

AGREEMENT

between

**CITY MARKET,
A DIVISION OF DILLON COMPANIES, INC.**

**Grand Junction and Clifton, Colorado
(CLERKS)**

and

UNITED FOOD AND COMMERCIAL WORKERS, LOCAL 7 DENVER, COLORADO

chartered by

UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION, AFL-CIO

TERM: April 17, 2019 through January 29, 2022

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AGREEMENT
between
CITY MARKET
A DIVISION OF DILLON COMPANIES, INC.
Grand Junction and Clifton, Colorado
(CLERKS)
and
UNITED FOOD AND COMMERCIAL WORKERS, LOCAL 7
chartered by
UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION, AFL-CIO

TERM: April 17, 2019 through January 29, 2022

THIS AGREEMENT is made and entered into by and between CITY MARKET, A DIVISION OF DILLON COMPANIES, Inc., Grand Junction and Clifton, Colorado, hereinafter referred to as the "EMPLOYER" and UNITED FOOD AND COMMERCIAL WORKERS, LOCAL 7, Denver, Colorado, chartered by the United Food and Commercial Workers International Union, AFL-CIO, hereinafter referred to as the "UNION".

ARTICLE 1
RECOGNITION AND EXCLUSIONS

Section 1. The Employer recognizes the Union as the sole collective bargaining agency for all food clerks and produce department managers in the grocery and produce departments, bakery clerks, including part-time employees who work regularly one (1) day or more at its retail stores located in Grand Junction and Clifton, Colorado, but excluding all store managers, one assistant store manager, management trainees, production bakers and finishers, office and clerical employees, janitors, meat department employees, delicatessen department employees, hostesses, demonstrators, watchmen, guards, parking lot attendants, wholesale branch employees, pharmacists, and professional employees and supervisors as defined in the National Labor Relations Act, as amended.

Section 2. Within the jurisdiction of each bargaining unit, any new stores opened by the Employer shall be accreted and shall be covered by the terms of each bargaining unit agreement.

ARTICLE 2

BARGAINING UNIT WORK JURISDICTION/VENDORS

Section 3. All work and services performed in the bargaining unit connected with the handling or selling of merchandise to the public shall be performed exclusively by bargaining unit members except as provided below. Meat and delicatessen department employees, registered pharmacists, production bakers and demonstrators may continue to perform duties performed before September 1982. Production bakers and cake decorators may perform Bakery Sales Clerk work provided that such employees do not replace a scheduled Bakery Sales Clerk shift.

Store Managers, Assistant Store Managers, Department Managers and Field Merchandisers can perform all duties throughout the store. Delicatessen, Coffee, and Cheese Clerks, and the department managers (Deli Manager, Assistant Deli Manager, Coffee Lead, and Cheese Steward) can perform all work in the bakery.

Bargaining Note: Bakery Clerks shall remain in the Clerks Pension.

Section 4. Direct store vendors who deliver the product categories of beverages (including juice sold in produce/deli departments), cookies and crackers, bakery, pizza, ice cream, chips, ice, dry ice, honey, bulk coffee, tortillas, greeting cards (and related products such as bows, wraps, candles, balloons, ribbons), newspapers, magazines, books, specialty/gourmet/natural foods and related products shall be allowed to perform all work in connection with the sale of their products directly delivered to the store. For purposes of this provision, the product categories as used herein shall be interpreted to include all products delivered by such vendors. Additionally, all vendors shall be allowed to stock and otherwise maintain any J-Hook or Clip strip program. Product categories as defined above that are direct store delivered and are later cross-docked at the Employer's warehouse (then delivered to the store on the Employer's trucks) may have all work in connection with the sale of such product categories performed by the vendor. Additionally, all vendors may perform: any work in connection with promotional and seasonal displays; facing in connection with service of their product; rotation of product; cleaning of product, shelves and racks; affixing coupons and other promotional materials to products; three (3) major resets per store per section per calendar year; work as necessary to accommodate the introduction of new items, or removal of discontinued items from the set; checking of code dates and removal of outdated material or damaged merchandise; and any work during the time period preceding, and the thirty (30) day period after a new store opening or reopening of a store after remodeling.

Section 5. Nothing herein should be interpreted to restrict non-bargaining unit employees performing bargaining unit work at locations away from the store, as long as the product sent to the store is product generally available for purchase for resale by retailers.

Section 6. Non-bargaining unit employees may perform bargaining unit work in the store during the time period preceding and the thirty (30) day period after a new store opening or the reopening of a store after remodeling.

Section 7. Non-bargaining unit employees may assist vendors performing resets as provided in Section 4, above.

Section 8. Subcontracting.

- a. Except for floor maintenance and sanitation, the Employer agrees not to subcontract operations currently existing within the store. The Employer agrees that no employee hired on or before March 5, 2005 shall be laid off as a direct result of the contracting of floor maintenance and sanitation.
- b. Subcontracting is defined as a contractual relationship with another employer whereby employees of that employer perform the work of bargaining unit employees. A purchase order is not a subcontracting agreement.
- c. Clarification of First Paragraph: "Currently existing" as of 8/1/93 includes by way of example and not by way of limitations: front end, grocery, produce, bakery sales, general merchandise, health & beauty care, floral, and video.
- d. Clarification of "Contractual Relationship": Any franchise or lease using bargaining unit employees would not violate this section including by way of example and not by way of limitations: Blockbuster Video, Veldkamp's. Any franchise or lease not using bargaining unit employees for operations that did not exist in the store on 8/1/93 or are new would not violate this section, including by way of example and not by way of limitations: pet shops, post office, travel agency, banks, espresso coffee and dry cleaners.
- e. Clarification of "Purchase Order": The Union will not claim a violation of this section based on the Employer's purchase of products generally available for purchase for resale by retailers, regardless of the product's relationship to bargaining unit work, including by way of example and not by way of limitations: pre-made salads, pre-sliced cheese, pre-cut and packaged carrot or celery sticks, salad ready lettuce, pre-wrapped lettuce, pre-made floral arrangements, up-graded plants, pre-processed produce products.
- f. Clarification of Other Operations That Would Not Violate This Section: Including by way of example and not by way of limitations: bubble gum machines, toy machines, gift baskets, demonstrators setting up and demonstrating product, garden centers, (the employer will use a combination of experienced and qualified employees and temporary non-

employee workers to operate the garden centers as they have in the past) and continuing warehouse produce repack work performed before 8/1/93.

- g. Clarification of Sanitation Work Special Assignments: The Employer has in the past and may in the future contract out: washing windows, shampooing carpets, servicing and cleaning inside of hoods and vents, maintenance of parking lot, ceiling tiles, and lighting.

ARTICLE 3

UNION SECURITY AND CONDITIONS

Section 9. Union Membership. It shall be a condition of employment that all employees covered by this Agreement who are members of the Union on the effective date of this Agreement shall remain members, and those who are not members on the effective date of this Agreement shall, on the thirty-first (31st) day following the effective date of this Agreement, become and remain members in the Union. It shall also be a condition of employment that all employees covered by this Agreement and hired on or after its effective date shall, on the thirty-first (31st) day following the beginning of such employment, become and remain members in the Union. The provisions of this Article shall not become operative unless a State Labor Peace Act election is held wherein the required number of employees vote and approve a Union Security Clause.

Section 10. For the purpose of Section 9 above, the execution date of this Agreement shall be considered as its effective date.

Section 11. Delinquent Members. Whenever the Union requires the Employer to discharge any employee for failure to join or maintain her membership in the Union or for her failure to pay required fees to the Union in accord with the terms of this Article, the Union agrees to furnish the Employer an itemized copy of the delinquent's account with the Union together with a written request for discharge. Upon the effective date of this Agreement, the Employer will discharge any employee who falls within the bargaining unit as described in Section 1 hereof within ten (10) days after the receipt of said written request for discharge, unless, within said ten day period, the delinquent employee pays or tenders her delinquent dues or fees to an authorized agent of the Union. The Union shall defend (with an attorney chosen and retained by the Union), indemnify and hold harmless the Employer from any and all claims, losses, liabilities and damages, including attorneys' fees, arising from such discharge.

Section 12. ABC Check Off. The Employer agrees to deduct amounts designated by employees for the Active Ballot Club 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 her ABC checkoff authorization at any time by written notice to the Employer and the Union.

ARTICLE 4

CHECK-OFF

Section 13. Check Off. The Employer agrees to deduct weekly union dues and uniform assessments (including initiation fees for new employees) from the net amount due each employee in the bargaining unit as described in Section 1 hereof who has furnished the Employer (either directly or through the Union) with an individual written authorization for making such deductions on a form mutually agreed upon between the Employer and the Union. It is understood that the check-off authorization is to be entirely voluntary upon the part of each such individual employee and that any such employee may revoke her individual check-off authorization upon giving thirty (30) days' written notice to the Employer and the Union.

Section 14. The Employer agrees to remit all such deductions to the President of the Local Union within ten (10) days after the last pay period of each month.

Section 15. Check Off- Hold Harmless. The Union shall hold the Employer harmless for all actions taken in connection with dues check-off obligations under this Agreement, including payment of any and all attorneys' fees.

ARTICLE 5

NEW EMPLOYEES, TRANSFERRED EMPLOYEES, PROMOTED OR DEMOTED

Section 16. When an employee is hired for a job or transferred or promoted or demoted into a bargaining unit job as described in Section 1 hereof, the Employer agrees within three (3) days to fill out a mutually agreeable form in triplicate, which advises the employee of her obligation to join the Union. One (1) copy of this form will be given to the employee and one (1) copy will be mailed to the Union in a stamped, addressed envelope provided by the Union.

Section 17. Completion of Forms For Benefit Programs. At the time of hiring, the Employer will advise each such employee of the fact that she must become a member of the Union within thirty-one (31) days and must remain a member of the Union as a condition of employment during the life of this Agreement. The Employer will likewise furnish each such employee with the address of the Union office and name of the Union representative. **The Union application forms, furnished by the Union to the Company, will be provided to the employee during the completion of the new hire paperwork.**

Section 18. Off-Premise Training. Any employee who has completed her probationary period and who is sent to an off-premise training program shall not have her rate of pay reduced, and, if subsequently reclassified, shall receive the appropriate

rate for the new classification. The rate of pay for attendance at the Employer's off-premise training school shall be no less than the minimum hourly rate set forth in the labor Agreement.

ARTICLE 6

RIGHTS OF MANAGEMENT

Section 19. The Employer retains the right to manage the store (or stores), to direct the working forces, and to make reasonable rules and regulations for the conduct of business, providing that said rules and regulations are not in conflict with the terms of this Agreement in any way.

Section 20. Espresso Vendors. To permit vendors to serve espresso and other items from carts or similar enclosures outside or inside stores.

ARTICLE 7

DEFINITIONS OF CLASSIFICATIONS

Section 21. For the purposes of this Agreement, the terms set forth below shall have the following meanings:

- a. **Demonstrators.** The duties of demonstrators shall not include work normally done by employees covered by this Agreement.
- b. **Head Clerk.** A Head Clerk is an employee who has been assigned by the Employer to a specialized job assignment(s) or to direct or supervise the work of others. The mere fact that two persons work together does not mean that one is a Head Clerk. The intent of the Head Clerk classification shall not be used to circumvent this Agreement. The specialized job assignments a Head Clerk fills are Day Foreman, Scanning Coordinator, Cosmetologist, Service Center, Floral or other assignments requiring specialized skills. Nothing in this Agreement should be interpreted to restrict the Employer's right to assign Head Clerks to Produce. The Grocery Back Door Receiver shall be a Head Clerk position.

Bargaining Note: It is understood and agreed that Head Clerk positions are filled at management's discretion and that the Grocery Receiving Head Clerk would be filled on the same basis as the Employer fills other Head Clerk positions and with the further understanding that existing grocery receiving clerks would need to apply and be selected for such position.

- c. **Customer Service Clerk.** A Customer Service Clerk's duties shall include the pricing, handling, displaying, selling and stocking of those items generally considered as non-food, general merchandise or drug

merchandise; all work in conjunction with the operation of the fuel center without restriction including, but not limited to, the stocking, handling and checking of food items; the operation of the currency booth and customer service counter; all work associated with the salad bar except any higher-rated employee in either the Retail Clerks or Meat Agreements may perform work in the salad bar; all work in the floral department; delivery driver work as assigned; and, home shop/ eCommerce work as assigned.

- d. Manager Trainees. Manager Trainees are defined as employees identified and selected by management to be trained for store management responsibilities, and shall be permitted the necessary flexibility to adequately prepare for store management. Hours worked by management trainees shall not affect hours worked by permanent bargaining unit employees. Hours allocated to manager trainees shall not be included in hours chargeable to store operations as relates to allocated store hours.
- e. Customer Relations Manager. An employee who assists the Store Manager in creating and maintaining the highest level of customer service and shall assist the Store Manager and Assistant Manager in executing their responsibilities for the whole Front End Department in all operations of people, policies, and procedures. The CRM should also be knowledgeable with all departments and their duties and operations to take responsibility of the store in the absence of the Store Manager and the Assistant Manager.
- f. Courtesy Clerk Duties. Courtesy Clerks shall not operate a cash register, stock or price merchandise, unload trucks or trim produce. Nothing herein prohibits a courtesy clerk from checking of code dates, facing, blocking or grooming shelves; nor the removal and replacing of items in the course of cleaning shelves or other fixtures or in the case of equipment breakdown; nor the replacement of merchandise which is abandoned, declined, exchanged or reworked, nor processing reclamation.
 - f1. All work connected with the selection of customer purchases from the sales floor including the storage and retrieval thereof, shall be performed by any bargaining unit member, including but not limited to courtesy clerks.
 - f2. The Employer may temporarily assign any employee within the bargaining unit, including courtesy clerks, without regard to seniority, to assist with seasonal demands in the floral department. Such employee shall receive hours not claimed by regular floral department employees in the store. Such employees shall not be assigned more than thirty (30) days from their most recent assignment date.

Section 22. Department/Job Assignment/Classification. The following breakdown may change depending on future changes in operation.

<u>DEPARTMENT</u>	<u>JOB ASSIGNMENT</u>	<u>CLASSIFICATION</u>
Front End	Checker	All-Purpose Clerk
	Courtesy Clerk	Courtesy Clerk
	Service Center	Serv. Center Head Clerk
	Floor Maintenance	Customer Service Clerk
Grocery	Night Crew Non-Food	Customer Service Clerk
	Night Crew	All-Purpose Clerk
	Day Crew Non-Food	Customer Service Clerk
	Day Crew	All-Purpose Clerk
	Frozen Food	All-Purpose Clerk
	Dairy	All-Purpose Clerk
	Price Changing	All-Purpose Clerk
Produce	Clerks	All-Purpose Clerk
	Salad Bar	Customer Service Clerk
Floral	Clerks	Customer Service Clerk
Bakery	Sales Clerks	Bakery Sales Clerk
GM	Non-Food	Customer Service Clerk
	Drug Merchandise	Customer Service Clerk
	Photo Lab	Customer Service Clerk
	Entertainment Center	Customer Service Clerk

Where registers are placed within a department, including departments not covered under this Agreement, the employees of such department shall be allowed to operate them and handle sales of all merchandise presented by customers at such registers, without pay adjustment, notwithstanding anything to the contrary in this Agreement.

Section 23. New Classifications. If new job classifications not presently in existence are established in the bargaining unit, the parties shall, within thirty (30) days of request by either party, negotiate appropriate wage rates.

Section 24. To accommodate the Company's family tree product alignment, modify the contract language to reflect the following item change in department:

- Baby food, water and related items may be ordered, stocked and handled by General Merchandise department.
- Candy, gum, seasonal candy and related items may be ordered, stocked and handled by General Merchandise department.
- Pet treats, grooming and related items may be ordered, stocked and handled by the Grocery department.

ARTICLE 8
RATES OF PAY

Section 25. The minimum wages for the indicated classifications shall be as set forth in Appendix "A" attached hereto, and by this reference made a part hereof.

Section 26. Part-time employment shall be computed in accord with the appropriate hourly rates set forth in Appendix "A" attached hereto, and by this reference made a part hereof.

Section 27. Employees must actually work the hours set forth in Appendix "A" before progressing to the next wage bracket, except as otherwise provided in this Agreement. Nothing herein shall be interpreted to restrict the Employer from paying rates of pay in excess of the minimum wage rates set forth in Appendix "A", if paid to all similarly situated employees.

