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AGREEMENT

Between

SAFEWAY INC.

Idaho Springs, Colorado

and

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

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

TERM:

January 27, 2019 through and including January 22, 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 employees actively engaged in the handling and selling of merchandise, including part-time workers who work regularly one (1) day or more a week, employed by the Employer in the respective geographical area of Idaho Springs, Colorado, but excluding all store managers, **two** assistant managers per store, office and clerical employees, meat department employees, delicatessen department employees, demonstrators, watchmen, guards and professional employees and supervisors as defined in the National Labor Relations Act as amended.

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

ARTICLE 2 BARGAINING UNIT WORK JURISDICTION

Section 2. All work and services performed in the bargaining unit connected with the handling or selling of merchandise to the public shall be performed exclusively by bargaining unit members except as provided below. Meat and delicatessen department employees, registered pharmacists, production bakers and demonstrators may continue to perform duties performed before May 1, 1982. Store Managers, Assistant Managers, Field Merchandisers can perform all duties in the store. Nothing in this Agreement shall be construed to prevent the

Employer from placing cash registers in the Deli Department of the store and from assigning the employees of such department to operate the register.

AUTHORIZED WORK FOR VENDORS

Section 3. Vendor Work: Direct store vendors who deliver the product categories of beverages (including juice sold in produce/deli departments), cookies and crackers, bakery, pizza, ice cream, chips, specialty/gourmet/natural foods, greeting cards (and related products such as bows, wraps, candles, balloons, ribbons), newspapers, magazines, books and related products shall be allowed to perform all work in connection with the sale of their products directly delivered to the store. For purposes of this provision, the product categories as used herein shall be interpreted to include all products delivered by such 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.

The Employer agrees not to subcontract operations currently existing within the stores. Subcontracting is defined as a contractual relationship with another employer whereby employees of that employer perform the work of bargaining unit employees. A purchase order is not a subcontracting agreement.

Section 4. Work Jurisdiction. Except for sanitation and floor maintenance, the Employer agrees not to subcontract operations existing within the stores. The Employer agrees that no employee classified as a Sanitation Clerk or Sanitation Manager on May 11, 1996 shall be laid-off or reduced in hours as a result of the subcontracting of floor care or expansion of Courtesy Clerk duties. However, the Employer reserves the right to promote Sanitation Clerks and/or Managers to All Purpose Clerk vacancies in order to provide for the use of outside contractors for floor maintenance and sanitation work. It is understood that before a full-time Sanitation Clerk is advanced to a full-time All Purpose Clerk position, such employee must have more seniority than the most senior employee on the All Purpose Clerk full-time list for the vacancy. It is understood that Sanitation Clerks protected herein may be assigned hours in lower classifications, at their sanitation rate, for purpose of meeting the job security provisions of this section.

ARTICLE 3 UNION SECURITY AND CONDITIONS

Section 5. Union Membership. It shall be a condition of employment that all employees covered by this Agreement who are members of the Union on the effective date of this Agreement shall remain members, and those who are not members on the effective date of this Agreement shall, on the thirty-first (31st) day following the effective date of this Agreement, become and remain members in the Union. It shall also be a condition of employment that all employees covered by this Agreement and hired on or after its effective date shall, on the thirty-first (31st) day following the beginning of such employment, become and remain members in the Union.

The Employer agrees to deduct amounts designated by employees for the Active Ballot Club when the Employer has been furnished an individual written authorization for making such deductions on a form mutually agreed upon between the Employer and the Union. It is agreed that the ABC authorization is to be entirely

voluntary upon the part of each such 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.

Section 6. For the purpose of Section 5 above, the execution date of this Agreement shall be considered as its effective date.

Section 7. Delinquent Members. Whenever the Union requires the Employer to discharge any employee for failure to join or maintain his membership in the Union in accord with the terms of this Article, the Union agrees to furnish the Employer an itemized copy of the delinquent's account with the Union, together with a written request for discharge. 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 (or uniform reinstatement fee, where applicable) and/or delinquent union dues to an authorized agent of the Union.

ARTICLE 4 CHECK-OFF

Section 8. The Employer agrees to deduct the weekly Union dues (including initiation fees for new employees) and uniform assessments 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 this individual check-off authorization upon giving thirty (30) days' written notice to the Employer and the Union.

Section 9. The Employer agrees to remit all such deductions to the President of the Local Union within ten (10) days after the last pay period of each month. 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.

ARTICLE 5 NEW EMPLOYEES, TRANSFERRED EMPLOYEES, PROMOTED OR DEMOTED

Section 10. When an employee is hired transferred, promoted or demoted into a bargaining unit, written notice of said action shall be given to the Union within seven (7) days.

Section 11. Completion of Forms For Benefit Programs. 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.**

Section 12. Off Premise Training. Any employee who has completed his probation period and who is sent to an off premise training program shall not have his rate of pay reduced, and, if subsequently reclassified, shall receive the appropriate rate for the new classification. The rate of pay for attendance at the Employer's off premise training school shall be no less than the minimum hourly rate set forth in the labor Agreement.

ARTICLE 6 RIGHTS OF MANAGEMENT

Section 13. The Employer retains the right to manage the store or stores, to direct the working forces, and to make necessary reasonable rules and regulations for the conduct of business, providing that said rules and regulations are not in conflict with the terms of this Agreement in any way and to establish reasonable standards of dress (it is understood the Union reserves the right to arbitrate what is reasonable).

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

- a. **DEMONSTRATORS** The duties of demonstrators shall not include work normally done by employees covered by this Agreement.
- b. **ASSISTANT STORE MANAGER** An Assistant Store Manager is an employee who serves in the capacity of the Manager in the absence of the regular manager.
- c. **HEAD CLERK** A Head Clerk is an employee who has been assigned by the Employer to direct or supervise the work of others. The mere fact that two persons work together does not mean that one is a Head Clerk. The intent of the Head Clerk classification shall not be used to circumvent this Agreement. The File Maintenance **Coordinator** shall be filled by one Head Clerk and may be assisted by All-Purpose Clerks. This File Maintenance **Coordinator** shall include work performed in the Meat and Delicatessen Department. **The Inventory Control Coordinator (ICC / backdoor receiving) positions in all bargaining units shall be filled by head clerks.**
- d. **PRODUCE DEPARTMENT MANAGER** A Produce Department Manager is defined as the one employee in a store who manages the operation of the Produce Department under the supervision of the Store Manager.
- e. **BAKERY DEPARTMENT MANAGER** The Bakery Department Manager is the employee in each store who is directly responsible to the Employer for the operation of the Bakery Department. This shall not be construed as meaning that the Employer is required to designate a Bakery Department Manager for the Bakery Department in each store which has a Bakery Department, inasmuch as the Employer may not choose to assign the managerial responsibilities to any employee within the department, depending on the set up in the particular store, the size of the department, etc.
 - e1. **CAKE DECORATOR** A bakery cake decorator shall be allowed to help and wait on customers.
 - e2. Employees in any classification shall not be allowed to bump on layoff, claim hours or shift preference of the Head Bakery Sales Clerk unless said employee has at least 960 hours working, or credited

within a bakery department. If employees in other classifications have the 960 hours, they will be allowed to exercise their seniority.

- f. **NON-FOODS OR GENERAL MERCHANDISE CLERK** A Non-Foods or General Merchandise Clerk's duties shall not include operating a checkstand where food items are handled or stocking or price marking food or bakery merchandise, or removing money from pop machines, but shall include pricing, handling, displaying, selling and stocking those items generally considered as non-food, general merchandise or drug merchandise. Notwithstanding, in a fuel center, GM/Non-Food Clerks shall be permitted to perform all work in conjunction with the operation of the fuel center without restriction including, but not limited to, the stocking, handling and checking of food items. It is further agreed that seasonal employees working in the classifications listed above shall be excluded from the terms of this Agreement. Booth clerks may take money to the checkers.

Non-Food Clerks' duties shall also include operation of the Currency Booth and Customer Service Booth and PC. (However, it is agreed and understood that any All-Purpose Clerk who is performing Currency Booth and Customer Service Booth and PC duty shall be grandfathered.) As those persons leave those positions, through attrition, the hours made available may be filled by Non-Food Clerks.

f1. **FLORAL MANAGER (Non-FTD Stores)**

1. One employee per store who is currently working within and responsible for the floral department shall be designated and paid as the Floral Manager.
2. Persons holding these classifications shall be allowed to continue performing general merchandise clerk duties, provided they have the seniority to do so. However, they shall receive the appropriate general merchandise rate for said duties.
3. The employees who are presently performing work in these classifications on or before November 1, 1988 and are receiving pay for a higher classification shall continue to be paid the higher rate of pay.

- f2. **MANAGER TRAINEES** Manager Trainees are defined as employees identified and selected by management to be trained for store management responsibilities, and shall be permitted the necessary flexibility to adequately prepare for store management. Hours worked by management trainees shall not affect hours worked by permanent bargaining unit employees. Hours allocated to manager trainees shall not be included in hours chargeable to store operations as relates to allocated store hours.

