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AGREEMENT

Between

SAFEWAY INC.

Gunnison, Colorado

and

**UNITED FOOD AND COMMERCIAL WORKERS, LOCAL 7
(Denver, Colorado)**

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

TERM:

February 24, 2019 through and including February 19, 2022

THIS AGREEMENT is made and entered into by and between SAFEWAY INC. Denver Division, 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 representative for all meat cutters, apprentices, wrappers, butcher block sales persons and delicatessen employees, clean-up personnel, including part-time workers who work regularly one (1) day or more a week, employed by the Employer in the meat market or markets owned or operated by the Employer in the metropolitan area of Gunnison, Colorado but excluding all store managers, courtesy clerks, office and clerical employees, janitors, parking lot attendants, food clerks, warehouse employees, watchmen, guards and professional employees and supervisors as defined in the National Labor Relations Act, as amended, and all other employees.

Any new stores opened within the contractual boundaries of this contract shall be accreted to this Agreement.

ARTICLE 2 SERVICE IN MEAT, DELICATESSEN AND SEAFOOD DEPARTMENTS

Section 2. All work performed in the meat, delicatessen and seafood department(s) will be done by members of the bargaining unit, except that Store Managers, **two (2) Assistant Store Managers per store**, and Field Merchandisers may perform all duties in the Meat Department without restriction. For the purpose of this Agreement, the meat department is defined as the area occupied by the meat storage rooms, the meat preparation rooms and the service and/or self-service display cases where fresh, smoked, cooked and frozen meats, poultry, fish and seafood are offered for retail sale. With the exception of poultry products, the pricing of all meat products shall be done on the premises except as provided herein. Notwithstanding, the Employer may have

specialized sanitation work, such as cleaning of ceiling tiles, grease traps, drains, walls, etc., performed by personnel outside of the bargaining unit.

Section 2A. Bargaining unit employees shall perform the work of cutting or preparation of meats that are cut, processed or prepared on the Employer's premises for immediate human consumption.

All fresh, cured, smoked or frozen meat, refrigerated luncheon meats, fish, poultry and rabbits shall be handled by employees within the bargaining unit. Nothing in this Agreement shall be construed to prevent non-bargaining unit employees from selecting customer purchases from the sales floor throughout the entire store, including the storage and retrieval thereof.

No one other than employees covered by this Agreement shall be permitted to perform the cutting or preparation of meat in the meat departments, meat markets, seafood or delicatessen departments on the Employer's premises, except as set forth below:

- (1) This does not include the transaction of the checkstand.
- (2) No representative of management above the level of head meat cutter shall perform the work customarily assigned to employees in the bargaining unit except: (a) when a bargaining unit employee who has been scheduled to work fails to report to work as scheduled; or (b) in connection with the instruction or training of an employee or employees; or (c) in connection with the first thirty days of the opening of a new or remodeled market; or (d) in connection with simple straightening of display cases; or (e) in connection with the removal of outdated, distressed or damaged merchandise from display cases; or (f) in connection with floor maintenance work performed by a member of the retail clerks bargaining unit in connection with work related to the meat, delicatessen and seafood departments; or (g) in response to a specific customer request.

Section 2B. Vendor Work. Direct store vendors who deliver the product categories of beverages (including juice sold in produce/deli departments), cookies and crackers, bakery, pizza, specialty/gourmet/natural foods, ice, ice cream and chips, 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 vendor. Additionally, all vendors shall be allowed to stock and otherwise maintain any J-Hook or Clip strip program. Additionally, all vendors may perform: any work in connection with promotional and seasonal displays; facing in connection with the service of product; rotation of product; cleaning of product, shelves and racks; affixing coupons and other promotional materials to products; vendors shall be permitted to perform three (3) major resets per store, per section, per calendar year. Additionally, vendors may perform 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 out-dated product; and any work in connection with the opening of a new store and the two (2) week period thereafter, or during the two (2) weeks before and after a store remodel.

Section 2C. A Meat Cutter shall be on duty at all times that fresh meat is offered for sale in the market from 6:00 am until 8:00 pm daily, except that this requirement shall not apply during meal periods and after 6:00 pm where there are no more than two (2) regular full-time Meat Cutters and one (1) part-time Meat Cutter employed in the particular market. A first (1st) year apprentice shall not be assigned to work alone, except during lunch hours, break periods, or in markets where only one (1) Journeyman Meat Cutter is scheduled for the day.

Bargaining Note: This provision (Section 2C) is affected by the Letter of Understanding between the parties dated December 27, 1988 and signed by Dwayne Adkins for Local 7 and Bruce Trull for Safeway Inc. which makes the above provision inapplicable to the Steamboat Springs, Grand Junction, Gunnison and Craig bargaining units (and other cities not affected by these negotiations.)

Section 2D. Retail Clerks may assist in meat department clean up work, provided such assignments do not conflict with applicable child labor and/or health and safety regulations.

Section 3. It is understood that the cutting or preparation of meats that are cut, processed or prepared on the Employer's premises for immediate human consumption will continue to be performed in the market located on the Employer's premises, unless the Employer transfers said work, in which case the following paragraph will be applicable: If the Employer transfers the cutting and fabricating of retail cuts of fresh meats performed in its retail store or stores covered by this Agreement to a location or locations outside of said retail store or stores, the Employer will continue to recognize the Union as the bargaining agent for the meat cutters, apprentices and wrappers employed by the Employer in the cutting and fabricating of retail cuts of fresh meat, and the seniority rights provided in this Agreement shall continue to apply throughout the bargaining unit, including said new location or locations of the Employer.

Section 3A. Notwithstanding anything contained herein to the contrary, the Employer shall not be restricted in, or prohibited from, obtaining and offering for sale fresh, smoked, cured, cooked and frozen meats, poultry, fish or seafood which have been cut, prepared, processed, packaged, weighed and/or priced off the Employer's premises and it is expressly understood and agreed that such shall not constitute a violation of this Agreement. Notwithstanding the preceding sentence, the Employer agrees that no head meat cutter, first cutter, journeyman meat cutter or apprentice meat cutter assigned to one of the aforementioned classifications by the Employer on or before August 3, 1996 shall be laid off or reduced in scheduled hours. The Employer shall have the right to transfer and/or schedule meat cutters in more than one (1) store within the bargaining and/or adjacent bargaining unit(s) as may be necessary to fulfill this obligation, except that the Employer shall not schedule such employees for split shifts.

The Employer shall continue to have the right to lay off employees in accordance with the provisions of this Agreement, provided that the layoff of any meat wrapper, butcher block, seafood clerk or delicatessen clerk assigned to such classification on or before August 3, 1996, is for reasons other than the Employer's utilization of the products set forth in Section 3A above. It is understood and agreed that in meeting the job guarantees contained herein the Employer shall have the right to assign any higher classified employee to perform work in a lower classification.

In the event of a store closure resulting in the layoff of any head meat cutter, first cutter, journeyman meat cutter, apprentice meat cutter or meat wrapper, such affected employee(s) shall be permitted to exercise his seniority to displace the least senior meat cutter or meat wrapper in the involved bargaining unit as provided for herein, or, at the affected employee's discretion, the least senior meat cutter or meat wrapper in the State of Colorado. Such least senior meat cutter or meat wrapper affected by the exercise of the most senior meat cutter's or meat wrapper's seniority shall be laid-off. It is understood that in applying this provision meat cutters may displace only meat cutters and meat wrappers may displace only meat wrappers.

ARTICLE 3 UNION SECURITY AND CONDITIONS

Section 4. Provided the parties to this Agreement have complied with all State and Federal statutes concerning Union security matters, the provisions of this Article shall be applicable.

Section 5. Union Shop. All present employees of the Employer who fall within the bargaining unit, as set forth in Section 1 hereof, shall as a condition of continued employment, be or become members of Local No. 7, UFCW, AFL-CIO, between the thirty-first (31st) and thirty-fifth (35th) day following the date of the signing of this Agreement, and shall remain members of the Union in good standing during the life of this Agreement.

Section 6. All employees hired after the date of the signing of this Agreement, who fall within the bargaining unit as set forth in Section 1, shall as a condition of continued employment, become members of the Union between the thirty-first (31st) and thirty-fifth (35th) day following the date of their last employment and shall remain members of the Union in good standing during the life of this Agreement.

Section 7. "Good standing" is interpreted to mean the payment or tendering of initiation fees and periodic Union dues to an authorized agent of the Union.

Section 8. Whenever the Union requires the Employer to discharge any employee for failure to join or to maintain his membership in the Union in good standing 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. 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 (10) day period the delinquent employee pays or tenders his delinquent initiation fee and/or delinquent Union dues to an authorized agent of the Union.

ARTICLE 4 CHECK-OFF

Section 9. The Employer agrees to deduct the weekly dues, legal rejoining fees 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 his individual check-off authorization upon giving thirty (30) days written notice to the Employer and the Union. The Employer agrees to remit all such deductions to the Chief Executive Officer of the Local Union no later than the twentieth (20th) day of each month. The Union shall indemnify and hold the Employer harmless against any and all suits, claims, demands and liabilities which arise out of, or by reason of, any action which shall be taken by the Employer for the purpose of complying with provisions of this Article.

Section 10. The Employer agrees to deduct amounts designated by the 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 his ABC checkoff authorization upon giving thirty (30) days written notice to the Employer and the Union.

ARTICLE 5 NEW EMPLOYEES, TRANSFERRED EMPLOYEES, PROMOTED OR DEMOTED

Section 11. **At the time of hiring, or otherwise joining the bargaining unit, the Employer will advise each such employee of the fact that he 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.

ARTICLE 6 RIGHTS OF MANAGEMENT

Section 12. The Employer retains the right to manage its business, to establish reasonable standard of dress, to direct the working forces and to make necessary rules and regulations for the conduct of the business, providing that said rules and regulations are not in conflict with the terms of this Agreement in any way.

The Company retains the right to develop, implement and establish a Bonus Plan for Department Managers at its sole discretion including the right to determine bonus amounts, payment criteria, measurements and the right to make changes and modifications to the program including termination of the program. The Union will withdraw with prejudice all grievances related to the Company's department manager bonus program.

ARTICLE 7 DEFINITIONS OF CLASSIFICATIONS

Section 13. Head Meat Cutter: Shall be considered the employee responsible for the operation of the market and the union will not recognize any employee as Head Meat Cutter who is not employed full-time in any store covered by this Agreement.

Section 14. Apprentice Meat Cutter: If, in the opinion of management (management means higher management than the Head Meat Cutter) an apprentice is fully qualified to perform the duties of a Journeyman Meat Cutter prior to three (3) years of service with a minimum of six thousand two hundred forty (6,240) hours of actual work experience on the job, the Employer may advance such apprentice to the duties and pay of a Journeyman Meat Cutter.

When apprentices have worked three (3) years, and the equivalent hours as set forth above, they automatically become Journeymen and be paid as such.

During an apprentice's three (3) years training period, he shall be assigned from time to time to all jobs normally done in the particular market.

One (1) apprentice shall be allowed to every two (2) Journeymen or a fraction thereof in each market, and one (1) additional apprentice to every two (2) additional Journeymen in said market. This limitation on apprentices may be relaxed during emergency periods when the Union is unable to furnish qualified Journeymen to the Employer.

Section 15. First Cutter: A First Cutter may be designated at the discretion of the Employer and is not a required classification.

Section 16. Wrappers. The work allotted to employees falling in the classifications "wrappers" shall be strictly confined to wrapping, weighing, pricing and tagging the packages and clean-up work in this particular department as well as cleaning cases and pans, traying of rewraps, ordering of merchandise, receiving, checking, and putting away loads. Wrappers may assist in doing inventory. Wrappers may also be required to stock and rotate cases with fresh meat, cooked and smoked meats and frozen food. Nothing herein shall be construed to limit "Wrappers" from giving service to customers provided such service does not include the sawing or cutting

of merchandise. In order to provide superior customer service, when no Meat Cutter is available, Meat Wrappers may use the slicer for the slicing of meats and ham. Additionally, Meat Wrappers may use the tools of the trade, except the band saw, to perform work in response to a specific customer request.

Section 17. Clean-Up Personnel: Employees assigned as "Clean-up Personnel" shall clean all work areas of the meat and delicatessen departments, including walls, freezer, walk-in box, hold box, cutting room and wrapping area, as well as cleaning blocks, meat and delicatessen cases and disassembled power tools and equipment.

Clean-up personnel shall not disassemble or reassemble power tools or equipment nor handle meat or delicatessen products in display cases.

If a Clean-up employee is found to be doing any work other than set forth above, all hours so spent shall be paid for at the starting apprentice rate.

The Employer retains the right to schedule such employees for a minimum of two (2) hours per day.

Section 18. Assistant Deli Manager: Assistant Deli Manager may be designated at the discretion of management and is not a required classification.

Section 19. Deli Employees: The work allotted to employees falling in the classification of "Deli Employee" shall be strictly confined to packaging, preparing, selling and pricing all items offered for sale in this department. Such work shall also include use of tools of the trade and such clean-up and other work associated with the practical operation of the department. Delicatessen department employees may operate a cash register in the delicatessen department. Nothing in this Section shall be construed to prevent delicatessen employees from ringing incidental sales from other departments of the store. Salad Bar out of retail and into meat bargaining unit go to deli work.

Section 20. Seafood Clerks: Seafood Clerks shall be allowed to perform all work in connection with the processing and sale of product in a specialty meat or seafood department. It is further understood that a Seafood Clerk may perform all duties of a meat wrapper. Seafood Clerks will be considered as a separate group for the purpose of applying the seniority provisions of Articles 27, 28, 30, 31, 32 and 33.

Section 21. New Classifications: When a new job is created by the Employer, the Union shall be notified immediately, and a new wage rate for such job shall be determined by the Employer and the Union.

