>
<td>FUNERAL LEAVE PAY</td>
<td>10</td>
</tr>
<tr>
<td>ARTICLE 12 -</td>
<td>SICK LEAVE PAY</td>
<td>10</td>
</tr>
<tr>
<td>ARTICLE 13 -</td>
<td>HEALTH &amp; WELFARE</td>
<td>12</td>
</tr>
<tr>
<td>ARTICLE 14 -</td>
<td>DRUG TESTING</td>
<td>12</td>
</tr>
<tr>
<td>ARTICLE 15 -</td>
<td>PENSION</td>
<td>12</td>
</tr>
<tr>
<td>ARTICLE 16 -</td>
<td>NO DISCRIMINATION</td>
<td>14</td>
</tr>
<tr>
<td>ARTICLE 17 -</td>
<td>GENERAL CONDITIONS</td>
<td>15</td>
</tr>
<tr>
<td>ARTICLE 18 -</td>
<td>GRIEVANCES AND ARBITRATION</td>
<td>16</td>
</tr>
<tr>
<td>ARTICLE 19 -</td>
<td>NO STRIKE LOCKOUT PROVISIONS</td>
<td>18</td>
</tr>
<tr>
<td>ARTICLE 20 -</td>
<td>SEPARABILITY</td>
<td>18</td>
</tr>
<tr>
<td>ARTICLE 21 -</td>
<td>MANAGEMENT RIGHTS, MINIMUMS, AND JUST DISCHARGE</td>
<td>18</td>
</tr>
<tr>
<td>ARTICLE 22 -</td>
<td>REPORTING ACCIDENTS</td>
<td>18</td>
</tr>
<tr>
<td>ARTICLE 23 -</td>
<td>JURY DUTY</td>
<td>18</td>
</tr>
<tr>
<td>ARTICLE 24 -</td>
<td>EQUITABLE WORK OPPORTUNITIES</td>
<td>19</td>
</tr>
<tr>
<td>ARTICLE 25 -</td>
<td>JOB STEWARDS</td>
<td>20</td>
</tr>
<tr>
<td>ARTICLE 26 -</td>
<td>TERM OF AGREEMENT</td>
<td>21</td>
</tr>
<tr>
<td>APPENDIX &quot;A&quot;</td>
<td></td>
<td>22</td>
</tr>
<tr>
<td>LETTER OF UNDERSTANDING 1 - STORE #342</td>
<td>24</td>
<td></td>
</tr>
<tr>
<td>LETTER OF UNDERSTANDING 2 - STORE #342</td>
<td>25</td>
<td></td>
</tr>
<tr>
<td>LETTER OF UNDERSTANDING - Employee Buyout</td>
<td>26</td>
<td></td>
</tr>
<tr>
<td>Bargaining Notes</td>
<td></td>
<td>27</td>
</tr>
<tr>
<td>ABC CHECK OFF AGREEMENT</td>
<td>29</td>
<td></td>
</tr>
</tbody>
</table>
ALBERTSON'S, INC.
ROCK SPRINGS, WYOMING
SERVICE DELI CLERKS AGREEMENT

PREAMBLE:

THIS AGREEMENT is made by and between ALBERTSON'S, INC., hereafter referred to as the "EMPLOYER," and UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL #7, Denver, Colorado, hereafter referred to as the "UNION."

In consideration of their mutual promises and understanding, the parties to this Agreement agree as follows:

ARTICLE 1 - RECOGNITION AND BARGAINING UNIT

1.01 The Employer recognizes the Union as the sole collective bargaining representative for all Service Deli Clerks employed by Albertson’s, Inc., in the Service Deli Department of its supermarket located at 1323 Dewar Drive, Rock Springs, Wyoming; but excluding office clerical, confidential and professional employees, guards, watchmen, the Service Deli Manager, the Store Director, Assistant Store Director, other supervisors as defined in the Act, and all other employees.

1.02 All references to employees in this Agreement are intended to include both male and female gender.

ARTICLE 2 - UNION MEMBERSHIP

2.01 Union Security - The following paragraph will only be effective if the Wyoming Right-To-Work Law is repealed.

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

For the purpose of this Article, the execution date of this Agreement shall be considered its effective date.
2.02 Union Security Waiver - The Union Security Clause, as specified above, being presently contrary to the Statutes of the State of Wyoming, is acknowledged by the Employer and the Union as being presently adjudged to be null and void in accordance with said Statutes. However, should such Statutes be repealed or amended so as to permit the Union Security Clause, as set forth above, the Employer and the Union agree they shall put into full force and effect the provisions of Union security, as stated above, making the Union Security Clause effective upon the earliest date permitted by such enabling legislation and/or court action.

2.03 Check-Off - The Employer agrees during the life of this Agreement to deduct from the earnings due to an employee on each pay period of each week, the weekly dues and/or initiation fees as stipulated on the authorization form presented to the Employer. The Employer further agrees to remit such deduction to the appropriate Union Official within thirty (30) days after the first (1st) pay period of each month. The authorized deduction may be revoked by forty-five (45) days written notice by the employee to the Union and the Employer, upon termination of the employee's employment, or termination of the Agreement. The Union shall indemnify and hold the Employer harmless against any and all claims, charges, demands, lawsuits, or other forms of liability and related expenses, including attorney fees, that may arise or have arisen out of the Employer's payroll deductions, in the past or future, of Union dues or fees.

2.04 New Employees - Upon the employment of any new employee within the bargaining unit, the Employer agrees to notify the Union in writing within seven (7) days thereafter of such employment, furnishing the Union with the following information: the employee's name, residence address, location of employment, the date of starting work, rate of pay and social security number. The Union agrees to furnish suitable forms and a stamped, addressed envelope for this purpose.

ARTICLE 3 - DISCHARGE

3.01 Discharge - The Employer agrees not to discriminate against any employee and/or discharge him or her because of membership or non-membership in the Union; and further, no non-probationary employees shall be discharged without just cause. Additionally, only non-probationary employees may pursue discipline, discrimination, or discharge grievances under Article 18.

ARTICLE 4 - SENIORITY

4.01 Seniority per individual store shall apply to only layoff, and rehiring attending a reduction in the number of the work force and provided merit and ability of the employees are equal. All employees shall accrue seniority dating
from the date of their employment, but shall be probationers without seniority, for the first sixty (60) days. Seniority is defined as length of continuous employment with the Employer.

4.02 Seniority per individual store shall terminate upon:

a. Severance of employment.

b. Failure to return to work in accordance with the terms of a leave of absence.

c. Layoff in excess of one hundred eighty (180) days. For employees hired after November 5, 1998, seniority shall terminate upon layoff in excess of one hundred twenty (120) days.

d. Failure to report to work within seventy-two (72) hours after recall commencing upon receipt by the employee of such notice by registered mail.

4.03 In application of seniority, the least senior employees shall be the first laid off. Rehiring shall be achieved in inverse order.

4.04 Bargaining unit seniority lists shall be provided to the Union on no more than two (2) occasions during the calendar year, upon request by the Union.

ARTICLE 5 - EXPERIENCE

5.01 For the purpose of computing months of experience, one hundred seventy-three and one-third (173 1/3) hours of employment in a retail store shall be counted as one (1) month of experience, provided that no employee shall be credited for more than one hundred seventy-three and one third (173 1/3) hours of experience in any one (1) calendar month.

5.02 Previous, provable, comparable experience for new or rehired employees in the retail grocery industry shall only be considered provided such past experience is claimed by the employee on his or her employment application setting forth the experience being claimed, and if four (4) years or more have not elapsed since last employment in retail stores of similar classification, exclusive of times spent in the Armed Forces. Any grant of experience hours for prior service shall be solely at the discretion of the Employer, both as to any grant of experience and the timing of such grant, except the Employer shall not blatantly ignore recent, comparable experience of an applicant.