- g. **COURTESY CLERK DUTIES.** The duties of Courtesy Clerk are limited to sorting, bagging, and packing of sold merchandise, carrying and loading of sold merchandise, floor maintenance anywhere in the store, cleaning of parking lot and other adjacent areas outside the store, cleaning all areas in the store, collecting and disposing of trash and rubbish, repair and maintenance work, collecting shopping carts, the hanging and removal of signs and decorations (it is understood that Courtesy Clerks may hang signs from the ceiling containing prices), washing windows, returning unsold merchandise to shelves or point of disposal (including salvage, reclamation, shop back and abandoned merchandise), removing merchandise from the shelf which is damaged or abandoned, removing merchandise from the shelf and replacing merchandise to the shelf in the case of equipment breakdown or housekeeping, performing price checks, handling of recycling, sorting, counting and stacking of empty containers and the placement of such containers in areas designated by the Employer and the issuing of customer refund slips related to such returns, all work connected with the selection of customer purchases from

the sales floor (including the storage and retrieval thereof), the delivery of merchandise (in such instance, the employee shall receive the delivery driver rate of pay), facing of shelves, checking of code dates, and the filling of supply items throughout the store.

Section 15. Work Between Classifications: It is understood that employees may perform incidental work in another classification without violating this Agreement. It is further agreed that where registers are placed within a department (including departments not covered under this Agreement and including employees of the customer service center) that the employees of such department shall be allowed to operate and handle sales of merchandise presented by customers at such register. Notwithstanding, any employee of a higher classification can be assigned work in a lower classification without restriction. Production Bakers and Cake Decorators may perform Bakery Clerk work, provided that such employees do not replace a scheduled Bakery Clerk shift.

Section 16. 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.

ARTICLE 8 RATES OF PAY

Section 17. The minimum wages for the indicated classifications shall be as set forth in Appendix "A" attached hereto, and by this reference made a part hereof.

Section 18. Part-time employment shall be computed in accord with the appropriate hourly rates set forth in Appendix "A" attached hereto, and by this reference made a part hereof.

Section 19. Employees must actually work the hours set forth in Appendix "A" before progressing to the next wage bracket, except as otherwise provided in this Agreement.

ARTICLE 9 PRIOR EXPERIENCE

Section 20. In applying Section 19 of Article 8 of this Agreement to any newly hired employee, the Employer will give recognition to the verified number of hours of actual work experience on a comparable job which said newly hired employee may have performed within the previous **ten (10)** years for any other employer 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.)

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

ARTICLE 10
SCHEDULING AND ASSIGNMENT OF HOURS

Section 21. Work Schedules and Hours. Management retains the right to determine the number of hours, and start times of each shift, to be worked within each department and store. Daily scheduled shifts shall not be less than four (4) hours or more than eight (8) hours, at straight-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.

Not later than ten (10) days prior to the start of any workweek, management shall post a list of shifts for each department. Non-management, employees shall be allowed to select their schedule from the posted list of shifts for which they are qualified to perform, in seniority order, within their department. Full-time employees shall select first, followed by part-time employees. No employee shall be allowed to select a schedule that will result in overtime or other penalty provision, unless expressly authorized by management. The employee's selection shall be recorded on a master work schedule. Employees shall not be permitted to select a portion of a shift. Prior to the start of the selection process, management shall identify approved vacation requests on the schedule.

Management may allow employees of one department to select shifts in another department. In this event, the employees must be qualified as defined herein, to perform the work of the other department. In addition, management reserves the right to assign, at its discretion, employees to, and designate the starting times of, any ordering shift.

Employees must immediately make their shift selections at the time directed by management. If an employee fails to promptly select, management shall select on behalf of the employee based on the employee's last written scheduling preference request. In this event, the employee waives all rights to grieve management's scheduling selection.

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

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

The master schedule must be completed and posted by 9:00 AM on Friday prior to the start of the next workweek. Such schedule shall not be changed by management for that workweek except where such change is predicated on circumstances beyond the control of management such as sickness, injury, leaves of absence, vacations, jury duty, funeral leave, significant fluctuations in sales volume, utility failure or Acts of God. Nothing in this section should 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. If the schedule is changed pursuant to this section, and hours are reduced, then the master schedule shall be re-bid downward, from the point of the schedule change. If hours are added, such hours shall be assigned as provided in the additional hours section of this Agreement.

Part-time Courtesy Clerks shall be scheduled for at least minimum hours, if available, at management's discretion.

For purposes of this Article; non-management positions are defined as those below the level of Department Head, Assistant Department Head and Head Clerk. Time spent by employees selecting shifts shall not be considered compensable work time, but, notwithstanding, management may permit employees to select shifts on Company time. To be considered qualified, the employee must have worked in the job assignment for a minimum of six (6) months within the last two (2) years. However, employees shall be qualified for grocery/GM stocking or checking position if the employee has worked a minimum of three (3) months as a checker or stocker within the last three (3) years. Training hours, as designated by management, shall not be subject to selection by employees.

Section 22. Department Bidding. The Company shall allow during the first fifteen (15) days of February, to be effective the first workweek in March, and the first fifteen (15) days in August, to be effective the first workweek in September, non-management employees to bid within their classification and store to another department. Management retains the right to determine the number of full-time and part-time positions in each department. If a senior employee from a department bids into another department, the least senior employee in the classification and status affected shall be moved to the department vacated by the bidder. Employees may not bid into a department if such bid will result in the displacement of a booth, dairy, service desk, order, produce or frozen food clerk, unless the bidding employee has been previously classified as, trained for and worked, for six (6) months or longer within the last two (2) years, such position. Produce clerks may not bid out of the produce department unless an employee with the same status, who is qualified as described herein, has requested bid into the produce department. The Employer agrees to provide training to qualify an employee to bid into another department as a grocery/GM stocker or as a checker.

Section 23. Additional Hours 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 24. Temporary Advancement. When an 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 and experience.

Section 25. Reduction of Hours. Part-time Employees: If a part-time employee is zeroed out as a result of the selection of shifts, such employee shall be given layoff rights pursuant to the contract. However, if the average of all part-time employees within the classification and department is twenty-four (24) or more hours (including hours paid for vacation, sick, funeral, unworked holiday and jury duty pay) management may elect to pull hours, in reverse seniority order, from senior employees to maintain the bottom twenty percent (20%) (or three (3) employees whichever is greater) of employees within the classification and department at minimum weekly hours. An employee electing to displace pursuant to the layoff procedures shall assume the selected schedule of the employee he is bumping until he is able to select for the next workweek.

Full-time Employees: Management shall not write a schedule of shifts that would result in a full-time employee being unable to select a forty (40) hour schedule (thirty-two (32) hours in a holiday week) unless the average scheduled hours (including hours scheduled and paid for vacation, unworked holiday, jury, sick and funeral pay) of all part-time employees within the classification and department is twenty-four (24) hours or less for the involved workweek. A full-time employee unable to select a forty (40) hour schedule, shall in their second consecutive week of such reduced hours, be allowed to exercise 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.

The parties agree that no employee assigned as full-time on May 11, 1996, shall have his hours reduced to less than forty (40) hours as the result of this provision, unless all part-time employees in the classification have had their scheduled hours reduced to twenty-four (24) hours or less. Such full-time employee shall have his hours reduced to twenty-four (24) or less before any other full-time employee protected under this paragraph is reduced.

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 apply only to those classifications impacted by a competitive opening.

**ARTICLE 11
NO REDUCTION IN PAY**

Section 26. No employee shall suffer any reduction of present hourly pay because of the adoption or through the operation of this Agreement, nor shall be reclassified to defeat the purpose of this Agreement unless otherwise agreed between the parties.

Section 27. The Employer shall not raise or subsequently lower hourly rates of pay for classifications covered by this Agreement without the mutual consent of the Union.

**ARTICLE 12
OVERTIME**

Section 28. Overtime compensation at the rate of time and one half (1 1/2X) the employee's base hourly rate of pay shall be paid under the following conditions:

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

Section 29. No Pyramiding of Overtime. It is understood and agreed that there shall be no pyramiding of overtime and premium pay for the same hours of work.

**ARTICLE 13
SUNDAY PREMIUM**

Section 30. The premium rate for work performed on Sunday as such shall be time and one quarter (1 1/4X) the employee's regular straight-time rate of pay (exclusive of Courtesy Clerks). The Sunday premium, for hours worked up to eight (8), shall in no instance be offset against any weekly overtime which may be due under subparagraphs b and d of Section 28 because of the fact that the employee worked over forty (40) hours or thirty-two (32) 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 28 hereof. Sunday premium pay for current Courtesy Clerks will be their regular rate of pay plus fifty cents (\$.50) per hour.

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

Section 31. An employee whose straight-time scheduled shift begins on Saturday and continues beyond midnight on Saturday shall receive Sunday Premium Pay for those hours worked on Saturday, and such shifts in their entirety shall be the first shift of the new workweek.