Section 22. Work Between Classifications: It is understood that employees may perform incidental work in another classification without violating this Agreement.

Section 23. Technological Changes. The parties recognize that a well-trained 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 discuss 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 the 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 changes 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 8 RATES OF PAY

Section 24. The classifications, wages, and special conditions applicable to employees are set forth in Appendix "A", attached hereto, and, by this reference made a part hereof.

Section 24a. - Prior Experience: In applying 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 in a similar retail grocery operation, or other food operation including the Safeway Cake Commissary. The aforementioned shall include: Independent Floral, Liquor Stores, Independent Bakery, Starbucks, Delicatessen Shops, Pharmacy and King Soopers Fuel Stations. **Service in the United States military or National Guard shall be given credit for one thousand forty (1040) hours per year of service, capped at four thousand, one hundred and sixty (4160) 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 his employment must be filed pursuant to the terms and conditions of the grievance procedure of this Agreement (excluding the employee's trial period).

**ARTICLE 9
PAY FOR WORK IN HIGHER/LOWER CLASSIFICATION**

Section 25. Temporary assignments of employees may be made by the management to perform work in higher or lower classifications within or between departments.

When the employee is required to perform work in a higher classification, he shall receive the higher rate, based on his experience; but, if required to perform work in a lower classification, he shall retain his regular rate, except in the case of actual demotion, when the employee shall receive pay according to his classification.

When a Delicatessen Clerk is assigned by the Employer to assume the duties and responsibilities of the Delicatessen Manager for a continuous period of one (1) week or more, such employee shall be paid the Delicatessen Manager rate of pay for all hours worked while so assigned.

Section 26. When a Journeyman relieves a Head Meat Cutter for one (1) week or longer, he shall be paid the contract rate of pay for Head Meat Cutter for such time spent in relief.

**ARTICLE 10
NO REDUCTION IN PAY**

Section 27. No employee shall have his hourly wage reduced who may now be receiving more than the minimum wage called for in this Agreement, nor shall his hours be lengthened unless he is properly compensated therefore in accord with the terms of this Agreement, unless otherwise agreed between the parties, and employees shall not be reclassified to defeat the purpose of this agreement. No employee shall be asked to make any verbal or written agreement that shall conflict with this Agreement in anyway.

Section 28. During the life of this Agreement, the Employer shall not raise or lower hourly rates of pay except as dictated by the wage scales set forth elsewhere in this Agreement.

**ARTICLE 11
WORKWEEK**

Section 29. 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 basic workweek for regular full-time employees. Regular full-time employees shall be scheduled for at least forty (40) hours of work to be performed in five (5) days unless reduced in accordance with seniority. Regular full-time employees shall be scheduled for at least thirty-two (32) hours of work to be performed in four (4) days (exclusive of the holiday) during a week in which a holiday occurs, unless reduced in accordance with seniority.

Upon mutual agreement between the Employer and the employee, a full-time employee can be allowed to work four (4) ten (10) hour days, to make up the standard workweek for full-time employees.

Overtime will be computed for all hours worked over forty (40). Hours worked over eight (8) will not apply to full-timers working the ten (10) hour shifts. It is also understood that all other provisions of the contract, including seniority rights, will be modified as applicable toward any ten (10) hour shifts the Employer should create in the individual store.

During a holiday week, employees who have normally been scheduled four (4) ten (10) hour days may be scheduled four (4) or five (5) eight (8) hour days and will receive (8) hours holiday pay. Employees scheduled three (3) or four (4) ten (10) hour days in a holiday week shall receive ten (10) hours holiday pay.

ARTICLE 12 OVERTIME

Section 30. 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. All employees will have eight (8) hours between shifts on scheduled or worked hours and will be paid the overtime rate if they do not have such.

Employees scheduled and working more than five (5) days in a workweek will receive time and one-half (1 1/2x) for the day on which the least number of hours was worked.

Section 31. No Pyramiding of Overtime. It is understood and agreed there shall be no pyramiding of overtime and premium for the same hours of work.

ARTICLE 13 SUNDAY PREMIUM

Section 32. The premium rate for work performed on Sunday as such shall be one and one-fourth times (1 1/4x) the employee's regular straight-time rate of pay. 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 29 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 29 hereof.

Employees hired on or after March 27, 2005 shall not be eligible for Sunday Premium.

Section 33. On the first day of the month following each ninety (90) days of a year (January 1st, April 1st, July 1st and October 1st), an employee can designate, in writing, his/her desire to be scheduled during Sunday hours.

The Employer will select the necessary employees from this list in accordance to seniority, within each store and department, considering the job assignment required and provided the employee normally performs the work required. Should the Employer not be able to staff his schedule requirements through this procedure, qualified employees shall be assigned the remaining available schedules by reverse seniority, within their respective classifications, within each department and store.

ARTICLE 14 TRAVEL PAY

Section 34. When an employee is transferred from one store to another store during his workday, reasonable time spent in traveling between said stores shall be considered as time worked. **All travel time must be preapproved by the Store Director or PIC.** Assigned travel between stores in the employee's personal vehicle shall be reimbursed in the amount of twenty-eight cents (\$.28) per mile or the rate paid to non-bargaining unit employees, whichever is greater, exclusive of travel to and from the employee's home. No employee will be required to use his personal vehicle, **or another employee's personal vehicle,** to conduct Company business. Before an employee is permitted to use his/her personal vehicle for company business, the Employer shall have the employee sign a statement acknowledging his/her risk and certification of a valid drivers license and insurance coverage.

When an employee performs work outside of their bargaining unit, they shall be paid twenty-eight cents (\$.28) per mile or the rate paid to non-bargaining unit employees, whichever is greater, **for miles commuted outside their regular daily commute.**

ARTICLE 15 NIGHT PREMIUM

Section 35. 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. Employees whose shifts are scheduled to end at 12:00 p.m. need not be paid any premium under this Section, even where it is necessary for them to remain on the job for a short period in order to complete their work, provided that such additional period does not exceed fifteen (15) minutes.

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

ARTICLE 16 HOLIDAYS AND HOLIDAY PAY

Section 36. All employees hired on or before March 26, 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 27, 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: Memorial Day, Thanksgiving Day and Christmas Day. Effective in 2017, employees hired on or after March 27, 2005 shall also be paid for Labor Day. Such employees shall be entitled to one (1) personal holiday after two years of service, two (2) personal holidays after three (3) years of service, and three (3) personal holidays after four years of service. Such holidays must be requested two (2) weeks in advance and approved by the Store Manager.

Section 37. All premium shall be paid in accordance with the current contract.

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

Section 38. Personal Holidays. 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.

Section 39. Holiday Pay for Full-Time. As pay for an unworked holiday, regular full-time 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, he shall be paid eight (8) hours at straight-time as pay for the unworked holiday.

Section 40. 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 immediately prior to the week in which the holiday occurs, divided by five. Provided the employee actually performs work in the calendar week immediately 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 41. Qualification 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 his regularly scheduled day immediately preceding the holiday, the holiday if scheduled, and his regularly scheduled day immediately following the holiday, unless he has been previously excused from such work by the Employer or unless he was prevented from so working due to a bona fide illness. No employee on leave of absence shall be eligible for holiday pay.

Section 42. 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 43. Premium Pay for Holiday Work. For employees hired on or before March 26, 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 27, 2005, when a holiday (as defined above for such employee) is worked, the employee shall be paid one dollar (\$1.00) per hour worked.

Section 44. Holiday Scheduling. No later than the second Wednesday prior to the beginning of the week in which a holiday observed hereunder occurs (exclusive of personal holidays), the Employer shall post in each store a holiday volunteer work list. An employee desirous of working the upcoming holiday, in the job assignment which he normally performs, shall sign such list no later than the Tuesday prior to the holiday week. Signing of another employee's name on such list shall be cause for disciplinary action.

The Employer will not reschedule the hours of work in the workweek immediately prior to the workweek in which the holidays occur in order to defeat the purpose of this Agreement.

The Employer will select the necessary employees from this list in accordance with seniority and ability, within each store and department and provided the employee normally performs the work required. Should the Employer not be able to staff his schedule requirements through this procedure, qualified employees shall be assigned the remaining available schedules by reverse seniority and ability within their respective classifications within each department and store. Nothing herein shall be construed to require pay for time not worked.

ARTICLE 17 VACATIONS

Section 45. All regular full-time employees, and all part-time employees, who were hired on or before March 26, 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 27, 2005 and who have worked one thousand forty (1,040) 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, and three (3) weeks' paid vacation after eight (8) years' continuous service, **and 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 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. No pro-rata vacation will be paid at termination.

Section 46. Effective January 1, 1991, the Employer will convert the employees' weekly vacation allotment to a daily vacation allotment by multiplying the number of weeks of vacation due by 5. The hours paid for each day of vacation will be based on the average weekly hours of vacation, as calculated in Section 44, divided by 5. Employees may be allowed to take vacation one day at a time, subject to approval by the Employer and based on the following requirements:

1. Daily vacation may not be scheduled through the annual sign-up procedure.
2. Daily vacation must be requested of the store manager in writing by Tuesday prior to the posting of the schedule for the week in which time off is requested.
3. Employees may not receive more than five days vacation pay in any calendar week.
4. Not more than one (1) week (five (5) days) may be taken one day at a time per anniversary year.
5. Weekly vacation requests shall take preference over daily vacation requests.
6. The Employer shall submit daily vacation time to payroll the week it is taken, and the Employer shall make a bona fide attempt to pay the employee the following week. However, in no event shall it be more than two (2) weeks from the date of the request.

If one of the holidays listed elsewhere herein falls during an employee's vacation, the employee shall receive an extra day of vacation pay because of it. In the event a regular full-time employee covered by this Agreement, who has been employed for two (2) years or longer, voluntarily quits or is discharged for reasons other than dishonesty or drunkenness or being under the influence of illegal narcotics, such employee shall be paid pro rata vacation pay earned up to the time the employment relationship is severed.

Section 47. The Employer shall pay the employee the vacation pay accrued during the employee's anniversary year prior to the taking of the vacation (if requested in writing at least two (2) weeks in advance of vacation). In the event employees have their vacation pre-approved at least two (2) weeks in advance of their vacation and the employee's vacation check is not made available in accordance with the contract, a cash advancement, which approximates the net amount owed, shall be given to the employee at the store, provided the employee signs the cash advance voucher. The Company shall recoup the advancement from the employee's vacation check.

SCHEDULING OF VACATIONS

Section 48. Vacation Scheduling: The Employer retains the right to determine the number of employees who may be on vacation at any given time. However, in no event shall it be less than two (2) persons per retail bargaining unit and one (1) person per meat bargaining unit, except for any week of and the week before a holiday covered under this contract as well as Mother's Day and Valentine's Day, when the Employer may limit the number of people on vacation to no less than one (1) per bargaining unit. The Employer will not block out any week(s) during the year and the Employer agrees that it will permit the maximum number of employee vacations each week, consistent with the staffing levels in the vacation relief/floater pool and business volume. If a dispute develops between employees as to vacation preference, seniority shall govern within the department, the classification and store. Any vacation weeks that become available after the posting of such roster shall be offered by seniority within the classification and store.

Section 49. The Employer will post a notice December 1 of the prior calendar year, and the employees will sign the roster as to their choice of vacation. This list will remain posted for selection until January 31 of each calendar year.

Any employee who fails to sign such roster prior to January 31, will be permitted to take vacation at a time that will not interfere with the other employees' established vacation period(s).

Vacation calendar period commences on March 1 of each year to the last day of February the following year.

Section 50. When the vacation dates have been established, they will not be changed unless mutually agreeable between the employee and the Employer.

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

Section 51. On a basis agreeable to both the Employer and employee, employees shall be allowed to schedule vacations from mid-week to mid-week. For purposes of this provision, mid-week shall be defined as a vacation starting and stopping on Tuesday, Wednesday or Thursday. An employee shall be considered to have met the minimum scheduling requirements of this Article if the total of the hours worked and paid for vacation (and unworked holiday if applicable) for the two workweeks involved is equal to eighty (80) for a full-time employee, forty (40) or more for a part-time employee.

ARTICLE 18 SCHEDULE POSTING

Section 52. The Head Meat Cutter will post the work schedule in ink for the following week in each market not later than 9:00 a.m. on Friday. This schedule shall include the employee's first initial and last name. This work schedule will not be changed by Management for that particular workweek except where the change is

predicated on circumstances beyond the control of Management such as, but not limited to, sickness, injury, wide fluctuations in volume, Acts of God. Such up to date work schedules are to be posted weekly. 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. Once the schedule is finalized, the store steward shall be given a copy.

Any changes in the work schedule will be reflected on the posted schedule at the time the change is made.

The Employer shall designate the starting time for employees. The employee shall be dressed and ready to go to work at this starting time.

The Company will 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 shift.

Section 53. Regular full-time employees called in on their scheduled day off shall not have the balance of their scheduled workweek altered as a result of such call-in.

ARTICLE 19 REPORTING PAY/MINIMUM DAILY SCHEDULE

Section 54. An employee called in or scheduled for work shall be guaranteed four (4) hours of pay at the applicable rate, with the understanding that an employee may be called in or scheduled for less than four (4) hours if he is unavailable for the full four (4) hours.

ARTICLE 20 MINIMUM WEEKLY SCHEDULE

Section 55. No regular employee shall be scheduled for less than twenty (20) hours in a workweek, if the employee is available.

ARTICLE 21 TIME CARDS/NO FREE WORK/PAY DAY

Section 56. **Employees shall be required to punch the time clock immediately before beginning work and immediately upon ending work. No employee shall have the right to punch for another employee. Employees shall not be disciplined for any time entry errors caused by equipment or software malfunctions.**

When an employee fails to punch the time clock or the time clock is unavailable, time exception forms shall be filled in and signed by both the employee and the Manager.