5.03 The parties recognize and agree that the classifications of Journeyperson in this Agreement require skill, knowledge, experience and ability which can only
be acquired by training and work on the job in a retail food store under the
direction and supervision of an Employer.

Accordingly, provision is made in this Agreement for advancement through
apprenticeship classifications on the basis of actual hours worked for an
Employer and apprentices will be promoted upon satisfactory completion of the
period of employment training set forth in this Agreement.

5.04 If, when an employee in an apprentice classification is due to be advanced
on the basis of his actual hours of work experience, as set forth in Appendix "A"
hereto, the Employer determines that the employee has not made sufficient
progress in the acquisition of knowledge, skill, experience and ability to justify an
increase to the next higher wage classification, the Employer can, in lieu of
termination and with prior written consent of the Union, continue such employee
at his existing rate of pay for a period of up to two hundred sixty (260) hours, to
give the employee an opportunity to improve his performance. At the end of
such two hundred sixty (260) hours the employee must either be advanced to the
next higher wage classification or be terminated, if such termination is justified
under the terms of this Agreement.

ARTICLE 6 - SCHEDULES, WORKWEEK, OVERTIME, AND PREMIUMS

6.01 Posting of Work Schedules - On or before 9 a.m. on Friday, the Employer
agrees to post the work schedule for the following calendar week for all
employees. There will be no changing of the work schedule except in the case of
an emergency. Any changes in the work schedule will be reflected on the posted
schedule at the time the change is made. Requested days off must be made in
writing by Tuesday for the next week's work schedule.

6.02 Reporting Pay - Employees reporting to work who have not received
notice prior to reporting for work that he or she is not to report for work, unless
such prior notice is precluded by emergency beyond the control of the Employer,
shall be guaranteed not less than three (3) hours of employment, or three (3)
hours pay in lieu thereof. In any event, if an employee does not receive such
notice before arriving at work as scheduled, he shall receive the guarantee set
forth herein.

No split shifts shall be required.

6.03 Basic Workweek and Workday - The basic straight-time work week shall
consist of forty (40) hours to be worked in five (5) eight (8) hour days, Sunday
through Saturday.

6.04 Basic Holiday Workweek - Time worked in excess of thirty-two (32) hours
in any calendar week in which any of the contract holidays, other than the
employee's Birthday Holiday or Personal Holidays, occur, shall be compensated
for at one and one-half (1 1/2) times the employee's basic or straight-time hourly rate of pay. Time worked or not worked on a holiday shall not be included in computing work in excess of thirty-two (32) hours in a holiday week.

6.05 The basic straight-time workday shall consist of eight (8) hours, to be worked within nine (9) consecutive hours, with an uninterrupted time off for a meal period at approximately the middle of the workday.

There shall be a minimum of ten (10) hours off between scheduled shifts, except when an employee voluntarily waives this ten (10) hours, or in emergency. Any hours involuntarily worked without ten (10) hours off will be paid at the overtime rate until the ten (10) hours has elapsed.

6.06 Overtime - Overtime is defined as hours worked in excess of eight (8) on a given day or forty (40) in a given week. Overtime work shall be paid for at one and one-half (1 1/2) times the employee's hourly rate of pay.

6.07 Sunday Premium - Employees shall receive one and one-half (1 1/2) times the regular straight-time hourly rate for hours worked on Sunday. Employees hired on or after May 1, 2005 shall not be eligible for Sunday premium.

6.08 There shall be no compounding or pyramiding of overtime and/or any premium pay, and only the highest applicable rate shall be paid.

6.09 Notwithstanding any other provisions of this Agreement, nothing contained herein shall be construed to establish a guaranteed workday or workweek.

6.10 Meal Periods - All hours of work shall be consecutive except for meal periods which shall be not less than one-half (1/2) hour nor more than one (1) hour. No employee shall be required to work more than five (5) hours without a meal period. If an employee does not want a meal period when he is scheduled for a five (5) to six (6) hour shift, he should inform the Store Director in writing so the Store Director will have it on file prior to the preparation of schedules. The written request will be considered and honored if scheduling and business needs permit it. Meal periods, if given, will be scheduled approximately in the middle of each shift that exceeds five (5) hours, unless otherwise agreed to by the employee and Store Director. Employees scheduled for a daily shift of five (5) hours or less shall not be required to take a meal period.

6.11 Rest Periods - Employees shall be granted rest periods of fifteen (15) minutes duration during each scheduled four (4) hours of work. Such rest periods shall be taken as directed by the Employer and not sooner than one (1) hour after the start of the morning and afternoon shifts, and as near to the middle of such shift as efficient scheduling may permit. Such rest periods shall not be unnecessarily interrupted. If an employee works longer than a 10-hour shift, the employee shall be entitled to a third relief period.
6.12 Free Work Prohibition - It is intended that there shall be no "free" or "time-off-the-clock" work practices under this Agreement. Any employee found by the Employer or the Union to be engaging in such unauthorized practice shall be subject to discipline, which may include termination.

6.13 The Employer and an employee may agree to establish a weekly work schedule consisting of four (4) ten (10) hour days. The Employer is not required to establish such work schedule, and if it chooses to do so, it is not required to schedule such schedule continuously for any minimum period beyond one (1) week. Employees working such schedules shall be entitled to daily overtime after the 10th hour rather than the 8th. Employees working such schedules shall be entitled to any sick pay, funeral pay, and other daily pay, except holiday pay, to which they are entitled, based on a ten (10) hour day, but holiday pay shall be based on an eight (8) hour day. Employees working such schedules shall be entitled to any night or Sunday premium to which they are entitled based on a ten (10) hour day. Employees working such schedules shall be entitled, under Article 6.11, to two (2) breaks of fifteen (15) minutes.

ARTICLE 7 - WAGES

See Appendix "A."

ARTICLE 8 - HOLIDAYS

8.01 Non-probationary employees hired on or before April 30, 2005, shall be paid for the following holidays:

- New Year’s Day
- Memorial Day
- Fourth of July
- Labor Day
- Thanksgiving Day
- Christmas Day
- Employee’s Birthday

Non-probationary employees hired on or after May 1, 2005 shall be paid for the following holidays: Labor Day, Thanksgiving Day and Christmas Day.

8.02 Non-probationary employees shall receive their birthday as a paid holiday. Employees shall give the Employer a fifteen (15) day written notice prior to their birthday. The birthday shall be observed within fifteen (15) days of the employee’s birthday on a mutually agreeable day. In the event the employee’s birthday falls on the same day as any of the above holidays, the employee’s birthday will be celebrated on another day in accordance with the procedure set forth in the previous sentence.
8.03 Employees hired on or before April 30, 2005, effective January 1, 1992, after each employee's first year of employment, there shall be two annual Floating Holidays paid on a calendar year basis. Employees hired on or after May 1, 2005, after two years of service, shall be entitled to one (1) personal holiday, two (2) personal holidays after three years of service, and three (3) personal holidays after four years of service. The employee must make a written request to the Store Director for the Floating Holiday at least fourteen (14) days before it is to be taken. A Floating Holiday is a day off with regular straight-time rate of pay on a day mutually agreed to by the Store Director and employee, as computed in accordance with this Article. In cases of conflict, floating holidays will be scheduled by seniority, provided all requirements for submitting a proper request have been met. In the event an employee fails to schedule his personal holiday by October 1 of the calendar year, the Employer will select a date and schedule such employee for his remaining personal holidays for that year.