Section 32. In those situations where an employee's straight-time scheduled shift begins at or after 8:00 p.m. on Saturday and continues beyond midnight on Saturday, the Employer shall not reschedule or reduce the hours of such employee for the sole purpose of avoiding the payment of such Sunday premium, though it is recognized that changes in the schedule may be necessitated by changes in business operations.

ARTICLE 14 TRAVEL PAY

Section 33. 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 the applicable IRS mileage reimbursement rate 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 the applicable IRS mileage reimbursement rate or the rate paid to non-bargaining unit employees, whichever is greater, **for miles commuted outside their regular daily commute.**

ARTICLE 15 NIGHT PREMIUMS

Section 34. A premium of one dollar (\$1.00) per hour shall be paid for all work performed between the hours of 12:00 midnight and 6:00 a.m. to all employees (excluding Courtesy Clerks).

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

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

ARTICLE 16 HOLIDAYS AND HOLIDAY PAY

Section 35. 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. After two years of service, such employees shall be entitled to one (1) personal holiday, two (2) personal holidays after three (3) years of service and three (3) personal holidays after four years of service, which must be requested two (2) weeks in advance and approved by the Store Manager.

Section 36. All premium shall be paid in accordance with the current contract.

Section 37. 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. Further, personal holidays shall be granted by seniority, classification and store.

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 working due to a bona fide illness. In any event, the employee must perform work during the week in which the holiday occurs, unless on vacation, or receiving sick pay for the time not worked during the week in which the holiday occurs, or during the first thirty (30) days of an absence for which an employee is receiving Workmen's Compensation.

Section 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 week.

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 employees) is worked, the employee shall be paid one dollar (\$1.00) per hour worked.

ARTICLE 17 VACATIONS

Section 44. 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, 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 forty (40) hours pay for each week of vacation. Hours paid for vacations, holidays and sick leave shall be considered as hours worked for the purpose of computing vacation amounts.

Section 45. 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.

Section 46. Vacation Pay in Advance. An employee who has earned vacation on the basis of having completed an anniversary year shall receive his vacation pay during the workweek immediately preceding the employee's vacation, provided the employee has requested such in writing at least two weeks in advance of his vacation.

Section 47. 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.

Section 48. Holiday During Vacation. If any one of the holidays enumerated in Article 17 hereof falls during an employee's vacation, the employee shall receive an extra day's vacation pay because of it.

Section 49. A vacation may not be waived by an eligible employee and extra pay received for work during that period, unless agreed by the Union and the Employer. Vacations must be taken during each anniversary year.

Section 50. Vacation Upon Lay Off or Termination. When an employee is laid off, or discharged, or leaves his place of employment, and at said time he is entitled to a vacation, he shall receive his vacation wages at the time of the layoff or discharge, or at the time he leaves his place of employment. Provided, however, that if such employee be discharged for proven dishonesty, he shall not be entitled to any vacation or vacation pay, whether the same has accumulated or not.

Section 51. In the event a regular full-time employee who has been employed two (2) years or longer voluntarily quits or is discharged for reasons other than proven dishonesty, such employee shall be paid pro rata vacation pay earned up to the time the employment relationship is severed.

Section 52. 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. 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.

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.

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

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 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
MINIMUM WEEKLY SCHEDULE**

Section 53. No employee shall be scheduled for less than twenty (20) hours in a workweek, if the employee is available.

**ARTICLE 19
NO FREE WORK**

Section 54. It is intended that there shall be no "free" or "time off the clock" work practices under this Agreement. Any employee found by the Employer or the Union to be engaging in such unauthorized practice shall be subject to discipline. If employees are required to perform work at home, they will be paid for all work performed; however, in no event, shall it be less than four (4) hours.

**ARTICLE 20
TIME CARDS**

Section 55. 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.

**ARTICLE 21
SPLIT SHIFTS**

Section 56. There shall be no daily split shifts, which are defined as two (2) working periods in the same day which are separated by more than a normal meal period.

**ARTICLE 22
STORE MEETINGS**

Section 57. 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 in Article 23 shall apply.

**ARTICLE 23
REPORTING PAY**

Section 58. Any employee able to render required services shall, if called for work, be guaranteed an amount equal to four (4) hours' pay at his straight-time rate of pay. Employees working in two (2) stores of the Employer in any one (1) day shall receive a full day's pay for such work.

Notwithstanding the above, students and Courtesy Clerks able to render required services shall, if called for work, be guaranteed three (3) hours' pay, provided the employee is able and available to work the three (3) hours.

ARTICLE 24 LUNCH BREAKS

Section 59. 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 employees' 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.

Employees' scheduled lunch period 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 60. The Employer will give employees a relief period of fifteen (15) uninterrupted minutes for each four (4) hour period worked, as near as practical to the middle of the four (4) hours. Notwithstanding the above, any employee whose work shift is seven (7) hours or more shall receive at least two (2) rest periods.

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

ARTICLE 26 PROBATIONARY PERIOD

Section 61. The first sixty (60) calendar days of employment shall be considered a trial period, during which time an employee may be terminated for any reason and he shall have no recourse to the grievance or arbitration procedures set forth in this Agreement concerning such termination.

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 62. Seniority is the length of continuous employment with the Employer. Seniority shall be dated from the date the employee actually reports for work.

Section 63. If two (2) or more employees have the same seniority date, the employee who punches in first will be the more senior. In the event the Employer has no records available to determine who punched in first, the employee or the employees involved with the lowest sequence of the last four (4) digits of the social security number shall be considered to be the more senior.

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:

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

Section 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. 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.

Section 68. Assignment to Full-time Status. When a full-time vacancy, other than a four (4) week at forty (40) hour opening defined in Section 67, occurs and the Employer determines that such vacancy shall be filled by a full-time employee, the job vacancy for non-management positions shall be filled by the assignment of the most senior qualified employee of the classification who has signed the current full-time request list as provided for in this Agreement. Should management be unable to fill such vacancy from the list, then such vacancy shall be posted within the affected store for seventy-two (72) hours and management shall offer the full-time assignment to the senior qualified employee of the store and classification who signed the posting before hiring off-the-street.

Four (4) week at forty (40) hour openings shall be filled by the most senior employee within the store and affected classification who has signed the full-time request list as set forth in this Agreement. Should management be unable to fill such vacancy from the list, then such vacancy shall be posted within the affected store for seventy-two (72) hours and management shall offer the full-time assignment to the senior qualified employee of the store and classification who signed the posting before hiring off-the-street.

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

Employees may sign the full-time request list during the first fifteen (15) days of January and the first fifteen (15) days of July to be considered for advancement to full-time effective with the first workweek in February and

August respectively. The Employer will send the Union a copy of the new full-time request list. **If the list is exhausted, then management will post the opening within the store and allow employees of the store, regardless of their seniority date, to request promotion. The Company shall offer promotion to the senior qualified employee within the store prior to hiring off-the-street.**

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

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

Section 69. 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 70. Promotions. The Employer agrees to make promotions to non-management, non-APC classifications to the most senior qualified employee within each store. Management will post a list of openings within the store on Monday. Employees may sign the posting and be considered for promotion. The posting shall remain posted through midnight Wednesday. The Company shall offer the promotion to the senior qualified employee within the store prior to hiring off-the-street. Floral clerks, Pharmacy Technicians, Bakery Production employees, and Cake Decorators may be assigned at management's discretion.

For purposes of this section, a promotion is an assignment to a classification which has a higher "journeyman" or "thereafter" rate than the classification being vacated by the involved employee.

For All Purpose Clerk (APC) positions, management shall fill the opening with the most senior qualified employee in the **store** who has previously signed the promotion request list as described below. An employee who is desirous of promotion to All Purpose Clerk (APC) may sign the promotion request list during the first fifteen (15) days of January and the first fifteen (15) days of July to be considered for promotion effective with the first workweek in February and August respectively. Such request shall state the **specific store(s) in the bargaining unit** the employee is desirous of promotion to. The Employer will send the Union a copy of the new promotion request list. If the list is exhausted, then management will post the opening within the store and allow employees of the store, regardless of their seniority date, to request promotion. The Company shall offer promotion to the senior qualified employee within the store prior to hiring off-the-street.

If an employee is offered and accepts or declines the same, he/she will have his/her request voided. An employee accepting a promotion must hold such position for six (6) months before being eligible to sign up and accept another promotion.

The Employer shall not make promotional assignments to probationary employees or to an employee on a Leave of Absence.

Section 71. Probationary Period For Promotions. When any employee is promoted to a higher classification, he shall be on probation for thirty (30) calendar days if full-time, forty-five (45) calendar days if part-time. If an employee is unsuccessful during probation, the employee will be returned to his prior classification with regard to position and status.

Section 72. Demotion for Just Cause. Except under the provisions of Section 74, no employee shall be demoted from a higher classification without just cause.

ARTICLE 28
NSCHEDULED OVERTIME

Section 73. 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.