Any employee punching the time clock for another employee or completing the time exception form for another employee shall be subject to immediate discipline up to and including termination.

The Employer shall zero out all missed clocking occurrences accrued by employees, as of the date of ratification of this agreement.

Section 57. Employees shall receive their pay each week. In case of discharge from employment of any employee, upon request, the final paycheck will be made available within seventy-two (72) hours after the discharge.

**ARTICLE 22
SPLIT SHIFTS**

Section 58. There shall be no daily split shifts.

**ARTICLE 23
STORE MEETINGS**

Section 59. All time spent by an employee actually attending any store meeting where his 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 four (4) meetings per calendar year, the call-in provision of Article 19, Section 53 shall apply.

**ARTICLE 24
LUNCH BREAKS**

Section 60. Lunch Periods. Each employee who is scheduled to work in excess of five (5) hours in a day shall receive, on his own time, a one (1) hour lunch period, or, upon mutual agreement between the employee and the Employer, a one-half (1/2) hour lunch period at approximately the middle of his workday.

Individual employee's change of lunch period from one (1) hour to one-half (1/2) hour, or vice versa, shall occur only at the beginning of a new work schedule.

Employee's 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 25
RELIEF PERIODS**

Section 61. The Employer will give employees a break period of fifteen (15) minutes in their shift before the meal period and in their shift after the meal period.

**ARTICLE 26
PROBATIONARY PERIOD**

Section 62. New employees shall be on probation for a period of sixty (60) calendar days, during which time they may be discharged by the Employer for any reason whatsoever, and during this probationary period, they shall not acquire any seniority status. If an employee is retained in the employ of the Employer after said sixty (60) calendar days, his seniority shall then date back to the first (1st) day of said sixty (60) calendar day probationary period.

This probationary period may be extended an additional thirty (30) calendar days by mutual agreement between the Employer, Employee and the Union.

ARTICLE 27 SENIORITY

Section 63. 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, whenever the ability of the employees involved is substantially equal. Employees will retain full seniority when they go from the retail clerks bargaining unit to the meat cutters bargaining unit.

Section 64. Where the Employer cannot fulfill its schedule needs from within the bargaining unit due to employees being on vacation, leave of absence, and/or in ski areas (Frisco, Vail and Steamboat Springs) during ski season and the Employer elects to use persons from outside the bargaining unit, the Employer will post a voluntary work list advising employees in other bargaining units of the opportunity to transfer into the affected bargaining unit on a temporary basis, up to ninety (90) days. The Employer will then select employees, by seniority, within the classifications needed and implement the temporary transfer. During this period, the employee(s) who is working outside their respective bargaining unit shall maintain their seniority and shall have all their seniority rights when they return to their respective bargaining unit.

Section 65. Termination of Seniority. Seniority shall terminate for any of the following reasons:

- a. Voluntary quitting.
- b. Overstaying a granted leave of absence or vacation.
- c. Failure to report for work upon recall after a layoff within five (5) days after mailing of recall notice sent by registered letter to the last address furnished in writing to the Employer by the employee.
- d. Discharge for just cause.
- e. Continuous layoff for a period in excess of twelve (12) months.

Section 66. Seniority Lists. Bargaining unit seniority lists shall be provided to the Union not less than two (2) occasions during the calendar year, upon request by the Union.

Section 67. 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 his home store, except for assignment to a forty (40) hour per week schedule as a result of the employee receiving any hours caused by other employees absence for any reason. 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.

Section 68. 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 69. For Safeway stores 617, 637 and 1132, in addition to the above definition of "absence", the "blackout" period of June 1 through September 15 and November 15 through January 15 shall also be retained, because of the seasonal cycles of business in these stores.

Section 70. 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.

Section 71. Promotions. The Employer agrees to make promotions to lesser qualified jobs than First Cutter and Assistant Deli Manager to the most senior qualified employee. The employee shall make such desire known to the Employer in writing. Seniority shall prevail throughout the entire number of stores of the Employer in the area covered by this Agreement.

Promotions must be posted for seventy-two (72) hours for all employees and filled by seniority with the most senior qualified employee. This applies to Clerks who wish to apply for deli, seafood and wrapper positions.

Section 72. (Denver Only) The written request shall set forth the classification or classifications the employee wishes to be promoted to and the quadrant or quadrants that the employee would be willing to accept a promotion.

Section 73. The employee will be limited to signing up for three (3) positions they wish to be promoted to. If an employee is offered a position in a classification and declines that position, they will have their request for that position cancelled, however, they will remain on the list for the other two (2).

1. A promotion is an assignment to a classification which has a higher top rate than the classification being vacated.
2. (a) Whenever the promotion request list is exhausted, and the need arises for any position other than entry level positions, the Company shall post the job within the store for at least a seven (7) day period.

(b) The posting shall be posted from Wednesday to Wednesday of each week, and the Company shall maintain the same for at least thirty (30) days after the job is awarded.

(c) The job shall be given to the most senior qualified employee who has signed the list in the store.

(d) In the event the position is not filled through the foregoing procedure, the Employer retains the right to hire employees off the street.

Section 74. Probationary Period For Promotions. When any employee is promoted to a higher classification, he shall be on probation for a period of thirty (30) days. An employee disqualified during the probationary period shall be returned to his old classification.

Section 75. Demotion for Just Cause. Except under the layoff provisions, no employee shall be demoted from a higher classification within the bargaining unit without just cause, which includes business need.

A Delicatessen Manager who is being demoted (voluntarily or involuntarily) shall have the option of accepting a Delicatessen Clerk position, or in the case where the Delicatessen Manager previously was a Journeyman Meat Cutter for that Employer, may return to the Meat Department to preserve his rate of pay. Any employee, as of May 1, 1980, who has been demoted and has not had his pay reduced, shall be red circled during the term of this Agreement. A Journeyman Meat Cutter shall not be forced to accept a Delicatessen Manager position which pays a lesser hourly rate of pay than the Journeyman Meat Cutter Rate.

Section 76. Nothing herein shall be construed to prohibit the Employer from hiring into a Journeyman or top rate position should the Employer deem it necessary.

ARTICLE 28 AVAILABLE HOURS

Section 77. The scheduling of part-time employees or full-time employees working reduced hours shall be by seniority within their department and store schedules up to eight (8) hours per day or forty (40) hours per week. The Employer shall maximize the straight-time daily and weekly work schedules (including Sunday) of each employee based on the hours as determined and scheduled by management. The only exception to this would be when a more senior part-time employee has requested to work less hours than their seniority entitles them. This request must be submitted to the department manager in writing. The average of all meat department part-time employees by store and classification shall not be less than twenty (20) scheduled work hours per week (including paid holidays, sick pay, jury pay and funeral pay) exclusive of part-time employees whose availability temporarily limits them to less than the minimum hours as provided above. It is understood that the twenty (20) hours average shall apply only to markets employing two (2) or more part-time employees in any classification.

Section 78. Under this procedure, a senior employee can claim hours of work, in his classification, for which he is qualified so long as such claim would not reduce any other employee's schedule below the daily or weekly minimum except to zero. The zeroing out procedures shall become effective sixty (60) days following ratification of this Agreement. If an employee is zeroed out, he or she shall have the right to exercise lay-off options. However, any bump to another store shall be delayed for one (1) week.

Section 79. The Employer agrees not to schedule two (2) part-time employees in the same classification back to back each day in their weekly schedules within an individual market or delicatessen where it is possible to combine their total posted weekly schedules so that one (1) full-time employee can be used.

Floater. A "Floater" is a Wrapper who an Employer regularly assigns to work in more than one store.

No Employer shall have any obligation to use Floaters at any time. If an Employer elects to use floaters it shall be done in accordance with the following general principles:

1. When an Employer determines there are hours necessary to be scheduled for floaters, the seniority of floaters shall be honored, first in the weekly scheduling of floaters to the fewest number of stores as is practicable, and, secondly, in scheduling a floater the greatest number of hours (up to 40) in a week as is practicable.
2. The Employer may schedule floaters by district or by bargaining unit.
3. Any full-time Wrapper reduced to less than forty (40) hours for more than four (4) consecutive weeks in his store may notify his store manager of his request to be reassigned with his classification as a floater. If there are less senior full-time employees receiving forty (40) hours in floater assignments, the employee will be reassigned as a floater the following week. An employee who receives such reassignment waives his right to reassignment at his previous store, should more hours subsequently become available. Full-time floaters desiring non-floating assignments may request same in writing to the person designated by the Employer, and such assignments shall be made in seniority order when such opening occurs.

Section 80. Full-time scheduled vacancies shall be filled as defined elsewhere in this Agreement.

Section 81. Employees who have requested additional hours or full-time status, in writing, as set forth above, shall have until noon on the Saturday following posting of the schedule to take issue with that schedule or his right to take issue shall be waived. Should he raise such issue in timely fashion and should it not be resolved, it shall be subject to the grievance procedure set forth elsewhere in this Agreement. It shall be the responsibility of each employee to make himself aware of the schedule and any changes made therein.

Section 82. In the event of errors in the making of schedules, scheduling of additional hours or reductions in hours, the employee must call the error to the attention of management by noon Saturday following the posting of the schedule. Failure by the employee to point out the violation by noon Saturday will limit the remedy to scheduling the affected employee, on the next week's schedule, the number of hours lost. These hours shall not have any effect on the normal schedule for that week.

Section 83. Additional Hours. Additional hours are those created by increased schedules, terminations or transfers within the classification which the Employer deems necessary to fill.

Management shall post a weekly additional hours request list for their store/department. Employees interested in working additional hours must sign and designate the days they are interested in working additional hours on such list by midnight of the Saturday prior to the start of the applicable workweek.

When additional hours become available, management shall contact, in seniority order, employees who have requested to work on the day/shift indicated on the request list and offer them the hours. If the hours cannot be assigned to the employees requesting them, management may fill the hours at its discretion, including assigning those hours to employees who work in different Local 7 bargaining units within the same banner.

Prior to assigning hours to employees from outside the bargaining unit, employees in the home department/bargaining unit shall have priority in shift selections, if qualified. In the event available hours are being filled from outside the bargaining unit, the Company shall honor reasonable requests for training from employees within the bargaining unit who wish to claim such hours.

Nothing in this section shall be construed to require management to assign hours at overtime or to employees who have not made a request to work additional hours.

Bargaining Note: The intent of this provision is not to avoid assigning available hours to current department or bargaining unit employees or to avoid hiring for long term needs. Rather, the intent is to fill unexpected business needs.

The parties agree to meet at least every six (6) months to discuss issues which may arise from the implementation of this proposal.

Section 84. It is understood and agreed the Employer retains the right to require hours of work even though an employee has not requested additional hours.

Section 85. The Employer will send the Union a copy of the "full-time request" list, no later than March 1 and September 1 of each calendar year.

Section 86. Full-Time Request List. For retail stores, there shall be established a "full-time request" list. This shall be made up of the names of employees in the retail stores in the bargaining unit who have made written request during the first fifteen (15) days in January (to be effective from the first (1st) workweek in February until

the first (1st) workweek in August or on the first (1st) fifteen (15) days in July (to be effective from the first (1st) workweek in August until the first (1st) workweek in February) of each year in which they state their wish to receive a full-time assignment, regardless of the hours or shift. Such written request shall be submitted to the designated Employer representative. This request shall remain in effect until the following request period or until assigned full-time.

Section 87. When an employee who has been assigned full-time status schedule for the immediately preceding twelve (12) or more weeks is terminated because of quit or discharge, or is transferred by the Employer, or when a new position of full-time is created within an existing store, the job vacancy created by such quit, discharge, transfer or new job creation shall be filled by assignment of the most senior qualified employee in the same classification as the job vacancy who has signed the then-current "full-time request" list, when it is deemed necessary to fill the vacancy. When the new assignment is within ten (10) miles of the store in which the employee is working, the employee so assigned shall be required to fill the new assignment regardless of hours, shift or store location within the bargaining unit. In the event the new assignment is to a store more than ten (10) miles from the store in which the employee is working, the employee may refuse the new assignment, but must so advise the Employer at the time the assignment is offered. It is understood, however, each employee who has made written request for a full-time assignment retains the right to revoke such request by written notice submitted to the designated Employer representative at any time prior to the time he is offered such full-time assignment. If an employee revokes such request, that employee cannot renew his request until the next regular request period.

Section 88. This Section is intended to maximize the number of hours a senior employee can work, up to and including forty (40) hours per week, but shall not be construed to be a guaranteed workweek.

ARTICLE 29 ROTATION OF SHIFTS

Section 89. Each week, the Employer will alternate the schedules within a classification within each store after 6:00 p.m., so that such work may be evenly divided as far as it may be practical. The above shall not apply to employees who, of their own volition, want to work the hours after 6:00 p.m.

ARTICLE 30 UNSCHEDULED OVERTIME

Section 90. Unscheduled Overtime Hours. Daily overtime not previously scheduled shall be offered in seniority order within the department, 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 department within the classification within the store present when the need for overtime arises.

Section 91. Overtime assignments of four (4) hours or more may be filled by calling in employees, in seniority order, within the classification and the department on their non-scheduled day without violating this Section.

ARTICLE 31 REDUCTION IN HOURS

Section 92. Reduction in Hours. When a reduction in hours is necessary within the store, as opposed to a layoff in the workforce, hours will be reduced from employees in the affected classification who have not requested additional hours in writing as set forth elsewhere in this Agreement, before any reduction shall occur in the employee group which has requested additional hours.

Section 93. Reduction of Hours. Full-time Employees: Management shall not write a schedule of shifts that would result in a full-time employee being unable to work 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 and department is twenty-four (24) hours or less for the involved workweek. A full-time employee who is not scheduled a forty (40) hours schedule, shall in their second consecutive week of such reduced hours, be allowed to exercise his/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. It is understood that the employee may exercise his/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 their store.