8.04 In the event any of the above holidays falls on a Sunday, the Monday following shall be designated as the holiday.

8.05 For non-probationary employees hired on or before April 30, 2005, work performed on any of the above seven (7) holidays by regular full-time and part-time employees shall be paid for at one and one-half (1 1/2) times the employee's regular straight-time hourly rate. For non-probationary employees hired on or after May 1, 2005, when a holiday is worked, the employee shall be paid one dollar ($1.00) per hour worked in addition to the holiday pay provided herein. This shall be paid in addition to any holiday pay due. All regular employees will be paid for the holiday if not worked. A regular employee will be a person who has worked at least thirty (30) days. Employees must work their first scheduled workday preceding and following a holiday, and work the holiday itself if scheduled or be excused by the Employer in order to be eligible for holiday pay. In any event, in order to be eligible for holiday pay, employees must earn pay for work actually performed during the week in which such holiday occurs, except when on paid vacation and when receiving sick leave pay.

8.06 Employees who have worked, on average, from twenty (20) to thirty-five (35) hours a week in the preceding four (4) weeks will be paid pro rata holiday pay based on a ratio of average hours worked during such period to a forty (40) hour workweek. Any employee who averages thirty-five (35) hours a week or more over such period will be paid for a full day.

8.07 Holiday work and work after 6:00 p.m. on Christmas Eve shall be voluntary. In the event insufficient volunteers are found, the Employer may schedule employees in inverse order of seniority, provided there is a proper mix of employees. The Employer may operate its stores at its sole discretion on any of the holidays recognized in this Agreement. The Employer will staff on Thanksgiving Day and Christmas Day by a voluntary sign-up list. To the extent the Employer does not receive sufficient volunteers in a store, the Employer may
schedule by inverse seniority. The Employer will not schedule any eight-hour shifts on Thanksgiving or Christmas Day unless the Employer and an employee agree to that length of a shift.

ARTICLE 9 - VACATIONS

9.01 Employees hired on or before April 30, 2005 who regularly work eighteen (18) hours or more a week and who have worked for a continuous period of one (1) year from the date of employment, shall receive a paid vacation of one (1) week; those who have worked for the Employer for a continuous period of two (2) years from the date of employment shall receive a paid vacation of two (2) weeks; those who have worked for the Employer for a continuous period of eight (8) years from the date of employment shall receive a paid vacation of three (3) weeks; and those who have worked for the Employer for a continuous period of fifteen (15) years from their date of employment shall receive a paid vacation of four (4) weeks. Employees hired on or after May 1, 2005 who have worked one thousand forty (1,040) or more hours in their anniversary year, shall receive one (1) week paid vacation after one (1) year of continuous service, two (2) weeks paid vacation after three (3) years of continuous service, and three (3) weeks paid vacation after eight (8) years of continuous service. Vacation pay will be based on the average number of hours worked in the preceding anniversary year and shall not exceed forty (40) hours per week. For example, if an employee averages thirty (30) hours a week in the prior anniversary year, and has fifteen (15) years seniority, he or she will receive four (4) weeks vacation of thirty (30) hours each.

9.02 All employees who have been on the Albertson's payroll for one (1) year or more, and who are terminated through no fault of their own before accrued vacation converts to earned vacation, shall receive accrued vacation on a pro rata basis, as long as they have averaged eighteen (18) hours a week during the year in which they are terminated.

9.03 If a holiday occurs during an employee's vacation, such employee shall receive an additional day of pay or an additional day off for such holiday.

9.04 The Employer retains the right to determine the number of employees who may be on vacation at any given time. However, in no event shall it be less than one (1) person per week for both the employees covered by the Retail Clerks Agreement and the Service Deli Clerks Agreement. If a dispute arises between the employees as to vacation preference, seniority shall govern for a combined group of employees covered by the Retail Clerks Agreement and the Service Deli Clerks Agreement within the department, the classification and store. Any vacation weeks that become available after the posting of such roster shall be offered by seniority within the classification and store.
The Employer will post a notice December 1 of each calendar year, and the employees will sign the roster as to their choice of vacation. This list will remain posted for selection until April 1 of each calendar year.

Any employee who fails to sign such roster prior to April 1 will be permitted to take vacation at an agreed upon time that will not interfere with the other employees’ established vacation period.

When the vacation dates have been established, they will not be changed unless mutually agreeable between the employee and Employer.

9.05 Vacation checks shall be issued prior to the commencement of an employee’s vacation provided the employee has requested vacation pay fourteen (14) days prior to his scheduled vacation.

9.06 Time missed from work for any reason other than hours paid for vacations, holidays, and sick leave, will not be counted in computing vacation accrual.

9.07 The Employer and the employee may agree that the employee may take vacation in increments of less than one week.

ARTICLE 10 - LEAVE OF ABSENCE

10.01 Leaves of absence for employees employed for a continuous period of three (3) months or more shall be granted without pay for reasonable periods of up to six (6) months by the Employer for reasons of bona fide illness or disability. The six (6) month period may be extended by an additional six (6) months by agreement between the Employer and the employee. Pregnancy shall be treated as a bona fide illness or disability.

10.02 Leaves of absence without pay for reasonable periods not to exceed six (6) months may be granted by the Employer to employees who have completed three (3) months of service for other reasons mutually agreed to between the Employer and the employee. The six (6) month period may be extended by an additional six (6) months by agreement between the Employer and the employee.

10.03 The employee must be qualified to resume his regular duties upon return to work from an approved leave of absence. A doctor’s certificate verifying that the employee is able to resume his normal duties may be required. The employee shall be returned to the job previously held, or to a job comparable with regard to rate of pay, no later than on the first (1st) weekly schedule provided notice of intent to return to work is received prior to 9:00 a.m. Wednesday of the week preceding the next available schedule.

10.04 All leaves of absence must be requested in writing to the Store Director unless the employee is physically disabled to the extent that such advance
request is not possible and shall state: (1) the reason, (2) date leave is to begin, and (3) expected date of return to work. Leaves of absence shall be granted in writing and a copy shall be given to the employee.

10.05 Leaves of absence without pay for Union business not to exceed thirty (30) days may be granted by the Employer to employees who have completed one (1) year of service. The thirty (30) day period may be extended by an additional thirty (30) days by mutual agreement between the Employer and the employee.

10.06 All seniority granted employees under the terms of this Agreement shall be subject to the rights granted by law to the employees volunteering, called or conscripted for active military service under the National Guard Act of 1940 and the Selective Service Act of 1942, and any additions or amendments thereto.

ARTICLE 11 - FUNERAL LEAVE PAY

11.01 Each regular full-time non-probationary employee or regular part-time non-probationary employee (excluding Courtesy Clerks) shall be allowed funeral leave of not more than three (3) regularly scheduled working days off with pay in the event they request such time off in order to make arrangements for and/or attend a funeral, and/or for grieving, occasioned by a death in his immediate family or a person who makes his or her permanent residence with the Associate as part of the family. Immediate family is defined as the employee’s father, mother, spouse; children, step-children residing with the employee, father-in-law, mother-in-law, grandparents, brother or sister. Funeral leave will be paid only with respect to a workday on which the employee would have otherwise worked, and will not apply to an employee’s scheduled day off, holidays, vacations, or any other day on which the employee would not have worked; shall be paid at the employee’s regular straight-time hourly rate of pay; and shall not exceed eight (8) hours of pay for any one (1) day of absence or a total of twenty-four (24) hours pay in the event of a death in the employee’s immediate family. Funeral leave for regular part-time employees, as defined above, will be prorated upon the employee’s average daily hours worked. If an employee is contacted and advised at work that his or her parent, spouse, child, or grandchild has died, he or she will have the remainder of that day off, with pay. Probationary employees shall be allowed not more than three (3) days off without pay consistent with the above. In addition to any paid days an employee is entitled to under the Contract, employees shall be permitted to take up to seven (7) days off without pay for funeral leave.