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 29
LAYOFFS

Section 74. Layoffs. When a reduction in the workforce is necessary, as opposed to a reduction in hours, the following procedure shall be used:

Layoff will begin in departments (checker, day stocker, night stocker and produce for All-Purpose Clerk classification) in the classification to be affected in reverse seniority order. The affected person shall be notified and given the following options:

- (a) Displacing a less senior employee in the same classification in the store, if the affected employee is qualified for such position.
- (b) Displacing the least senior employee within the same classification within the bargaining unit, if the affected employee is qualified for such position. (With regard to booth assignments, and floral designers (most senior by store), an employee must be qualified to exercise the rights herein.)
- (c) Displacing the least senior employee in a lower classification within the same store, if the affected employee is qualified for such position. (With regard to booth assignments and floral designers (most senior by store) an employee must be qualified to exercise the rights herein.)
- (d) Accepting the layoff. Such employee shall receive the rate of pay for any lower classification to which he moves under this procedure. Employees on medical leave of absence, and subject to layoff, shall be placed on layoff until such time as they are released to return to work. The affected employee shall be given his/her layoff options immediately upon his/her release to work.
- (e) If within the first eight weeks of operation of the new store the Employer determines that it needs to lay off employees from that store, said layoffs will take place in accordance with Article 29, except that employees who have transferred into the new store shall have the right to return to their prior store.

Section 75. Employees Accepting a Lower Classification. Laid off employees, and employees who accept a job in a lower classification in lieu of layoff, shall be recalled as needed, in order of seniority, to jobs they are qualified to perform. 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 a layoff. However, the changes and/or refusals shall be limited to two (2) per layoff. 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.

Section 76. Employees Accepting Layoff. An employee accepting a layoff, rather than accepting a job in a lower classification, may inform the Employer in writing at the time of the layoff of his desire to be recalled to a lower classification and such notification shall be honored when a vacancy occurs. 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 a layoff. However, the changes and/or refusals shall be limited to two (2) per layoff. 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.

Whenever a full-time employee is laid off, in accordance with the collective-bargaining agreement, and is recalled to a part-time schedule at a store different than the one the employee was laid off from, the following procedures will apply:

- a. The employee will be notified that he or she can accept the position, working reduced hours, or can stay on layoff until a full-time position within the bargaining unit is available. The employee will also be notified that if the employee remains on layoff for a period of nine (9) months or twelve (12) months, whichever is applicable, the employee's seniority will be terminated. The Company will have the employee sign a form acknowledging that he or she was informed of the same or will send a letter confirming this fact to the employee.
- b. If the employee accepts the part-time position, he or she will retain his or her full-time status unless he or she is scheduled and works less than forty (40) hours per week for twelve (12) consecutive weeks. If the employee works, or is scheduled forty (40) hours during any of the twelve (12) consecutive weeks, that employee will not have his or her hours reduced unless and until the Company has followed the reduction in hours provision of the contract. If an employee works or is scheduled forty (40) hours, the twelve (12) week period will start over. Further, if a forty (40) hour position becomes available, it will be offered, in seniority order, to full-time employees on layoff and full-time employees working reduced hours before a new employee is hired or an existing employee is granted full-time status.
- c. If an employee is reclassified as part-time, he or she will be immediately placed on the full-time request list, in accordance with his or her seniority, without regard to bid periods.
- d. The full-time employees working reduced hours shall be able to utilize the second (2nd) week bump as set forth in the collective-bargaining agreement.
- e. Employees working reduced hours shall be able to maximize their hours in accordance with the applicable provisions of the collective bargaining agreement.

Section 77. Courtesy Clerk Options. The above notwithstanding, the options of a Courtesy Clerk shall be limited to displacing the shortest service Courtesy Clerk in that store or accepting the layoff. (Courtesy Clerks with three (3) or more years of service may displace the least senior Courtesy Clerk in the bargaining unit.)

ARTICLE 30
TRANSFER FROM STORE TO STORE

Section 78. Transfers from Store to Store. Transfers from store to store shall not be made or denied for capricious, arbitrary or discriminatory reasons. Employees desiring a transfer to another store within the bargaining unit, in order to be near their residence, may indicate their desire for transfer in writing to their Store Manager. Such transfer requests will be considered at the time an opening occurs within their classification and status.

ARTICLE 31
NEW STORE LANGUAGE

Section 79. In the event of the opening of a new store within the bargaining unit (including a replacement of an existing store), the following procedure shall apply:

1. At least four (4) weeks prior to the opening of a new store, the Employer will post a sheet in each location for interested employees to sign if desirous of a transfer to the new location. The sheet shall remain posted for at least ten (10) days.
2. Job openings either at the new store or created by transferring employees at their former store shall first be filled by employees on layoff in the classification of the vacancy before any new employees are hired or current employees are promoted.
3. Employees who have signed the new store transfer request sheet shall be given consideration based on their qualifications and the requirements of the store. It is understood that the Employer may move employees from its own competitive stores which may be impacted by the new store opening before consideration of other employee desires.
4. In the event the Employer opens new stores within the 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 32
LEAVES OF ABSENCE

Section 80. 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 81. 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 82. 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 83. 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 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 84. 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 85. 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 86. 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 87. 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, provided the notice of intent to return to work is received prior to 9:00 a.m., Wednesday of the week preceding the next available schedule.

ARTICLE 33 BEREAVEMENT LEAVE

Section 88. 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 89. 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 90. 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 34 JURY DUTY

Section 91. 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 92. 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 35 SICK LEAVE

Section 93. All employees (Courtesy Clerk coverage set forth below) who normally work one hundred four (104) hours a month or more and who have been continuously employed by the Employer for a period of one (1) year shall be credited with the equivalent of six (6) days' sick leave with pay.

Courtesy Clerks who normally work or are scheduled forty (40) hours per week shall be eligible for sick leave benefits.

Unused sick leave shall be cumulative, and after the first year of continuous employment, said employees shall accumulate unused sick leave at the rate of one-half (1/2) day per month for each 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 equivalent to sixty (60) full days.

A doctor's certificate or other authoritative verification of illness may be required by the Employer. Said sick leave is to commence on the second (2nd) full workday's absence for sickness or non-occupational injury, 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**. And shall be paid at the rate of one hundred percent (100%) of a day's pay for each workday's absence thereafter until such sick benefit allowance is used up. The waiting period provided herein shall apply for each illness or non-occupational injury.

For the purpose of full-time employees, one hundred percent (100%) of a day's pay shall mean eight (8) hours' 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. The waiting period herein provided, before one hundred percent (100%) of a day's pay commences, shall apply for each illness or non-occupational injury in case the sick benefits allowance has not been used up on previous illnesses or non-occupational injuries.

Sick leave shall be paid to part-time employees on the basis set forth on a pro rata of total hours worked during the year preceding the anniversary date as a ratio to two thousand eighty (2080) hours.

Sick leave benefits are not convertible to cash.

Any unused sick leave which an eligible employee has accumulated under prior contract sick leave plans shall be credited to him for use hereunder provided the total accumulation under said prior contract sick leave plans, and the plan herein provided shall at no time exceed the limit provided in the third paragraph of this Section.

Section 94. 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 commence accumulating sick leave credit of up to two (2) hours for each month that such employee works at least ninety-six (96) hours in a four week month and 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 one hundred sixty (160) hours (in a four week month) or two hundred (200) hours in a five week month times two (2). Unused sick leave shall not exceed a maximum accumulation of **two hundred forty (240) hours**. **Said sick leave is to commence:**

- on the third (3rd) full workday 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 95. 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 45 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 certification 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 96. 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 requirement 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 36 SAFETY

Section 97. 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 98. 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 99. 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 100. 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 44 Section 118 of the retail labor 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 101. 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 102. 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 37 INJURY ON JOB

Section 103. When an employee is injured on the job, there shall be no deduction from the employee's pay for the day in which the employee was injured and reported for medical care.

ARTICLE 38 CHILD CARE DISCOUNT PROGRAMS

Section 104. Safeway Inc. agrees to participate with United Food and Commercial Workers, Local No. 7 on discount programs established with local child care facilities.

**ARTICLE 39
401K PLAN**

Section 105. The Company agrees to provide a 401K plan for employees covered by this Agreement when it is made available from the Company.

**ARTICLE 40
HEALTH AND WELFARE COVERAGE
(Medical, Surgical, Hospital, Dental,
Prescription, Vision and Life Insurance)**

Section 106. 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 (excluding Courtesy Clerks) 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 (excluding Courtesy Clerks) 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.

Courtesy Clerks hired on or after March 27, 2005 shall, beginning the later of the first of the month following thirty-six (36) months of employment or attaining the age of nineteen (19), be eligible to enroll and participate in the Health Plan on an employee only basis under the Health Plan C. Upon completion of the first thirty-six (36) months of employee only eligibility under Plan C, such Courtesy Clerks and their eligible dependents may enroll in Plan B. Such Courtesy Clerks shall not be eligible to progress to Plan A.

On-going Eligibility – After satisfying initial eligibility requirement provisions and enrollment in the Health Plan, the employee must continue to meet the monthly on-going eligibility requirements as a condition of continued participation in the Health Plan. Enrolled employees who work (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.