Section 94. The parties agree that no employee assigned as full-time on or before August 3, 1996, shall have his hours reduced to less than forty (40) hours as a result of this provision, unless all part-time employees from the classification have had their scheduled hours reduced to twenty-four (24) hours or less before any other full-time employee protected under this paragraph is reduced.

Section 95. Full-time Employees - Competitive Openings: During the first sixty (60) days following a competitive opening, management 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 only apply to those classifications impacted by a competitive opening.

ARTICLE 32 LAYOFFS

Section 96. Layoff Procedure. Journeymen and Apprentice Meat Cutters shall be considered one classification for the purpose of layoff.

Section 97. Seniority. Delicatessen Clerks and Department Managers will be considered as a separate group for the purpose of applying the Seniority provisions.

Seafood Clerks will be considered as a separate group for the purpose of applying the seniority provisions.

Section 98. When a reduction in the work force is necessary, as opposed to a reduction in hours, the following procedure shall be used. Employees recalled from layoff may refuse recall if the store being offered is more than ten (10) miles from their previous store (i.e., the employee will maintain recall rights). The Company shall provide employees with a form, at time of layoff, to indicate their desires in this regard. It is understood that employees may change this election during layoff. However, the changes and/or refusals shall be limited to two (2) per layoff.

1. A regular full-time employee being laid off may displace the shortest service regular full-time employee within his classification within the bargaining unit. The regular full-time employee so displaced may displace the shortest service part-time employee in the same classification in the bargaining unit. In the event there is no less senior employee performing work in the same classification, this displaced employee may displace the least senior employee in a lower classification in which he previously performed six (6) months of service in the classification for the Employer.
2. A part-time employee being laid off may displace the shortest service part-time employee within his classification within the bargaining unit.
3. Any employee with displacement rights under the procedures above shall be allowed to take a layoff in lieu of displacing any employee.
4. It is understood that, in any event, only a more senior employee can displace another employee under the procedure.

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. 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.

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 his desire to be recalled to a lower classification which was not available at the time of his layoff, and such 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.

Laid off employees shall be recalled as needed, in the order of seniority, to jobs in the classification from which they were laid off. The Employer shall not hire a new employee into a classification in which they are laid off employees at that time. The Employer shall offer recall to a job in the classification from which an employee was laid off prior to promoting another employee into that classification.

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.

ARTICLE 33 TRANSFER FROM STORE TO STORE

Section 99. Transfers from Store to Store. Transfers from store to store shall not be made or denied for capricious, arbitrary or discriminatory reasons. Full-time employees desiring a transfer to another store within the bargaining unit, in order to be nearer their residence, may indicate their desire for transfer in writing to the person

designated by the Employer. Such transfer requests will be considered at the time an opening occurs within their classification and status.

ARTICLE 34 NEW STORE LANGUAGE

Section 100. 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 requirements of the store. It is understood that the Employer may move employees from its own competitive stores which may be impacted by the new store opening before consideration of other employee desires.
3. In the event the Employer opens new stores within the geographical area of this Agreement, 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 Agreement, if available.

ARTICLE 35 LEAVES OF ABSENCE

Section 101. *Sickness, Injury or Pregnancy.* Leaves of absence shall be granted for up to eighteen (18) months without pay when an employee with three (3) months of continuous service is unable to work because of bona fide sickness, accident, disability, or pregnancy. However, in the event such an employee is unable to return to work at the end of eighteen (18) months of his leave period, he shall be entitled to an additional leave of six (6) months if he submits satisfactory medical evidence that he will be able to return to duties within his classification within the said additional period.

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) days period may be extended by an additional thirty (30) days by mutual agreement between the Employer and 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. *Leave 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 their seniority. An employee who wishes to change his or 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 verification of the parent relationship to the newborn or to the adopted child.

Section 105. Leave 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's continuous service in the bargaining unit at the time of the request. The employee shall be guaranteed reinstatement in accordance with their seniority at the end of their leave. Any employee who wishes to change his or 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. 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 reasons for the employee's involvement.

Section 106. Union Leave of Absence. Subject to the legitimate needs of the business, 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, provided the request is made at least three (3) weeks in advance of the beginning of the leave and another employee in the same store is not already on a Union leave of absence or scheduled to be on a Union leave concurrent with any portion of the period of the requested leave. The six (6) months shall be extended by an additional six (6) months upon request by the Union. The Company shall not unreasonably deny such request.

In the event a specific request cannot be granted, the Union may contact the Company's Director of Labor Relations for discussion of possible alternatives.

Section 107. 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 108. Returning from Leave of Absence. The employee must be qualified to resume his regular duties upon return to work from an approved leave of absence. A doctor's certificate verifying that the employee is able to resume his normal duties may be required. The employee shall be returned to the job previously held, or to a job comparable with regard to rate of pay no later than on the first (1st) weekly schedule, made up after the department designated by the Employer has received notice in writing of the employee's availability provided the Employer received such notice no later than Wednesday immediately prior to the Friday scheduling.

ARTICLE 36 BEREAVEMENT LEAVE

Section 109. Upon request, an employee covered by this Agreement shall be granted the necessary time off with pay at his regular straight-time rate of pay in order to make arrangements for and/or attend a funeral occasioned by a death in his immediate family. Such time off with pay shall in no event exceed three (3) regularly scheduled working days. The immediate family is defined as the employee's father, mother, step-parents, grandparents, grandchildren, spouse, **common-law spouse, an individual in a civil union with that employee if recognized by State law**, children, step-child, brother, sister; and father, mother, brother and sister of the then existing spouse. Payments shall not be made hereunder where the relative's death occurs while the employee is on vacation or on a leave of absence.

Additional time, without pay, shall be granted as is needed by the employee up to seven (7) days for the above defined immediate family as well as for aunts, uncles, nieces, nephews, step-brother, step-sisters, **co-parents, fiancés/fiancées** and grandparent of the then existing spouse.

Bargaining Note: For unique circumstances, the Company and the Union will meet to discuss any additional needs for leave under this section.

Section 110. If an employee is notified of the death of his spouse, parent, child or grandchild while at work, he 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. The Employer may require satisfactory evidence confirming the relationship to the deceased person.

Section 111. 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 37 JURY DUTY

Section 112. Whenever any employee covered by this Agreement is required to serve on a petit jury during his regular working hours, the Employer agrees to pay such employee the difference between what he is paid for serving on the jury and what he would have received from the Employer in straight-time pay had said jury duty not prevented him from being at work. On any scheduled work day, the employee shall promptly report to complete any remaining hours of his scheduled work day; provided, no employee shall be required to so report for work on any day on which he 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 he 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 113. When the Employer requests an employee to appear in court, he shall be compensated at his regular straight-time hourly rate of pay for such time.

ARTICLE 38 SICK LEAVE

Section 114.

- A. All employees covered by this Agreement who normally work one hundred four (104) hours a month or more and who have been continuously employed by their Employer for a period of at least one (1) year, shall be entitled to six (6) days of sick leave with pay.
- B. 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 one-half (1/2) day per month of continuous employment in which they work ninety six (96) hours in a four week month and one hundred twenty (120) hours in a five week month, but not to exceed a maximum accumulation of six hundred (600) hours. (An otherwise eligible employee shall get no credit toward accumulation of sick leave for any continuous service prior to May 1, 1958, which was the date used for the beginning of accumulation under sick leave plan instituted by the Employer and the Union in a prior Labor Agreement which was signed December 19, 1958.)
- C. A doctor's certificate or other authoritative verification of illness may be required by the Employer. Upon request from the employee, said sick leave is to commence with the second (2nd) full day of absence due to sickness or injury (except in the case of occupational injury in which event sick leave shall commence on the first (1st) day following injury which the employee would have worked had the injury not occurred) and shall be paid at the rate of one (1) day of pay until such sick benefit allowance is used up. For all employees, sick leave shall commence on the 1st day if the employee is hospitalized or undergoes outpatient surgery. An employee who has accumulated **one hundred ninety-two (192)** hours of unused sick leave shall also be entitled to sick leave on the first day of absence due to sickness or injury. The waiting period provided herein shall apply for each illness or non-occupational injury.
- D. For the purpose of this Article one (1) day of pay shall mean eight (8) hours of pay at the employee's regular classification rate for those days which the employee would have worked had the disability not occurred, calculated at straight-time. No employee shall receive pay, under any combination of sick leave and Worker's Compensation or Weekly Indemnity which exceeds the lesser of his regular pay or eight (8) hours per day or forty (40) hours per week at his straight-time hourly rate of pay. The waiting period herein provided before sick pay commences, shall apply for each illness or injury in case the sick benefit allowance has not been used up in previous illnesses.
- E. Sick leave shall be paid to part-time employees on the basis set forth above on a pro rata of total hours worked during the year preceding the anniversary date as a ratio to two thousand eighty (2,080) hours, but can accumulate only for a maximum of six (6) years.
- F. Sick leave benefits are not convertible to cash.

Section 115. Employees hired on or after March 27, 2005. Employees hired on or after March 27, 2005 who have completed one (1) year of employment shall accumulate sick leave credit of up to (2) hours for each month that such employee works at least ninety-six (96) hours in a four week month or one hundred twenty (120) hours in a five-week month. Such credit shall be determined by dividing the actual hours worked for such month by (160) hours (in a four week month) or (200) hours in a five week month times (2). Unused sick leave shall not exceed a maximum accumulation of **two hundred forty (240) hours. Said sick leave is to commence:**

- **on the third (3rd) full workday's absence for sickness or non-occupational injury;**
- **on the second (2nd) workday's absence if the employee is hospitalized, undergoes outpatient surgery, or has accumulated in excess of ninety-six (96) hours but less than one hundred ninety-two hours, and;**

- on the first (1st) workday's absence if the employee is hospitalized, undergoes outpatient surgery, or has accumulated in excess of one hundred ninety-two (192) hours.

Section 116. For all employees, any employee ineligible for first or second 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 or second 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.

Section 117. 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 SAFETY

Section 118. 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 119. The Company agrees that, when required by its safety program or applicable law, it is obligated to provide the following safety items:

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

Section 120. The Company agrees that it shall provide safety training, as required by applicable law or by its safety programs 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.

- 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.

- No employee shall operate, be permitted to operate, or directed to operate a cardboard baler prior to completion of training in baler operation.
- No employee shall operate, be permitted to operate, or be directed to operate a trash compactor prior to completion of training in compactor operation.
- 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 121. 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 48 Section 136 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 122. 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.

Section 123. Master Safety Committee. The Employer and the Union will jointly set up a Master Safety Committee, made up of two (2) members from the Union and two (2) members from the Company, to discuss and work toward resolving safety issues in the workplace.

The Master Safety committee will meet periodically, and no less frequently than once per quarter, to review workplace safety matters. The parties will discuss and work toward resolving safety in the workplace.

In addition, the Company and the Union agree that they will continue to discuss and jointly address safety related issues and/or questions about the Company's safety program in good faith.

ARTICLE 40 INJURY ON JOB

Section 124. 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. In no case shall the Employer's obligation exceed eight (8) hours, and there shall be no payment for any overtime hours missed because of the injury.

ARTICLE 41 CHILD CARE DISCOUNT PROGRAMS

Section 125. Safeway Inc. agrees to participate with United Food and Commercial Workers, Local No. 7 on discount programs established with local child care facilities.

**ARTICLE 42
401K PLAN**

Section 126. The Company agrees to provide a 401K plan for employees covered by this Agreement when it is made available from the Company.

**ARTICLE 43
HEALTH AND WELFARE COVERAGE
(Medical, Surgical, Hospital, Dental,
Prescription, Vision and Life Insurance)**

Section 127. 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 employer's 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 3/26/2005	\$ 807.14	\$863.64	\$924.09	\$988.78
	Plan A Hired After 3/27/2005	\$ 694.33	\$742.93	\$794.94	\$850.59
	Plan B Hired Before 3/26/2005	\$645.70	\$690.90	\$739.26	\$791.01
	Plan B Hired After 3/27/2005	\$555.47	\$594.35	\$635.95	\$680.47
	Plan C Hired After 3/27/2005	\$349.93	\$374.43	\$400.64	\$428.68

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

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 rates 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 changes desired.
- If enrolled and changes 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 changes desired.

Special Rules

- Newly eligible employees – must enroll within 90 days.
- Current special enrollment event rules that remain in effect
- Newly acquired dependent – must enroll within 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 30 days (Exception: If loss of coverage is under this Plan, individual has 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 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 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 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 27, 2005 who on March 26, 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 26, 2005. Employees who were eligible for and were participating in Plan B on March 26, 2005, shall participate in Plan B until such employee has been covered under such Plan B for 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 26, 2005, who are not eligible for coverage as of March 26, 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 and their eligible dependents hired on or after March 27, 2005 shall, beginning the first of the month following 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 (36) months of eligibility under Plan C, such employee and their eligible dependents may enroll in Plan B for the next (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 shall, on the first of the month following 3 months of employment, be eligible to enroll with their eligible dependents in Plan B, and after (36) months of eligibility under Plan B, shall be allowed to enroll with their eligible dependents in 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 (80) hours in a (4) week month or (100) hours in a (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 holiday, vacation, jury duty, funeral leave, and sick leave.

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:

1. 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.
2. 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.
3. Adopt the long term funding policy contained herein.
4. 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.
5. 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:

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 \$5 per month for each employee and spouse (max \$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.

Trust Plan Changes: The Trustees of the Plan shall be directed to make the following adjustments to the benefits of the Plan:

Effective January 1, 2016, increase the disability benefit cap to three hundred dollars (\$300.00).

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.

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 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-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 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 13, 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.

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 15 years of service and have attained age 50, or be totally disabled, at the time of his termination of employment.