ARTICLE 12 - SICK LEAVE PAY

12.01 For regular employees hired on or before April 30, 2005 covered by this Agreement who have been in the service of the Employer for ninety (90) days or
more shall thereafter be allowed sick leave, which shall accrue at a rate of one-half (1/2) day for each month of service until a maximum of thirty (30) days have been accrued. Employees hired on or after May 1, 2005 who have completed three (3) consecutive years of employment shall commence accumulating sick leave credit of up to two (2) hours for each month that such employee works at least one hundred twelve (112) hours in a four week month or one hundred forty (140) hours in a five week month. Such credit shall be determined by dividing the actual hours worked for such month by one hundred sixty (160) hours (in a four week month) or two hundred (200) hours (in a five week month) times two (2). Unused sick leave shall not exceed a maximum accumulation of sixty (60) hours. Sick leave must be earned by employment with the Employer, and in no event will it be payable except in the case of a bona fide illness or accident. For employees scheduled forty (40) hours a week, one (1) day of sick leave pay will be computed on the basis of eight (8) hours at the employee's regular straight-time hourly rate of pay.

Sick leave for part time employees will be paid at the employee's normal daily hours of work for scheduled days missed, and thereafter based on the employee's daily average hours of the four weeks prior to the first scheduled day missed.

12.02 Sick leave pay, to the extent it has been earned, shall begin after the employee's second (2nd) working day of illness or accident, or upon the first (1st) day of hospitalization or medically disabling outpatient surgery, and shall continue for each regular scheduled work day which said employee misses because of said disability until the employee's accumulated sick leave benefits have been exhausted.

12.03 Sick leave benefits will be paid only with respect to a work day on which the employee would otherwise have worked, and will not apply to an employee's scheduled day off, holidays, vacation, or any other day on which the employee would not have worked.

12.04 Sick leave pay, to the extent it has been earned, will be integrated with payments under any federal or state workers compensation program, Employer-paid health and welfare, or other disability program to which the Employer contributes, so as not to permit the employee to receive more than his regular weekly pay up to forty (40) hours of pay at the employee's regular straight-time hourly rate of pay for any week in which the employee is off work.

12.05 A doctor's certificate or other authoritative verification of illness or accident may be required by the Employer, and, if so, must be presented by the employee not more than forty-eight (48) hours after return to work. Any employee found to have abused sick leave benefits by falsification or misrepresentation shall thereupon be subject to disciplinary action, which may include termination except that such certificate may be required before the employee's return to work in
situations where the Employer reasonably believes the employee may be disqualified by illness or injury from performing his or her duties.

12.06 Sick leave benefits are not convertible to cash.

ARTICLE 13 - HEALTH & WELFARE

13.01 Effective July 1, 1996, the medical benefits, dental, disability, employee life, and accidental death and dismemberment insurance plans of the Albertson’s Employee Health and Welfare Trust will apply to employees covered by this Agreement. Employees will be subject to all terms and conditions of the plans, including eligibility requirements, and will be covered by any changes in the plans, including increases in benefits, as these are determined by the trustees of the plans and the law.

13.02 The Employer shall not be required to make any payments to the Montana Retail Store Health and Welfare Trust for hours worked by employees covered by this Agreement in April, May, or June 1996.

ARTICLE 14 - DRUG TESTING

14.01 The Employer may require the employee to submit to a legally recognized drug or alcohol test at the Employer’s expense if the Employer has probable cause that an employee is under the effects of alcohol or drugs. An on-the-job accident constitutes probable cause. An employee who tests positive shall be entitled to have a second test performed using a different disclosure method to verify the accuracy of the test results. The Employer will utilize a medical review officer, who is a licensed physician, to review and interpret lab results and communicate with the employee about the results when the officer deems it appropriate to do so. Time spent in such testing shall be on Company time; however, any employee refusing to submit to a drug or alcohol test shall be taken off the clock effective with the time of the Employer’s request. An employee who refuses to take a drug or alcohol test upon request shall be subject to discipline, which may include termination.

ARTICLE 15 - PENSION

15.01 The parties agree to be bound by all the terms and provisions of the Intermountain Retail Store Employees Pension Agreement and Declaration of Trust. The parties further agree to irrevocably designate as their representatives on the Board of Trustees of the Fund such Trustees as are named in said Agreement and Declaration of Trust as representing Employers or the Union, respectively, together with their Successors selected in the manner provided by said Agreement and Declaration of Trust. The parties further agree to be bound
by all acts of their respective Trustees performed pursuant to said Agreement and Declaration of Trust.

(a) **Pension Protection Act.**

(i) As a result of the Plan’s having been certified and being in critical status beginning with the Plan Year commencing September 1, 2011, the Plan’s Trustees adopted a Rehabilitation Plan that includes the Preferred Schedule attached as Exhibit B hereto. The bargaining parties agree and understand that the Employer’s obligation to make supplemental pension contributions in addition to the base contribution rate specified in Section 15.02 of this Agreement shall be limited to the contribution rates required in the Preferred Schedule attached as Exhibit B.

(ii) The supplemental contributions required by the Preferred Schedule shall be effective beginning with hours worked in the first month that begins after ratification of the Agreement.

(iii) In no event shall any contribution increases be required during the term of this Agreement as a result of annual updates or other changes to the Rehabilitation Plan and its schedules.

(iv) The contributions provided for under the Preferred Schedule shall be dedicated solely to improving the funding of the Plan, and shall not be used to increase or improve benefits.

(v) The Plan’s Trustees are authorized and directed to reduce Plan benefits as provided in the Preferred Schedule attached as Exhibit B.

**15.02** Effective in June 1992, based on hours worked in May 1992, and each month thereafter for the remaining term of this Agreement, the Employer agrees to pay twenty-five cents (25¢) per hour, up to a maximum two dollars ($2.00) per day, ten dollars ($10.00) per week and forty-three dollars and twenty-five cents ($43.25) per month for all hours worked by employees. Effective in March 1995, based on February 1995 hours worked, the Employer’s contribution will increase to thirty-five cents (35¢) per hour, up to a maximum two dollars and eighty cents ($2.80) per day, fourteen dollars ($14.00) per week, and sixty dollars and fifty-five cents ($60.55) per month for all hours worked by employees. Effective December 1999, based on hours worked in November 1999, the Employer’s contribution will increase to forty-five cents (45¢) per hour, up to a maximum of three dollars and sixty cents ($3.60) per day, eighteen dollars ($18.00) per week, and seventy-seven dollars and eight-five cents ($77.85) per month for all hours worked by employees. Effective for hours worked in November 2001, the Employer’s contribution shall increase to fifty cents (50¢) per hour, four dollars ($4.00) per day, twenty dollars ($20.00) per week, and eight-six dollars and fifty cents ($86.50) per month. Effective for hours worked in November 2004, the Employer’s contribution shall increase to fifty-five cents (55¢) per hour, four
dollars and forty cents ($4.40) per day, twenty-two dollars ($22.00) per week, and
ninety-five dollars and fifteen cents ($95.15) per month.