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

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

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

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

**ARTICLE 41
NON-DUPLICATION OF BENEFITS**

Section 107. In the event that any law or government regulation requires any payment from the Employer for benefits which would replace, supplement or modify the Health and Welfare, Dental, Pension or other benefits provided hereunder this Contract, the parties will upon thirty (30) days notice, by either party, meet and negotiate new provisions pertaining to such affected benefits.

**ARTICLE 42
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 108. Employer Contributions. For all employees hired before March 6, 2005, covered by this Agreement, the Employer shall pay one dollar and five cents (\$1.05) per hour for all hours worked at straight time (including hours worked on Sunday, vacation and holiday hours paid) into the Rocky Mountain UFCW Unions and Employers Pension Plan, which shall be jointly administered by the Union and the Employer by an equal number of trustees as provided in an agreement establishing such Pension Fund.

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

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

Effective January 1, 2010 (December hours) for all employees covered by this Agreement, the Employer shall pay eighty two cents (\$0.82) per hour for all hours worked at straight time (including hours worked on

Sunday, vacation and holiday hours paid) into the Rocky Mountain UFCW Unions and Employers Pension Plan, which shall be jointly administered by the Union and the Employer by an equal number of trustees as provided in an agreement establishing such Pension Fund. **Effective November 30, 2015, the supplemental contribution contained therein shall cease. Effective December 1, 2015, the base pension contribution rate for all contracts shall be increased to one dollar and twenty-five cents (\$1.25) per hour (based on preceding month hours). Effective December 1, 2015 (November hours), the base contribution rate shall be reduced to one dollar and five cents (\$1.05) per hour. Such reduced contribution shall continue through the payment made in November 2018 (October hours). Effective December 1, 2018 (November hours) the base contribution rate shall return to one dollar and twenty-five cents (\$1.25). At the trust meeting set no more than six (6) months prior to the expiration of the 2015-2019 contract, the actuaries are to determine the contribution rate necessary to continue funding current benefits and to maintain PPA green zone status for at least the next ten (10) years. In the event the actuaries determine that a lower contribution rate is sufficient to continue current benefits, the Union and the Employers will share equally the excess funding. The Union may increase the accrual rate and the Employers' contribution rate will be reduced in an equal manner and amount, based on actuarial equivalence. Nothing in this section should be construed as an agreement to increase the pension contribution rate above the agreed upon basis set forth above.**

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

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

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

- i. If the return is equal to or exceeds 10.25%, no conditional lump sum contribution shall be required.**
- ii. If the return is equal to or exceeds 9.25%, but is less than 10.25%, a \$0.05 additional contribution per hour shall be required.**
- iii. If the return is equal to or exceeds 8%, but is less than 9.25%, a \$0.10 additional contribution per hour shall be required.**
- iv. If the return is less than 8%, a \$0.15 additional contribution per hour shall be required.**

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

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 109. Courtesy Clerk Contributions. Pension contributions will be made on behalf of all Courtesy Clerks with ten (10) years or more of continued service with the Employer. Pension contributions shall be made as set forth above. All hours worked as a Courtesy Clerk prior to the time contributions are required will count towards pension eligibility and credits.

Section 110. 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 111. 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 112. 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 113. 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 114. 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 43 DISCHARGE AND NO DISCRIMINATION

Section 115. 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; and further, no employee who falls within the bargaining unit shall be discharged without good and sufficient cause.

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

Section 116. The Employer and the Union agree that each will fully comply with the 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 117. Use of the male gender herein shall, except as the context requires, be deemed to include the female gender.

Bargaining Note: If issues arise involving alleged unlawful harassment or discrimination by members of management, the Union President or her designee may bring the issue(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 44 UNION REPRESENTATION VISITATION

Section 118. The President of the Union, or the Business Representative thereof, shall have the right of entering the premises of the Employer for the purpose of interviewing employees in such a way as to not interfere with the service of the Employer. The said representative shall make their presence known to the Manager, or the person in charge in the absence of the Manager, when possible, upon entering the premises. The Employer shall, upon request of an authorized Union Representative, furnish satisfactory evidence to ascertain whether employees are being paid in accordance with the terms of this Agreement and review with the Union Representative the facts giving rise to disciplinary action.

ARTICLE 45 UNION STEWARD

Section 119. The Union shall have the right to designate two (2) Stewards per store (stores that employ over one hundred (100) clerks may have three (3) Stewards, and stores that employ over one hundred seventy-five (175) clerks may have four (4) Stewards) in which they work who shall perform their duties with the least possible inconvenience to the Employer. Such Stewards shall not be discriminated against because of their Union activities, and such Stewards shall have top seniority for the purpose of layoff in that store. The Store Manager shall be advised in writing by the Union of the name of the Steward(s) in his store.

Stewards shall not be bumped from their respective stores by employees exercising their second (2nd) or their eleventh (11th) week bump, unless the steward chooses to do so.

Section 120. 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 121. The Company agrees to adjust the Union Stewards' work schedules to allow them to attend an annual Union Stewards' conference.

Section 122. Employees Rights to Union Representation. When an employee is involved in a disciplinary interview where the probable result of such interview will be the imposition of disciplinary action, the employee may request the presence of a Union Steward, or in his absence, that of a Business Representative.

ARTICLE 45 DISPUTE PROCEDURE

Section 123. 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 124. Step 1 By conference during scheduled working hours between the Steward and/or the Union's Business Representative and/or the aggrieved employees and the Manager of the store.

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 125. Step 2 If the grievance cannot be satisfactorily resolved under Step 1 above, the grievance shall be reduced to writing and submitted to the representative designated by the Employer to handle such matters. Such submission shall be made within twenty (20) days of the date of the occurrence of the event which gives rise to the grievance and shall clearly set forth the issues and contentions of the aggrieved party or parties and must reasonably allege a specific violation of an express provision of this Agreement. (In the case of a discharge the time limits shall be fourteen (14) days.) The Employer designee and the Union Business Representative shall meet within ten (10) days after receipt of written notice of the grievance and attempt to resolve the grievance. In an instance where an employee feels 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. This ninety (90) day retroactive liability shall not be applicable to situations covered by Article 9, Section 20, paragraph 2.

Section 126. 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 127. In the event the parties are unable to reach agreement upon the selection of an arbitrator within fifteen (15) days of the written request for arbitration, the party requesting arbitration may, with reasonable promptness, request a panel of seven (7) arbitrators from the Federal Mediation and Conciliation Service. From this panel of seven (7) names, each party shall alternately strike three (3) names, the moving party striking first. The remaining arbitrator from the list shall be the impartial arbitrator. A finding or award of the arbitrator shall be final and conclusive upon the parties hereto.

Section 128. 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.

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 129. 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 130. Safeway Inc. and the UFCW Union Local No. 7 agree to enter into this Agreement to selectively use mediation to achieve a mutually satisfactory resolution of certain formal grievances.

The following procedure will be followed whenever a grievance is selected to be mediated:

1. Once a grievance has been requested for arbitration, the parties may agree to submit the grievance to a mediator. The parties shall use a mutually agreed upon mediator.
 - a) The parties will contact the mediator and schedule a date for the mediation conference to be held on a monthly basis effective immediately.
 - b) The grievant and location manager shall be present for the conference. Each party shall be permitted to have not more than two additional observers. Observers shall not be permitted to offer testimony or make oral statements.
 - c) The proceedings shall be informal and the formal rules of evidence shall not apply. Each party will make a brief presentation of the facts of their case not to exceed 15 minutes. The Grievant and Location Manager may also make an oral explanation of their case not to exceed five minutes. The parties may also submit other written evidence, statements, etc., to the mediator, witnesses and oral testimony, provided that such testimony does not exceed the 20-minute total set forth above.
 - d) The mediator will have the authority to meet with each party separately and to recommend a reasonable settlement to the grievance. The mediator shall have the authority to compel the resolution of the grievance. Grievances ruled upon or settled shall be considered final and binding and may not be further processed to arbitration.
 - e) All settlements or rulings shall be on a non-precedent setting basis and without prejudice to either party, except settlements may specifically provide otherwise.
 - f) The parties agree to attempt to schedule multiple grievances per mediation conference. Further, the parties agree to share expenses of the mediator.

This agreement shall be effective on the date of execution of this agreement and may be cancelled by either party upon thirty (30) days written notice to the other party.

Section 131. EXPEDITED ARBITRATION PROCEDURES

Effective upon ratification of this agreement, the parties signatory below agree to adopt an expedited arbitration procedure as outlined below. Notwithstanding the provisions of such agreement, the parties recognize that arbitrations already scheduled prior to the effective date of this agreement shall be arbitrated as in the past and not subject to the provisions of this agreement unless the parties mutually agree to do so.

A mutually agreed upon arbitrator shall be selected to hear cases arising under this procedure. The parties will direct the arbitrator to set aside one day per month to hear arbitrations under his procedure. As near as practical, such dates will be during the second or fourth week of each month. If necessary, and the parties mutually agree, the arbitrators will be asked to set aside more days per month.