ARTICLE 43 NON-DUPLICATION OF BENEFITS

Section 128. In the event that any law or government regulation requires any payment from the Employer for benefits which would replace, supplement or modify the Medical, Surgical and Hospital Service, Dental Plan, Pension Plan, Prescription Plan, Vision Plan or other benefit provided hereunder this Agreement, the amount of such payments shall be deducted from the contributions for such benefits required under the terms and conditions of this Agreement.

ARTICLE 44 PENSION

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

The Trustees shall be directed to modify the Plan's accrual rates effective January 1, 2016 to \$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. For Courtesy Clerks on the payroll as of the date of ratification, 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. The Courtesy Clerk accrual shall be equal to \$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.

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 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 restore reduced benefit accruals 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 base set forth above.

Section 129. 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).

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.**

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.

Delete the Pension Protection Act (PPA) section in the current Agreement. 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 \$1.25 per hour (based on preceding month hours). Effective December 1, 2015 (November hours), the base contribution rate shall be reduced to \$1.05 per hour. Such reduced contribution shall continue through the payment made in November 2018 (October hours). Effective December 1, 2018 (on November 2018 hours) the base contribution rate shall return to \$1.25.

Section 130. 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 Union 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 131. 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 132. 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 133. 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 134. 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
HEALTH AND WELFARE OR PENSION DELINQUENCIES

Section 135. If the Employer fails to make monthly health and welfare or pension contributions, as set forth herein, he shall be notified by Certified or Registered Mail of his delinquency, either by the Health and Welfare Administrator or the Pension Plan Administrator, and if said remittance is not paid within ten (10) days, notwithstanding any provision of this Agreement, the Union, without the necessity of giving any other or further notice shall have the right to strike or to take such action as it shall deem necessary until such delinquent payments are made. The Employer hereby waives the requirement of any other notice or notices being given by the Health and Welfare Administrator or the Pension Plan Administrator or by the Union to him or to anyone else other than such notice or notices expressly provided for in this Article.

ARTICLE 47
DISCHARGE AND NO DISCRIMINATION

Section 136. No employee shall be discharged without just and sufficient cause.

Section 137. The Employer hereby agrees not to discriminate against any employee or discharge him because of membership in the Union and/or for upholding Union principles.

Section 138. No employee shall 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.

Section 139. The Employer and the Union agree that each will fully comply with applicable laws and regulations prohibiting discrimination against any employee, or applicant for employment, because of such person's race, religion, color, national origin, sex, physical disability, mental disability or age.

Discrimination on the basis of physical or mental disability shall be deemed to include the failure to make or agree to reasonable accommodation to the known physical or mental impairments of an otherwise qualified individual with a disability.

Section 140. No employee who because of his religion has conscientious objections to working on his Sabbath will be required to work his 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.

Section 141. Wherever the masculine gender is used in this Agreement, it shall be deemed to include the feminine gender.

Section 142. It is recognized that the Employer may sponsor donations to worthy charitable organizations of a non-political nature. However, no employee shall be required to make contributions, nor shall any employee be told a specific amount he must contribute. There shall be no compulsion with regard to contribution.

Bargaining Note: If issues arise involving alleged unlawful harassment or discrimination by members of management, the Union President or her designee may bring the issues(s) directly to the Company's Director of Labor Relations, and the parties will meet to discuss the issues and attempt to resolve them.

ARTICLE 48 UNION REPRESENTATION VISITATION

Section 143. The Chief Executive Officer of the Union, the Deputy Secretary, 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 representatives shall make their presence known to the supervisory person in charge upon entering the premises. The Employer shall, upon the request of an authorized Union representative, furnish satisfactory evidence to ascertain whether employees are being paid in accordance with the terms of this Agreement. The Chief Executive Officer, or his Deputy, may inspect the dues books of employees during working hours.

ARTICLE 49 UNION STEWARD

Section 144. The Union shall have the right to designate one (1) Steward per store who shall perform their Steward duties in such a way as not to interfere with the service of the Employer. Such Stewards shall have top seniority for the purpose of layoff within their classification in that store. The designated representative of the Employer must be advised in writing by the Union of the name of the Steward in the store before the employee will be recognized as a Steward.

The Company agrees to adjust the Union Stewards' work schedule to allow them to attend an annual Union Stewards' conference.

Section 145. Where store operations are not adversely affected, the appointed Stewards will not be scheduled to work later than 6:00 p.m. on the night (not more than one (1) per month) of the regular Local Union Meeting, provided the Store Manager or Assistant Store Manager are notified by the Stewards by noon on the Wednesday of the week preceding the Union meeting.

Section 146. The Employer shall schedule Union Stewards off with straight-time hourly pay (maximum eight (8) hours) one (1) day per year for the purpose of attending a joint Union/Company seminar and one (1) day without pay.

Section 147. 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 union representation.

ARTICLE 50 DISPUTE PROCEDURE

Section 148. 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 149. Step 1. By conference during scheduled working hours between the Steward and/or the Union's Business Representative and/or the aggrieved employees and designated Employer representative.

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

Section 150. 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 the event the Employer designee assigned to handle grievances does not have an office in the area where the grievance arises, this meeting may be discussed by phone; furthermore, the time limits on this meeting may be postponed by mutual agreement of the parties.

In an instance where an employee feels he 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.

Section 151. 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 152. 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 five (5) arbitrators from the Federal Mediation and Conciliation Service. From this panel of five (5) names, each party shall alternately strike two (2) 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 153. The arbitrator shall have all the rights, power, and duties herein given, granted and imposed upon him; but his award shall not change, alter or modify any of the terms and conditions set forth in this Agreement. The expense of the impartial arbitrator shall be paid by the losing party. In the event neither party wins the total arbitration, the expenses shall be shared equally by the parties.

Section 154. The arbitrator will issue his 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 155. 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 Five Hundred Dollars (\$500.00). Similarly, if the moving party fails to prevail in such an issue, the moving party will pay reasonable legal fees incurred up to Five Hundred Dollars (\$500.00) to the refusing party.

Section 156. Remedy for Errors. If an error is made by management 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 management anytime 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 157. During the life of this Agreement, there shall be no lockout, strike, picketing, boycotting or stoppage of work, anti-company publicity or other economic action of whatsoever nature against the Company.

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 OR PLANT CLOSING

Section 158. Dislocation and Training Pay. In the event the Employer closes or sells a store and the employee chooses to self terminate, said employee shall be entitled to dislocation and training pay. This money is provided to help defer any expenses incurred by the employee as it relates to moving expenses and/or training for a new occupation.

The employee must notify the Employer, in writing, within seven (7) days after receiving such notification of the store closing or of the store being sold.

The Employer shall pay said dislocation and training pay to the employees prior to the effective date of the store closing.

The amount of the dislocation and training pay shall be computed as set forth in Article 52, Section 159 and 160. However, the Employer will only be required to make two (2) months Health and Welfare contributions following termination and the Employer will not be required to make any Pension contributions.

Any employee who requests said dislocation and training pay shall not be entitled to any other provisions as set forth in Article 52.

Any employee who chooses not to exercise the rights for the dislocation and training pay shall be entitled to severance pay as set forth in this Agreement.

Section 159. In the event the Employer closes or sells a store or plant and employees are terminated as a result thereof, such employees are entitled to pay equal to one (1) week's pay for each year of continuous service commencing with the third (3rd) year of continuous service 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 percent (25%) of a week's pay.
- 3-6 months equals fifty percent (50%) of a week's pay.
- 6-9 months equals seventy-five percent (75%) 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 layoff or termination.

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 secure employment with a contributing Employer in the Pension and Health and Welfare Trust Funds.

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

An employee who is terminated and who is eligible for severance pay, and accepts severance pay, forfeits his 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) day period, if he has not been recalled, he will be paid severance pay and forfeit his 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.

If an employee is offered a transfer or other employment with the Employer within forty (40) miles of the store or plant in which he was last working and he refuses to accept the transfer or other employment with the Employer he forfeits his rights to severance pay and Pension and Health and Welfare contributions.

If a store or plant 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.

The Employer agrees to give to the employees and the Union two (2) weeks' notice in advance of a store or plant closing or sale. When such notice is given, an employee shall remain with the Employer until the plant or store closes, or forfeit his rights under this Article, unless mutually agreed to by the employee, Employer and Union.

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

In the event of a store or plant closing, employees shall be allowed to exercise their seniority under their respective layoff procedures.

Section 160. The Company will not challenge any unemployment claim of employees, provided there is no dispute that the 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 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 Safeway/Albertsons 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.

ARTICLE 53 BULLETIN BOARD

Section 161. The Employer agrees to furnish a bulletin board for the use of the Union within each store. Material placed upon the bulletin board shall be restricted to the following types of notices:

- a. Notices of Union recreational and social affairs.
- b. Notices of Union elections, Union appointments, and the results of Union elections.
- c. Notice of Union meetings.

The bulletin board is not to be used by the Union or its members for disseminating propaganda of any kind whatsoever, and among other things, it shall not be used for the posting of material of a political or controversial nature or for advertising purposes. Any document placed on the bulletin board must be signed by an officer or official representative of the Union.

ARTICLE 54 UNION STORE CARDS

Section 162. The Union Shop Card is the property of the United Food and Commercial Workers, International Union, AFL-CIO, and is loaned to the Employers for display who sign and abide by this Agreement. The Shop Card may be removed from any market by the Chief Executive Officer of Local No. 7 or his deputy for any violation of this Agreement.

ARTICLE 55 UNIFORMS/EQUIPMENT

Section 163. The Employer agrees to furnish all linens or uniforms required by the Employer for use in the markets and delicatessen and to launder same, except for drip dry garments. It is further provided that all hand saw frames and hand saw blades shall be furnished by the Employer. The Employer will also furnish an oil stone in each market for the use of employees in sharpening all hand tools.

Notwithstanding the above, the employee shall be required to meet the dress requirements, at the employee's expense unless otherwise specified, as detailed in the Letter of Understanding, "Dress Requirements," attached to this Agreement.

ARTICLE 56 SAVING CLAUSE

Section 164. 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 law, regulation or rule. The

remainder of this Agreement not in conflict with any of said laws, rules or regulations shall continue in full force and effect.

In the event any such terms, provisions or conditions becoming 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 a thirty (30) day written notice to the other party.

Section 165. It is specifically understood that the no-strike and no-lock out provision set forth elsewhere in this Agreement shall remain in effect throughout the term of this Agreement.

**ARTICLE 57
TERM OF AGREEMENT**

Section 166. 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 agreements 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 that they negotiated or signed this Agreement.

Section 162. This Agreement shall be in full force and effect beginning at 12:01 a.m. on **February 24, 2019** and shall remain in full force and effect until midnight on **February 19, 2022** and shall be automatically renewed from year to year thereafter, unless either party desires change or termination at the expiration of said Agreement. In such event, the party desiring such change or termination shall notify the other party in writing 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 19th day of August, **2020**.

UNITED FOOD AND COMMERCIAL WORKERS,
LOCAL 7, DENVER, COLORADO

Chartered by

UNITED FOOD AND COMMERCIAL WORKERS,
INTERNATIONAL UNION, AFL-CIO

By _____

SAFEWAY INC.

By _____

ADDITIONAL PROVISIONS

The contract changes shall become effective the first Sunday following ratification unless otherwise noted.

Employees receiving more than the agreed upon rates shall continue to receive the higher rate of pay and shall receive raises in accordance therewith.

SCHEDULE OF BENEFITS – EFFECTIVE JANUARY 1, 2016

	PLAN A ENROLLED & PARTICIPATING	PLAN B ENROLLED & PARTICIPATING	PLAN C ENROLLED & PARTICIPATING
DEDUCTIBLE	\$500 PER PERSON, MAX 3 PER FAMILY	\$600 PER PERSON, MAX 3 PER FAMILY	\$700 PER PERSON, MAX 3 PER FAMILY
OFFICE VISIT PPO-CO-PAY (PRIMARY CARE) COVERAGE PAYS	IN-NETWORK: PLAN PAYS 100% AFTER \$25 PER VISIT COPAY; NO DEDUCTIBLE. FOR PROCEDURES RECEIVED DURING THE OFFICE VISIT, PLAN PAYS 80% AFTER DEDUCTIBLE IS MET.	IN-NETWORK: PLAN PAYS 100% AFTER \$30 PER VISIT COPAY; NO DEDUCTIBLE. FOR PROCEDURES RECEIVED DURING THE OFFICE VISIT, PLAN PAYS 75% AFTER DEDUCTIBLE IS MET.	IN-NETWORK: PLAN PAYS 100% AFTER \$40 PER VISIT COPAY; NO DEDUCTIBLE. FOR PROCEDURES RECEIVED DURING THE OFFICE VISIT, PLAN PAYS 65% AFTER DEDUCTIBLE IS MET.
NON PPO CO-PAY (PRIMARY CARE) COVERAGE PAYS	NON-NETWORK: PLAN PAYS 65% AFTER DEDUCTIBLE IS MET.	NON-NETWORK: PLAN PAYS 55% AFTER DEDUCTIBLE IS MET.	NON-NETWORK: PLAN PAYS 50% AFTER DEDUCTIBLE IS MET.
CO-INSURANCE PPO - NETWORK OUT OF POCKET MAX	80% \$2,500 PER PERSON; UP TO \$4000 PER FAMILY	75% \$3,000 PER PERSON; UP TO \$5000 PER FAMILY	65% \$4,000 PER PERSON; UP TO \$7000 PER FAMILY
NON-PPO NON-NETWORK OUT OF POCKET MAX	65% \$7,500 PER PERSON & NO FAMILY MAXIMUM	55% \$9,000 PER PERSON & NO FAMILY MAXIMUM	50% \$12,000 PER PERSON & NO FAMILY MAXIMUM
MAJOR MEDICAL CALENDAR YEAR MAX	NO MAXIMUM	NO MAXIMUM	NO MAXIMUM
VISION	\$240SGL/\$260BI/\$290TRI/ \$240 FOR CONTACTS EVERY 2 YRS	\$240SGL/\$260BI/\$290TRI/ \$240 FOR CONTACTS EVERY 2 YRS	\$240SGL/\$260BI/\$290TRI/ \$240 FOR CONTACTS EVERY 2 YRS
DENTAL	ANNUAL MAX \$1,500	PREVENTATIVE ONLY	PREVENTATIVE ONLY
RX CO-PAYS RETAIL	\$5 GENERIC 20% UP TO \$50 PER RX FOR PREFERRED BRAND 30% UP TO \$75 PER RX FOR NON-PREFERRED BRAND 20% UP TO \$100 PER RX FOR SPECIALTY	\$5 GENERIC 20% UP TO \$50 PER RX FOR PREFERRED BRAND 30% UP TO \$75 PER RX FOR NON-PREFERRED BRAND 20% UP TO \$100 PER RX FOR SPECIALTY	\$5 GENERIC 20% UP TO \$50 PER RX FOR PREFERRED BRAND 30% UP TO \$75 PER RX FOR NON-PREFERRED BRAND 20% UP TO \$100 PER RX FOR SPECIALTY
NOTE: SEE PLAN DOCUMENT FOR COPAYMENTS ON MAINTENANCE MEDICATIONS (90 DAY SUPPLY)			
LIFE INSURANCE	\$10,000	\$10,000	\$10,000
COORDINATION OF BENEFITS	CARVE OUT TO PLAN MAX	CARVE OUT TO PLAN MAX	CARVE OUT TO PLAN MAX
ACCIDENTAL DEATH/PERSONAL ACCIDENT INSUR	\$10,000 EMPLOYEE ONLY	\$10,000 EMPLOYEE ONLY	\$10,000 EMPLOYEE ONLY
SPOUSAL FEE	\$100 PER MONTH	\$100 PER MONTH	\$100 PER MONTH
SHORT TERM DISABILITY (payable for up to 26 weeks)	70% OF AVE. WKLY WAGE, NOT TO EXCEED \$300	70% OF AVE. WKLY WAGE, NOT TO EXCEED \$300	70% OF AVE. WKLY WAGE, NOT TO EXCEED \$300