Effective with hours worked in the first full calendar month following ratification,
payable the month following, the Employer will increase the hourly contribution
by fifteen cents ($0.15) per hour from fifty-five cents ($0.55) to seventy cents
($0.70) for employees hired on or before April 30, 2005. This supplemental
contribution is dedicated solely to improving the funding of the pension plan and
will not be used to increase benefits. This supplemental contribution shall
continue to be made until the earlier of such time the Plan reaches a financial
state whereby either: (i) the funding ratio of the plan (actuarial value of assets
over actuarial liability) is at least 100%, or (ii) any contribution of the employers
would not be deductible for federal income tax purposes in the year in which it is
required to be made. However, unless changes are needed to support
contribution deductibility, no changes shall be made when the Plan has
withdrawal liability.

It is agreed that all contributions made to the Trust shall be made at such time
and in such manner as the Trustees may require.

15.03 The Pension Trust Fund shall provide for an equal number of Employer
and Union Trustees. It is further agreed that the Pension Plan adopted by the
Trustees of said Pension Trust Fund shall be such as will qualify for approval by
the Internal Revenue Service of the United States Treasury Department, so as to
enable the Employer to treat contributions to the Pension Fund as a business
deduction for income tax purposes. It is also further agreed that the Pension
Trust Agreement and Declaration of Trust and Plan shall be written in
conformance with all applicable federal and state laws, so as to be eligible for tax
exempt status under the rules and regulations of such Internal Revenue Service.

15.04 Time spent on paid vacations and paid holidays during employment shall
be considered as time worked for the purpose of this Article.

ARTICLE 16 - NO DISCRIMINATION

16.01 No employee shall be discriminated against by the Employer for upholding
lawful Union principles or engaging in lawful activities of the Union. The
Employer and the Union agree that each will fully comply with applicable laws
and regulations regarding discrimination against any employee because of such
person's race, religion, color, national origin, disability, sex, sexual orientation,
or age.

16.02 The Union agrees that it will not discriminate against the Employer, the
Employer's goods, products or services, or other employees not members of the
bargaining unit.
ARTICLE 17 - GENERAL CONDITIONS

17.01 Store Meetings - Time spent attending required store meetings shall be paid at the employee's regular hourly rate of pay, whether during the shift or before or after the shift, and shall be considered working time, but shall not be subject to reporting pay, continuous shift and other restrictions of the Agreement. Overtime rate will be paid if the hours are subject to overtime requirements of the Agreement.

17.02 Uniforms - Uniforms or other special wearing apparel not suitable for street or general wear shall not be required unless furnished by the Employer; and except where the garment is of a permanent press material, the Employer shall pay for the laundering.

17.03 Union Visitation - The authorized Union representative with appropriate credentials from the Union shall be permitted to interview employees concerning Union business during the hours of work if such interview does not unreasonably interfere with the employee's work, but time taken for such interview in excess of five (5) minutes shall not be on the Employer's time. Said authorized Union representative shall notify the Store Director or Director in charge, of his presence on the premises. The Store Director, or Director in charge, shall reasonably accept and agree to the President or authorized Union representative's notification unless such interview shall unreasonably interfere with the operation of the business. While in the store, Union representatives shall conduct themselves professionally and shall not engage in any abusive, disruptive, or threatening conduct.

17.04 Union Store Cards - Upon execution of this Agreement, the Union agrees to provide a Union Shop Card to the Employer, and the Employer agrees to display said Union Shop Card in a conspicuous place in the store. The Union Shop Card may be withdrawn by the Union only if the Employer refuses to comply with a final decision of an Arbitrator determined in accordance with the terms of the Agreement, including the grievance and arbitration procedure.

17.05 Bulletin Board - The Employer agrees to provide a suitable space in the rest area of each store for the posting of Union notices. The Union and employees shall honor all lawful Employer policies concerning solicitation or dissemination of documents on Employer premises and shall not disseminate documents in working areas. Any material posted or disseminated will not disparage Albertson's, including Albertson's management. If an arbitrator determines that the Union has posted or disseminated disparaging information on the Employer premises, the arbitrator shall order the Union to cease and desist.
17.06 When an employee is involved in a disciplinary interview where the probable result of such interview will be the imposition of disciplinary action, the Employer will respect any lawful rights of the employee to Union representation.

ARTICLE 18 - GRIEVANCES AND ARBITRATION

18.01 Any complaint, disagreement, or difference of opinion between the Employer and the Union, or the employees covered by this Agreement, including retaliatory scheduling of employees by the Store Director, which concerns the interpretation or application of the terms and provisions of this Agreement, shall be considered a grievance.

18.02 Before filing a grievance, any employee or the Union will schedule a grievance meeting away from the sales floor which can include a conference call at a mutually convenient time to be conducted during scheduled working hours between store management and either the Union Representative and/or the Steward, and/or the aggrieved employee, unless the Employer is unable or unwilling to meet.

The parties shall make an earnest effort to resolve grievances through the following procedure. Any employee or the Union may present a grievance. Any grievance involving termination or discharge of an employee must be filed within ten (10) days from the date of termination or discharge, disciplinary suspension, or improper layoff or recall. Any grievance involving any other matter must be filed within thirty (30) days following the event giving rise to such a grievance. Grievances not filed within these time limitations shall be forfeited and waived by the aggrieved parties; however, if the Employer, through a clerical error, fails to grant apprentice progression wage increases when due, such increase will be adjusted retroactively for up to ninety (90) days from the time of filing of a grievance with the Employer about such failure. The Union and Employer representatives must attempt to resolve the grievance before the grieving party may request an arbitration panel.

18.03 All grievances, to be arbitrable, must reasonably allege a specific violation of an express provision of the Agreement, and must clearly set forth all the known specific facts that form the basis of the grievance. All grievances shall be submitted in writing and shall clearly set forth the issues and contentions of the aggrieved parties.

18.04 In addition to the pre-grievance meeting described in 18.02, the Union Representative and the Employer Labor Representative shall discuss and attempt to adjust such grievances by holding a monthly settlement meeting by telephone conference.

(a) If the issuance of a verbal/written warning is grieved, the Union will notify the Employer of the same.
If the Grievant is disciplined further and the verbal/written warning is relied upon by the Employer in doing so, the Union shall have the right to submit the grievance protesting the warning to arbitration together with the grievance contesting the disciplinary action. It is expressly agreed that all such grievances will be consolidated.

18.05 If the Union and Employer Representative do not reach an adjustment within thirty (30) days of when the grievance is filed, the grieving party will request an arbitration panel of eleven (11) potential arbitrators, drawn from the following geographic areas: Washington, Oregon, Colorado, Utah, Idaho and Montana.

Money damages for grievances with the potential for backpay that are not arbitrated within six (6) months of the event giving rise to the grievance shall be limited to six (6) months of pay, unless the reason the grievance is not arbitrated within six (6) months is the sole responsibility of the Employer, or is due to circumstances outside the control of the Grievant or Union.

The parties specifically agree that the actual hearing shall be scheduled as soon as possible and shall occur as soon as possible – as early as sixty (60) days, but no later than within six (6) months from the date the grievance was filed. The parties can extend the six (6) month hearing deadline by mutual agreement. The arbitrator must render his decision within thirty (30) days of the close of hearing.

18.06 The Arbitrator shall receive and consider such material evidence and contentions as the parties may offer and shall make such independent investigations as he deems essential to a full understanding and determination of the issues involved.

18.07 The Arbitrator shall not be vested with the power to change, modify or alter any of the terms of this Agreement. All grievances submitted shall present an arbitrable issue under this Agreement and shall not depend or involve an issue or contention by either party which is contrary to any provision of this Agreement, or that involves the determination of a subject or matter not covered by or arising during the term of this Agreement.

18.08 The findings, decision and awards of the Arbitrator on all arbitrable questions shall be in writing and shall be final and binding on the Employer and the Union.