The parties shall attempt to meet biweekly to review cases pending arbitration and to schedule cases for arbitration under this procedure. Should a case scheduled for arbitration be settled prior to the scheduled date, the parties will make an earnest effort to substitute another case for the scheduled date.

Except as otherwise set forth in this agreement, all discipline cases, including discharges, shall be subject to the provisions of this procedure. Contract interpretation cases, upon mutual agreement by both parties, shall also be subject to this procedure. For discipline cases, other than discharges, both parties agree, where practical, to schedule at least two such cases to be heard on one day, with the understanding that the presentation of such cases shall not exceed four hours, with both sides being allocated two hours for the presentation of their case and cross-examination of witnesses of the opposing side.

For all discipline cases, including discharges, both parties will make closing oral arguments unless mutually agreed otherwise, and the arbitrator will issue a brief written award. Where practical, the parties will direct the arbitrator to issue a written bench decision and summarize his decision in a one-page letter following the arbitration. The arbitrator, at his discretion, may request no more than seven days to deliberate on the issues of a particular case. In this regard, an arbitrator will issue his award within fourteen days following the close of the hearing.

Both parties will direct the arbitrator to issue an abbreviated, which details only the arbitrator's award and a brief explanation as to the reasons for this award. In the case of contract interpretive matters, both parties recognize the need to file briefs and have the arbitrator write a detailed decision. In this regard, both parties agree to file briefs within two weeks following the close of the hearing and will direct the arbitrator to issue an abbreviated decision which details only the arbitrator's award within two weeks following the receipt of briefs. The arbitrator will then issue a detailed decision within thirty days following receipt of the briefs by the parties.

Either party may, by notification to the other prior to a case being scheduled, exclude a particular case from the provisions of this agreement. In this case, the arbitration shall be scheduled and handled under the normal procedure.

Provisions of this agreement are hereby entered into by both parties signatory below and in full force and effect, unless either party, through written notification to the other party, gives thirty (30) days written notice of their intent to cancel this agreement. In this regard, the parties agree that cases scheduled for arbitration under this procedure shall proceed to arbitration as provided above.

Section 132. Remedies 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 47 NO STRIKE OR LOCKOUT

Section 133. During the life of this Agreement, there shall be no lockout, strike or stoppage of work, anti-company publicity, or other economic action of whatsoever nature against the company.

ARTICLE 48 STORE CLOSING

Section 134. 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 48, Sections 135 and 136. 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 47.

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.

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

- 0-3 months equals twenty-five 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.

Section 135. The Employer shall continue contributions to the Pension and Health and Welfare Trust Funds for three (3) full months following termination on an hourly basis in direct relationship to the severance pay

received for those employees who receive severance pay, except those employees who secure employment with a contributing Employer in the Pension and Health and Welfare Trust Funds.

Section 136. All monies due employees, including severance pay, shall be paid in a lump sum upon termination.

Section 137. 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) days 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.

Section 138. If an employee is offered a transfer or other employment with the Employer within forty (40) miles of the store in which he was last working and he refused to accept the transfer or other employment with the Employer he forfeits his rights to severance pay and Pensions and Health and Welfare contributions.

Section 139. If a store is sold and the successor Employer offers employment to an employee who is otherwise eligible for severance pay under the terms of this Article and the new job is comparable, then no provisions of this Article shall apply.

Section 140. The Employer agrees to give to the employees and the Union two (2) weeks' notice in advance of a store closing or sale. When such notice is given, an employee shall remain with the Employer until the plant or store closes, or forfeit his rights under this Article, unless mutually agreed to by the employee, Employer and Union.

Section 141. No benefits shall accrue under the terms of this Article unless the Employer makes a business decision to close or sell a store. If a store closing is caused by fire, flood, storm, land condemnation or remodeling, then this Article shall not apply.

Section 142. It is understood and agreed that employees can exercise their seniority rights under the Layoff Article; however, if they exercise such seniority rights, the provisions of this Article shall be null, void and not applicable.

Section 143. 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 49
BULLETIN BOARD**

Section 144. The Employer will provide bulletin board space for the posting of official Union notices.

**ARTICLE 50
UNION STORE CARDS**

Section 145. The Union Store Card is the property of the UFCW and is loaned to the Employer for display. Said card may be removed from the store by the Union if the Employer refuses to comply with a final decision of an arbitrator reached under the provisions of this Agreement.

**ARTICLE 51
LIE DETECTOR TESTS**

Section 146. The Employer shall not require any employee to submit to a polygraph examination.

**ARTICLE 52
UNIFORMS/EQUIPMENT**

Section 147. The Employer agrees to provide all required uniforms and laundry service for all required caps, uniforms, smocks, aprons, towels and rags, except for laundering of drip-dry garments. The employee agrees to exercise care in the use of Company property and equipment.

Notwithstanding the above, the employee shall be required to meet the dress requirements as detailed in the Letter of Understanding, "Dress Requirements," attached to this Agreement.

**ARTICLE 53
SAVING CLAUSE**

Section 148. If, during the term of this Agreement, or during any renewal or extension of the same, any Federal or State Law is enacted, or any rule or regulation is issued under any Federal or State Law, which would make compliance by the Union, the Employer, employees, or any of them, with the terms, provisions, or condition of this Agreement a violation of any of said laws, rules or regulations, then such terms, provisions or conditions shall become inoperative and of no effect from the effective date of any such decision, law, rule or regulation. The remainder of this Agreement not in conflict with any of said laws, rules or regulations shall continue in full force and effect.

Section 149. In the event any such terms, provisions or conditions become inoperative and of no effect, either party to this Agreement may open the same for bargaining only as to substitute provisions, if any, for those provisions made inoperative upon a thirty (30) day written notice to the other party.

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

ARTICLE 54 APPRENTICE ADVANCEMENT

Section 150. When an apprentice employee is due to be advanced on the basis of actual hours of work experience as set forth in this Agreement, and the Employer believes that such employee has not acquired sufficient knowledge, skill, experience, and ability to justify such increases, the Employer may, with written prior consent of the Union, jointly request an apprentice evaluation committee, as set forth in the next paragraph, to review the employee and make a determination as to whether a period of up to two hundred sixty (260) hours additional training is warranted at the existing classification rate then in effect for such employee to give the employee an opportunity to improve his performance. At the end of such two hundred sixty (260) hour period, the employee must either be advanced to the next higher wage classification, or be terminated, if such termination is justified under the terms of the Agreement.

Section 151. Upon request, as set forth in the previous paragraph, an apprentice evaluation committee may be established by the parties as follows: two (2) members appointed by Mountain States Employers Council and two (2) members appointed UFCW, Local No. 7. The apprentice evaluation committee will meet with and review any apprentice employee who, in the opinion of the Employer, does not have the capabilities to warrant a classification increase.

Section 152. The committee shall determine whether additional training is warranted for the employee's classification requirements.

ARTICLE 55 TECHNOLOGICAL CHANGES

Section 153. **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 change results in the loss of bargaining unit work or positions, the Employer shall discuss implementing such change gradually, to allow for the natural attrition of employees through voluntary separation or retirement, with the intention that no employee, who is employed as of the date the Employer notifies the Union of its anticipated technological change, is involuntarily separated from their employment.**

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

- a. All employees, excluding courtesy clerks, with two (2) or more years of continuous service will be eligible for one (1) week’s severance pay for each year of continuous service. Maximum severance pay of ten (10) week’s 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 56
PRODIGY-TYPE SHOPPING**

Section 154. All work connected with the selection of customer purchases from the sales floor, including the storage and retrieval thereof, shall be performed by any bargaining unit member, including but not limited to Courtesy Clerks.

**ARTICLE 57
PHARMACY TECHNICIANS**

Section 155. Prior Experience. A pharmacy technician who has earned a Pharmacy Technician Certificate from a program approved by the Company and the Union (certified by the Colorado State Pharmacy Board when such exists) will be given credit for 960 hours in the pharmacy technician progression. Any disputes over the program curriculum and/or approval shall be subject to the grievance/ arbitration procedure.

Section 156. Scheduling and Assignment of Hours.

Additional Hours Request List
Denver Metro
Reduced Full-Time/Part-Time
Pharmacy Technicians

The Company agrees to establish an additional hours request list for Pharmacy Technicians only in the Denver Metro bargaining unit.

Additional hours are those created by increased schedules, leaves of absence, vacation 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 part-time employees within the store who are scheduled less than 40 hours. If these hours cannot be filled, the Company will offer the hours by seniority to part-time employees within the quadrant 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 part-time employees who are scheduled less than 40 hours in the Denver bargaining unit.

Further, it is the employee's responsibility to notify the Company of his/her desire to work additional hours by quadrant, day, times, and said request shall remain in effect until revoked by the employee. However, three (3) failures to report within any consecutive three (3) month period shall result in such employee's name being removed from the additional hours list and he/she shall be ineligible to re-sign such list for six (6) months subsequent to its removal.