Cigna Plan Medical coverages are described on the chart above. Kaiser Permanente coverage may differ from what is listed here. Contact the Plan Administrator at 303-430-9334 or 1-800-527-1647 with any questions you may have.

APPENDIX "A"

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.

Demotions, Step Downs and layoffs:

An employee who is demoted, steps down, or who is laid off in accordance with this Agreement, shall be placed back into the same wage schedule in which the employee was working immediately prior to their assignment into management or promotion into the classification from which they are being demoted, stepping down or laid off. In determining the proper progression level for an employee demoted, stepping down, or laid off from a classification with a higher "thereafter" hourly rate to a classification with a lower "thereafter" hourly rate, such affected employee shall be placed in the appropriate progression level in the rate schedule referenced in this paragraph based on their experience in the newly assigned classification, regardless of whether such assigned rate results in a reduction in hourly rate. In determining prior experience hereunder, the Employer will give recognition to the verified number of hours of actual work experience in the same classification which said employee may have performed for the Employer and the verified number of hours of actual work experience on a comparable job which said employee may have performed within the previous ten (10) years for any other employer in a similar retail grocery operation. **In the case of an employee who has been in their current position for 2 years or more and is allowed to step down, in no event will the reduction, if any, be more than three (3) progression steps. Employees above the "thereafter" rate shall be reduced, if applicable, from the "thereafter" rate.**

Promotions, new hires and new entrants into the bargaining unit:

Employees who are promoted to a different classification shall not receive a reduction in their hourly rate of pay if when promoted to such classification they are being paid an hourly rate of pay greater than the minimum, unless they are above the "thereafter" hourly rate in which case they will immediately be paid the "thereafter" hourly rate. When such employee is paid less than the "thereafter" hourly rate, prior to receiving an increase in their hourly rate of pay, they must work 1,040 hours at their current rate, **or the hours they had left in their step prior to promotion, whichever is less**, before promotion to the hourly rate in the new classification that would give them an increase in their hourly rate of pay.

Safeway Gunnison Meat

	Current	2/24/2019	2/23/2020	2/21/2021
Head Meat Cutter	\$19.43	\$19.83	\$20.18	\$20.53
First Cutter	\$18.93	\$19.33	\$19.68	\$20.03
Deli Manager	\$17.14	\$17.54	\$17.89	\$18.24
Deli Manager after 05/20/77 & directing 5 or less deli ee's	\$16.20	\$16.60	\$16.95	\$17.30
Asst Deli Manager	\$15.45	\$15.85	\$16.20	\$16.55
Meat Cutters				
1st 1040 hours worked	\$11.30	\$11.75	\$12.25	\$12.35
Next 1040 hours worked	\$11.40	\$12.00	\$12.50	\$12.60
Next 1040 hours worked	\$11.50	\$12.25	\$12.75	\$12.85
Next 1040 hours worked	\$12.15	\$12.50	\$13.00	\$13.10
Next 1040 hours worked	\$12.96	\$13.00	\$13.50	\$13.60
Next 1040 hours worked	\$13.77	\$13.77	\$13.77	\$13.85
Next 1040 hours worked	\$14.58	\$14.58	\$14.58	\$14.58
Next 520 hours worked	\$15.39	\$15.39	\$15.39	\$15.39
Thereafter Rate	\$18.60	\$19.00	\$19.35	\$19.70
Meat Wrappers				
1st 1040 hours worked	\$11.30	\$11.75	\$12.25	\$12.35
Next 1040 hours worked	\$11.40	\$12.00	\$12.50	\$12.60
Next 1040 hours worked	\$11.50	\$12.25	\$12.75	\$12.85
Next 1040 hours worked	\$11.60	\$12.50	\$13.00	\$13.10
Next 1040 hours worked	\$11.70	\$12.75	\$13.25	\$13.35
Next 1040 hours worked	\$11.80	\$13.00	\$13.50	\$13.60
Next 1040 hours worked	\$11.90	\$13.25	\$13.75	\$13.85
Next 520 hours worked	\$12.00	\$13.50	\$14.00	\$14.10
Thereafter Rate	\$15.63	\$16.03	\$16.38	\$16.73
Deli Clerks				
1st 1040 hours worked	\$11.30	\$11.75	\$12.25	\$12.35
Next 1040 hours worked	\$11.40	\$12.00	\$12.50	\$12.60
Next 1040 hours worked	\$11.50	\$12.25	\$12.75	\$12.85
Next 1040 hours worked	\$11.60	\$12.50	\$13.00	\$13.10
Next 1040 hours worked	\$11.70	\$12.75	\$13.25	\$13.35
Next 1040 hours worked	\$12.42	\$13.00	\$13.50	\$13.60
Next 1040 hours worked	\$14.22	\$14.22	\$14.22	\$14.22
Next 520 hours worked	\$14.72	\$14.72	\$14.72	\$14.72
Thereafter Rate	\$15.49	\$15.89	\$16.24	\$16.59

Starbucks, China Express Clerks					
1st 1040 hours worked		\$11.30	\$11.75	\$12.25	\$12.35
Next 1040 hours worked		\$11.40	\$12.00	\$12.50	\$12.60
Next 1040 hours worked		\$11.50	\$12.25	\$12.75	\$12.85
Next 1040 hours worked		\$11.60	\$12.50	\$13.00	\$13.10
Next 1040 hours worked		\$11.70	\$12.75	\$13.25	\$13.35
Next 1040 hours worked		\$12.42	\$13.00	\$13.50	\$13.60
Next 1040 hours worked		\$14.22	\$14.22	\$14.22	\$14.22
Next 520 hours worked		\$14.72	\$14.72	\$14.72	\$14.72
Thereafter Rate		\$15.49	\$15.89	\$16.24	\$16.59

SAFEWAY INC. MEAT LETTERS OF UNDERSTANDING:

Safeway agrees to carry forward the specific Letters of Understanding as listed below. Any Letter not referenced below shall be deemed null and void.

1. B-1 Employees reinstated under terms of Alcoholic Rehabilitation Program Agreement reached as a result of an Agreement reached as a result of a meeting held on March 31, 1983, between Charles Mercer, UFCW 7 and Rex Berry, Safeway.
2. B-3 Procedure for Scheduling Employees with Conscientious Objections to Working on Their Day of Sabbath. Unsigned and Undated agreement between Safeway and UFCW Local 7.
3. B-6 Grievance Settlements at Store Level. Provides for non-precedent grievance settlements between Store Managers and Union Stewards dated February 3, 1987 and signed by Bruce Trull, Safeway Inc., and Charles Mercer, UFCW Local 7.
4. B-11 Seniority. Provides that all employees that have transferred into the meat bargaining unit from the retail clerks bargaining unit shall have their seniority date of hire retroactive to the first date of hire with the Company effective May 9, 1983. Signed by Alfonso Pacheco, UFCW Local 7 on 8/2/93 and Bruce Trull, Safeway, on 9/3/93.
5. Meat Cutters Bargaining Unit--Colorado Springs. Establishes meat cutter floater pool for the Colorado Springs meatcutters signed by Dwayne Adkins, UFCW Local 7 and Bruce Trull and Gordon Todd, Safeway, dated 5/12/88.
6. Transfers and Seniority. Agreement added to all Colorado Meat bargaining units between Safeway and Meat Cutters Union Local 634 (now UFCW Local 7). Provides for continuous employment seniority after 30 days when an employee transfers between Colorado meat bargaining units. Effective January 10, 1978. Signed May 1, 1980. Resigned as a letter of agreement by Bruce Trull, Safeway and Al Pacheco, UFCW Local 7 on 7/27/94.
7. Layoff Procedures, Colorado Springs retail clerks and meat bargaining units. Clarifies layoff procedures in Section 75 of the retail clerks contract and Section 97 of the retail meat contract for the Colorado Springs bargaining units. Signed by Bruce Trull, Safeway on 12/18/94 and Michael Belo, UFCW Local 7 on 11/23/94.
8. B-10 Additional Hours Request Test for Northern Colorado (Brighton, Longmont, Loveland, Ft. Collins, Greeley and Estes Park). Establishes an additional hours request list by classification for the meat bargaining units in the above referenced bargaining units. Signed by Bruce Trull for Safeway and Dwayne Adkins, UFCW Local 7, dated 3/28/91.
9. Floater Pool Letter of Understanding for Denver Metro dated April 25, 1989 signed by Gary L. Pickel for Safeway and Dwayne L. Adkins for UFCW Local No. 7. Deleted in the Last, Best and Final Offer to UFCW Local 7 dated June 24, 1996, except for the last paragraph.
10. Vail, Colorado Addendum Agreement dated February 28, 1991 executed by Bruce Trull for Safeway and Dwayne Adkins for UFCW Local No. 7.

11. Dress Requirements letter pursuant to Article 54 of this Agreement. Clarifications made to language in the Strike-Lockout Settlement Offer to UFCW Local 7 dated June 24, 1996.
12. Seasonal Scheduling Needs, Estes Park meat cutters bargaining unit. Identifies procedures for staffing meat cutters from May 1 to September 15 of each year. Letter of Understanding signed by Gary Pickel, Safeway Inc., 4/9/99 and John Mathewson, UFCW Local No. 7, 4/23/99.
13. Starbucks Coffee Specialist – Establishes the classification of Starbucks Coffee Specialist to be a part of each current Safeway Inc. and UFCW No. Local 7 retail meat cutter collective bargaining agreement in the State of Colorado. Letter of Agreement dated May 3, 2000 signed by Gary L. Pickel for Safeway and Al Pacheco for UFCW Local No. 7.
14. China Express Cook – Establishes the classification of China Express Cook to be a part of each current Safeway Inc. and UFCW Local No. 7 retail meat cutter collective bargaining agreement in the State of Colorado. Letter of Agreement dated May 3, 2000 signed by Gary L. Pickel for Safeway and Al Pacheco for UFCW Local No. 7.
15. Employee Buyout dated May 19, 2005. Signed by Gary L. Pickel for Safeway Inc. and John Mathewson for UFCW Local No. 7.
16. Jamba Juice – Establishes the Jamba Juice Classification. Letter of Agreement dated September 26, 2007 signed by Gary Pickel for Safeway and John Mathewson for UFCW Local No. 7
17. Establishes the classifications of Sushi Chef, Lead Sushi Clerk and Sushi Clerks in stores containing Sushi Bars as written in the Last, Best and Final Offer to UFCW 7 pursuant to the 2009 negotiations.
18. Establishment of Arbitration Scheduling Procedures. As written in the Last, Best and Final Offer to UFCW Local 7 pursuant to the 2009 negotiations.
19. Health and Welfare Contributions Recitals. Signed by Bryan Smith for Safeway Inc. and Kim Cordova for UFCW Local No. 7.
20. Minimum Wage. Signed by **Frank Jorgensen** for Safeway Inc. and Kim Cordova for UFCW Local No. 7.
21. Sushi dated October 29, 2015. Signed by Frank Jorgensen for Safeway Inc. and Kim Cordova for UFCW Local No. 7.
22. **Apprenticeship Programs. Signed by Frank Jorgensen for Safeway and Kim Cordova for UFCW Local No. 7.**
23. **Joint Labor Management Committee. Signed by Frank Jorgensen for Safeway and Kim Cordova for UFCW Local No. 7.**

SAFeway INC. MEAT LETTERS OF UNDERSTANDING

Safeway agrees to carry forward the specific Letters of Understanding as listed below. Any Letter not referenced below shall be deemed null and void.

1. B-1 Employees reinstated under terms of Alcoholic Rehabilitation Program Agreement reached as a result of an Agreement reached as a result of a meeting held on March 31, 1983, between Charles Mercer, UFCW 7 and Rex Berry, Safeway.