18.09 The expense of only the impartial arbitrator (which does not include room expense or any other expense not billed by an arbitrator) shall be equally borne by the parties.
ARTICLE 19 - NO STRIKE LOCKOUT PROVISIONS

19.01 It is mutually agreed that there shall be no work stoppage, sympathy strike, corporate campaign activity, picketing or lockout or other economic action by either party throughout and during the term of this Agreement.

19.02 Various moneys from Local No. 7 are paid to UFCW International Funds. The Local does not control such funds. Consequently, the UFCW International Union's use of those funds for corporate campaign purposes will not be a violation of this Agreement.

ARTICLE 20 - SEPARABILITY

20.01 If the highest court having jurisdiction in the matter in its final decision interprets any applicable law of the United States or the state covered by this Agreement in a manner so as to bring any provision or section of this Agreement into conflict with said law, such conflicting provision or section of this Agreement, and such provision or section alone, shall then be open for further negotiation between the parties hereto for the purpose of reconciling the conflicting provision or section with the said law as affected by such decision.

ARTICLE 21 - MANAGEMENT RIGHTS, MINIMUMS, AND JUST DISCHARGE

21.01 All management rights not specifically limited by this Agreement shall continue to rest exclusively with the Employer, including but not limited to, the right to schedule and direct the employees and to discipline or discharge with some reasonable foundation for its support. Store Director and Assistant Director can issue discipline in all departments, but Department Managers only within their respective departments. All Company benefits that may be provided over and above the requirements of this Labor Agreement, whether to an individual employee or to a department, shall continue to be at the discretion of the Employer both as to the granting and withdrawal; provided, however, regular straight-time hourly rates increased above contractual minimums will not be reduced during the life of this Agreement.

ARTICLE 22 - REPORTING ACCIDENTS

22.01 Any employee involved in a work-related accident shall immediately report such accident and any physical injury sustained (if immediately known to employee) and provide such information that the Employer requires related to such accident. Failure to report an accident or to observe the Employer's rules and regulations concerning safe work practices may be a basis for discipline.

ARTICLE 23 - JURY DUTY
23.01 Albertson's will pay to non-probationary employees who regularly work twenty (20) hours or more per week, the difference between the juror's service fee and straight-time wages lost (computed as average of previous four weeks pay) while an employee is a juror. If the jury duty exceeds fifteen (15) regularly scheduled days in a 12-month period, the employee may take vacation pay or excused time off without pay. Albertson's does not compensate employees who sit on a Grand Jury.

Jury duty is subject to the following conditions:

1) If you are called for jury duty and then excused from such duty during your scheduled shift, you must return to work to complete your normal work shift. However, if you have served and been compensated for at least eight (8) hours jury duty, you shall be excused from completing your shift.

2) No employee who reports back to his/her shift after being excused from jury duty shall be required to work in excess of ten (10) hours, less the number of hours for which he/she served and was compensated for by the court for jury duty that day.

3) If you are not called for jury duty on a scheduled work day, you are expected to report to work as scheduled.

4) Albertson's may require a statement from the court certifying attendance and compensation.

ARTICLE 24 - EQUITABLE WORK OPPORTUNITIES

24.01 In order to insure equitable work opportunities and efficient store operations;

1) Exempt managers and non-unit employees can perform work normally assigned to unit employees as they have done in the past.

2) In line with past practices, unit employees may work in different departments or classifications during their shifts as business needs require, and may be scheduled to work in a different department for example, when that department is short staffed because an employee is on a scheduled or personal day off, has quit, is on vacation, holiday, or leave of absence, etc. or otherwise when an employee in a department is unwilling or unable to do the work (e.g., too busy).

3) All pending work assignment grievances to be dropped by Union as, part of ratification.
ARTICLE 25 - JOB STEWARDS

25.01 The Employer recognizes the right of the Union to designate no more than three (3) job stewards per store. It is agreed that there will be no discrimination against such employees by reason of their selection as stewards. However, such employees selected shall perform their steward duties so as to not neglect normal work assignments, and shall act in accord with Article 17.03. Stewards shall not be authorized to settle any grievances or enter into any understanding contrary to this Agreement, nor shall they make any interpretation contrary to the Union interpretation of any Agreement clause. The store manager will be advised in writing by the Union of the names of stewards.

25.02 Up to three stewards per store shall not be scheduled to work past 6:30 p.m. one day per month in order to attend monthly Union meetings. Up to three stewards per store will be allowed three days off in order to attend the Union's annual steward conference, provided:

1) The store is given ninety (90) days advance notice.

2) No more than two such stewards shall be from the same department (the store may allow a third steward from the same department time off if business needs permit).
ARTICLE 26 - TERM OF AGREEMENT

26.01 The provisions of this Agreement shall become effective July 22, 2012 and shall remain in full force and effect through July 25, 2015 and shall continue from year to year thereafter unless one of the parties hereto, not less than sixty (60) days prior to its expiration date or any anniversary thereafter, shall serve notice in writing upon the other party. If such notice is served by either party hereto, this Agreement shall terminate upon its expiration date.

Signed this 24th day of March, 2013.

ALBERTSON’S, INC. \n
By Stefanie M. Gusha
Director, Labor Relations

Date 3/18/13

UFCW LOCAL NO. 7, DENVER \nCOLORADO, AFL-CIO, Chartered by the UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION.

By Kim C. Cordova
President
UFCW Local 7

Date 3/26/2013

Albertson's Rock Springs Service Deli Clerks
July 22, 2012 through July 25, 2015
APPENDIX "A"
ROCK SPRINGS SERVICE DELI

<table>
<thead>
<tr>
<th>Service Deli Clerk (hired and assigned in the BU prior to 5/1/05)</th>
<th>Current</th>
<th>7/20/2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-1040 hrs.</td>
<td>$7.35</td>
<td>$7.35</td>
</tr>
<tr>
<td>1041-2080 hrs.</td>
<td>$8.19</td>
<td>$8.19</td>
</tr>
<tr>
<td>2081-3120 hrs.</td>
<td>$9.21</td>
<td>$9.21</td>
</tr>
<tr>
<td>Journeyperson</td>
<td>$11.35</td>
<td>$11.55</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Service Deli Clerk (hired into BU or assigned or promoted on or after 5/1/05)</th>
<th>Current</th>
<th>7/20/2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-1040 hrs.</td>
<td>$7.35</td>
<td>$7.35</td>
</tr>
<tr>
<td>1041-2080 hrs.</td>
<td>$7.71</td>
<td>$7.71</td>
</tr>
<tr>
<td>2081-3120 hrs.</td>
<td>$8.07</td>
<td>$8.07</td>
</tr>
<tr>
<td>3121-4160 hrs.</td>
<td>$8.43</td>
<td>$8.43</td>
</tr>
<tr>
<td>4161-5200 hrs.</td>
<td>$8.79</td>
<td>$8.79</td>
</tr>
<tr>
<td>5201-6240 hrs.</td>
<td>$9.15</td>
<td>$9.15</td>
</tr>
<tr>
<td>6241-7280 hrs.</td>
<td>$9.51</td>
<td>$9.51</td>
</tr>
<tr>
<td>7281-7800 hrs.</td>
<td>$9.87</td>
<td>$9.87</td>
</tr>
<tr>
<td>Thereafter</td>
<td>$11.35</td>
<td>$11.55</td>
</tr>
</tbody>
</table>

The minimum hourly rates of pay for the indicated classifications shall be as set forth above on the dates indicated. The Employer may hire any employee at any rate in the progression schedule at its sole discretion.

**Rate Determination**
Employees hired before May 1, 2005 who remain in their classification after commencement of this Agreement shall be paid in accordance with the “Employees Hired and Assigned in the Bargaining Unit Prior to 5/1/05” wage schedule while they remain in that classification.