ARTICLE 9
PRIOR EXPERIENCE

Section 28. In applying Sections 25, 26, and 27 of Article 8 of this Agreement to any newly-hired employee, the Employer will give recognition to the verified number of hours of actual work experience on a comparable job which said newly-hired employee may have performed within the previous ten (10) years for any other employer listed in Appendix A, Prior Experience Matrix. **Service in the United States military or National Guard shall be given credit for one thousand and forty (1,040) hours per year of service, capped at four thousand, one hundred and sixty (4,160) hours. This section shall only apply to newly-hired employees upon ratification.**

Any grievance over recognition given an employee for comparable work experience at the time of her employment must be filed pursuant to the terms and conditions of the grievance procedure of this Agreement (excluding the employee's trial period).

Any employee shall receive upon request to her employer or former employer, the following information: Date of hire, date of termination, total hours worked in retail store unless such hours worked shall exceed six thousand five hundred (6,500) and then such fact shall be stated. The employee must show evidence of employment in the grocery industry before making such request.

ARTICLE 10
PAY FOR WORK IN HIGHER/LOWER CLASSIFICATION

Section 29. When an employee is required to perform work in a higher classification, she shall receive the next highest rate of pay of the higher classification; but, if required to perform work in a lower classification, she shall retain her regular rate, except in the case of actual demotion, when the employee shall receive pay according to her classification.

ARTICLE 11
NO REDUCTION IN PAY

Section 30. No employee shall suffer any reduction of present hourly pay because of the adoption or through the operation of this Agreement, nor shall be reclassified to defeat the purpose of this Agreement, unless otherwise agreed between the parties.

ARTICLE 12
WORKWEEK

Section 31. The workweek shall coincide with the calendar week. Forty (40) hours to be worked in any five (5) eight (8) hour days shall be the standard workweek for regular full-time employees, except in holiday weeks when the standard workweek shall be thirty-two (32) hours to be worked in four (4) eight (8) hour days.

Section 32. The four ten-hour day work schedule must be mutually agreed to between the Employer and the employee.

An employee scheduled to work a four ten-hour day work schedule will be covered by modifications to the following modified sections, such as time and one-half would be paid after ten hours instead of eight hours, sick pay would be paid up to ten hours instead of eight hours, funeral pay would be paid up to ten hours instead of eight hours (up to a maximum of twenty-four (24) hours), jury duty pay would be paid up to ten hours instead of eight hours, holiday pay would be paid up to ten hours instead of eight hours, and any other sections of the contracts that currently provides for eight hours pay will provide for ten hours pay. Sunday premium will be paid up to ten hours worked instead of eight hours worked. Hours beyond that shall be considered overtime. The Employer will give the employee a relief period of 15 uninterrupted minutes for each five hour period worked as near as practicable to the middle of the five hours.

The work schedule(s) for an employee who is eligible to receive the maximum of a 24-hour paid funeral leave shall be changed so as to provide no lost wages due to the 24-hour maximum paid funeral leave if requested by the employee.

Section 33. Where mutually agreed between the Employer and the employee, management may schedule employees nine (9) hours work and pay, which will include

eating lunch and taking breaks on the Employer's time in the work area such that they may be available to perform work as needed.

ARTICLE 13

OVERTIME

Section 34. Overtime compensation at the rate of time and one-half (1 1/2x) the employee's base hourly rate of pay shall be paid under the following conditions:

- a. For all time worked in excess of eight (8) hours in any one (1) day.
- b. For all time worked in excess of forty (40) hours in any one (1) workweek as described above.
- c. For hours worked prior to an employee's scheduled starting time when less than eight (8) hours has elapsed since her last previously scheduled quitting time. (There will be at least eight (8) hours between each employee's scheduled quitting time and her next scheduled starting time.)
- d. For all hours scheduled and worked on the sixth and seventh day in a workweek by part-time employees who work less than forty (40) hours in that workweek. No employee shall be permitted to claim additional hours or schedules which would provide a six (6) or seven (7) day schedule during a workweek.

Section 35. No Pyramiding of Overtime. It is understood and agreed that there shall be no pyramiding of overtime and/or premium pay for the same hours of work on the same day. Therefore, if any employee works on a holiday and has a total of more than 40 hours of work in the same week, such employee will be paid overtime rates for hours in excess of 40, unless the worked holiday hours are the same hours that result in the employee working more than 40 hours in the week, i.e., the holiday is the final day worked by the employee in that week period.

ARTICLE 14

SUNDAY PREMIUM

Section 36. The premium rate for work performed on Sunday as such shall be time and one-quarter (1 1/4x) the employee's regular straight-time rate of pay (exclusive of courtesy clerks). The Sunday premium, for hours worked up to eight (8), shall in no instance be offset against any weekly overtime which may be due under subparagraph b of Section 33 because of the fact that the employee worked over forty (40) hours in the particular workweek. The Sunday premium shall not be averaged into the employee's straight-time rate for the purpose of determining the rate upon which daily or weekly overtime is based in any workweek under Section 33 hereof.

Employees hired on or after March 6, 2005 shall not be eligible for Sunday Premium.

Section 37. An employee whose straight-time scheduled shift begins on Saturday and continues beyond midnight on Saturday shall receive Sunday Premium Pay for those hours worked on Saturday, and such shifts in their entirety shall be the first shift of the new workweek.

Section 38. In those situations where an employee's straight-time scheduled shift begins at or after 8:00 p.m. on Saturday and continues beyond midnight on Saturday, the Employer shall not reschedule or reduce the hours of such employee for the sole purpose of avoiding the payment of such Sunday premium, though it is recognized that changes in the schedule may be necessitated by changes in business operations.

Section 39. Courtesy Clerk Sunday Premium. Courtesy Clerks shall receive a premium of fifty cents (50¢) per hour for all work performed on Sunday.

ARTICLE 15

TRAVEL BETWEEN STORES

Section 40. When an employee is transferred from one store to another store during her workday, reasonable time spent in traveling between said stores shall be considered as time worked. Assigned travel between stores in the employee's personal vehicle shall be reimbursed in the amount being paid by the Employer for mileage at that time, exclusive of travel to and from the employee's home. No employee will be required to use her personal vehicle to conduct company business.

Section 41. Before an employee is permitted to use their personal vehicle for company business, the Employer shall have the employee sign a statement acknowledging their risk and certification of a valid driver's license and insurance coverage.

Section 42. I certify that I have a valid driver's license and that I have insurance in effect on the vehicle I am using on City Market business. I understand and acknowledge the risks involved in driving my vehicle. I understand I will be responsible to myself for any traffic or parking citations. I understand that if I am involved in an accident while using my vehicle on City Market business I will report the accident to my auto insurance company and that any damage to my vehicle will be my responsibility. I understand that if I deviate from City Market business while using my vehicle I will be responsible for any injuries to myself or others and for any property damage. I understand I cannot be required to use my personal vehicle for company business.

Witness

Witness

Date

Date

ARTICLE 16
NIGHT PREMIUM

Section 43. A premium of one dollar (\$1.00) per hour shall be paid for all work performed between the hours of 12:00 midnight and 6:00 a.m. to all employees (excluding Courtesy Clerks).

All Courtesy Clerks shall receive twenty-five cents (25¢) per hour in addition to the hourly rate for all work performed between the hours of 12:00 midnight and 6:00 a.m.

Night premium shall not apply where the employee is working at overtime or on Sunday or on a holiday.

ARTICLE 17
HOLIDAYS AND HOLIDAY PAY

Section 44. All employees hired on or before March 5, 2005 who have completed their probationary period shall be paid for the following holidays whether or not they fall on what would normally be a workday for the employees involved: New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, and Christmas Day. Such employees shall be entitled to two (2) personal holidays, which must be requested two (2) weeks in advance and approved by the Store Manager.

All employees hired on or after March 6, 2005 who have completed their probationary period shall be paid for the following holidays whether or not they fall on what would normally be a workday for the employees involved: Thanksgiving Day and Christmas Day; beginning in 2016, Fourth of July and beginning in 2017, New Year's Day. After two years of service, such employees shall be entitled to one (1) personal holiday, two (2) personal holidays after three (3) years of service and three (3) personal holidays after four years of service, which must be requested two (2) weeks in advance and approved by the Store Manager.

The Employer may operate its stores, at its sole discretion, on any of the holidays recognized by this agreement.

Section 45. Personal Holiday Qualification Requirements. To be eligible for personal holidays during each calendar year, an employee must be on the payroll as of

January 1 of each year. Such holidays must be taken during the respective calendar year. An employee whose employment terminates prior to having taken his personal holiday or who fails to take his personal holiday in the calendar year shall not be entitled to holiday pay. 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. Further, personal holidays shall be granted by seniority, classification and store.

Section 46. Holiday Pay for Full-Time. As pay for an unworked holiday, regular fulltime employees will be paid at straight-time for the number of hours they would normally have worked on the day in question, but not to exceed eight (8) hours. If the holiday falls on a day which would normally have been such employee's scheduled day off, she shall be paid eight (8) hours at straight-time as pay for the unworked holiday.

Section 47. Holiday Pay for Part-Time. Holiday pay for part-time employees who have completed their probationary period, and who otherwise qualify, shall be based on the number of hours worked in the calendar week two (2) weeks prior to the week in which the holiday occurs, divided by five (5). Provided the employee actually performs work in the calendar weeks two (2) weeks prior to the Holiday week, (unless on vacation or receiving sick pay for time not worked during such week or during the first thirty (30) days of an absence for which an employee is receiving Workmen's Compensation) the employee shall not receive less than three (3) hours holiday pay.

Section 48. Qualifications for Unworked Holiday Pay. In order to qualify for pay for an unworked holiday, an employee otherwise eligible for such pay under the terms of this Article must work her regularly scheduled day immediately preceding the holiday, the holiday if scheduled, and her regularly scheduled day immediately following the holiday, unless she has been previously excused from such work by the Employer or unless she was prevented from so working due to a bona fide illness. In any event, the employee must perform work during the week in which the holiday occurs, unless on vacation, or receiving sick pay for time not worked during the week in which the holiday occurs, or during the first thirty (30) days of an absence for which an employee is receiving Workmen's Compensation.

Section 49. An unworked holiday, even though paid for under the terms of this Article, shall not be counted as a day worked for the purpose of computing overtime pay in a holiday workweek.

Section 50. Premium Pay for Holiday Work. For employees hired on or before March 5, 2005, when a holiday is worked, the employee shall be paid one and one-half (1-1/2) times his/her normal hourly rate of pay, in addition to the holiday pay provided herein. For employees hired on or after March 6, 2005, when a holiday (as defined above for such employees) is worked, the employee shall be paid one dollar (\$1.00) per hour worked.

ARTICLE 18

VACATIONS

Section 51. All regular full-time employees, and all part-time employees, who were hired on or before March 5, 2005 and who have worked eight hundred thirty-two (832) or more hours in their anniversary year, covered by this agreement, shall receive one (1) week's paid vacation after one (1) year's service, two (2) weeks' paid vacation after two (2) years' service, three (3) weeks' paid vacation after five (5) years' continuous service, four (4) weeks' paid vacation after twelve (12) years' continuous service and five (5) weeks' paid vacation after twenty (20) years continuous service.

All regular full-time employees, and all part-time employees, who were hired on or after March 6, 2005 and who have worked one thousand forty (1040) or more hours in their anniversary year, covered by this agreement, shall receive one (1) week's paid vacation after one (1) year's service, two (2) weeks' paid vacation after three (3) years' service, three (3) weeks' paid vacation after eight (8) years' continuous service, **four (4) weeks' paid vacation after twelve (12) years' continuous service.**

Such vacation shall be paid at straight-time rates. The number of hours for which such employees shall be paid for a vacation week shall be the average number of weekly hours worked during the twelve (12) months immediately preceding the employee's anniversary date of employment not to exceed forty (40) hours pay for each week of vacation. Hours paid for vacations, holidays and sick leave shall be considered as hours worked for the purpose of computing vacation amounts.

Section 52. Vacations By Hours. There would be no change in the way an employee earns vacations. The only change would be in the way an employee is allowed to take vacation.

In the past, employees have been required to take vacation one week at a time. With the new program, they could request vacation pay by hours from one-tenth of an hour up to the total number of hours they have earned. This gives employees flexibility in taking their vacation pay whenever they want.

The intent of the program is to allow the employee to take and be paid for smaller portions of their earned vacation than 40 hours at one time.

Section 53. Vacation Pay In Advance. An employee who has earned vacation on the basis of having completed an anniversary year shall receive her vacation pay during the work week immediately preceding the employee's vacation, provided the employee has requested such in writing at least two weeks in advance of her vacation.

Section 54. Holiday During Vacation. If any one of the holidays enumerated

in Article 17 hereof falls during an employee's vacation, the employee shall receive an extra day's vacation pay because of it.

Section 55. All employees will be allowed to be paid for earned vacation pay without being required to schedule vacation time off. There will be no limit on the amount of earned vacation pay that can be taken in this manner. Vacations must be taken or paid for during each anniversary year.

Section 56. Vacations Upon Layoff or Termination. When an employee is laid off, or discharged, or leaves her place of employment, and at said time she is entitled to a vacation, she shall receive her vacation wages at the time of the layoff or discharge, or at the time she leaves her place of employment. Provided, however, that if such employee be discharged for proven dishonesty, she shall not be entitled to any vacation or vacation pay, whether the same has accumulated or not.

Section 57. In the event a regular full-time employee covered by this Agreement who has been employed two (2) years or longer voluntarily quits or is discharged for reasons other than proven dishonesty, such employee shall be paid pro rata vacation pay earned up to the time the employment relationship is severed.

Scheduling Of Vacations

Section 58. The Employer retains the right to determine the number of employees who may be on vacation at any given time. A minimum of two (2) employees per store can be on vacation at any time except for any week in which a holiday covered under this contract, Mother's Day and Valentine's Day as well as the week before. However, in no event shall it be less than one (1) person per store. If a dispute develops between employees as to vacation preference, seniority shall govern within the department. Any vacation weeks that become available after the posting of such roster shall be posted within the store and shall be offered by seniority within classification and store.

Once the additional vacation week(s) has/have been approved it will not be changed unless mutually agreeable between the employee and the Employer. Weekly vacation requests shall take preference over daily vacation requests.

Section 59. 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 February 1 of each calendar year.

Section 60. Any employee who fails to sign such roster prior to February 1 will be permitted to take vacation at a time that will not interfere with the other employees' established vacation period. It will be the employee's responsibility to insure that their earned vacation time is taken.

Section 61. When the vacation dates have been established from the roster, they will not be changed unless mutually agreeable between the employee and the Employer.

Section 62. Notwithstanding the above, employees who voluntarily transfer to another store or job assignment after their vacation has been selected are subject to having their vacation rescheduled.

ARTICLE 19
SCHEDULE POSTING

Section 63. By 9:00 a.m. on Friday of each week, management will post the work schedule in each store for the following week, which schedule shall be in ink and which shall include employees' first initial and last name and which work schedule shall not be changed by management for that particular workweek except where the change is predicated on circumstances beyond the control of management such as sickness, injury, leaves of absence, vacations, jury duty, wide fluctuations in volume, Acts of God. This clause shall not be construed as preventing management from calling in employees for extra work outside of the posted schedule, from requiring overtime work outside of the posted schedule, or from bringing in additional employees where it appears advisable in the opinion of management.

Section 64. Any changes in the work schedule will be reflected on the posted schedule at the time the change is made, with the understanding that any changes made to the posted schedule after it is posted on Friday of each week will not be considered as scheduled hours for the purpose of paying overtime as set forth in Section 33 paragraph d.

ARTICLE 20
MINIMUM DAILY SCHEDULE

Section 65. Employees shall not be scheduled for less than four (4) hours per day, provided they are available for work.

ARTICLE 21
MINIMUM WEEKLY SCHEDULE

Section 66. No employee shall be scheduled for less than twenty (20) hours in a workweek, if the employee is available.

ARTICLE 22
NO FREE WORK

Section 67. 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.

Time used by an employee to prepare themselves to be fully ready to go to work as soon as they punch in will not be considered to be in violation of this Article.

Time spent by employees selecting shifts will not be considered to be a violation of this article; however, the Employer may permit employees to select shifts on paid time.

ARTICLE 23
TIME CARDS

Section 68. Employees shall be required to enter into the time tracking mechanism the time immediately before beginning work and immediately upon ending work. Employees shall also be required to enter into the time tracking mechanism the beginning and ending time of lunch and relief periods. No employee shall enter time for another employee.

ARTICLE 24
SPLIT SHIFTS

Section 69. There shall be no daily split shifts. A split shift is defined as two work periods separated by more than a normal meal period, but within eight (8) hours. Notwithstanding the above, store meetings which are covered elsewhere in this Agreement shall under no circumstances be considered as a split shift.