Section 157. Overtime. An employee may voluntarily waive the overtime requirement in writing and work a sixth day at straight time as long as the total hours for the week does not exceed forty (40).

Section 158. Split Shifts. This section shall not apply where pharmacy technicians voluntarily work two (2) or more stores in one (1) day.

Section 159. Seniority. No current Pharmacy Tech (hired prior to September 4, 1994) employee shall lose the seniority they currently have for vacations and service awards.

Section 160. Sick Leave. Employees may carry over unused sick leave from Company sick leave plan (up to contractual maximum).

Section 161. Name Tags. Name tags will have a heading "Pharmacy Technician".

Section 162. Tuition Reimbursement. The Company will allow certified pharmacy technicians to obtain their continuing education credits with all expenses to be paid by the Company at the organization designated by the Company.

The Company will reimburse certified pharmacy technicians up to fifty dollars (\$50.00) for recertification fees required every two (2) years.

The Company may fill this position at their discretion and such persons cannot be bumped by persons in other classifications.

ARTICLE 58 ENTIRE AGREEMENT

Section 163. This Agreement contains all of the covenants, stipulations and provisions agreed upon between the parties hereto and no representative of either party has authority to make, and none of the parties shall be bound by, any statement, representation or agreement reached prior to the signing of this Agreement or made during these negotiations not set forth herein.

ARTICLE 59 TERM OF AGREEMENT

Section 164. The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining, and that the understandings and 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 158. This Agreement shall be in full force and effect beginning at 12:01 a.m. on **January 27, 2019** and shall remain in full force and effect until midnight on **January 22, 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, specifying the changes desired. Changes in the Agreement shall be limited to those outlined in writing by either party and the negotiations shall begin within fifteen (15) days after receipt of such notice.


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

SAFEWAY INC.

Chartered by

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

By 

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	\$240 ^{SGL} /\$260 ^{BI} /\$290 ^{TRI} / \$240 FOR CONTACTS EVERY 2 YRS	\$240 ^{SGL} /\$260 ^{BI} /\$290 ^{TRI} / \$240 FOR CONTACTS EVERY 2 YRS	\$240 ^{SGL} /\$260 ^{BI} /\$290 ^{TRI} / \$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 Idaho Springs Clerks

-	-	<u>Current</u>	<u>1/27/2019</u>	<u>1/26/2020</u>	<u>1/24/2021</u>
-	-	-	-	-	-
<u>Other Assist. Managers</u>	-	<u>\$20.41</u>	<u>\$20.81</u>	<u>\$21.16</u>	<u>\$21.51</u>
<u>Head Clerk</u>	-	<u>\$19.41</u>	<u>\$19.81</u>	<u>\$20.16</u>	<u>\$20.51</u>
<u>Produce Dept. Manager</u>	-	<u>\$20.37</u>	<u>\$20.77</u>	<u>\$21.12</u>	<u>\$21.47</u>
<u>Floral Manager</u>	-	<u>\$17.46</u>	<u>\$17.86</u>	<u>\$18.21</u>	<u>\$18.56</u>
<u>Head Baker</u>	-	<u>\$19.41</u>	<u>\$19.81</u>	<u>\$20.16</u>	<u>\$20.51</u>
<u>Bakery Manager</u>	-	<u>\$20.41</u>	<u>\$20.81</u>	<u>\$21.16</u>	<u>\$21.51</u>
<u>Variety Manager</u>	-	<u>\$18.37</u>	<u>\$18.77</u>	<u>\$19.12</u>	<u>\$19.47</u>
<u>Mngr Trainee</u>	-	<u>\$18.41</u>	<u>\$18.81</u>	<u>\$19.16</u>	<u>\$19.51</u>
<u>Assist. GM Manager prior to 05/01/82</u>	-	<u>\$18.96</u>	<u>\$19.36</u>	<u>\$19.71</u>	<u>\$20.06</u>
<u>Non-Food/GM Clerk emplyd before 05/06/79</u>	-	<u>\$15.48</u>	<u>\$15.88</u>	<u>\$16.23</u>	<u>\$16.58</u>
<u>Fuel Lead</u>	-	<u>\$15.73</u>	<u>\$16.13</u>	<u>\$16.48</u>	<u>\$16.83</u>
<u>Fresh Cut Supervisor</u>	-	<u>\$17.99</u>	<u>\$18.39</u>	<u>\$18.74</u>	<u>\$19.09</u>
-	-	-	-	-	-
<u>All Purpose Clerk</u>	-	-	-	-	-
-	-	-	-	-	-
<u>1st 1040 hours worked</u>	-	<u>\$11.30</u>	<u>\$11.75</u>	<u>\$12.25</u>	<u>\$12.35</u>
<u>Next 1040 hours worked</u>	-	<u>\$11.40</u>	<u>\$12.00</u>	<u>\$12.50</u>	<u>\$12.60</u>
<u>Next 1040 hours worked</u>	-	<u>\$11.80</u>	<u>\$12.25</u>	<u>\$12.75</u>	<u>\$12.85</u>
<u>Next 1040 hours worked</u>	-	<u>\$12.55</u>	<u>\$12.55</u>	<u>\$13.00</u>	<u>\$13.10</u>
<u>Next 1040 hours worked</u>	-	<u>\$14.00</u>	<u>\$14.00</u>	<u>\$14.00</u>	<u>\$14.00</u>
<u>Next 1040 hours worked</u>	-	<u>\$14.80</u>	<u>\$14.80</u>	<u>\$14.80</u>	<u>\$14.80</u>
<u>Next 1040 hours worked</u>	-	<u>\$15.80</u>	<u>\$15.80</u>	<u>\$15.80</u>	<u>\$15.80</u>
<u>Next 520 hours worked</u>	-	<u>\$16.80</u>	<u>\$16.80</u>	<u>\$16.80</u>	<u>\$16.80</u>
<u>Thereafter Rate</u>	-	<u>\$18.41</u>	<u>\$18.81</u>	<u>\$19.16</u>	<u>\$19.51</u>
-	-	-	-	-	-
<u>Floral Clerk-FTD Only</u>	-	-	-	-	-
-	-	-	-	-	-
<u>1st 1040 hours worked</u>	-	<u>\$11.30</u>	<u>\$11.75</u>	<u>\$12.25</u>	<u>\$12.35</u>
<u>Next 1040 hours worked</u>	-	<u>\$11.40</u>	<u>\$12.00</u>	<u>\$12.50</u>	<u>\$12.60</u>
<u>Next 1040 hours worked</u>	-	<u>\$11.50</u>	<u>\$12.25</u>	<u>\$12.75</u>	<u>\$12.85</u>
<u>Next 1040 hours worked</u>	-	<u>\$11.60</u>	<u>\$12.50</u>	<u>\$13.00</u>	<u>\$13.10</u>
<u>Next 1040 hours worked</u>	-	<u>\$11.70</u>	<u>\$13.00</u>	<u>\$13.50</u>	<u>\$13.60</u>
<u>Next 1040 hours worked</u>	-	<u>\$12.28</u>	<u>\$13.50</u>	<u>\$14.00</u>	<u>\$14.10</u>
<u>Next 1040 hours worked</u>	-	<u>\$13.80</u>	<u>\$14.00</u>	<u>\$14.50</u>	<u>\$14.60</u>
<u>Next 520 hours worked</u>	-	<u>\$14.20</u>	<u>\$14.50</u>	<u>\$15.00</u>	<u>\$15.10</u>
<u>Thereafter Rate</u>	-	<u>\$15.48</u>	<u>\$15.88</u>	<u>\$16.23</u>	<u>\$16.58</u>
-	-	-	-	-	-
<u>Bakery/Fresh Cut/Liquor Clerks</u>	-	-	-	-	-
-	-	-	-	-	-
<u>1st 1040 hours worked</u>	-	<u>\$11.30</u>	<u>\$11.75</u>	<u>\$12.25</u>	<u>\$12.35</u>