**Demotions, Step Downs and Layoffs:** An employee who is demoted, steps down, or who is laid off in accordance with this Agreement, shall be placed back in the same wage schedule in which the employee was working immediately prior to their assignment into management or promotion into the classification from which they are being demoted, stepping down or laid off. In determining the proper progression level for an employee demoted, stepping down, or laid off from a classification with a higher “thereafter” hourly rate to a classification with a lower “thereafter” hourly rate, such affected employee shall be placed in the appropriate progression level in the rate schedule referenced in this paragraph based on their experience in the newly assigned classification, regardless of whether such assigned rate results in a reduction in hourly rate. In determining
prior experience hereunder, the Employer will give recognition to the verified number of hours of actual work experience in the same classification which said employee may have performed for the Employer and the verified number of hours of actual work experience on a comparable job which said employee may have performed within the previous five (5) years for any other employer in a similar retail grocery operation.

Promotions, new hires and new entrants into the bargaining unit:
Employees hired into, or assigned to, or promoted to a different classification in the bargaining unit on or after May 1, 2005 shall be assigned to the “Employees Hired into the Bargaining Unit or assigned or promoted on or after 5/1/05” wage scale. Employees who are promoted to a different classification after April 30, 2005 shall not receive a reduction in their hourly rate of pay if when promoted to such classification they are being paid an hourly rate of pay greater than the minimum, unless they are above the “thereafter” hourly rate in which case they will immediately be paid the “thereafter” hourly rate. When such employee is paid less than the “thereafter” hourly rate, prior to receiving an increase in their hourly rate of pay, they must work 1,040 hours at their current rate before promotion to the hourly rate in the new classification that would give them an increase in their hourly rate of pay.

Annual Lump-Sum Bonus:
Twenty-five cents ($0.25) per hour, top of scale (TOS), first (1st) year based on previous twelve (12) months straight-time hours worked, shall be paid as a lump sum payment within thirty (30) days of ratification.

Twenty-five cents ($0.25) per hour, top of scale (TOS), second (2nd) year based on previous twelve (12) months straight-time hours worked, shall be paid as a lump sum payment within thirty (30) days of July 20, 2013.
LETTER OF UNDERSTANDING 1 - STORE #342

Albertson's will continue to take the seniority, availability, experience, merit and ability of its service deli employees into account in writing its weekly schedules. Albertson's commits that if Local No.7 notifies Albertson's Labor Relations Department of improper favoritism in scheduling employees, such scheduling will be resolved for the future. If the scheduling remains unresolved, Albertson's and Local No.7 will have a telephone conference within five days of receipt of written notice provided by Local No.7. In the telephone conference, the parties' positions shall be explained, the scheduling shall be re-examined, and, if necessary, any improper favoritism will be corrected. In no event, however, are the terms and conditions of this Letter of Understanding grievable or arbitrable.

IN WITNESS WHEREOF, the parties hereto have executed this "Letter of Understanding" to be effective on the 26th day of March 2013.

ALBERTSON'S, INC.

By [Signature]
Stefanie M. Gusha
Director, Labor Relations

UFCW LOCAL NO. 7, DENVER
COLORADO, AFL-CIO, Chartered by
the UNITED FOOD AND COMMERCIAL
WORKERS INTERNATIONAL UNION.

By [Signature]
Kim C. Cordova
President
UFCW Local 7

Date 2/18/13

Date 3/24/2013

Albertson's Rock Springs Service Deli Clerks
July 22, 2012 through July 25, 2015

-24-
LETTER OF UNDERSTANDING 2 - STORE #342

Letter of Understanding made by and between ALBERTSON'S, INC. and UNITED FOOD AND COMMERCIAL WORKERS UNION LOCAL NO.7 regarding the parties' good faith working relationship and policy to encourage ADR, as follows:

As evidence of a good faith working relationship between UFCW Local 7 and Albertson's, and for the purpose of encouraging Alternative Dispute Resolution (ADR), Local 7 agrees to counsel any employee with a complaint(s) and/or allegation(s) of illegal employment discrimination or violation of other state or federal law of Local 7's policy to address and resolve such issues through utilization of the collective bargaining agreement grievance process. Local 7 will counsel any employee with such a complaint that the employee also may have rights under applicable civil rights and/or other laws enforced by state and federal agencies and that the employee can exercise his/her discretion to utilize either, or both, processes.

Signed this 26th day of March, 2013.

ALBERTSON'S, INC.  UFCW LOCAL NO. 7, DENVER

COLORADO, AFL-CIO, Chartered by the UNITED FOOD AND COMMERCIAL
WORKERS INTERNATIONAL UNION.

By Stefanie M. Gusha
Director, Labor Relations

Date 2/18/13

By Kim C. Cordova
President
UFCW Local 7

Date 3-26-2013
LETTER OF UNDERSTANDING - Employee Buyout

The Employer, at its discretion, may establish a buyout program as follows:

1. Employees with ten (10) or more years of service who elect this buyout by a date determined by the Employer and who work through their release date:
   • $500 per year of service – Part-time employees
   • $1,000 per year of service - Full-time employees

2. Employer retains the right upon notification to the Union to:
   • establish offer dates and release dates
   • terminate or extend the program
   • require employees to sign a waiver and release
   • limit the maximum payout under this program to any employee to 20 years of service

3. The Employer may limit, by bargaining unit, the number of employees who can take this buyout at each store or facility. If more employees elect the buyout than permitted, employees will participate by seniority.

4. Program not subject to the Grievance and Arbitration Procedure.

IN WITNESS WHEREOF, the parties hereto have executed this "Letter of Understanding" to be effective on the __ day of __, 2013.

ALBERTSON'S, INC.  

By ______________________  
Stefanie M. Gusha  
Director, Labor Relations  

UFCW LOCAL NO. 7, DENVER  
COLORADO, AFL-CIO, Chartered by  
the UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION.

By ______________________  
Kim C. Cordova  
President  
UFCW Local 7  

Date 2/16/13  

Date 3-26-2013  

Albertson's Rock Springs Service Deli Clerks  
July 22, 2012 through July 25, 2015  

-26-
Bargaining Notes

Arbitrations, Vacation
The parties acknowledge that the following grievances were arbitrated before James E. Reed in 1995:

1. Marianne Gordon
2. Joan McClaren
3. Barbara Liddle
4. Rick Johnson
5. Lorrie Fitzgerald

The following confirms the parties' past practice in the following respects:

1. Article 3.01 of the Agreement shall not be interpreted to require "just cause" for (at a minimum) non-disciplinary demotions or transfers of employees covered by the Agreement.

2. Article 6.08 of the Agreement, and related provisions, shall be interpreted consistent with the Agreement's express language and Albertson's historic interpretation, in which Albertson's has not compounded or pyramided premium and overtime pay.

3. Articles 9.01 of the Agreement will be interpreted consistent with Albertson's past practice. Under Article 9.01, employees who have worked on average less than 40 hours but 18 hours or more during the preceding anniversary year will receive pro-rata vacation pay based on the average number of hours paid during the preceding anniversary year. Employees who have worked on average 40 hours or more during the preceding anniversary year will receive a paid vacation consistent with Article 9.01.

4. Article 12.03 of the Agreement shall be interpreted consistent with Albertson's historic interpretation and the Agreement's express language, in which Albertson's will not pay sick pay for days on which an employee would not have worked (such as days when the store has been closed).