ARTICLE 25
STORE MEETINGS

Section 70. All time spent by an employee actually attending any store meeting where her attendance is required by the Employer shall be counted as time worked with a minimum of two (2) hours at the applicable rate of pay when an employee is called back for such a meeting. In the event the employee is required to attend more than two (2) meetings per calendar year, the call-in provisions in Article 26 shall apply.

ARTICLE 26
REPORTING PAY

Section 71. Any employee able to render required services shall, if called for work, be guaranteed an amount equal to four (4) hours' pay at her straight-time rate of pay. Provided the employee is able and available to work the four (4) hours.

Employees working in two (2) stores of the Employer in any one (1) day shall receive a full days' pay for such work.

ARTICLE 27
LUNCH BREAKS

Section 72. Each daily schedule in excess of six (6) hours shall include a non-paid one (1) or one-half (1/2) hour lunch period at approximately the middle of the shift. When a work period of six (6) hours will complete the day's work, the lunch period shall be optional, but if no lunch period is provided, contrary to Section 73, two (2) fifteen (15) minute relief periods will be provided.

Employees' scheduled lunch periods will be set forth on the schedule, but the parties recognize it may be necessary to alter the lunch period schedule due to the needs of the business.

ARTICLE 28
RELIEF PERIODS

Section 73. The Employer will give employees a relief period of fifteen (15) uninterrupted minutes for each four (4) hour period worked, as near as practical to the middle of the four (4) hours. Notwithstanding the above, the employee whose work shift is seven (7) hours or more shall receive at least two (2) relief periods.

When an employee is required to work more than ten (10) hours in a day, she shall be entitled to a third relief period.

ARTICLE 29
PROBATIONARY PERIOD

Section 74. The first sixty (60) calendar days of employment shall be considered a trial period, during which time an employee may be terminated for any reason and she shall have no recourse to the grievance or arbitration procedures set forth in this Agreement concerning such termination.

The probationary period for new hires may be extended up to thirty (30) calendar days upon mutual agreement between the employee/Employer and Union.

ARTICLE 30

SENIORITY

Section 75. For lesser classified jobs than Head Clerk, length of continuous service in the employ of the Employer shall govern in layoffs and rehires within a particular classification in the bargaining unit as described in Article 1, Section 1 except as set forth in Section 76 whenever the ability of the employee involved is substantially equal.

Section 76. Seniority of Transferred Employees. Employees transferring into the bargaining unit will retain their most recent anniversary date for all purposes other than seniority rights. They will receive a new seniority date upon entering the bargaining unit which will be used for purposes of scheduling, promotions, demotions, claiming of hours, layoffs, etc.

Section 77. Termination of Seniority. Seniority shall terminate for any of the following reasons:

1. Quit
2. Justifiable Discharge
3. Layoff of nine (9) months for employees with less than two (2) years of service; twelve (12) months for employees with two (2) or more years of service.
4. Failure to return to work in accordance with the terms of a leave of absence.
5. Failure to report for work upon recall after a layoff within five (5) days after date of mailing of recall notice sent by registered letter to the last address furnished in writing to the Employer by the employee.

Section 78. Seniority Lists. 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.

Section 79. Definition of Full-time Employee. A regular full time employee is defined as an employee who has been hired as such or works forty (40) or more hours per week for at least four (4) consecutive weeks, in her home store, except that working a forty (40) hour per week schedule as a result of the employee receiving any hours caused by other employees absence(s) for any reason or during the periods July 1st to August 31st and November 15th to December 31st shall not be used for purposes of

advancing an employee to full-time status. Scheduled hours of work voluntarily vacated by an employee (such as trading of hours) shall not be used for purposes of advancing an employee to full-time status. An employee who fails to maintain full-time status as a result of working less than forty (40) hours per week for reasons other than absence due to an approved leave of absence, or a reduced schedule resulting from an on-the-job injury, for twelve (12) consecutive weeks shall be designated as a part-time employee.

It is understood that for purposes of this provision, the definition of "absence" shall include such things as absence from work due to vacation, holiday, vacated shift, unexcused absence, funeral leave, jury duty, leave of absence and illness.

Section 80. Assignment to Full-time Status. When a full-time vacancy occurs and the Employer determines that such vacancy shall be filled by a full-time employee, or a four (4) week at forty (40) hour opening is created, the job vacancy for lesser classified jobs than Head Clerks shall be filled by the assignment of the most senior qualified employee of the classification who has signed the current full-time request list as provided in this Agreement. Should the Employer be unable to fill such vacancy from the list, then such vacancy shall be posted within the affected store for seventy-two (72) hours and the Employer shall offer the full-time assignment to the senior qualified employee of the store in the classification who signed the posting, before hiring off-the-street.

Notwithstanding the above, the Employer may transfer a full-time employee from another store within the bargaining unit to fill a vacancy in lieu of advancing an employee to full-time status under this Article.

Section 81. Full-time Request List. Employees may sign the full-time request list during the first fifteen (15) days of January and the first fifteen (15) days of July to be considered for advancement to full-time effective with the first workweek in February and August respectively. Such request shall state the specific store(s) in the bargaining unit the employee desires to be assigned. The Employer will send the Union a copy of the new full-time request list.

If an employee is offered assignment to full-time status and accepts or declines the same, her request shall be voided.

The Employer shall not make assignments of full-time status to a probationary employee or to an employee on leave of absence.

Section 82. Voluntary Reduction to Part-Time. A full-time employee who has requested and has been assigned a part-time schedule shall immediately be classified as part-time. A full-time employee accepting recall to a part-time position shall immediately be reclassified to part-time status. Similarly, a part-time employee recalled to a full-time position shall be reclassified to full-time status.

Section 83. Promotions. The Employer agrees to make promotions to lesser classified jobs than Head Clerks to the most senior qualified employee. Seniority shall prevail throughout the entire number of stores of the Employer in the area covered by this Agreement.

1. A promotion is an assignment to a classification which has a higher "Journeyman" or "thereafter" rate than the classification being vacated.
2. An employee desirous of promotion or multiple promotions shall make this wish known by submitting a signed written request form to her current store manager. Such requests may be submitted at any time and there shall be no minimum time period between requests until the highest classification available has been attained. An employee who is assigned a promotion in accordance with such request shall accept such promotion. Such request forms must be signed and dated by the store manager and union steward. Any employee who wishes to withdraw such written request may do so in writing to the store manager at any time before the time when promotion is assigned. In the absence of the store manager, said form must be signed by the person in charge of the store. In the absence of the union steward, said form must be signed by a member in good standing. The intent is to insure that the forms are not delayed by the absence of either party's representative.
3. The Employer shall not make promotional assignment to employees who are not scheduled to work during the workweek in which the assignment is to begin; nor to any employee in a probationary period.
4. None of the above shall be applicable to temporary assignments as set forth in Article 10, Section 28 of this Agreement.

Section 84. Probationary Period for Promotions. When any employee is promoted to a higher classification, she shall be on probation for thirty (30) calendar days if full-time, forty-five (45) calendar days if part-time. If an employee is unsuccessful during probation, the employee will be returned to her prior classification with regard to position and status.

The probationary period for promotions may be extended up to an additional thirty (30) calendar days for full-time and an additional forty-five (45) calendar days for part-time, upon mutual agreement between Union/employee/Employer.

Section 85. Training Prior to Promotion. When the Employer deems it necessary to train an employee who is to be permanently promoted from a lower classification to a higher classification, said employee shall receive proper training for the classification to which they are being promoted. The Employer will assign a qualified employee to train the employee being promoted. The training will consist of forty hours to be worked within two consecutive workweeks and the employee being

trained shall maintain their current rate of pay during this training period. It is agreed and understood that a trainee must work directly with the trainer; it shall be a violation of this clause if a trainee is allowed or permitted to work alone.

Section 86. Demotions for Just Cause. Except under the provisions of Section 94, no employee shall be demoted from a higher classification without just cause.

Section 87. Demotions and Step Downs

1. Whenever a member of the bargaining unit, classified as a Head Clerk, or above, is demoted, such employee may be returned to the classification and status (i.e., full-time or part-time) held when he/she accepted the bargaining unit position of Head Clerk or above, or the employee may exercise his/her seniority to claim a position in accordance with the current Full-Time or Promotion Request Lists. It is understood that the employee must be employed for one continuous year in the bargaining unit prior to the demotion or step down, or the employee shall be placed in the position of Courtesy Clerk.
2. Whenever a management employee who is not a member of the bargaining unit is demoted or steps down into the bargaining unit, such employee may exercise his or her seniority, provided a vacancy (as defined in the collective bargaining agreement) exists, to claim a position in the bargaining unit in accordance with the Full-Time or Promotion Request Lists. For the purpose of this section, the non-bargaining unit management employee shall be deemed to have full company seniority from the first day of assignment into the bargaining unit notwithstanding language set forth in the collective bargaining agreement establishing a 30-day waiting period. It is understood that the employee must be employed for one continuous year in a store or facility covered by a collective bargaining agreement with Local No. 7 immediately preceding the demotion or step-down or the employee shall be placed in the position of Courtesy Clerk.
3. The provisions of this section shall apply to employees classified as Head Clerk or above who are laid off. Such employee shall have recall rights to the job assignment vacated prior to the Employer hiring or promoting an employee for such vacated job assignment.
4. Notwithstanding the foregoing, demotions and step-down of bargaining unit employees classified as Head Clerk or above will be subject to the provisions of Section 86.

ARTICLE 31
AVAILABLE HOURS

Section 88. Scheduling and Assignment of Hours. Not later than seven (7) days prior to the start of any workweek, the Employer shall post a list of shifts, including start times, for each job assignment within the classification and store, based on the available hours as determined by the Employer. Employees lesser classified than Head Clerk shall be allowed to select their preferred schedule from the posted list of shifts for which they are qualified to perform the work, in seniority order within their job assignment. Full-time employees shall select first, followed by part-time employees. No employee shall be allowed to select a schedule that will result in overtime or other penalty provision, unless expressly authorized by the Employer. The employee's selection shall be recorded on a master schedule. Employees shall not select a portion of a shift. Prior to the start of the selection process, the Employer will identify approved vacation requests on the schedule.

The Employer may allow an employee in one job assignment to select shifts in another job assignment. The Employer reserves the right to assign employees to any ordering shifts and to training shifts. Nothing herein shall be interpreted to restrict the Employer's right to modify an employee's preferred shift selections prior to posting the schedule at 9:00 a.m. Friday.

Employees must immediately make their shift selections at the time directed by the Employer. If an employee fails to promptly select, the Employer, or the steward if available, shall select on behalf of the employee based on the employee's previous weekly schedule. In this event, the employee waives all rights to grieve the Employer's scheduling selection.

Unless the result of a reduction in hours, no full-time employee shall select less than forty (40) hours. Unless otherwise approved, no part-time employee shall select less than twenty (20) hours per week.

The Employer may require junior employees to select a specific number of shifts to facilitate the selection of all shifts from the list. In the event an employee is left with less than minimum hours, but has not been zeroed out, the Employer may pull shifts in reverse seniority order from senior employees to reach minimum hours for such employee, or the Employer may zero out such employee and assign any remaining hours in reverse seniority order to senior employees.

The Employer may schedule courtesy clerks with restrictive schedules for at least the minimum weekly schedule at its discretion.

The Employer retains the right to determine the number of positions in each job assignment. Upon mutual agreement between the Employer and the employee, a more senior qualified employee may change job assignments within her classification in order

to maximize hours. The least senior employee in the job assignment affected will be moved to the job assignment vacated by the senior employee.

When needed to increase the opportunity to maximize hours, an employee may request in writing to be trained in any job assignment within her job classification for which the Employer feels the employee is not currently qualified. After the request is made, the Employer may train within a reasonable time consistent with the business needs of the Employer, unless the employee is incapable of performing the job for which she requests training. The above training shall be limited to any job assignment as described in Article 7, Section 22.

ARTICLE 32

ADDITIONAL HOURS

Section 89. Additional Hours. The Employer shall post a weekly additional hours request list for each classification. Employees interested in working additional hours must sign the list for their classification and designate the days they will be available to work additional hours by midnight of the Saturday prior to the start of the applicable workweek. When hours not on the posted schedule become needed, or hours on the posted schedule become available (and the Employer elects to fill some or all of these hours) the Employer shall attempt to contact, in seniority order, by classification, qualified employees who signed the list for the day in question and assign them the hours. (If the Employer determines at the time the need arises, that less than four (4) hours should be needed, only the following options need be exhausted: first, employees currently at work who signed the list for the day in question will be assigned the work; and second, employees who signed the list for the day in question and who may be brought in early because the need is contiguous to their scheduled shift will be assigned the work. Nothing herein should be interpreted to require assigning work to employees not scheduled for the day in question or to employees not available to work the additional hours at the time the need arises.) If the hours cannot be assigned to the employees requesting them, as provided hereunder, the Employer may assign the hours at its discretion. Nothing herein shall be construed to require the scheduling of additional hours for any employee which will result in a split shift or overtime or prevent the Employer from assigning overtime pursuant to Section 90. The Company would use its best efforts to give employees at least one (1) hour notice if an employee is required to work beyond the end of their scheduled shifts.

ARTICLE 33

UNSCHEDULED OVERTIME

Section 90. Unscheduled Overtime Hours. Daily overtime not previously scheduled shall be offered in seniority order within the job assignment, the classification and the store, to the employees present when the need for overtime arises. Nothing

herein shall be construed to require the scheduling of overtime when another employee's scheduled hours can be extended or part-time employees may be called in without overtime penalty. Hours unclaimed under this procedure may be assigned in reverse order of seniority among those employees within the job assignment within the classification within the store present when the need for overtime arises.

Overtime assignments of four (4) hours or more may be filled by calling in employees, in seniority order, within the classification and the job assignment on their non-scheduled day without violating this Section.

ARTICLE 34

REDUCTION IN HOURS

Section 91. Part-Time Employees. If a part-time employee is zeroed out as a result of the selection of shifts, such employee shall be given layoff rights pursuant to this Agreement. However, if the average of all part-time employees within the classification within the job assignment is twenty-four (24) or more hours (including hours paid for vacation, sick, funeral, unworked holiday and jury duty pay) the Employer may elect to pull hours, in reverse seniority order, from senior employees to maintain the bottom twenty percent (20%) (or three (3) employees whichever is greater) of employees within the classification within the job assignment at minimum weekly hours. An employee electing to displace pursuant to the layoff procedures shall assume the selected schedule of the employee she is bumping until she is able to select for the next workweek.

Section 92. Full-Time Employees. The Employer shall not write a schedule of shifts that would result in a full-time employee being unable to select a forty (40) hour schedule (thirty-two (32) hours in a holiday week) unless the average scheduled hours (including hours scheduled and paid for vacation, unworked holiday, jury, sick and funeral pay) of all part-time employees within the classification within the job assignment is twenty-four (24) hours or less for the involved workweek. A full-time employee unable to select a forty (40) hour schedule, shall in their second consecutive week of such reduced hours, be allowed to exercise her seniority to claim the schedule of the least senior full-time employee in the classification within the bargaining unit who is working a forty (40) hour schedule. The employee may exercise her seniority to bump any time between the second and eleventh week of reduction. The employee whose schedule is claimed under this procedure shall immediately be assigned the schedule of the claiming employee, or be allowed to step-down to part-time status and displace the least senior part-time employee in her store.

No employee assigned as full-time on August 3, 1996, shall have her hours reduced to less than forty (40) hours as the result of this provision, unless all part-time employees in the classification have had their scheduled hours reduced to twenty-four (24) hours or less. Such full-time employee shall have her hours reduced to twenty-four

(24) or less before any other full-time employee protected under this paragraph is reduced.

Section 93. Full-Time Employees - Competitive Openings. During the first sixty (60) days following a competitive opening, the Employer may elect, in lieu of reducing hours as provided above, to layoff full-time employees to maintain the same proportion of full-time employees to part-time employees the store averaged in the month prior to the competitive opening. In the event of a layoff, the displaced employee shall be given the following options:

1. Displace the least senior full-time employee in the bargaining unit, or
2. Step-down to part-time and displace the least senior part-time employee within the classification and store.

Employees displaced by the full-time reduction under this procedure shall be given their layoff options pursuant to the layoff language of this Agreement.

It is understood that the provisions of this section shall apply only to those classifications impacted by a competitive opening.

ARTICLE 35

LAYOFFS

Section 94. Layoffs. For lesser classified jobs than Head Clerk, when a reduction in the workforce is necessary the following procedure shall be used.

The least senior employee within the affected job assignment within the classification within the store shall be notified of the layoff and shall be given the options of: (1) displacing the least senior employee in the same classification within the same store; (1a) if there is no less senior employee in the same classification within the same store, displacing the least senior employee in the same classification within the bargaining unit; (2) displacing the least senior employee in a lower classification within the same store; or (3) accepting the layoff. Such employee shall receive the rate of pay for any lower classification to which she moves.