As a result of a meeting held on March 31, 1983 between Charles Mercer and Rex Berry, the following terms and conditions have been agreed upon regarding future letters of agreement concerning employees re-instated under the terms of our Alcoholic Rehabilitation Program.

1. The employee must enroll in an Alcoholic Rehabilitation Program recognized by the State and/or Federal Government.
2. The employee must sign a release which permits Safeway Stores, Inc. and Retail Clerks Union, Local 7 access to any and all information related to his/her treatment required by, or undertaken in, the Alcoholic Rehabilitation Program. Safeway Stores, Inc. has the right in its discretion, to obtain status reports from the Alcoholic Rehabilitation Program Organization.
3. Any employee terminated from Safeway Stores, Inc. for any reason, who later claims to be an alcoholic, will not be entitled to any back pay should the employee be reinstated under this policy.
4. The Alcoholic Rehabilitation Program shall not in any way interfere with the written work schedule at the employee's place of employment.
5. Any employee enrolled in an Alcoholic Rehabilitation Program is still subject to progressive discipline for any infraction of Safeway Stores, Inc. rules, regulations, or policies, and remains subject to the applicable collective bargaining agreement.
6. Safeway Stores, Inc. shall not be liable for any expense associated with an employee's enrollment in an Alcoholic Rehabilitation Program.
7. Should an employee violate any provision of the Alcoholic Rehabilitation Program, the Company and the union will review the violation to determine if there are any highly unusual circumstances which might warrant continuation in the program. If there are no such circumstances, the employee shall be terminated immediately.
8. Upon enrolling in the Alcoholic Rehabilitation Program, the employee shall be reinstated, but the employee will not necessarily be assigned his/her place of employment from which he/she was terminated. Safeway Stores, Inc. reserves the right to reinstate an employee to a place of employment which best serves the operational interest of Safeway Stores, Inc.
9. Reinstatement shall be no later than two full weeks after the agreement is signed, or two full weeks after a "dry-out period", if required by the treating physician.

10. An employee terminated under the provisions of the Absentee Program who is later reinstated under the Alcoholic Rehabilitation Program will return to work under the provisions of the Absentee Program at the same level and status which prevailed at the time of termination.
11. Once an employee has successfully completed an Alcoholic Rehabilitation Program under this policy, the employee shall not be entitled to the benefits of this policy a second time.
2. B-3 Procedure for Scheduling Employees with Conscientious Objections to Working on Their Day of Sabbath. Unsigned and Undated agreement between Safeway and UFCW Local 7.

PROCEDURE FOR SCHEDULING EMPLOYEES WITH
CONSCIENTIOUS OBJECTIONS TO
WORKING ON THEIR DAY OF SABBATH

We have had a number of requests for the procedure in the handling of employees scheduled on a day which is their day of Sabbath. Safeway has entered into an agreement with UFCW which provides certain procedures for accommodating individuals who have such conscientious objections.

Problems can result in a grievance under the contract as well as a possible violation of the laws against discrimination on the basis of religion, so please follow these procedures carefully and call Safeway Inc. Human Resources if necessary.

This procedure, of course, applies only to any employee who advised you:

1. that they have conscientious objections to working a particular day of the week.
2. the nature of their conscientious objections, and
3. the particular day of the week which they are unable to work.

If you have any questions concerning whether the employee actually has bona fide conscientious objections, be certain to contact Employee Relations and review the matter. You also should complete the form attached to these instructions, ask the employee to sign it, and route it to Safeway Inc. Human Resources Department for future reference.

The procedure for scheduling is as follows:

1. Until noon on Saturday for the following week's schedule an employee may identify and request an exchange of shifts with any employee junior to him in the same job classification in the store which will result in the employee obtaining their Sabbath as a day off. You may deny this request if the exchange would require an employee to perform duties for which they are not trained, or for some other equally substantial business reason. Otherwise you must grant the request. Seniority shall prevail, and the junior employee cannot refuse to make the trade.
2. As an option, an employee may identify and request an exchange of shifts with a senior employee who is willing to make such an exchange. Again, you may deny this request if the exchange would require an employee to perform duties for which they are not trained, or for some other equally substantial business reason. Otherwise you must grant the request. Seniority shall prevail and the senior employee may refuse to make the trade.

3. B-6 Grievance Settlements at Store Level. Provides for non-precedent grievance settlements between Store Managers and Union Stewards dated February 3, 198_ and signed by Bruce Trull, Safeway Inc., and Charles Mercer, UFCW Local 7.

Safeway, Denver Division and UFCW Local 7 agree that Safeway's Store Managers and the Union Store Stewards shall be allowed to settle grievances at the store level with no precedent.

4. B-11 Seniority. Provides that all employees that have transferred into the meat bargaining unit from the retail clerks bargaining unit shall have their seniority date of hire retroactive to the first date of hire with the Company effective May 9, 1983. Signed by Alfonso Pacheco, UFCW Local 7 on 8/2/93 and Bruce Trull, Safeway, on 9/3/93.

The Union and the Company agree that all employees, that have transferred to the meat bargaining unit from the retail clerks bargaining unit for promotion or other purposes, shall have their seniority date of hire be retroactive to the first date of hire with the Company.

This shall take affect May 9, 1993.

5. Meat Cutters Bargaining Unit--Colorado Springs. Establishes meat cutter floater pool for the Colorado Springs meatcutters signed by Dwayne Adkins, UFCW Local 7 and Bruce Trull and Gordon Todd, Safeway, dated 5/12/88.

All meat cutters with the exception of (Market Managers) Head Cutters, and one most senior cutter assigned to each store, shall be placed into a single "floater pool" within the bargaining unit.

When the Employer determines the hours necessary in the bargaining unit for said "floater pool", the seniority of floaters shall be honored, first in the weekly scheduling of floaters to the fewest number of stores, and secondly in scheduling a floater the greatest number of hours up to (40) forty in a week.

6. Transfers and Seniority. Agreement added to all Colorado Meat bargaining units between Safeway and Meat Cutters Union Local 634 (now UFCW Local 7). Provides for continuous employment seniority after 30 days when an employee transfers between Colorado meat bargaining units. Effective January 10, 1978. Signed May 1, 1980. Resigned as a letter of agreement by Bruce Trull, Safeway and Al Pacheco, UFCW Local 7 on 7/27/94.

In the event an employee transfers from one area in the State of Colorado to a bargaining unit in the State of Colorado in the jurisdiction of Local 634 (now Local 7), then all continuous employment seniority with the Company shall be recognized by both the Union and the Company after thirty (30) days in the bargaining unit to which the employee transfers. In the event the transferred employee is laid off in the new location, then the transferred employee shall retain the right to return to the area from which the employee transferred during this thirty (30) day period in the new bargaining unit.

It is agreed that this provision shall become effective on January 10, 1978, and shall not be retroactive for employees who have previously transferred into a new bargaining unit.

7. Layoff Procedures, Colorado Springs retail clerks and meat bargaining units. Clarifies layoff procedures in Section 75 of the retail clerks contract and Section 97 of the retail meat contract for the Colorado Springs bargaining units. Signed by Bruce Trull, Safeway on 12/18/94 and Michael Belo, UFCW Local 7 on 11/23/94.

1. This agreement pertains to the implementation of layoff procedures in Section 97 of the retail meat contract and Section 75 of the retail clerks contract for the Colorado Springs bargaining units.

2. The purpose of this agreement is to ensure that to the greatest extent possible in circumstances when multiple layoffs are necessary, the Company will operate the layoff procedures in Section 97 (retail meat) and Section 75 (retail clerks) so that the least senior employees in the bargaining unit will be the employees who are laid off. Therefore, the Company will discontinue its current practice. Instead, the Company will complete the process of offering and having the employee choose the layoff options with the first affected employee before going to the second affected employee, then will complete the layoff options with the second affected employee before going to the next employee, and so forth.

3. Time limit for exercising options. When a reduction in the work force is necessary, the Company will notify the affected employee of his/her options in accordance with Section 97 of the retail meat contract of Section 75 of the retail clerks contract. If the affected person is notified of his/her layoff options before 11:00 a.m., the affected person must inform the Company's designated representative (the district secretary, store manager, or other person handling the matter for the Company) of his/her chosen option by no later than 4:00 p.m. on the same day. If the affected person is notified of his/her options after 11:00 a.m., the affected person must inform the Company's representative of the chosen option by 8:30 a.m. on the next day. These are outside time limits, and the affected person is free to inform the Company of which option he/she chooses sooner than these time limits.

4. Effect of not exercising option within time limits. If the affected person does not notify the Company of his/her chosen option within the time limits set forth above, the affected person will be deemed to have exercised the first option specified in Section 97 (retail meat) or Section 75 (retail clerks) that is available, assuming that the affected person qualifies for such option when the contract requires qualifications. For example, if a retail clerk employee does not notify the Company of his/her chosen option within the time limits, he/she will be deemed to have chosen the option in Section 75 of displacing a less senior employee within the same classification in the store or, if such option is unavailable, of displacing the least senior employee within the same classification in the bargaining unit.

5. The Company will implement this procedure as soon as possible. If either party wishes to discontinue this agreement, it may do so after it has given written notice of at least 30 days to the other party.

8. B-10 Additional Hours Request Test for Northern Colorado (Brighton, Longmont, Loveland, Ft. Collins, Greeley and Estes Park). Establishes an additional hours request list by classification for the meat bargaining units in the above referenced bargaining units. Signed by Bruce Trull for Safeway and Dwayne Adkins, UFCW Local 7, dated 3/28/91.

The Company agrees to establish an additional hour request list, by classification, for the meat bargaining units represented by Local 7 in Estes Park, Brighton, Longmont, Loveland, Fort Collins and Greeley.

Additional hours are those created by increased schedules, leaves of absence, vacations or sick calls during the affected work week.

When it is necessary to work additional hours, the additional hours shall first be offered by seniority to employees within the affected classification and store who are scheduled less than 40 hours. If these hours cannot be filled, the Company will offer the hours by seniority to employees within the

affected classification within the bargaining unit who are scheduled less than 40 hours. And, if it is still necessary to fill the additional hours of work needed, the Company will offer the hours by seniority to employees within the affected classification who are scheduled less than 40 hours in the above-described bargaining units.

Further, it is the employee's responsibility to notify the Company of his/her desire to work additional hours and said request shall remain in effect until revoked by the employee.

Either party shall have the right to terminate this agreement upon thirty (30) day's written notice.

9. Floater Pool Letter of Understanding for Denver Metro dated April 25, 1989 signed by Gary L. Pickel for Safeway and Dwayne L. Adkins for UFCW Local No. 7. Deleted in the Last, Best and Final Offer to UFCW Local 7 dated June 24, 1996, except for the last paragraph.

From the date of this agreement, until the expiration date of the current collective bargaining agreement, the Company shall be allowed no more than fifteen (15) first cutters in the Denver bargaining unit. The Company shall have the right to assign these employees to any store it may choose.

10. Vail, Colorado Addendum Agreement dated February 28, 1991 executed by Bruce Trull for Safeway and Dwayne Adkins for UFCW Local No. 7.
 1. Beginning in 1990, the Employer shall pay a bonus of ten percent (10%) of gross earnings to all employees employed as of Saturday following Easter Sunday.
 2. The bonus shall be paid on all hours paid up to forty (40) per week for the (ski season) period from the first full week prior to Thanksgiving through the Saturday following Easter Sunday.
 3. The bonus shall be paid the pay period following Easter Sunday.
 4. The Employer reserves the right to not allow any employees to take vacation during the ski season.
 5. It shall be the employer's option to have the store remain open on Thanksgiving and Christmas.
 6. This Agreement shall be in full force and effect throughout the term of the collective bargaining agreement between these parties.
11. Dress Requirements letter pursuant to Article 54 of this Agreement. Clarifications made to language in the Strike-Lockout Settlement Offer to UFCW Local 7 dated June 24, 1996.

Effective October 1, 1996, in addition to published grooming requirements, employees shall be expected to report to work as follows: White oxford (long or short sleeved) shirt. Sweatshirts are not permitted, but black or navy cardigan style sweaters are permitted, as are cardigan vests. Undershirts with printing, logos or designs that show through are not permitted. The Company provided name badge must be worn while on duty. Black dress type pants of dress wool, cotton, knit, or black non-faded denim material in good condition and repair, which shall be provided by the employee. "Dockers" type pants are acceptable. Sweats, stirrup pants, stretch pants, painter pants spandex, etc. are prohibited. Shoes must be black or white, clean and in good condition. Open toe or open heel shoes are not permitted. Laces must be black when black shoes are worn or white when white shoes are worn. Socks or nylon hose must

be worn with the shoes. The Company will provide one (1) necktie and two (2) aprons, which will be replaced by the Company if worn out or damaged as a consequence of normal wear and tear. Employees will be required to replace at their cost lost ties and aprons. Meat cutters and wrappers shall be provided smocks/coats in lieu of aprons or vests.

12. Seasonal Scheduling Needs, Estes Park meat cutters bargaining unit. Identifies procedures for staffing meat cutters from May 1 to September 15 of each year. Letter of Understanding signed by Gary Pickel, Safeway Inc., 4/9/99 and John Mathewson, UFCW Local No. 7, 4/23/99.