Scheduling Book
The scheduling book will be available to associates except when a new schedule is being written. The first priority for request time off the schedule will be for medical or serious personal reasons. The second priority will be relative seniority, in case of conflict over requested time off. The book will contain a note as follows:

If you wish to keep the reason for your requested time off private, just put "confidential" as the reason and then speak with your supervisor about it.
Payroll Checks
Payroll checks will be provided to the workers in an envelope from the Employer that can be reused by the Employer (employers must return the envelope to the Employer immediately after having received their payroll checks).
ABC CHECK OFF AGREEMENT

AGREEMENT

between

ALBERTSON’S, INC.

and

UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL 7

The above-named parties hereby agree as follows:

The Employer agrees to deduct amounts designated by employees for the Active Ballot Club ("ABC") when the Employer has been furnished an individual written authorization for making such deductions on a form mutually agreed upon between the Employer and the Union. It is agreed that the ABC authorization is to be entirely voluntary upon the part of each individual employee and that any such employee may revoke his ABC checkoff authorization upon giving thirty (30) days written notice to the Employer and the Union.

The same shall become effective upon execution.

Albertson’s, Inc. United Food and Commercial Workers Union,
Local 7

By:     s/s Amanda S. Paquet     By:     s/s Ernest L. Duran Jr.

Date: September 30, 2002     Date: September 20, 2002
EXHIBIT B

Preferred Schedule Two (Non-Montana CBAs only)
Schedule of Contributions and Benefits

Benefit Adjustments

- Elimination of 100% of the value of the following benefits on all future benefit accruals:
  - Cost of living adjustments
- Changes to early retirement benefits, as follows:
  - Effective 9/1/2016, commence a contingent wear away transition for active participants from the current early retirement benefits to the 8% / 4% factors for all Clerks and for Meat hired after 6/2005 and 6% factors for Meat hired before 7/2005 if needed in 2016 to satisfy the Rehab requirements.
- Benefit reductions are effective as of the date contribution increase required by this schedule is effective, or if later, immediately after 30-day advance notice is provided after ratification of the CBA to which this schedule is attached.

Contributions

- Rehab Contributions are determined as the sum of a and b, as follows:
  a. For Clerks that are currently paying the $.10 Clerk Special contribution, no increase.
     For Clerks that are not currently paying the $.10 Clerk Special contributions, annual contribution rate increases as follows:
     - Year One: $ .04
     - Year Two: .03
     - Year Three: .03
  b. Annual contribution rate increases as a percent of the rate in effect immediately before this schedule becomes effective, as follows:
     - Year One: 9.8%
     - Year Two: 9.9%
     - Year Three: 9.8%
     - Year Four: 9.8%
     - Year Five: 9.8%
     - Year Six: 9.9%
     - Year Seven: 9.8%
     - Year Eight: 9.8%
     - Year Nine: 9.9%
     - Year Ten: 9.8%
- The total accumulated increases under a. and b. shall remain in effect for all future years.
- Contribution increases are effective beginning with hours worked in first month that begins after ratification of the CBA to which this schedule is attached.
- The additional rehab contributions required by this schedule shall be special contributions to which no accruals shall attach.
### Rehab Contributions - 'b' Portion

<table>
<thead>
<tr>
<th>Contribution Rate</th>
<th>9.8%</th>
<th>9.9%</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.10</td>
<td>$0.01</td>
<td>$0.01</td>
</tr>
<tr>
<td>$0.14</td>
<td>$0.01</td>
<td>$0.01</td>
</tr>
<tr>
<td>$0.15</td>
<td>$0.01</td>
<td>$0.01</td>
</tr>
<tr>
<td>$0.18</td>
<td>$0.02</td>
<td>$0.02</td>
</tr>
<tr>
<td>$0.19</td>
<td>$0.02</td>
<td>$0.02</td>
</tr>
<tr>
<td>$0.20</td>
<td>$0.02</td>
<td>$0.02</td>
</tr>
<tr>
<td>$0.22</td>
<td>$0.02</td>
<td>$0.02</td>
</tr>
<tr>
<td>$0.24</td>
<td>$0.02</td>
<td>$0.02</td>
</tr>
<tr>
<td>$0.25</td>
<td>$0.02</td>
<td>$0.02</td>
</tr>
<tr>
<td>$0.26</td>
<td>$0.03</td>
<td>$0.03</td>
</tr>
<tr>
<td>$0.27</td>
<td>$0.03</td>
<td>$0.03</td>
</tr>
<tr>
<td>$0.28</td>
<td>$0.03</td>
<td>$0.03</td>
</tr>
<tr>
<td>$0.30</td>
<td>$0.03</td>
<td>$0.03</td>
</tr>
<tr>
<td>$0.33</td>
<td>$0.03</td>
<td>$0.03</td>
</tr>
<tr>
<td>$0.34</td>
<td>$0.03</td>
<td>$0.03</td>
</tr>
<tr>
<td>$0.35</td>
<td>$0.03</td>
<td>$0.03</td>
</tr>
<tr>
<td>$0.36</td>
<td>$0.04</td>
<td>$0.04</td>
</tr>
<tr>
<td>$0.39</td>
<td>$0.04</td>
<td>$0.04</td>
</tr>
<tr>
<td>$0.40</td>
<td>$0.04</td>
<td>$0.04</td>
</tr>
<tr>
<td>$0.45</td>
<td>$0.04</td>
<td>$0.04</td>
</tr>
<tr>
<td>$0.48</td>
<td>$0.05</td>
<td>$0.05</td>
</tr>
<tr>
<td>$0.50</td>
<td>$0.05</td>
<td>$0.05</td>
</tr>
<tr>
<td>$0.52</td>
<td>$0.05</td>
<td>$0.05</td>
</tr>
<tr>
<td>$0.53</td>
<td>$0.05</td>
<td>$0.05</td>
</tr>
<tr>
<td>$0.55</td>
<td>$0.05</td>
<td>$0.05</td>
</tr>
<tr>
<td>$0.57</td>
<td>$0.06</td>
<td>$0.06</td>
</tr>
<tr>
<td>$0.60</td>
<td>$0.06</td>
<td>$0.06</td>
</tr>
<tr>
<td>$0.62</td>
<td>$0.06</td>
<td>$0.06</td>
</tr>
<tr>
<td>$0.70</td>
<td>$0.07</td>
<td>$0.07</td>
</tr>
<tr>
<td>$0.75</td>
<td>$0.07</td>
<td>$0.07</td>
</tr>
<tr>
<td>$0.80</td>
<td>$0.08</td>
<td>$0.08</td>
</tr>
<tr>
<td>$0.85</td>
<td>$0.08</td>
<td>$0.08</td>
</tr>
<tr>
<td>$0.95</td>
<td>$0.09</td>
<td>$0.09</td>
</tr>
<tr>
<td>$0.97</td>
<td>$0.10</td>
<td>$0.10</td>
</tr>
<tr>
<td>$1.02</td>
<td>$0.10</td>
<td>$0.10</td>
</tr>
<tr>
<td>$1.05</td>
<td>$0.10</td>
<td>$0.10</td>
</tr>
<tr>
<td>$1.10</td>
<td>$0.11</td>
<td>$0.11</td>
</tr>
<tr>
<td>$1.15</td>
<td>$0.11</td>
<td>$0.11</td>
</tr>
<tr>
<td>$1.30</td>
<td>$0.13</td>
<td>$0.13</td>
</tr>
<tr>
<td>$1.35</td>
<td>$0.13</td>
<td>$0.13</td>
</tr>
<tr>
<td>$1.50</td>
<td>$0.15</td>
<td>$0.15</td>
</tr>
<tr>
<td>$1.55</td>
<td>$0.15</td>
<td>$0.15</td>
</tr>
<tr>
<td>$1.64</td>
<td>$0.16</td>
<td>$0.16</td>
</tr>
</tbody>
</table>