For purposes of this provision, a full-time employee may only exercise the above options as to other full-time employees and a part-time employee may only exercise the above options as to other part-time employees.

Section 95. Employees Accepting Layoff or a Lower Classification. Laid off employees, and employees who accept a job in a lower classification in lieu of layoff, shall be recalled as needed, in order of seniority, to jobs they are qualified to perform. However, at the time of layoff or accepting a job in a lower classification, an employee may inform the Employer in writing of her desire not to be recalled to night crew jobs, in

which case the notification shall be honored. The Employer shall not hire a new employee or promote an existing employee into a position for which a laid off employee or employee who accepts a job in a lower classification is qualified and available to perform the work.

Section 96. Employee Accepting Layoff. An employee accepting a layoff rather than accepting a job in a lower classification may inform the Employer in writing at the time of the layoff of her desire to be recalled to a lower classification, and notification shall be honored when a vacancy occurs. The notice shall specify the lower classification to which the employee desires recall. It is understood that any employee on layoff from the classification where the vacancy occurs shall have preferential rights to such vacancy.

Section 97. Courtesy Clerk Options. The above notwithstanding, the options of a Courtesy Clerk shall be limited to displacing the shortest service Courtesy Clerk in that store or accepting the layoff. Courtesy Clerks with three (3) or more years of service may displace the least senior courtesy clerk in the bargaining unit.

ARTICLE 36

TRANSFER FROM STORE TO STORE

Section 97. Transfers from Store to Store. Transfer from store to store shall not be made or denied for capricious, arbitrary or discriminatory reasons. Employees desiring a transfer to another store within the bargaining unit, in order to be near their residence, may indicate their desire for transfer in writing to their Store Manager. Such transfer requests will be considered at the time an opening occurs within their classification and status.

ARTICLE 37

NEW STORE OPENING

Section 98. In the event of the opening of a new store within the bargaining unit (not a replacement of an existing store) the following procedure shall apply:

1. At least four (4) weeks prior to the opening of a new store, the Employer will post a sheet in each location for interested employees to sign if desirous of a transfer to the new location. The sheet shall remain posted for at least ten (10) days.
2. Job openings either at the new store or created by transferring employees at their former store shall first be filled by employees on layoff in the classification of the vacancy before any new employees are hired or current employees are promoted.

3. Employees who have signed the new store transfer request sheet shall be given consideration based on their qualifications and the requirements of the store. It is understood that the Employer may move an employee from its own competitive stores which may be impacted by the new store opening before consideration of other employee desires.
4. In the event the Employer opens new stores within the jurisdiction of a bargaining unit as set forth in Article 1, not less than sixty percent (60%) of the initial staffing of the new store shall be made by employees covered by this bargaining unit language, if available.

ARTICLE 38

LEAVES OF ABSENCE

Section 99. Sickness, Injury or Pregnancy. Leaves of absence without pay for reasonable periods shall be granted by the Employer to employees who have completed three (3) months of service for reasons of bona fide illness or disability, or injury on or off the job. Pregnancy shall be treated as a bona fide illness or disability.

Section 100. Leaves of Absence for Care of Newborn or Adopted Child. For employees with one (1) year of continuous service in the bargaining unit, a leave of absence for either parent shall be granted without pay for a period of up to twelve (12) months for the purpose of newborn or adopted child care. The employee shall be guaranteed reinstatement in accordance with his/her seniority. An employee who wishes to change his/her date of return to work shall notify the store manager two (2) weeks in advance and shall be returned to work as set forth above. The leave of absence for either parent must end no later than twelve (12) months from the date of birth or date of adoption. The employer may require certification of the parent relationship to the newborn or to the adopted child.

Section 101. Leaves of Absence for Family Care. A family care leave, without pay, shall be granted upon request by an employee for a total of up to six (6) consecutive months within a two (2) year period. The employee requesting the leave must have a minimum of one (1) year continuous service in the bargaining unit at the time of the request. The employee shall be guaranteed re-instatement in accordance with her seniority at the end of her leave. Any employee who wishes to change her date to return to work shall notify the store manager two (2) weeks in advance of the date they intend to return. The purpose of this leave shall be to care for seriously ill family members **or to address issues that arise from the military deployment of a family member**. For the purpose of this leave, "family members" shall be:

1. Spouse and parents of the employee.
2. Biological or adopted unmarried children under nineteen (19) years of age and full-time students up to age 23.

3. A child of any age who is incapable of self-support.
4. Any relative residing in the employee's home and dependent upon the employee for care.

The employee shall be required to present satisfactory evidence of serious illness of the family member, the expected duration of the absence, and the reason for the employee's involvement.

Section 102. Personal Leaves. Leaves of absence without pay for reasonable periods not to exceed thirty (30) days may be granted by the Employer to employees who have completed one (1) year of service for other reasons mutually agreed to between the Employer and the employee. The thirty (30) day period may be extended by an additional thirty (30) days by mutual agreement between the Employer and the employee.

Section 103. Military Leave. 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 **services in the Uniformed Services, as defined by USERRA or any applicable law**, and any additions or amendments thereto, or rulings and interpretations thereof by any authorized court or agency. **Eligible employees will be entitled to seniority, and all rights and benefits based on seniority, as provided by law.**

Section 104. Union Leave. Leaves of absence without pay, for Union business not to exceed six (6) months shall be granted by the Employer to employees who have completed one (1) year of service with three (3) weeks advance notice. The six (6) months shall be extended by an additional six (6) months upon request by the Union. The leave is restricted to one (1) member per store, at a time.

Section 105. Request for Leave of Absence. All leaves of absence must be requested in writing to the Store Manager 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, in advance, and a copy shall be given to the employee.

Section 106. Returning from Leave of Absence. The employee must be qualified to resume her regular duties upon return to work from an approved leave of absence. A doctor's certificate verifying that the employee is able to resume her 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 the notice of intent to return to work is received prior to 9:00 a.m., Wednesday of the week preceding the next available schedule.

Section 107. Safe Leave. The parties recognize that, in accordance with Colorado law, employees may request and take up to three working days of leave

from work in any twelve-month period if the employee is the victim of domestic abuse, stalking, sexual assault or the victim of any other crime. In accordance with law, the employee must give reasonable notice to his or her department manager, when possible.

In addition to the requirements of the law, the Company agrees to allow employees, upon their request, to use any available sick time, vacation or personal holidays for work time missed during such leave.

ARTICLE 39 BEREAVEMENT LEAVE

Section 108. Upon request, an employee covered by this Agreement shall be granted the necessary time off with pay at her regular straight-time rate of pay in order to make arrangements for and/or attend a funeral occasioned by a death in her immediate family. Such time off with pay shall in no event exceed three (3) regularly scheduled working days, and the amount of such paid time off actually granted shall normally depend upon the distance involved.

- a. The immediate family is defined as the employee's father, mother, step-parents, grandparents, spouse, **common-law spouse, an individual in a civil union with that employee if recognized by State law**, children, brother, or sister; and father, mother, brother or sister of the then existing spouse, step-child, and grandchildren.
- b. Additional time, without pay, shall be granted as is needed by the employee up to seven (7) days for grieving for the above family members and for grieving the death of aunts, uncles, nieces, nephews, step-brothers, step-sisters, **co-parents, fiancés/fiancées**, and grandparents.
- c. Payments shall not be made hereunder where the relative's death occurs while the employee is on vacation or on a leave of absence.

Section 109. If an employee is notified of the death of her spouse, parent, child or grandchild while at work, she shall be granted the remainder of the day off and paid for scheduled work hours that day. This shall not be counted as part of the above three (3) days. Employees must attend the funeral in order to qualify for pay, and the Employer may require satisfactory evidence confirming the relationship to the deceased person.

Section 110. No schedule shall be changed for the purpose of making the employee's day off replace a day that would otherwise have been paid for under these provisions.

ARTICLE 40

JURY DUTY

Section 111. Whenever any employee covered by this Agreement is required to serve on a petit jury during her regular working hours, the Employer agrees to pay such employee the difference between what she is paid for serving on the jury and what she would have received from the Employer in straight-time pay had said jury duty not prevented her from being at work. On any scheduled work day, the employee shall promptly report to complete any remaining hours of her scheduled work day; provided, no employee shall be required to so report for work on any day on which she has served and been compensated by the court for at least eight (8) hours' jury duty, nor shall any employee who reports back to work under this Section be required to work more than ten (10) hours, less the number of hours for which she served and was compensated for jury duty by the court on that day. The Employer may require a statement from the court certifying attendance.

Section 112. When the Employer requests an employee to appear in court, she shall be compensated at her regular straight-time hourly rate of pay for such time.

ARTICLE 41

SICK LEAVE

Section 113. All employees covered by this Agreement (except for Courtesy Clerks' coverage, which is set forth below) who, in their first anniversary year, work one thousand two hundred and forty eight (1,248) hours or more and who have been continuously employed by their Employer for a period of one (1) year, shall be credited with forty-eight (48) hours of sick leave with pay.

Full-time Courtesy Clerks shall be eligible for sick leave benefits.

Unused sick leave shall be cumulative, and after the first (1st) year of continuous employment, said employees shall accumulate unused sick leave at the rate of four (4) hours per month for each month of continuous employment in which they work at least ninety-six (96) hours in a four (4) week month, and one hundred twenty (120) hours in a five (5) week month, but not to exceed a maximum accumulation of six hundred (600) hours.

A doctor's certificate or other authoritative verification of illness may be required by the Employer. Said sick leave is to commence on the second (2nd) full workdays' absence for sickness or non-occupational injury, and on the first (1st) full workday's absence if the employee is hospitalized, undergoes outpatient surgery, or has accumulated in excess of **one hundred and ninety-two (192)** hours. The waiting period provided herein shall apply for each illness or non-occupational injury. **Any employees**

ineligible for first day sick pay under this provision shall be permitted to use up to five (5) days per year of vacation accrued pursuant to Section 47 or unused personal holidays as payment for such employee's first day sick time at the employee's election. Notwithstanding other requirements to use personal holidays or unused and accrued vacation, there shall be no management discretion to deny pay for such absence, except that a doctor's certificate or other authoritative verification of illness may be required by the Employer. In order to use personal holidays and/or vacation pay for a sick absence, the employee must provide at least two (2) hours' notice prior to the start of such employee's scheduled shift.

Sick leave shall be paid after the appropriate waiting period and will be based on the number of scheduled hours missed due to the sickness or non-occupational injury. For consecutive absences which exceed one (1) week, the maximum hours paid will be the same as the hours scheduled in the week in which the illness or non-occupational injury occurred. Sick leave pay must be requested by the employee and will be paid, if eligible as provided above, at the employee's regular classification rate, calculated at straight-time, not to exceed eight (8) hours per day until accumulated sick leave is used up or employee returns to work.

Sick leave benefits are not convertible to cash.

Section 114. Employees hired on or after March 6, 2005. Full-Time employees covered by this Agreement hired after March 6, 2005, who, in their first anniversary year, worked two thousand (2,000) hours or more and who have been continuously employed by their employer for a period of one (1) year, shall be credited with twenty-four (24) hours of sick leave pay. Employees (excluding part-time courtesy clerks) who in their first anniversary year work one thousand two hundred and forty-eight (1,248) hours or more (but less than two thousand [2,000] hours) and who have been continuously employed by their employer for a period of one (1) year, shall be credited with hours of sick leave with pay on the basis of the total hours worked (including vacation hours) in their anniversary year divided by two thousand eighty (2,080) hours times twenty-four (24) hours. It is understood that employees shall not be credited with more than twenty-four (24) hours of sick leave credit per anniversary year.

For Employees hired after March 6, 2005, unused sick leave shall be cumulative, and after the first (1st) year of continuous employment, full-time employees shall accumulate unused sick leave at the rate of two (2) hours for each month of continuous employment in which they work one hundred sixty (160) hours in a four (4) week month and two hundred (200) hours in a five (5) week month. Employees who work at least ninety-six (96) hours (but less than one hundred sixty (160) hours) in a four (4) week month and one hundred twenty (120) hours (but less than two hundred (200) hours) in a five (5) week month shall accumulate unused sick leave for each month of continuous employment on the basis of total

hours worked during the preceding month divided by one hundred sixty (160) hours in a four (4) week month and two hundred (200) hours in a five (5) week month times two (2). Said monthly credit shall not exceed two (2) hours for each month. Unused sick leave shall not exceed a maximum accumulation of two hundred and forty (240) hours.

A doctor's certificate or other authoritative verification of illness may be required by the Employer. Said sick leave is to commence on the third full workday's absence for sickness or non-occupational injury, on the first workday's absence if the employee is hospitalized, undergoes outpatient surgery, or has accumulated in excess of one hundred and ninety-two (192) hours, and on the second workday's absence if the employee has accumulated in excess of ninety-six (96) hours but less than one hundred ninety-two (192) hours. The waiting period provided herein shall apply for each illness or non-occupational injury. Any employees ineligible for first day sick pay under this provision shall be permitted to use up to five (5) days per year of vacation accrued pursuant to Section 47 or unused personal holidays as payment for such employee's first day sick time at the employee's election. Notwithstanding other requirements to use personal holidays or unused and accrued vacation, there shall be no management discretion to deny pay for such absence, except that a doctor's certificate or other authoritative verification of illness may be required by the Employer. In order to use personal holidays and/or vacation pay for a sick absence, the employee must provide at least two (2) hours' notice prior to the start of such employee's scheduled shift.

Sick leave benefits are not convertible to cash.

ARTICLE 42 INJURY ON JOB

Section 115. When an employee is injured on the job, there shall be no deduction from the employee's pay for the day in which the employee was injured and reported for medical care.

ARTICLE 43 HEALTH AND WELFARE COVERAGE

(Medical, Surgical, Hospital, Dental, Prescription, Vision and Life Insurance)

Section 116. Trust Fund. The Rocky Mountain UFCW Unions and Employers Health Benefit Trust ("Health Benefit Trust") is a trust fund jointly administered by an equal number of Trustees representing the Employer and the Union. All contributions

provided for in this Article will be paid into the Health Benefit Trust. The Trust Fund is to be jointly administered by an equal number of Trustees representing the Employer and the Union. There shall be three (3) Plans of benefits, Plan A, Plan B and Plan C with contributions as provided herein. As a condition of receiving the contributions provided above, the Trustees of the Plan will:

1. Establish Plan(s) of benefits, which can be supported by the contributions provided in this Agreement, and
2. Maintain the Trust in a fully funded status as provided herein and in the Trust Agreement.

The Trustees shall establish a separate accounting of income and expenses for participants of the Fund who agree in their collective bargaining agreements to a fixed contribution rate. The Trustees are expressly prohibited from using the contributions of the Employer's contributing on fixed contribution rate basis to pay benefits for participants of other employers who have not adopted these fixed contributions.

Employer Contributions and Benefit Levels. The Employer agrees to contribute the following amounts per month for each eligible employee.

“Up to” increase on January 1, 2021.

Changes effective June 1	Current	2019 – Hours worked in first month following ratification	January hours payable in February 1/1/2020	January hours payable in February 1/1/2021
Plan A Hired Before 3/5/2005	\$ 807.14	\$ 863.64	\$ 924.09	\$988.78
Plan A Hired After 3/5/2005	\$ 694.33	\$ 742.93	\$ 794.94	\$850.59
Plan B Hired Before 3/5/2005	\$ 645.70	\$ 690.90	\$ 739.26	\$791.01
Plan B Hired After 3/5/2005	\$ 555.47	\$ 594.35	\$ 635.95	\$680.47
Plan C Hired After 3/5/2005	\$ 349.93	\$ 374.43	\$ 400.64	\$428.68

The “up to” rates for 2021 will be determined as follows:

1. Using the latest financial data available as of September 1, 2020, co-consultants will develop a forecast through 12/31/2021.
2. In preparing the forecast, the below trend rates will be used.
3. If the forecast projects an ending balance at 12/31/2021 that is below the target reserve level (average of 1.4 months of expense for the 12

months ending 12/31/2021, plus IBNR at 12/31/2021), then the employer contributions will be increased effective January 2021 so that the ending reserve will be equal to the target reserve.

4. In no event will the increase in the employer contributions rate exceed 7.0%. In no event will the 2021 employer contribution rate be less than the 2020 employer contribution rate.

5. Co-consultants will work together to develop increases that are as close as possible. In the event co-consultants develop materially different estimates, the lowest increase will be implemented while Trustees resolve the differences between the two estimates of the co-consultants. Any arbitration concerning the differences between the two estimates shall be held not more than sixty (60) days following deadlock.