From May 1 to September 15 of each year, the Company and the Union agree that the store in Estes Park must be properly staffed, as determined by the Employer. Therefore, the following procedure shall apply:

1. Qualified courtesy clerks will be promoted.
 2. Previously employed temporary seasonal employees will be considered for employment.
 3. Job openings will be filled locally, whenever possible.
 4. Job openings will be posted in Safeway Colorado UFCW contract area stores as provided for in Article 27, Section 65.
 5. Project employees may be hired on or after May 1 and these project employees must be terminated by September 15. Project employees will be paid the contract benefits and wage rates, but will not accrue any seniority rights.
 6. Any current employee whose seniority date was adversely affected will have their seniority date adjusted to their date of hire.
 7. This agreement resolves Case No. 98-1544. The Union agrees to withdraw this grievance.
13. Starbucks Coffee Specialist – Establishes the classification of Starbucks Coffee Specialist to be a part of each current Safeway Inc. and UFCW No. Local 7 retail meat cutter collective bargaining agreement in the State of Colorado. Letter of Agreement dated May 3, 2000 signed by Gary L. Pickel for Safeway and Al Pacheco for UFCW Local No. 7.

THIS AGREEMENT is made and entered into by and between SAFEWAY, INC., Denver, Colorado, hereinafter referred to as the "EMPLOYER" and UNITED FOOD AND COMMERCIAL WORKERS, LOCAL 7, Denver, Colorado.

1. The parties agree to the establishment of a new classification of Starbucks Coffee Specialist that shall be part of each current Safeway, Inc. and UFCW Local #7 retail meat cutter collective bargaining agreement in the State of Colorado.
2. All duties associated with the preparation and serving of Starbucks beverages sold in the Starbucks Coffee Shop shall be performed exclusively by employees designated as Starbucks Coffee Specialists. Other merchandise, to include Starbucks Brand products and merchandise, and pastries sold in the Starbucks Coffee Shop will be handled by Starbucks Coffee Specialists.

3. Starbucks Coffee Specialists shall be subject to all the terms and conditions of the Meat Cutter Principal Agreement except that the Company may fill this position at its discretion and such employees in the Starbucks Coffee Specialist classification cannot be bumped or otherwise displaced by employees in any other classification.
 4. The rates of pay for a Starbucks Coffee Specialist shall be the same as the Deli Clerk classification in the respective Bargaining Unit where a Starbucks Coffee Shop is established.
 5. One Starbucks Lead Person per Store may be designated by the Employer at its discretion. The Lead Person will not be prohibited from performing any duties in the Starbucks Coffee Shop. The rate of pay will be \$12.72 per hour.
 6. It is understood and agreed that management retains the right to determine the number of hours and start times of each shift to be worked within the Starbucks Coffee Shop. Hours worked by employees in the Starbucks Coffee Specialist or Lead classifications cannot have their hours claimed by employees in other classifications.
 7. The Starbucks Department may have a cash register that may be operated by the Starbucks Lead Person or employees in the Starbucks Coffee Specialist classification. The Employer retains the right to assign Deli Clerks at its discretion to operate the cash register. Employees in the Starbucks Department will be not permitted to wear black jeans.
 8. In the event of a Department closure or layoff, employees shall be permitted to exercise his/her seniority to displace the least senior employee in the bargaining unit in the classification or shall be allowed to bump into the Deli Department if they have six (6) months of experience.
14. China Express Cook – Establishes the classification of China Express Cook to be a part of each current Safeway Inc. and UFCW Local No. 7 retail meat cutter collective bargaining agreement in the State of Colorado. Letter of Agreement dated May 3, 2000 signed by Gary L. Pickel for Safeway and Al Pacheco for UFCW Local No. 7.

THIS AGREEMENT is made and entered into by and between SAFEWAY, INC., Denver, Colorado, hereinafter referred to as the "EMPLOYER" and UNITED FOOD AND COMMERCIAL WORKERS, LOCAL 7, Denver, Colorado.

1. The parties agree to the establishment of a new classification of China Express Cook that shall be part of each current Safeway, Inc. and UFCW Local #7 retail meat cutter collective bargaining agreement in the State of Colorado.
2. All duties associated with the preparation and cooking of China Express meals shall be done exclusively by China Express Cooks.
3. China Express Cooks shall be subject to all the terms and conditions of the Meat Cutter Principal Agreement except that the Company may fill this position at its discretion and such employees in the China Express Cook classification cannot be bumped or otherwise displaced by employees in any other classification.
4. The rates of pay for a China Express Clerk shall be the same as the Deli Clerk classification in the respective Bargaining Unit where a China Express is established. One Lead Cook per

Store may be designated by the Employer at its discretion. The Lead Cook will not be prohibited from performing any duties in the China Express Department. The rate of pay for a Lead Cook will be \$12.72 per hour.

5. It is understood and agreed that management retains the right to determine the number of hours and start times of each shift to be worked within the China Express Department. Hours worked by employees in the China Express classifications cannot have their hours claimed by employees in other classifications.
 6. The Hot Display Case may be worked by China Express Cooks and Lead Cooks. The Employer retains the right to assign Deli Clerks at its discretion to work the Hot Display Case.
 7. The China Express Department may have a cash register that may be operated by China Express Cooks or Lead Cooks. The Employer retains the right to assign Deli Clerks at its discretion to operate the cash register.
 8. In the event of Department closure or layoff, employees shall be permitted to exercise his/her seniority to displace the least senior employee in the bargaining unit in the classification or shall be allowed to bump into the Deli Department if they have six (6) months experience.
15. Employee Buyout dated May 19, 2005. Signed by Gary L. Pickel for Safeway Inc. and John Mathewson for UFCW Local No. 7.

Employee Buyout

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

1. Employees with ten (10) or more years of service who elect this buyout by a date determined by the Employer and who work through their release date.
 - \$500 per year of service – Part-time employees
 - \$1,000 per year of service – Full-time employees
 2. Employer retains the right upon notification to the Union to:
 - establish offer dates and release dates
 - terminate or extend the program
 - require employees to sign a waiver and release
 - limit the maximum payout under this program to any employee to 20 years of service
 3. The employer may limit, by bargaining unit, the number of employees who can take this buyout at each store or facility. If more employees elect than permitted—go by seniority.
 4. Program not subject to Grievance and Arbitration Procedure
16. Establishes the Jamba Juice Classification, Letter of Agreement signed September 26, 2007 by Gary Pickel for Safeway and John Mathewson for UFCW Local 7.

THIS AGREEMENT is made and entered into by and between SAFEWAY INC., Denver, Colorado, hereinafter referred to as the “EMPLOYER” and UNITED FOOD AND COMMERCIAL WORKERS, LOCAL 7, Denver, Colorado.

1. The parties agree to the establishment of a new classification of Jamba Juice clerk that shall be part of the current Safeway Inc. and UFCW Local #7 Denver Retail Meat collective bargaining agreement.
 2. All duties associated with the preparation and service of Jamba Juice beverages and food items sold in the Jamba Juice department shall be performed by employees designated as Jamba Juice clerks. Other items to include Jamba Juice Brand products and merchandise, sold in the Department will be handled by the employees of this Department.
 3. Jamba Juice employees shall be subject to all the terms and conditions of the Meat Cutter Principal Agreement except that the Company may fill this position at its discretion and such employees in the Jamba Juice clerk classification cannot be bumped or otherwise displaced by employees in any other classification.
 4. The rates of pay for a Jamba Juice clerk shall be the same as the Deli Clerk classification and will be paid in accordance with the “employees hired into the bargaining unit or assigned or hired on or after March 27, 2005” wage and progression schedule.
 5. One Jamba Juice Lead Person per Store may be designated by the Employer at its discretion. The Lead Person will not be prohibited from performing any duties in the Department. Safeway reserves the right too fill this position at its discretion and it is also understood that this is not a required classification in any store. The rate of pay will be the same as the Assistant Deli Manager rate.
 6. It is understood and agreed that management retains the right to determine the number of hours and start times of each shift to be worked within the Jamba Juice Department. Hours worked by employees in the Jamba Juice clerk or Lead Person classification cannot have their hours claimed by employees in other Departments of classifications.
 7. The Jamba juice Department may have a cash register that may be operated by the employees in the Jamba Juice classification as well as the Lead Person. The Employer retains the right to assign other employees at its discretion to operate the cash register as long as it does not violate any other terms of the collective bargaining agreement.
17. Safeway Inc. and UFCW Local 7 agree that in the Employer’s stores containing Sushi Bars, they shall be staffed and paid as follows, effective the first Sunday following ratification of this offer:
- Sushi Chef (1 per store): \$16.94 per hour
 - Lead Sushi Clerk (1 per store): \$15.01 per hour
 - Sushi Clerk: Deli Clerk rate of pay and progression
18. Establishment of Arbitration Scheduling Procedures. As written in the Last, Best and Final Offer to UFCW Local 7 pursuant to the 2009 negotiations.

During the course of our negotiations for new collective bargaining agreements for Denver, Pueblo and Colorado Springs for the period from May 10, 2009 to September 14, 2013, United Food and Commercial Workers Local 7 (the Union) and Safeway Inc. (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 administration guidelines which we believe will help us achieve the type of 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 June 30, 2011.
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.
 - 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 a 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 "nonprecedential" and will not be cited by either party in any future proceeding. The provisions of this subsection (e) 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.

19. Health and Welfare Contributions:

RECITALS

A. Albertsons/Safeway (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.

20. 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.

ALBERTSONS/SAFEWAY

UFCW LOCAL 7

Name: Frank Jorgensen

Name: Kim C Cordova

Date: 10-15-20

Date: August 19, 2020

21. Sushi dated October 29, 2015. Signed by Frank Jorgensen for Safeway Inc. and Kim Cordova for UFCW Local No. 7.

1. The Union shall remain the sole collective bargaining representative for all existing sushi operations; however if the Company decides to lease the operation to a 3rd party sushi company, the Union will not challenge said decision. The Employer will meet with each affected Sushi Chef, Lead, and Clerk and offer them the opportunity to accept one of the following options:
 - a. Sushi Chef's, Sushi Leads and Sushi Clerks ("displaced employee") may exercise their seniority, upon layoff, to bump into the Seafood classification at the Head Clerk, Seafood Manager, and Seafood Clerk, respectively, rates of pay without regard to any prior experience in that classification.
 - b. Accept layoff and receive severance pay and benefits consistent with the terms of the Store Closing Provision of the Collective Bargaining Agreement, or
 - c. Elect to pursue placement into another position made available either within or outside the bargaining unit with the understanding that in the event the displaced employee does not, at

the timer of offer, wish to accept the alternative job offer, then such displaced employee, at the time, may elect to select one of the other options provided herein.

- d. The Company agrees to allow the 3rd party sushi company, should the 3rd party sushi company choose to do so, to recruit its affected employee for employment with the 3rd party sushi company and in the event such affected employee accepts employment with the 3rd party sushi company prior to accepting one of the preceding options, then such employee shall be eligible to receive severance pay and benefits consistent with the terms of the Store Closing provision of the Collective Bargaining Agreement.
 - e. In the event that a displaced employee opts to accept a layoff in lieu of any other option, the Company will not challenge the employee's unemployment eligibility.
2. In the event a displaced employee elects to take a position as provided in #1 above, the employee should be paid as follows:
 - a. If the employee received a wage rate in the sushi classification equivalent to a wage step in the prospective classification, keep the same wage rate, and advance to the next wage rate upon completion of the required hours;
 - b. If the employee received a wage rate in the sushi classification not equivalent to a wage step in the prospective classification, the employee will advance to the next wage rate that is higher than the sushi classification rate in the prospective classification and advance to the next wage rate upon completion of the required hours;
 - c. If the employee received a wage rate in the sushi classification higher than the thereafter rate of the prospective classification, the employee's wage rate shall be grandfathered at her/his current rate and receive the same wage increases going forward as the "thereafter" rate.
 3. In the event a displaced employee accepts another position within the meat bargaining unit, then the Company agrees to count the hours worked by such Sushi employee in their classification toward progression hour's credit in the new assignment.
 4. In the event a displaced employee elects to take a position as provided in #1 above and such position is covered under the Trust HW Plan and as a result of such assignment would be covered under a lower tiered HW Plan, the Company agrees to continue to make contribution payments to the Trust Fund for the Plan that such displaced employee was enrolled in on the effective date of this Agreement provided the employee continues to meet the monthly eligibility requirements for coverage.
 5. For the purposes of this agreement, it is understood that the Sushi bars which are established by the 3rd Parties will be making and selling items similar to those items which were made and sold at the Company's Sushi Bars in addition to other items related to the sale of sushi.
 6. Customers may pay for items at registers belonging to the Company.
 7. The parties understand and agree that the existence of this agreement shall not be used by either party as evidence to support either party's position with respect to any future operation that the Company may sublease to a 3rd party operator under the meat or clerk agreement.

8. Within thirty (30) days of the signing of this agreement, the Company will allow the union to inspect the lease agreement with the 3rd party operator to assure that the same exists provided that the union has executed a confidentiality agreement and with the understanding that any of the economic terms of the lease and arrangement for the production of sushi and related items will be redacted in the copy made available for inspection. No copies of the lease agreement will be provided to the Union nor will the lease agreement be permitted to be removed from the Employer's premises.

22. Apprenticeship Programs.

The parties agree to work together during the term of the new contract to establish appropriate Industry Apprenticeship programs, pursuant to applicable State and Federal training and apprentice guidelines. The Union and the Company agree to meet regularly, with a first meeting to be held not later than March 31, 2019, to accomplish these goals.

ALBERTSONS/SAFEWAY

UFCW LOCAL 7

Name: Frank Joseph

Name: Kim C. Adams

Date: 10-15-20

Date: August 19, 2020

23. Joint Labor Management Committee.

The Employer and the Union shall establish a Joint Labor-Management Committee to address, during the term of their CBAs commencing in 2019, the Union's proposal to revise Article 3 to provide for a mandatory union orientation, and a separate Committee concerning settlement of any pending grievances.

ALBERTSONS/SAFEWAY

UFCW LOCAL 7

Name: Frank Joseph

Name: Kim C. Adams

Date: 10-15-20

Date: August 19, 2020

Original Letters of Understanding on file at Safeway Inc. Labor Relations.

The Article and Section numbers referenced herein have been modified to correspond with the current Agreement.