Agreed upon trend:

Year	2019	2020	2021	2022
PPO Medical	6.5%	6.5%	6.5%	6.5%
Prescription Drug	8.0%	8.0%	8.0%	8.0%
Dental	4.0%	4.0%	4.0%	4.0%
Vision	3.0%	3.0%	3.0%	3.0%
Time Loss	0.0%	0.0%	0.0%	0.0%
Kaiser Premium	6.5%	6.5%	6.5%	6.5%
Medicare Advantage	5.0%	5.0%	5.0%	5.0%
Life Premium	0.0%	0.0%	0.0%	0.0%
Provider Access Fees	Actual	Actual	Actual	3.0%
Stop Loss Premiums	Actual	3.0%	3.0%	3.0%
Administration	Actual	3.0%	3.0%	3.0%
Investment Income	2.0%	2.0%	2.0%	2.0%

Employee Co-Premiums. Employees who are eligible to participate and enroll in the Health Plan shall as a condition of such participation make a monthly co-premium payment equal to \$5.00 per week if enrolled in employee only coverage, \$10.00 per week if enrolled as employee plus spouse or employee plus children and \$15.00 per week if enrolled in family coverage. Effective January 1, 2013, the required weekly co-premium amounts for all active employees enrolled in the Plan shall become: \$7.50/week for employee only, \$15/week for employee and children or employee and spouse and \$23/week for employee, spouse and children/family. Such co-premiums shall be made by payroll deduction and forwarded to the Trust Fund on a monthly basis by the Employer.

Enrollment and Eligibility. Effective calendar year enrollment period beginning January 1, 2010, the Plan shall conduct an annual enrollment in accordance with the following procedure.

General Rule

- Currently Enrolled
 - If enrolled for 2009 and no changes desired - need not do anything – terms of enrollment for 2009 remain in effect until coverage under the Plan terminates or until a change is desired.
 - If enrolled and a change is desired - need to timely complete new enrollment form on same basis as in prior years.
 - If not enrolled for 2009, but want to enroll for 2010 or for a subsequent year, need to timely complete enrollment form on same basis as in prior years.
- Newly eligible employee must initially make a positive election to enroll in the Plan. Terms of initial enrollment will remain in effect until coverage under the Plan terminates or until a change is desired.

Special Rules

- Newly eligible employees – must enroll within ninety (90) days.
- Current special enrollment event rules that remain in effect
- Newly acquired dependent – must enroll within thirty (30) days. The effective date of coverage will be:
 - Marriage – the date of marriage.
 - Birth of a dependent – the date of birth.
 - Adoption or Placement for Adoption of Dependent – date of adoption or placement for adoption.
 - Employee or dependent lose coverage under another plan – must enroll within thirty (30) days (Exception: If loss of coverage is under this Plan, individual has sixty (60) days to enroll under Plan). The effective date of coverage will be the first day of the month following the termination of coverage.
- Special disenrollment rules that remain in effect:
 - Dependent spouse becomes covered under spouse's employer's plan or employment status so that the spouse is no longer eligible to participate in a health plan sponsored or maintained by his/her employer - Plan must be notified within sixty (60) days of spouse's

coverage to discontinue payment of working spouse fee. The cessation of the working spouse fee is prospective only.

- Disenrollment – if dependent loses status as eligible dependent or an employee or dependent becomes covered under another plan – must disenroll within sixty (60) days of event causing loss of coverage or effective date of coverage under another plan. The reduction in the weekly payroll deduction is prospective only.
- New procedures/rules.
 - Administration office will need to do semi-annual verification of continuation of student status of known students plus any child who attains age nineteen (19) in the spring and fall of each calendar year.
 - For first claim filed by spouse each calendar year, administration office will need to verify working status of spouse and if working, determine if covered by employer's plan.
- Continuation of Rule Regarding Special Enrollment Events
 - Employees currently enrolled in the Plan shall continue to be enrolled in the Plan unless they made a positive election to discontinue their enrollment or change their coverage. A discontinuation in coverage may be made within sixty (60) days of a special enrollment event as defined by the Plan. Administrative office will need to do semi-annual verification.

Employees must initially make a positive election to enroll in the Plan. Enrollment is for the entire plan of benefits for the Plan and an employee's failure to make an initial positive enrollment into the Plan shall result in such employee being ineligible for all benefits of the Plan for the remainder of the calendar year or until there has been a special enrollment event as provided in the Plan's Rules and Regulations, whichever occurs first.

The administrator of the fund will use the enrollment data in order to establish the eligibility of employees and their dependents for participation in plan coverage. None other than those employees contained on the enrollment report shall receive benefits from the Trust without the express authorization of the Trustees. The administrator will promptly notify the Trustees in writing of any instances where coverage has been provided to persons who are not included in the enrollment data, or where a claim for payment has been submitted by or on behalf of such person.

The Fund will audit its enrollment and claims records at least once within each 24 month period to ensure that no employees of the Employer, or the dependents of such employees, are participating in plan coverage for which they are not eligible and to ascertain that claims and other plan expenses are being paid in accordance with the Plan's provisions.

Initial Eligibility. Part-time employees hired before March 6, 2005 who on March 5, 2005 have met the Initial eligibility requirement for benefits under the Trust will continue to be eligible for coverage provided the employee enrolls in the Plan beginning in 2005, and further provided the employee has made the required employee co-premium payment. Such employees shall continue to be eligible for Plan A if such employee was eligible for Plan A on March 5, 2005. Employees who were eligible for and were participating in Plan B on March 5, 2005, shall participate in Plan B until such employee has been covered under such Plan B for twenty-four (24) months. Thereafter, such employee may advance to Plan A provided they continue to enroll and meet the eligibility requirements of the Plan. Employees hired on or before March 5, 2005, who are not eligible for coverage as of March 5, 2005 shall be required to meet initial eligibility for Plan B, and subsequent eligibility to begin participation in Plan A, as provided in the predecessor agreement which terminated in 2004.

All part-time employees (excluding Courtesy Clerks) and their eligible dependents hired on or after March 6, 2005 shall, beginning the first of the month following twelve (12) calendar months of employment (but not before January 1, 2010 with regard to their eligible dependents), be eligible to enroll and participate in the Health Plan, under the Health Plan C. Upon completion of the first thirty-six (36) months of eligibility under Plan C, such employee and their eligible dependents may enroll in Plan B for the next thirty-six (36) months of eligibility under Plan B. Thereafter, provided the employee continues to maintain eligibility, such employee and their eligible dependents may enroll and participate in Plan A.

Full-time employees (excluding Courtesy Clerks) shall, on the first of the month following three (3) months of employment, be eligible to enroll with their eligible dependents in Plan B, and after thirty-six (36) months of eligibility under Plan B, shall be allowed to enroll with their eligible dependents in Plan A.

Courtesy Clerks hired on or after March 6, 2005 shall, beginning the later of the first of the month following thirty-six (36) months of employment or attaining the age of nineteen (19), be eligible to enroll and participate in the Health Plan on an employee only basis under the Health Plan C. Upon completion of the first thirty-six (36) months of employee only eligibility under Plan C, such Courtesy Clerks and their eligible dependents may enroll in Plan B. Such Courtesy Clerks shall not be eligible to progress to Plan A.

On-going Eligibility. After satisfying initial eligibility requirement provisions and enrollment in the Health Plan, the employee must continue to meet the monthly on-going eligibility requirements as a condition of continued participation in the Health Plan. Enrolled employees who work eighty (80) hours in a four (4) week month or one hundred (100) hours in a five (5) week month shall be eligible for coverage on a lag month basis. For the purpose of this Article, hours worked shall include hours paid directly by the Company for **overtime**, holiday, vacation, jury duty, funeral leave and sick pay.

Employees shall continue to be eligible for benefits provided they enroll for coverage in accordance with this Article. In any event, all employees must continue to meet all eligibility requirements of the Plan as a condition of continued eligibility.

Trust Plan Changes. The Trustees at the earliest possible date but not later than June 1, 2005 shall revise the plan of benefits to include:

- The Plan's current coordination of benefit provision and credit balance system shall be replaced with a coordination of benefit provision that limits payment to the maximum payable under the Plan.
- The Plan shall adopt a fee of one hundred dollars (\$100) per month for a spouse of a covered employee who is eligible to enroll in health coverage at their employer, but fails to do so, as a condition of enrollment in this Plan.
- Adopt the long term funding policy contained herein.
- The Parties agree to adopt true managed care approaches to providing mental/nervous and physical benefits under the Plan. The Plan Administrator should not perform such managed care.
- The Parties will adopt cost control measures that will aid the Fund in managing costs within the contributions provided by the Employers and Participants to this Plan.

Effective January 1, 2010, the Trustees of the Plan shall be directed to adopt the following modifications to the active plan(s) of benefits:

Effective January 1, 2016, increase the disability benefit cap to \$300.

Effective January 1, 2020, Plan B's dental benefit shall become identical to the dental benefit for Plan A. Effective January 1, 2020, any employee and their dependents who are enrolled in Plan B shall receive the improved dental benefit.

Health and Care Management

Direct Trustees to Implement Integrated Health and Care Management Programs. The programs shall be designed to progress over the term of the Agreement to "best-in-class" levels with respect to the key characteristics listed below:

- Quality education campaign for all participants
- Superior participant communications, including robust web tools
- Superior participant information tools

- Analytics measuring participation, compliance, and results
 - Very strong comprehensiveness of programs
 - High levels of integration
 - Strong physician behavior change mechanisms
 - Significant levels of medical and drug trend reduction
1. Establish a health risk assessment questionnaire to be completed annually. If employee and spouse complete annually, such employee's co-premium to the Plan shall be reduced five dollars (\$5) per month for each employee and spouse (max ten dollars (\$10)) for that enrollment's calendar year. An HRQ must be completed each year during enrollment to be eligible to receive the HRQ incentive for each year. During the term of this Agreement, the Trustees may, by mutual agreement, reallocate the HRQ incentive amounts provided above.
 2. Establish 24-hour nurse call-in line and/or medical decision support.
 3. Develop a medical management program that targets high-risk participants with chronic diseases such as diabetes, obesity, asthma and cardiovascular disease. In order to encourage participant engagement in such programs and to enhance the goal of improving health status a series of incentives must be developed.

There is recognition that incentives may take various forms and will likely evolve and change over time based on program experience with a goal of maximizing program effectiveness and reducing health costs and medical trend. The initial focus will be a thorough educational campaign in connection with program roll out.

4. Establish free and/or reduced cost educational programs such as:
 - a. Weight management
 - b. Smoking cessation
 - c. High Cholesterol
5. Reduce prescription drug co-pays as shown below for participants taking maintenance drugs (and related supplies which require a prescription) for certain disease states which would include categories of drugs such as:
 - a. Hypertension
 - b. High Cholesterol
 - c. Diabetes control drugs
 - d. Asthma
 - e. Glaucoma
 - f. Osteoporosis

Drug Class	Co-Pay
Generic	\$2.50
Formulary Brand	\$10
Nonformulary Brand	\$20

It is understood that the Plan's consultants will continue to evaluate the effectiveness of including these scheduled drug categories on Plan costs and based on their recommendations the Trustees may remove drugs from this list and/or add other categories of drugs consistent with the objective of increasing compliance with prescribed drug therapies which will lower plan costs and trend.

6. Complex/Catastrophic Care Management to provide case management of the entire health care and treatment for participants with high-risk health conditions.
7. Preventive health care at medically appropriate times (see below)

Service	PPO coverage (In-network)
Mammography	Plan pays 100%
Routine Annual Physical Exam	Plan pays 100%
Well-baby care	Plan pays 100%
Childhood Immunizations	Plan pays 100%
Papanicolaou (Pap) smear and pelvic examination	Plan pays 100%
Prostate specific antigen (PSA) testing	Plan pays 100%
Colonoscopy	Plan pays 100%

Utilize nationally recognized guidelines as a basis for coverage.

Long Term Funding Policy

1. The parties recommend to the trustees that a Minimum Reserve Requirement be established equal to IBNR reserves plus a lag month reserve. The Fund consultants shall calculate the IBNR and lag month reserve requirement at least once every twelve (12) months beginning on (date) and report these amounts to the Trustees at their next regularly scheduled meeting. Any withdrawing employer shall reimburse the Fund for their participants claims run off.
2. If the market value of the assets at any twelve (12) month review point is ever below the calculated IBNR level as calculated by the Fund consultants, then the Fund consultants shall prepare recommendations for benefit plan redesign and/or employee co-premium contributions such that the dollar amount of any such deficiency will be fully recovered by the end

of the twelve (12) month period beginning after the trustee meeting in which the deficiency is first projected.

3. No changes are permitted that would violate any contractual agreement between the Fund and any third party vendor.
4. If the Fund consultants cannot agree on a recommended plan of benefit redesign and/or employee co-premium contributions, and the Trustees cannot agree to a corrective action plan, by virtue of deadlock motions, then the trustees must act to adopt the recommended corrective action plan that has the least adverse impact on plan participants, however, one set of Trustees may exercise the Fund's dispute resolution procedure on an expedited basis to determine if other corrective actions must be taken.
5. The minimum reserve target defined above is solely meant to be a "floor". It is not also a "ceiling". That is, no Trustee action is required or expected in the event that reserve levels are above the minimum reserve target.
6. The Long-Term Funding Policy provisions of this Article are suspended for the period of May 11, 2012 through and including September 12, 2015.

Extended Benefits. An employee who has been eligible for benefits for six (6) months or more immediately prior to becoming physically disabled and thereby unable to work, shall continue to be eligible for benefits during his continuing period of disability, up to a maximum of six (6) months.

Courtesy Clerk Coverage. Courtesy Clerks who are qualified for coverage under any other Plan as a dependent are not entitled to benefits under the Health Benefit Trust; except that under the coordination of benefits provision as established by the Trustees, where a Courtesy Clerk is covered as a dependent under any other "Plan," shall be considered the primary carrier and this Health Benefit Trust shall be considered as secondary carrier.

Retiree's Benefits. The Employer will contribute eighteen dollars and thirty-four cents (\$18.34) per month per eligible active bargaining unit employee, covered under this Agreement, in the Health Plan to subsidize the self-pay costs of providing Health and Welfare benefits to eligible retirees under the Rocky Mountain UFCW Unions and Employers Health Benefit Plan (the "Retiree's Health Plan.>").

Effective for employees who retire on or after October 1, 1996, the eligibility requirements for participation in Retiree's Health Plan shall be:

Employees retiring on or after October 1, 1996, must have a combined total of fifteen (15) years of service and have attained age fifty (50), or be totally disabled, at the time of his termination of employment.

ARTICLE 44
NON-DUPLICATION OF BENEFITS

Section 117. In the event that any law or government regulation requires any payment from the Employer for benefits which would replace, supplement or modify the Health and Welfare, Dental, Pension or other benefits provided hereunder this Contract, the parties will upon thirty (30) days' notice, by either party, meet and negotiate new provisions pertaining to such affected benefits.

ARTICLE 45
PENSION

The Trustees shall be directed to merge the Clerk and Meat Pension Plans no later than July 1, 2016.

Section 118. Employer Contributions. For all employees hired before March 6, 2005, covered by this Agreement, the Employer shall pay one dollar and five cents (\$1.05) per hour for all hours worked at straight time (including hours worked on Sunday, vacation and holiday hours paid) into the Rocky Mountain UFCW Unions and Employers Pension Plan, which shall be jointly administered by the Union and the Employer by an equal number of trustees as provided in an agreement establishing such Pension Fund.

For all employees hired after March 5, 2005, contributions shall be at a rate of forty-eight cents (\$0.48) per hour for all hours worked at straight time (including hours worked on Sunday, vacation and holiday hours paid).

Though no contributions are required on Courtesy Clerks, except as set forth below, they shall be granted future service credits.

Effective January 1, 2010 (December hours) for all employees covered by this Agreement, the Employer shall pay eighty two cents (\$0.82) per hour for all hours worked at straight time (including hours worked on Sunday, vacation and holiday hours paid) into the Rocky Mountain UFCW Unions and Employers Pension Plan, which shall be jointly administered by the Union and the Employer by an equal number of trustees as provided in an agreement establishing such Pension Fund. Effective November 30, 2015, the supplemental contribution contained therein shall cease. Effective December 1, 2015, the base pension contribution rate for all contracts shall be increased to one dollar and twenty-five cents (\$1.25) per hour (based on preceding month hours). Effective December 1, 2015 (November hours), the base contribution rate shall be reduced to one dollar and five cents (\$1.05) per hour. Such reduced contribution shall continue through the payment made in November 2018 (October hours). Effective December 1, 2018 (November hours) the base contribution rate shall return to one dollar and twenty-

five cents (\$1.25). At the trust meeting set no more than six (6) months prior to the expiration of the 2015-2019 contract, the actuaries are to determine the contribution rate necessary to continue funding current benefits and to maintain PPA green zone status for at least the next ten (10) years. In the event the actuaries determine that a lower contribution rate is sufficient to continue current benefits, the Union and the Employers will share equally the excess funding. The Union may increase the accrual rate and the Employers' contribution rate will be reduced in an equal manner and amount, based on actuarial equivalence. Nothing in this section should be construed as an agreement to increase the pension contribution rate above the agreed upon basis set forth above.

The Trustees shall be directed to modify the Plan's accrual rates effective January 1, 2016 to thirty dollars (\$30.00) per month for future years of service. The Trustees shall be directed to modify the Plan to provide for the ability of Courtesy Clerks to earn benefit accruals on a prospective basis.

Effective February, 2020 (January hours), the Employer contribution rate will be increased by \$0.25 per hour. Effective February, 2021 (January hours), the Employer contribution rate will be increased by an additional \$0.10 per hour.

In addition to those increases, at the time of the completion of the 2020 Pension Protection Act certification, the co-actuaries will calculate the 2019 market return and the Employer shall make a conditional lump sum contribution based on all pension contribution hours, (not to include Courtesy Clerks), worked during the period January through December 2019.

i. If the return is equal to or exceeds 10.25%, no conditional lump sum contribution shall be required.

ii. If the return is equal to or exceeds 9.25%, but is less than 10.25%, a \$0.05 additional contribution per hour shall be required.

iii. If the return is equal to or exceeds 8%, but is less than 9.25%, a \$0.10 additional contribution per hour shall be required.

iv. If the return is less than 8%, a \$0.15 additional contribution per hour shall be required.

The payment will be made within 60 days following completion of the 2020 Pension Protection Act certification.

Section 119. Courtesy Clerk Contributions. Pension contributions will be made on behalf of all Courtesy Clerks with ten (10) years or more of continued service with the Employer. Pension contributions shall be made as set forth above. All hours worked, as a Courtesy Clerk prior to the time contributions are required will count towards pension eligibility and credits. For Courtesy Clerks on the payroll as of December 7, 2015, the Trustees shall be directed to apply the greater of the current benefit accrual for Courtesy Clerks or the provisions contained herein for each service year whichever is greater. Courtesy Clerk such accrual shall be equal to thirty dollars (\$30.00) per month

per year of service. Direct the Trustees to amend the plan to modify plan eligibility for courtesy clerks to reflect eligibility with first hour worked effective January 1, 2016 on a prospective basis.

Section 120. Long-Term Funding Policy. The parties agree to direct the Trustees of the Pension Plan to use their best effort to effect a merger with the Denver Area Meatcutters Pension Fund with the Rocky Mountain UFCW Unions and Employers Pension Plan with the objective of accomplishing the merger on or about July 1, 2016 and give full authority to effectuate such merger to the Board of Trustees of the two pension plans without further approval of the parties of this Agreement.

Section 121. Said Pension Fund shall be used to provide benefit pensions for eligible employees of the Employer as provided in a Pension Plan, the terms and provisions of which are to be agreed upon by the parties hereto; said Pension Plan shall, among other things, provide that all benefits under the Plan and costs, charges and expenses of administering the Plan and all taxes levied or assessed upon or in respect of said Plan or Trust or any income there from shall be paid out of the Pension Fund.

Section 122. Said Pension Plan and Trust Agreement establishing the Pension Fund have been submitted to the United States Treasury Department and the United States Department of Labor for the approval and rulings satisfactory to the Employer, that said Plan is qualified under I.R.C. Section 401, et seq. and that no part of such payments shall be included in the regular rate of pay of any employee.

Section 123. If, for any reason, the United States Treasury Department and the United States Department of Labor withholds approval and rulings satisfactory to the Employer, the parties to this Agreement hereto agree to negotiate other fringe benefits or wage increases in the amount equal to the cents per hour provided for in this Article for all hours worked at straight-time in lieu of payments into the Pension Fund.

Section 124. The Employer shall be represented by its employees, or some other representative on the Board of Trustees administering such Pension Plan. A copy of the Trust Agreement and any amendments thereto shall be made a part hereto as if herein at length set forth, when adopted.

ARTICLE 46

DEPENDENT LIFE INSURANCE

Section 125. Effective September 1, 1990 all employees covered by this bargaining agreement will be offered Dependent Life Insurance through the Dillon Co./City Market Life Insurance plan subject to the following conditions:

1. The employee offered Dependent Life Insurance must be an active City Market employee.

2. The Dependent Life Insurance will be offered to the bargaining unit employees who are eligible for Basic Life Insurance through Rocky Mountain UFCW Unions and Employers Health Benefits Plan.
3. The eligibility requirements to maintain the Dependent Life Insurance coverage will be identical to those eligibility requirements to maintain the Basic Life Insurance through the Rocky Mountain UFCW Unions and Employers Health Benefit Plan.
4. Any eligible employee electing to take Dependent Life Insurance agrees to self-pay the premium for such coverage through weekly payroll deduction.
5. Any employee whose employment with City Market is terminated for any reason shall have her Dependent Life Insurance cease. There is no conversion to a private pay policy for Dependent coverage.
6. Any employee electing to take Dependent Life Insurance is subject to the Dependent Life Insurance policy's conditions and agreements.

ARTICLE 47

DISCHARGE AND NO DISCRIMINATION

Section 126. The Employer and the Union hereby agree not to discriminate against any employee or discharge her because of membership in the Union and/or for upholding Employer or Union principles; and further, no employee who falls within the bargaining unit member of the Union shall be discharged without good and sufficient cause.

Section 127. The Employer and the Union agree that each will fully comply with the applicable laws and regulations regarding discrimination against any employee, or applicant for employment, because of such person's race, religion, color, national origin, sex or age.

Section 128. Use of the female gender herein shall, except as the context requires otherwise, be deemed to include the male gender.

Section 129. No employee who, because of her religion, has conscientious objections to working on her day of Sabbath will be required to work on her Sabbath as a condition of employment. If the rights of the employees under this paragraph operate in conflict with the seniority provisions contained elsewhere in this Agreement, the right of seniority shall prevail.

If requested and in accordance with applicable law, the company will refer to an employee participating in transgender procedures by the gender of their choice. It is

understood that the foregoing provision is not subject to the grievance/arbitration provisions of the labor contract.

ARTICLE 48

UNION REPRESENTATIVE VISITATION

Section 130. The President of the Union, or the Business Representative thereof, shall have the right of entering the premises of the Employer for the purpose of interviewing employees in such a way as to not interfere with the service of the Employer. The said representative shall make their presence known to the Manager, or the person in charge in the absence of the Manager, when possible, upon entering the premises. The Employer shall, upon request of an authorized Union Representative, furnish satisfactory evidence to ascertain whether employees are being paid in accordance with the terms of this Agreement and review with the Union Representative the facts giving rise to disciplinary action.

ARTICLE 49

UNION STEWARD

Section 131. The Union shall have the right to designate two (2) Stewards per store (stores that employ over one hundred (100) clerks, may have three (3) Stewards, and stores that employ over one hundred seventy-five (175) clerks, may have four (4) Stewards) in which they work who shall perform their duties with the least possible inconvenience to the Employer. Such Stewards shall not be discriminated against because of their Union activities and such Stewards shall have top seniority for the purpose of layoff in that store. The Labor Relations Department and the Store Manager shall be advised in writing by the Union of the name of the Steward(s) in her store.

The Employer agrees to schedule stewards off, for up to three (3) days, during the week of the Union's annual Steward's Conference. The Company shall schedule the stewards as many hours as is possible during the remaining days of the week in question.

Section 132. Employees Rights to Union Representation. When an employee is involved in a disciplinary interview where the probable result of such interview will be the imposition of disciplinary action, the employee may request the presence of a Union Steward, or in her absence, that of a business representative.

ARTICLE 50

DISPUTE PROCEDURE

Section 133. Should any dispute or complaint arise over the interpretation or application of this Agreement, there shall be an earnest effort on the part of the parties to settle such promptly through the following steps, and failure to follow the procedures set forth below shall result in forfeiture of the grievance.

Section 134. Step 1. By conference during scheduled working hours between the Steward and/or the Union's Business Representative and the aggrieved employees and the Manager of the store. The aggrieved employees must be present. Step 1 time limits may be waived by mutual consent of the Employer Representative and the Union's Business Representative.

Section 135. Step 2. If the grievance cannot be satisfactorily resolved under Step 1 above, the grievance shall be reduced to writing and submitted to the representative designated by the Employer to handle such matters. Such submission shall be made within twenty (20) days of the date of the occurrence of the event which gives rise to the grievance and shall clearly set forth the issues and contentions of the aggrieved party or parties and must reasonably allege a specific violation of an express provision of this Agreement. (In the case of a discharge the time limits shall be fourteen (14) days.) The Employer designee and the Union Business Representative shall meet within ten (10) days after receipt of written notice of the grievance and attempt to resolve the grievance. In an instance where an employee feels she has not been paid in accordance with the wage progression scales set forth herein, such employee shall have an obligation to bring this to the attention of the Store Manager as soon as the employee first has knowledge of such alleged error. In the event the employee has been improperly paid, said payment error shall be corrected on a retroactive basis, but not beyond ninety (90) days prior to the date on which the grievance is presented in writing. This ninety (90) days retroactive liability shall not be applicable to situations covered by Article 9, Section 27, paragraph 2.

If the issuance of a verbal or written warning is grieved, the Union will notify the Employer of the same. If the grievant is disciplined further, or otherwise adversely affected, and the verbal or 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 or adverse action. It is expressly agreed that all such grievances will be consolidated. It is further agreed that said grieved verbal or written warnings shall be removed from all files after a period of two (2) years if not relied upon for further discipline.

Section 136. Step 3. If the grievance is not satisfactorily adjusted in Step 2, either party may, with reasonable promptness, but in no event later than thirty (30) days from the date of the Step 2 meeting, in writing, request arbitration and the other party shall be obliged to proceed with arbitration in the manner hereinafter provided. The parties shall forthwith attempt to agree upon an impartial arbitrator.

Section 137. In the event the parties are unable to reach agreement upon the selection of an arbitrator within fifteen (15) days of the written request for arbitration, the party requesting arbitration may, with reasonable promptness, request a panel of seven (7) arbitrators from the Federal Mediation and Conciliation Service. From this panel of seven (7) names, each party shall alternately strike three (3) names, the moving party striking first. The remaining arbitrator from the list shall be the impartial arbitrator. A finding or award of the arbitrator shall be final and conclusive upon the parties hereto.

Section 138. The arbitrator shall have all the rights, power, and duties herein given, granted and imposed upon her; but her award shall not change, alter or modify any of the terms and conditions set forth in this Agreement. The expenses of the impartial arbitrator shall be shared equally by the parties. The arbitrator will issue her decision within thirty (30) calendar days after the close of the proceedings. This thirty (30) day calendar time limit may be extended by mutual agreement between both parties.

Section 139. In the event either party refuses to arbitrate on demand of the other party, and an order compelling arbitration is obtained in Federal Court on the basis contended by the moving party, the refusing party will pay to the moving party reasonable legal fees incurred, up to Two Hundred Dollars (\$200.00). Similarly, if the moving party fails to prevail in such an issue, the moving party will pay reasonable legal fees incurred up to Two Hundred Dollars (\$200.00) to the refusing party.

Section 140. If an error is made by the Employer in the application of the provisions of this Agreement resulting in a lost work opportunity for the aggrieved employee such as vendor stocking, scheduling and assignment of hours disputes, classification issues, and work jurisdiction matters and the affected employee immediately files a grievance, the employee shall be made whole by being permitted to work the number of hours lost. Such hours shall be above and beyond the posted schedule. The employee shall advise the Employer any time after the next schedule is finalized for the workweek of their desire to exercise their right to work the hours due during the workweek on the date and time determined by the employee. An aggrieved employee may not demand such remedy on an overtime or premium-pay basis if the alleged violation occurred on what would have been a straight-time day for such employee. The employee must exercise this right to work within four (4) weeks of the settlement of error with the employee or such right shall be forfeited and no further remedy shall be required.

ARTICLE 51

NO STRIKE OR LOCKOUT

Section 141. During the life of this Agreement, there shall be no lockout, strike, picketing, boycotting or stoppage of work.

No employee will be discharged or threatened for refusing to cross or work behind any primary picket line established by any labor organization at the Employer's premises, nor shall the Union be deemed to be in violation of this Agreement if its members choose to honor any such picket line.

It is understood that it shall be a violation of this Agreement for the Union or its agents to require its members to observe picket lines set up by any labor organization at the premises of the Employer.

ARTICLE 52
STORE CLOSING

Section 142. Severance Pay Upon Termination When Store is Sold or Closed. In the event the employer closes or sells a store and employees are terminated as a result thereof, pay equal to one week's pay for each year of continuous service commencing with the third (3rd) year of continuous service for employees, up to, but not to exceed eight (8) weeks' pay at their regular rate. However, those employees who have an incomplete year of continuous service as an employee will receive pro-rata severance pay for that year as follows:

0-3 months equals twenty-five (25%) percent of a week's pay.

3-6 months equals fifty (50%) percent of a week's pay.

6-9 months equals seventy-five (75%) percent of a week's pay.

Over 9 months equals one week's pay.

Severance pay shall be computed based on the average hours worked per week for the fifty-two (52) weeks preceding a voluntary lay-off or termination.

The Company will not challenge any unemployment claim of employees, provided there is no dispute that employee engaged in conduct prior to the store closure that would have resulted in the employee's termination, even if the Company discovers information leading to the dispute after the store closure.

The Company also agrees to provide employees whose employment is terminated with a letter stating the following:

To Whom It May Concern:

*This shall confirm that _____ was employed by King Soopers/City Market in our (city/state) store from _____ to _____, [year] in the position(s) of _____. His /her last straight-time hourly wage rate was \$_____.
Mr. /Ms. _____ employment was terminated effective _____, [year] as a result of the Company's decision to close the (city/state) store for business reasons.*

Section 143. The Employer shall continue contributions to the Pension and Health and Welfare Trust Funds for three (3) full months following termination on an hourly basis in direct relationship to the severance pay received for those employees who receive severance pay, except those employees who secure employment with a contributing Employer in the Pension and Health and Welfare Trust Funds.

Section 144. All monies due employees, including severance pay, shall be paid in a lump sum upon termination.

Section 145. An employee who is terminated and who is eligible for severance pay, and accepts severance pay, forfeits her seniority and has no recall rights. However, an employee may elect to accept a voluntary layoff not to exceed ninety (90) days. At the end of the ninety (90) days period, if she has not been recalled, she will be paid severance pay and forfeit her seniority. Any extensions of this ninety (90) day period must be agreed upon in writing and signed by the employee, a representative of the Union and the Employer. In no case will such extension exceed a total of six (6) months from the date the employee accepted the layoff.

Section 146. If an employee is offered a transfer or other employment with the Employer within forty (40) miles of the store in which she was last working and she refuses to accept the transfer or other employment with the Employer she forfeits her rights to severance pay and pensions and health and welfare contributions.

Section 147. If a store is sold and the successor Employer offers employment to an employee who is otherwise eligible for severance pay under the terms of this Article and the new job is comparable, then no provisions of this Article shall apply.

Section 148. The Employer agrees to give to the employees and the Union four (4) weeks' notice in advance of a store closing or sale. When such notice is given, an employee shall remain with the Employer until the plant or store closes, or forfeits her rights under this Article, unless mutually agreed to by the employee, employer and Union.

Section 149. No benefits shall accrue under the terms of this Article unless the Employer makes a business decision to close or sell a store. If a store closing is caused by fire, flood, storm, land condemnation or remodeling, then this Article shall not apply.

Section 150. It is understood and agreed that employees can exercise their seniority rights under the Layoff Article; however, if they exercise such seniority rights, the provisions of this Article shall be null, void and not applicable.

ARTICLE 53
BULLETIN BOARD

Section 151. The Employer will provide bulletin board space for the posting of official Union notices.

ARTICLE 54

UNION STORE CARDS

Section 152. The Union Store Card is the property of the UFCW and is loaned to the Employer for display. Said card may be removed from the store by the Union if the Employer refuses to comply with a final decision of an arbitrator reached under the provision of this Agreement.

ARTICLE 55

LIE DETECTOR TESTS

Section 153. The Employer shall not require any employee to submit to a polygraph examination.

ARTICLE 56

UNIFORMS/EQUIPMENT

Section 154. The Employer has the sole discretion to establish dress requirements for employees. The Employer will provide any required articles of clothing that are not ordinary street wear and will provide laundry services for such Company issued articles of clothing except for laundering of drip-dry garments. In addition, the Employer has the right to continue its current grooming policy and make reasonable modifications thereto. The employee agrees to exercise care in the use of Company property and equipment.

ARTICLE 57

SAVING CLAUSE

Section 155. If, during the term of this Agreement, or during any renewal or extension of the same, any Federal or State Law is enacted, or any rule or regulation is issued under any Federal or State Law, which would make compliance by the Union, the Employer, employees, or any of them, with the terms, provisions, or condition of this Agreement a violation of any of said laws, rules or regulations, then such terms, provisions or conditions shall become inoperative and of no effect from the effective date of any such decision, law, rule or regulation. The remainder of this Agreement not in conflict with any of said laws, rules or regulations shall continue in full force and effect.

Section 156. In the event any such terms, provisions or conditions become inoperative and of no effect, either party to this Agreement may open the same for bargaining only as to substitute provisions, if any, for those provisions made inoperative upon thirty (30) day written notice to the other party.

It is specifically understood that the no-strike and no-lockout provision set forth elsewhere in this Agreement shall remain in effect throughout the term of this Agreement.

ARTICLE 58

SAFETY

Section 157. The Company and Union agree that the Employer is responsible for maintaining a sound safety program and its employees are responsible for adhering to the safety program by working safely, being continually alert so they may prevent injury to themselves, fellow employees, and our customers. Employees are responsible for reporting any safety hazards immediately to store management so that they may be addressed in accord with the Company safety program.

Section 158. The Company agrees that, when required by its safety program or applicable law, it is obligated to provide the following safety items:

- i. Appropriate Personal Protective Equipment (PPE), as outlined in SDS sheets, including but not limited to, any cleaning of restrooms;
- ii. Floor mats, if needed, where they do not compromise safety and or the ability to clean and sanitize;
- iii. Fall protection equipment and other appropriate health and safety devices when required by OSHA rules.

Section 159. The Company agrees that it shall provide safety training, as required by applicable law or by its safety program at the time of hire, when employees change positions (if required) and through its store Safety Champions monthly program. The Company further agrees to maintain records of all such training, for each employee, and such records shall be made available within a reasonable amount of time with written request by the Union.

- iv. No employee shall operate, be permitted to operate, or directed to operate a Powered Industrial Truck (PIT) prior to completion of training in PIT operation. The Company shall be responsible to track the expiration date of their PIT training for re-certification. Without required PIT training, employees may only operate hand jacks.
- v. No employee shall operate, be permitted to operate, or directed to operate a cardboard baler prior to completion of training in baler operation.

- vi. No employee shall operate, be permitted to operate, or be directed to operate a trash compactor prior to completion of training in compactor operation.
- vii. Employees agree that they will not operate PIT if their training certification has expired.

Nothing in this section shall be construed to limit or replace any rights or remedies available to employees under Workers Compensation or other applicable law or regulation. Employees shall report all injuries immediately and complete the required reporting procedures paperwork required of them by store management.

Section 160. The President of the Union, or a designee, shall have the right to visit any of the Company's covered places of business in order to ensure a safe work environment in accordance with Article 43 Section 110 of the retail labor agreement (Article 47 Section 131 of the meat agreement). The President of the Union, or a designee, shall follow all applicable health and safety regulations, including but not limited to hair restraints, attire, personal belongings and beverages/food throughout the store.

Section 161. The Employer agrees that each store will have a Safety Committee that can be made up of managerial and non-managerial employees from the store. The Safety Committee will meet at least once a month. The Store Director may designate one employee per store to act as a Safety Champion. The Company will encourage the Safety Champion to attend the monthly safety meeting with all Safety Committee members.

ARTICLE 59

TECHNOLOGICAL CHANGES

Section 162. The parties recognize that a well-trained and technologically proficient workforce is beneficial to employer and employees alike. As technological changes are occurring at a rapid pace, such changes may have a dramatic impact on both employees' careers and the employer's business. In the event the Employer introduces technological changes that impact bargaining unit work, they shall meet to discuss the changes, their anticipated impact on the workforce, and any other subjects relating to or arising from the technological change in question and the affected employees.

In addition, the Employer agrees to the following:

- i. Any retraining necessary, for a comparable position and subject to the applicable seniority provisions.

- ii. Where retraining is not feasible, the Employer shall make every effort to transfer all affected employees to another department, another store, or other employment, within a reasonable geographic area of the employee's existing position or, solely at that employee's election, their residence.
- iii. In the event the employee is not retrained or transferred and is separated from employment as a result of technological changes, the company and the Union will discuss using a placement service.
- iv. To the extent that technological change results in the loss of bargaining unit work or positions, the Employer shall discuss implementing such change gradually, to allow for the natural attrition of employees through voluntary separation or retirement, with the intention that no employee, who is employed as of the date the Employer notifies the Union of its anticipated technological change, is involuntarily separated from their employment.

In the event the employee is not retrained or transferred and is permanently displaced as a direct result of major technological changes as defined above, the employee will be eligible for severance pay in accordance with the following provisions:

- a. All employees, excluding courtesy clerks, with two (2) or more years of continuous service will be eligible for one (1) week's severance pay for each year of continuous service. Maximum severance pay of ten (10) weeks' pay to be paid on a lump sum basis. Weekly severance pay shall be determined by the average number of hours worked for the four (4) weeks preceding displacement, not to exceed forty (40) hours' straight time pay.
- b. An employee shall be disqualified from severance pay in the event the employee:
 - i. Refuses retraining,
 - ii. Refuses a transfer or other employment within a radius of forty (40) miles
 - iii. Voluntarily terminates employment.
- c. In the event an employee is eligible for a severance payment pursuant to the provision, the employee will execute a Release Agreement provided by the Company prior to receipt of such severance payment.

ARTICLE 60

ENTIRE AGREEMENT

Section 163. This Agreement contains all of the covenants, stipulations and provisions agreed upon between the parties hereto and no representative of either party has authority to make, and none of the parties shall be bound by, any statement,

representation or agreement reached prior to the signing of this Agreement or made during these negotiations not set forth herein.

ARTICLE 60
TERM OF AGREEMENT

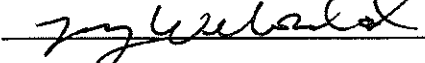
Section 164. The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining, and that the understandings and agreement arrived at by the parties after the exercise of that right and opportunity are set forth in this Agreement. Therefore, the employer and the Union, for the life of this Agreement, each voluntarily and unqualifiedly waives the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter referred to, or covered in this Agreement, or with respect to any subject or matter not specifically referred to or covered in this Agreement even though such subject or matter may not have been within the knowledge or contemplation of either or both of the parties at the time they negotiated or signed this Agreement.

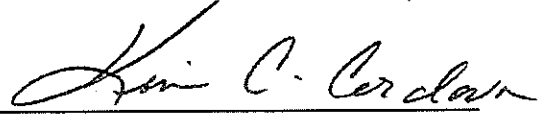
Section 165. This Agreement shall be in full force and effect from the **seventeenth (17th) day of April, 2019** and shall remain in full force and effect until midnight the **twenty-ninth (29th) day of January, 2022**, and shall automatically be renewed from year to year thereafter unless either party gives notice it desires to change or terminate the Agreement at its expiration. In such event, the party desiring such change or termination shall notify the other party in writing at least sixty (60) days prior to the expiration date.

IN WITNESS WHEREOF, the Parties above named have signed their names and/or affixed the signature of their authorized representative this _____ day of _____, **2020**.

CITY MARKET

UNITED FOOD AND COMMERCIAL WORKERS,
LOCAL 7, DENVER, COLORADO
Chartered by
UNITED FOOD AND COMMERCIAL
WORKERS INTERNATIONAL UNION, AFL-CIO

By: 
Regional VP of Labor Relations

By: 
Kim C. Cordova
President

Date: _____

Date: _____

Appendix "A"

CLERKS

Grand Junction , CO

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

**WORK EXPERIENCE CREDIT MATRIX – POSITION SPECIFIC
UNION EXPERIENCE CREDIT MATRIX**

Employer Type	Detailed Employer Type	Percentage of Credit	Top pay rate allowed
Comparable Traditional Grocery	Kroger Family of Stores (position specific) Safeway (position specific) Albertsons (position specific) Whole Foods (position specific) HEB (position specific) Publix (position specific) SuperValue (position specific)	Comparable grocery formats (size; product line) (position specific) Independent floral shops Independent liquor stores (124 only) *Once a Journeyman always a Journeyman*	100% YES
Non-traditional and other retailers	Wal-Mart (position specific) Target (position specific) K-Mart (position specific) Lowes Mercado (position specific) MI Pueblo (position specific) Save A Lot (position specific) Trader Joe's (position specific) Sprouts (position specific) Vitamin Cottage (position specific) Alfalfas (position specific) Sam's Club (position specific) Costco (position specific) Walgreen's (position specific) Rite Aid (position specific) Big box retailers (position specific) Dollar stores (position specific) Fast food (position specific) Restaurants (position specific) Commissary (position specific) Coffee Shops (position specific)	Convenience stores (Fuel/Service Desk) Tony's Meats (position specific) Independent grocers (position specific) Independent butchers (Meat) Department stores (position specific) Drug Stores (position specific) Hardware stores (position specific) General warehouse work (stocking) Vendors (Nabisco, Pepsi, Coke, etc.) (position specific) Banks (Service Desk) Food delivery driving experience (drivers only) Commercial driving experience (drivers only) Michaels/Hobby Lobby (Floral Designer) Independent cake stores (non-union Cake Decorators) Independent/Corporate bakery stores (non-union Bakers)	100% NO Credit not to exceed level 0080
HomeSide-MarketPlace Stores	Kroger Family of Stores (position specific) Wal-Mart (position specific) Target (position specific) K-Mart (position specific) Sam's Club (position specific) Costco (position specific) Big box retailers (position specific) Department Stores (position specific)	Walgreen's (position specific) Rite Aid (position specific) Dollar stores (position specific) Clothing Stores (position specific) Furniture stores (position specific) Container stores (position specific) Hardware stores (position specific) Baby/toy stores (position specific)	100% NO Credit not to exceed level 0080
Deli/Bakery/Baker/ Cake Decorator/Floral Education Credit	Position related certificate or degree for (Cake/baking/floral). Position related certificate/degree (Baking/Pastry; Floral Design; Culinary Arts; Food/Beverage; Hospitality Management; Food Science; related food degree)	Certificate -1040 hour credit Associate/Bachelors - 2080 hour credit	N/A NO Credit not to exceed level 0080
Nutrition Specialist	Please see Nutrition Specialist WEC Matrix when hiring a Nutrition Specialist.	N/A	N/A
Pharmacy Techs	Please see Pharmacy Tech WEC Matrix when hiring a Pharmacy Tech.	N/A	N/A

**CITY MARKET APPENDIX "A" CLERK RATES
GRAND JUNCTION**

	Effective	Effective	Effective
CLASSIFICATION	1/12/2019	1/1/2020	1/10/2021
ALL PURPOSE/NUTRITION CLERK			
First 1040 hours worked	\$11.75	\$12.25	\$12.35
Next 1040 hours worked	\$12.00	\$12.50	\$12.60
Next 1040 hours worked	\$12.25	\$12.75	\$12.85
Next 1040 hours worked	\$12.50	\$13.00	\$13.10
Next 1040 hours worked	\$13.00	\$13.50	\$13.60
Next 1040 hours worked	\$13.50	\$14.00	\$14.10
Next 1040 hours worked	\$14.00	\$14.50	\$14.60
Next 520 hours worked	\$14.50	\$15.00	\$15.10
Thereafter	\$17.36	\$17.71	\$18.06
BAKERY CLERK/LIQUOR STORE CLERK			
First 520 hours worked	\$11.75	\$12.25	\$12.35
Next 1040 hours worked	\$12.00	\$12.50	\$12.60
Next 1040 hours worked	\$12.25	\$12.75	\$12.85
Next 1040 hours worked	\$12.50	\$13.00	\$13.10
Next 1040 hours worked	\$13.00	\$13.50	\$13.60
Next 1040 hours worked	\$14.00	\$14.00	\$14.10
Next 1040 hours worked	\$15.50	\$15.50	\$15.50
Next 1040 hours worked	\$16.00	\$16.00	\$16.00
Thereafter	\$17.09	\$17.44	\$17.79
CUSTOMER SERVICE CLERK			
First 520 hours worked	\$11.75	\$12.25	\$12.35
Next 1040 hours worked	\$12.00	\$12.50	\$12.60
Next 1040 hours worked	\$12.25	\$12.75	\$12.85
Next 1040 hours worked	\$12.50	\$13.00	\$13.10
Next 1040 hours worked	\$13.00	\$13.50	\$13.60
Next 1040 hours worked	\$13.50	\$14.00	\$14.10
Next 1040 hours worked	\$14.00	\$14.50	\$14.60
Next 1040 hours worked	\$14.50	\$15.00	\$15.10

Thereafter	\$15.00	\$15.50	\$15.85
COURTESY CLERK			
0-3 Years	\$11.30	\$12.00	\$12.00
3-6 Years	\$11.85	\$12.55	\$12.55
6 Years +	\$12.40	\$13.10	\$13.10
City Market Hourly Management Rates			
HEAD CLERK (CAO, File Maintenance, Pickup Leads, etc.)	\$18.11	\$18.46	\$18.81
FLORAL DEPARTMENT MANAGER	\$15.67	\$16.02	\$16.37
FLORAL LEAD CLERK	\$15.10	\$15.45	\$15.80
CUSTOMER SERVICE LEAD	\$15.30	\$15.65	\$16.00
FRONT END /AP CRM	\$18.41	\$18.76	\$19.11
GENERAL MDSE/DEPT HEAD ASST	\$15.67	\$16.02	\$16.37

Bargaining Note: In applying the provisions of this Agreement, the parties understand, for example, that an employee working at a progression step that is adjusted as a result of the execution of this Agreement would remain at the same step but work under the newly adjusted rate until they complete the remaining hours of that step and advance to the next step.

LETTER OF UNDERSTANDING

**BETWEEN
CITY MARKET
AND
UFCW LOCAL 7**

LIQUOR STORE CLERKS

The Union agrees to withdraw with prejudice and without back pay all current pending grievances regarding the classification and rate of pay for work performed in the liquor store. Effective the first Sunday following December 7, 2015, a Liquor Store Clerk Classification shall be established with the rates set equal to the new Deli/Bakery Clerk rates and the employer shall transfer existing Non-Food Clerk working in the Liquor Store to such new classification.

The original document was signed by Steve DiCroce and Kim Cordova is on file at the King Soopers/City Market Labor Relations Dept.

LETTER OF UNDERSTANDING

**BETWEEN
CITY MARKET
AND
UFCW LOCAL 7**

MINIMUM WAGE

The parties agree that an employee working at a progression step that is adjusted as a result of the operation of the minimum wage during the term of this Agreement would remain at the same step but work under the newly adjusted rate until they complete the remaining hours of that step and advance to the next step.

CITY MARKET

**UNITED FOOD AND COMMERCIAL
WORKERS, LOCAL No. 7**

BY: _____

[Handwritten signature]

BY: _____

[Handwritten signature]

DATE: _____

3-12-20

DATE: _____

3-12-20


LETTERS OF AGREEMENT

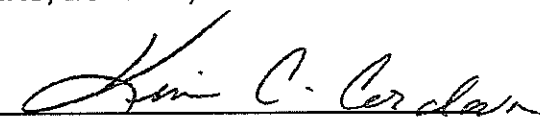
The Letters of Agreement which are carried over into the new Agreement, are as follows; all others are deemed null and void:

1. Department Managers.
2. Employee Buyout. Dated 5/1/06.
3. Courtesy Clerks Compensation. Dated 5/1/06.
4. Health and Welfare Trust Fund. Dated 4/28/11.
5. Establishment of Arbitration Scheduling Procedures. Dated 9/1/15.
6. Health and Welfare Contribution Recital (Attachment B). Dated 11/13/15.
7. **ACQ Bucket Hours. Dated 3/24/19.**
8. **Joint Labor Management. Dated 3/25/19.**

CITY MARKET

UNITED FOOD AND COMMERCIAL
WORKERS, LOCAL 7,

By: 
Regional VP of Labor Relations

By: 
Kim C. Cordova
President

Date: 3-12-20

Date: 3-12-20

LETTER OF AGREEMENT

#1

DEPARTMENT MANAGERS

(Grand Junction Clerks)

The above named parties hereby agree that employees classified as Second Assistant Manager, Produce Department Manager, General Merchandise Manager or Bakery Manager as of August 3, 1996 shall have the choice to stay in such position or take a non-bargaining unit department manager position. If such employee takes the non-bargaining unit department manager position, she shall not have the right to return to bargaining unit Second Assistant Manager, Produce Department Manager, General Merchandise Manager or Bakery Manager. Employees remaining as Second Assistant Manager, Produce Department Manager, General Merchandise Manager or Bakery Manager shall:

1. Be subject to the collective bargaining agreement.
2. Be paid the following hourly rate of pay:

<u>Classification</u>	<u>EFF</u> <u>10/03/99</u>	<u>EFF</u> <u>10/01/00</u>	<u>EFF</u> <u>10/07/01</u>	<u>EFF</u> <u>10/06/02</u>	<u>EFF</u> <u>10/05/03</u>
Second Assistant Manager	\$14.20	\$14.50	\$14.80	\$15.10	\$15.40
Produce Dept. Manager	\$14.10	\$14.40	\$14.70	\$15.00	\$15.30
General Merch. Manager	\$14.10	\$14.40	\$14.70	\$15.00	\$15.30
Bakery Manager	\$14.10	\$14.40	\$14.70	\$15.00	\$15.30

As bargaining unit Second Assistant Manager, Produce Department Manager, General Merchandise Manager or Bakery Manager exit their position, their classification will not be replaced within the bargaining unit.

IN WITNESS WHEREOF, the parties above named affix their names and the signatures of their authorized representatives this _____ day of _____, 2001.

For UFCW, Local 7

For City Market

(Original signed by John R Mathewson)

(Original signed by Milton A Christensen)

LETTER OF AGREEMENT

#2

EMPLOYEE BUYOUT. DATED 5/1/06

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 than permitted – Go by seniority.

Program not subject to Grievance and Arbitration Procedure

UNDERSTOOD AND AGREED TO THIS _____ Day of _____, 2006.

City Market

UFCW Local 7

(Original signed by Steve DiCroce and Kevin Schneider on May 1, 2006.)

LETTER OF UNDERSTANDING

#3

COURTESY CLERKS COMPENSATION. DATED 5/1/06

The parties have agreed that Courtesy Clerks who have more than three (3) years of service as a Courtesy Clerk with City Market shall during the term of this Agreement, be compensated at a straight time hourly wage rate fifty-five cents (\$0.55) per hour above the "Thereafter: Courtesy Clerk wage rate set forth in this Agreement.

UNDERSTOOD AND AGREED TO THIS _____ Day of _____, 2006

City Market

UFCW Local 7

(Original signed by Steve DiCroce and Kevin Schneider on May 1, 2006.)

LETTER OF AGREEMENT

#4

HEALTH AND WELFARE TRUST FUND. DATED 4/28/11

King Soopers and UFCW Local No. 7 are parties to a number of collective bargaining agreements covering meat and clerk employees that provide health coverage for active employees and certain retiree employees under the Rocky Mountain UFCW Employers and Unions Health and Welfare Plan. Consistent with the parties understanding of January 22, 2010 regarding their agreement to direct the Trustees of the Plan to transfer surplus funds from the active account to the retiree account, the parties hereby agree to clarify their understanding with respect to the potential reallocation of funds in January 2012 as follows:

1. Should the Trustees of the Plan make the determination to reallocate all or part of the remaining \$4,000,000 from the active plan to the retiree plan in accordance with the parties understanding of January 22, 2010, then the Employer agrees to temporarily reduce each of the contribution rates to the active plan ("Active Rates") as determined below and to temporarily increase the contribution rate to the retiree plan ("Retiree Rate") by the same amount for the same period of time to effectuate this allocation:
 - a. The Trustees shall determine the amount to be reallocated between the active and the retiree plans in 2012 which reallocation may not exceed \$4,000,000.
 - b. The Co-Consultants to the Plan shall then compute over a 12 month period how much the Active Rates would have to temporarily be reduced for each employer participating in the Plan to effectuate the reallocation. Such amount shall be communicated to each employer along with the time period for making such reduced contribution rates.
 - c. The Employer shall then remit to the Plan for a 12-month period the Active Rates decreased by such reduction amount and shall increase the Retiree Rate by the same amount for the same 12-month period.
2. It is understood and agreed that this transfer shall be on a cost neutral basis with respect to each employer.
3. This agreement shall only be applicable upon certification by the Chairman and Secretary of the Plan's Board of Trustees that all Employers participating in the Plan have entered into a similar agreement.

(The original document was signed by Stephen DiCroce and Kim Cordova on 4/28/11.)

LETTER OF AGREEMENT

#5

ESTABLISHMENT OF ARBITRATION SCHEDULING PROCEDURES: DATED 9/1/15

United Food and Commercial Workers Local 7 (the Union) and King Soopers and City Market (the Company) discussed their mutual desire to improve the efficiency and effectiveness of the parties' administration of the grievance and arbitration process in our labor agreements. These discussions reflected both parties' belief that a well-managed grievance procedure is a cornerstone of any mature collective bargaining relationship and is the responsibility of both labor and management.

Our discussion was open and honest and was forward-looking. Our objective was not to assess blame for why the process had not lived up to expectations in the past, but rather, to use the past as a learning experience for the future. Within this context, the parties have agreed to the following grievance procedure the Company, the Union and the employees who work under the agreements deserve:

1. The leadership of Local 7 has committed to "taking a second look" at the backlog of pending grievances to see whether any can be withdrawn or settled. There is no obligation on Local 7 to withdraw any grievance it believes has merit, only to determine whether each grievance has merit and deserves to move forward. Local 7 believes this process can be accomplished by _____, 2015.
2. Additionally, the parties recognize that the information requests that routinely accompany grievances filed by Local 7 can be burdensome and time consuming for the Company to respond to, which in turn impacts the effective and efficient administration of the grievance procedure. Accordingly, Local 7 has committed to reviewing the information requests it has accompanying pending grievances as well as information requests it may file with future grievances to determine whether the information requests can appropriately be withdrawn or tailored more narrowly in scope.
3. The parties also agree to schedule monthly settlement meetings at which the parties will discuss the possible settlement or withdrawal of grievances pending arbitration.
4. The parties will work from an agenda containing cases pending arbitration ranked in order of date filed with the exception that cases involving termination, demotion, or potential continuing liability shall be moved to

the top of the agenda in date order and shall be discussed before any other case. The agenda will be prepared one week from the date of the meeting and may then only be modified by agreement of the parties.

5. The parties will endeavor to discuss as many cases as can reasonably be considered at each monthly settlement meeting.
 - a. Cases that are settled or dropped/withdrawn by the Union shall be removed from the agenda and shall be deemed closed, subject to the Union's appeal process provided such appeal is resolved within sixty (60) days.
 - b. Cases that are continued at the monthly settlement meeting pending further review or investigation shall remain on the agenda for discussion at future monthly settlement meetings.
 - c. Cases that have been discussed but not resolved may, at the option of the grieving party, be scheduled for arbitration as provided below.

6. Grievances referred to arbitration shall be placed in the scheduling queue and scheduled for hearing as follows:
 - a. Cases shall be scheduled from the scheduling queue in order of their respective grievance filing date with the understanding termination or demotion cases shall move to the front of the scheduling queue in date order.
 - b. The party requesting arbitration shall promptly request a panel of arbitrators from FMCS for each case placed in the scheduling queue.
 - c. Within sixty (60) days after a final settlement meeting decision, the parties will select an arbitrator.
 - d. The parties will use best efforts to schedule the hearing in the matter for which an arbitrator has been appointed within six (6) months following a final settlement meeting decision with the understanding that the parties may schedule a hearing date later than six (6) months upon mutual agreement or as the result of 6(e) below.
 - e. Notwithstanding the provisions of 6(d) above, neither party shall be required or obligated to schedule more than three (3) cases per calendar month except by mutual agreement.

- f. In all disciplinary cases referred to arbitration, as a condition to accepting appointment, the arbitrator must agree to render a decision and award no later than thirty (30) days after receipt of the parties' post hearing statements. Unless otherwise agreed by the parties, such statements must be filed no later than fourteen (14) days following the close of the hearing (or receipt of transcript where applicable) and must be limited to no more than ten (10) single space letter size pages. It is specifically agreed and understood that any such case resolved under this procedure shall be deemed "non-precedential" and will not be cited by either party in the future proceeding. The provisions of this subsection (f) may be modified on a case-by-case basis by mutual agreement of the parties.

The Company's Director of Labor Relations and the Union President will retain jurisdiction over this letter of understanding and may, by mutual agreement, modify this letter of understanding, as they deem necessary and appropriate to improve the efficiency and effectiveness of the agreements' grievance and arbitration process. Any such modifications must be in writing and signed by both parties.

(The original document was signed by Stephen DiCroce and Kim Cordova on 9/1/15.)

LETTER OF UNDERSTANDING

#6

HEALTH AND WELFARE CONTRIBUTIONS RECITALS. DATED 11/13/15

(ATTACHMENT "B")

- A. King Soopers/City Market (the "Employer") and the United Food and Commercial Workers Local 7 (the "Union") are party to various collective bargaining agreements (the "CBAs").
- B. Pursuant to the CBAs, the Employer makes contributions on a monthly basis to the United Food and Commercial Workers Welfare Trust (the "Plan") on behalf of specified bargaining unit employees who work 80 or more hours in a four-week month or 100 or more hours in a five-week month.
- C. The contribution presently required to be made to the Plan by the CBAs is expressed as a monthly dollar amount that commences with hours worked after the employee completes their initial eligibility period (the "Monthly Rate").
- D. The undersigned parties desire to modify the contribution structure to convert the Monthly Rate to an equivalent hourly contribution rate commencing at date of hire (the "Hourly Rate") pursuant to the methodology outlined below, with the express intent of maintaining the overall economic terms of the CBAs by requiring a monthly reconciliation to ensure the amount contributed each month pursuant to the new Hourly Rate structure equals the amount that would have been contributed under the Monthly Rate structure.

AGREEMENTS

The undersigned parties hereby agree as follows:

1. Effective December 1, 2015 (November hours) the Monthly Rate shall be converted to an equivalent Hourly Rate commencing with an employee's first hour of employment pursuant to the methodology outlined below. The undersigned parties agree the Hourly Rate provided for herein shall supplant and replace the Monthly Rate specified in the CBAs, and the Employer shall have no additional obligation to contribute to the Plan beyond the Hourly Rate (subject to the monthly reconciliation provided for herein).

2. The Monthly Rate shall be converted to an equivalent Hourly Rate as follows:

- (a) The Employer shall calculate the Hourly Rate. Each participating Employer at its option may have the Plan's Consultant calculate the Hourly Rate. The Hourly Rate shall be the amount projected by the Plan's consultant to provide an equivalent dollar amount of monthly contributions to the Plan as would have been made had the Monthly Rate and contribution rules remained in effect
- (b) The Employer shall calculate the Hourly Rate to be effective commencing with hours worked November 2015. The Plan's consultant shall thereafter update his calculation of the projected Hourly Rate each January 1 and July 1 (or such other dates as determined as necessary and appropriate by the Plan's Trustees) based on Plan experience for such employer, and such updated Hourly Rate shall become effective when approved by the Plan's Trustees.
- (c) To maintain the overall economic terms of the CBAs, the undersigned parties agree the Employer or Plan Administrator if assigned the task by an Employer shall reconcile contributions on a monthly basis to compare the amount actually contributed by the Employer pursuant to the Hourly Rate each month relative to the amount that the Employer would have contributed had the Monthly Rate remained in effect for such month. The Employer will determine by the last day of each month whether the amount contributed to the Plan in such month pursuant to the Hourly Rate structure was more or less than would have been paid pursuant to the Monthly Rate structure. To the extent the amount of the Employer's actual Hourly Rate contributions for a month exceed the amount the Employer would have contributed had the Monthly Rate remained in effect for such month, then the Employer shall be entitled to a credit in the amount of such excess against contributions due for the following month. EXAMPLE ONE: EMPLOYER CONTRIBUTES \$50,000 TO THE PLAN ON APRIL 10 FOR MARCH HOURS. EMPLOYER OR PLAN ADMINISTRATOR RECONCILES AND IF THE EMPLOYER OR PLAN ADMINISTRATOR DETERMINES EMPLOYER WOULD HAVE PAID \$48,000 HAD MONTHLY RATE STRUCTURE BEEN IN EFFECT FOR THE MONTH, EMPLOYER WILL BE ENTITLED TO \$2,000 CREDIT TO BE TAKEN AGAINST CONTRIBUTION DUE IN MAY FOR APRIL HOURS. Conversely, to the extent the amount of the Employer's actual Hourly Rate contributions for a month are less than the amount the Employer would have contributed had the Monthly Rate remained in effect for such month, then the Employer shall pay the amount of such difference to the Plan as an additional contribution, with such amount due for the following month. EXAMPLE TWO: EMPLOYER CONTRIBUTES \$50,000 TO THE PLAN ON APRIL 10 FOR MARCH HOURS. EMPLOYER OR PLAN ADMINISTRATOR

RECONCILES AND IF THE EMPLOYER OR PLAN ADMINISTRATOR DETERMINES EMPLOYER WOULD HAVE PAID \$54,000 HAD MONTHLY RATE STRUCTURE BEEN IN EFFECT FOR THE MONTH, EMPLOYER WILL CONTRIBUTE AN ADDITIONAL \$4,000 WITH THE CONTRIBUTION DUE IN MAY FOR APRIL HOURS.

- (d) Notwithstanding the foregoing, all other terms of the CBAs with respect to the amount of the Employer and employee contributions payable to the Plan shall remain in effect.
- 3. The Employer shall pay the Hourly Rate to the Plan on behalf of those employees covered by the CBAs (even if such employees have not yet satisfied the eligibility requirements to qualify for initial Plan eligibility) beginning with the first hour worked with the Employer in such an eligible position. The hours for which the Employer shall be obligated to contribute the Hourly Rate to the Plan shall be the same hours that are credited under the CBAs for purposes of determining whether employees satisfy the 80-hour, or 100-hour, qualifiers for receiving the prior Monthly Rate contributions. However, employees shall not be required to work such 80 hours, or 100 hours, to qualify for the Hourly Rate contribution. The Employer shall continue to report credited hours to the Plan on a monthly basis, and the contribution amount shall continue to be payable each month by the deadline required under the CBAs.
- 4. The Employer agrees that its contributions tendered pursuant to this Agreement are subject to audit by the Fund's auditor. The Employer further agrees to reimburse the Fund Administrator for any administrative expense it incurs in the processing of these contributions with the understanding that there shall be no reimbursement of the Fund auditor by the Employer for audits conducted pursuant to this provision.

(The original document was signed by Stephen DiCroce and Kim Cordova on 11/13/15.)

LETTER OF AGREEMENT
#7
ACQ BUCKET HOURS. DATED 3/24/19.

When an employee (not at the “thereafter” rate) is promoted from a lower classification to a higher classification, the employee’s wage shall remain the same or be advanced to the next higher wage rate if the rate does not exist in their new classification. At this point, the employee will receive credit for all hours worked with the company and those hours will determine their pay level in the new classification. The employee will then work the necessary hours in that step before receiving their next pay increase.

When an employee (at the “thereafter” rate) is promoted from a lower classification to a higher classification, the employee’s wage shall remain the same or be advanced to the step below the “thereafter” rate in their new job class, whichever is higher. At this point, the employee will receive credit for all hours worked with the company. The employee will then be required to work the last progression step of hours before moving into the “thereafter” rate in their new role.

Similarly, an employee that moves from a higher classification to a lower classification will receive credit for all hours worked with the company and those hours will determine their pay level in the new classification (even if this results in a decrease in pay).

Bargaining Note: The parties intend this letter to apply in all circumstances where an employee changes job classification within the Company, including lateral transfers (for example, Nutrition Clerk to Produce Clerk), step-downs (for example, Assistant Deli Manager to Deli Clerk), and transfers between bargaining units (for example, Coffee Clerk to Customer Service Clerk).

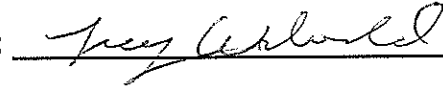
UNITED FOOD AND COMMERCIAL
WORKERS, LOCAL No. 7

CITY MARKET, INC.

By: _____



By: _____



Date: _____

3-12-20

Date: _____

3-18-20

LETTER OF AGREEMENT
#8
JOINT LABOR MANAGEMENT COMMITTEE. DATED 3/25/19.

The parties agree that the Joint Labor-Management Committee to be established during the Term of this Agreement, as set forth in their other Tentative Agreement of this date, shall also address the Union's proposal for a mandatory union orientation.

UNITED FOOD AND COMMERCIAL
WORKERS, LOCAL No. 7

CITY MARKET, INC.

By: *Kevin C. Cardan*

By: *[Signature]*

Date: 3-12-20

Date: 3-12-20