<u>Next 1040 hours worked</u>	-	<u>\$11.40</u>	<u>\$12.00</u>	<u>\$12.50</u>	<u>\$12.60</u>
<u>Next 1040 hours worked</u>	-	<u>\$11.50</u>	<u>\$12.25</u>	<u>\$12.75</u>	<u>\$12.85</u>
<u>Next 1040 hours worked</u>	-	<u>\$12.00</u>	<u>\$12.50</u>	<u>\$13.00</u>	<u>\$13.10</u>
<u>Next 1040 hours worked</u>	-	<u>\$12.50</u>	<u>\$13.00</u>	<u>\$13.50</u>	<u>\$13.60</u>
<u>Next 1040 hours worked</u>	-	<u>\$14.00</u>	<u>\$14.00</u>	<u>\$14.00</u>	<u>\$14.10</u>
<u>Next 1040 hours worked</u>	-	<u>\$15.50</u>	<u>\$15.50</u>	<u>\$15.50</u>	<u>\$15.50</u>
<u>Next 520 hours worked</u>	-	<u>\$16.00</u>	<u>\$16.00</u>	<u>\$16.00</u>	<u>\$16.00</u>
<u>Thereafter Rate</u>	-	<u>\$16.99</u>	<u>\$17.39</u>	<u>\$17.74</u>	<u>\$18.09</u>
-	-	-	-	-	-
<u>Cake Decorator</u>	-	-	-	-	-
<u>1st 1040 hours worked</u>	-	<u>\$11.30</u>	<u>\$11.75</u>	<u>\$12.25</u>	<u>\$12.35</u>
<u>Next 1040 hours worked</u>	-	<u>\$11.40</u>	<u>\$12.00</u>	<u>\$12.50</u>	<u>\$12.60</u>
<u>Next 1040 hours worked</u>	-	<u>\$11.50</u>	<u>\$12.25</u>	<u>\$12.75</u>	<u>\$12.85</u>
<u>Next 1040 hours worked</u>	-	<u>\$12.00</u>	<u>\$12.50</u>	<u>\$13.00</u>	<u>\$13.10</u>
<u>Next 1040 hours worked</u>	-	<u>\$12.50</u>	<u>\$13.00</u>	<u>\$13.50</u>	<u>\$13.60</u>
<u>Next 1040 hours worked</u>	-	<u>\$14.00</u>	<u>\$14.00</u>	<u>\$14.00</u>	<u>\$14.10</u>
<u>Next 1040 hours worked</u>	-	<u>\$15.50</u>	<u>\$15.50</u>	<u>\$15.50</u>	<u>\$15.50</u>
<u>Next 520 hours worked</u>	-	<u>\$16.00</u>	<u>\$16.00</u>	<u>\$16.00</u>	<u>\$16.00</u>
<u>Thereafter Rate</u>	-	<u>\$16.99</u>	<u>\$17.39</u>	<u>\$17.74</u>	<u>\$18.09</u>
-	-	-	-	-	-
<u>Non-Food/GM</u>	-	-	-	-	-
<u>1st 1040 hours worked</u>	-	<u>\$11.30</u>	<u>\$11.75</u>	<u>\$12.25</u>	<u>\$12.35</u>
<u>Next 1040 hours worked</u>	-	<u>\$11.40</u>	<u>\$12.00</u>	<u>\$12.50</u>	<u>\$12.60</u>
<u>Next 1040 hours worked</u>	-	<u>\$11.50</u>	<u>\$12.25</u>	<u>\$12.75</u>	<u>\$12.85</u>
<u>Next 1040 hours worked</u>	-	<u>\$11.60</u>	<u>\$12.50</u>	<u>\$13.00</u>	<u>\$13.10</u>
<u>Next 1040 hours worked</u>	-	<u>\$11.70</u>	<u>\$13.00</u>	<u>\$13.50</u>	<u>\$13.60</u>
<u>Next 1040 hours worked</u>	-	<u>\$12.28</u>	<u>\$13.50</u>	<u>\$14.00</u>	<u>\$14.10</u>
<u>Next 1040 hours worked</u>	-	<u>\$13.80</u>	<u>\$14.00</u>	<u>\$14.50</u>	<u>\$14.60</u>
<u>Next 520 hours worked</u>	-	<u>\$14.20</u>	<u>\$14.50</u>	<u>\$15.00</u>	<u>\$15.10</u>
<u>Thereafter Rate</u>	-	<u>\$15.48</u>	<u>\$15.88</u>	<u>\$16.23</u>	<u>\$16.58</u>
-	-	-	-	-	-
<u>COURTESY CLERKS</u>	-	-	-	-	-
<u>1st 480 hours worked</u>	-	<u>\$11.30</u>	<u>\$11.30</u>	<u>\$12.00</u>	<u>\$12.00</u>
<u>Thereafter Rate</u>	-	<u>\$11.40</u>	<u>\$11.40</u>	<u>\$12.00</u>	<u>\$12.00</u>
<u>After 3 years</u>	-	<u>\$11.95</u>	<u>\$11.95</u>	<u>\$12.55</u>	<u>\$12.55</u>
<u>After 6 years</u>	-	<u>n/a</u>	<u>\$12.50</u>	<u>\$13.10</u>	<u>\$13.10</u>

SAFEWAY INC. CLERKS 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. C-4 1982 Denver Negotiation (Training Language) signed by Charles Mercer for UFCW Local 7, and dated 8-16-82.
2. C-5 Employees reinstated under terms of Alcohol Rehabilitation Program. Agreement reached as a result of a meeting held on March 31, 1983, between Charles Mercer and Rex Berry.
3. C-7 Article 30, Seniority and Section 71, Promotions. Establishes age requirements for promotion to General Merchandise, Bakery and All Purpose Clerk classifications. Signed by Harley Fujimoto for UFCW Local 7 and Bruce Trull for Safeway, dated 3-13-84.
4. C-10 Layoff Rights of Cake Decorators, FTD Florists, Head Bakers and/or Assistant Bakery Managers. Employees in the classifications can be replaced by a more senior employee who has worked at least six (6) months in these classifications. Signed by Charles Mercer for UFCW Local 7 and Bruce Trull for Safeway, dated 4-1-86.
5. C-11 Layoff of Bargaining Unit Management Personnel (Head Clerk and above). Provides for Layoff by job assignment within certain management classifications. Signed by Gordon Todd for Safeway and Gary Hakes for UFCW Local 7, dated 6-26-86.
6. C-12 Voluntary and Involuntary Demotions. Provides for specific displacement rights for Head Clerks and above when demoted as opposed to layoffs. Signed by Gordon Todd for Safeway and Gary Hakes for UFCW Local 7, dated 6-26-86.
7. C-14 Procedure for Scheduling Employees with Conscientious Objections to Working on Their Day of Sabbath. Unsigned and undated agreement between Safeway and UFCW Local 7.
8. C-20 Grievance Settlements at Store Level. provides for non-precedent settlements between Store Managers and Union Stewards. Signed by Charles Mercer for UFCW Local 7 and Bruce Trull for Safeway, dated 2-3-87.
9. C-24 Espresso Vendors. Provides for espresso vendors and carts outside Safeway stores. Signed by Michael Belo for UFCW Local 7 and Bruce Trull for Safeway, dated 2-11-93.
10. C-27 Broomfield Store. Excludes one (1) Store Assistant Manager from the Union since the Broomfield clerk bargaining unit voted to become part of the Denver Metro Bargaining Unit.
11. C-28 Seniority--Employee Transfer and Reinstatement. Provides for the bridging of seniority for employees transferring into any Colorado UFCW Local #7 bargaining unit after thirty days.
12. **News Media and RTUI** (Placement of Signs upon Shopping Carts). (All Safeway Bargaining Units in Colorado).

13. Layoff Procedures, Colorado Springs retail clerks and meat bargaining units. Clarifies layoff procedures on Section 107 of the retail clerks contract and Section 105 of the retail meat contract for Colorado Springs. Signed by Bruce Trull for Safeway on 12-18-94 and Michael Belo for UFCW Local 7 on 11-23-94.
14. Estes Park Store SW 920 (Retail Clerks Contract). Transfers of Employees from Outside the Unit. Clarifies seniority rights for Head Clerks and other management employees who transfer into this store. Signed by Bruce Trull for Safeway on 12-19-94 and Michael Belo for UFCW Local 7 on 1-3-95.
15. Establishment of Variety Manager Classification. Colorado Stores only. Creates a new variety manager classification and grandfathers existing managers as Second Assistants. Signed by Bruce Trull for Safeway on 8-1-95 and Gary Hakes for UFCW Local 7 on 7-19-95.
16. Incidental Letters Pertinent to interpretation.
 - a. Plant Floral Rates of Pay. Letter to Gordon Todd, Safeway from Gary Hakes, UFCW Local 7, dated 6-24-86. Clarifies that the new plant floral rates and classifications created by this letter are for FTD Departments only. GM plant clerks in non-FTD Departments will remain at GM rates.
 - b. Health Insurance Coverage. Letter to Bruce Trull, Safeway from Ernest Duran, UFCW Local 7, dated 6-25-92. Clarifies that employees who qualify for health coverage but lose it due to being reclassified as a courtesy clerk during the 6 to 12 month period will be given coverage through the Trust but contributions will not be required.
17. Vail, Colorado Addendum Agreement dated February 28, 1991, executed by Bruce Trull for Safeway and Dwayne Adkins for UFCW Local No. 7.
18. Dress Requirements letter pursuant to Article 51 of this Agreement. As written in the Strike-Lockout Settlement Offer to UFCW Local 7 dated June 24, 1996.
19. Four (4) Ten (10) Hour Straight-Time Shifts letter dated August 13, 1996. Signed by Richard D. Cox for Safeway Inc. and Gary R. Hakes for UFCW Local No. 7.
20. Courtesy Clerk Premium. **Signed by Gary L. Pickel for Safeway and John Mathewson for UFCW Local No. 7.**
21. Employee Buyout dated May 19, 2005. Signed by Gary L. Pickel for Safeway Inc. and John Mathewson for UFCW Local No. 7.
22. Establishment of Arbitration Scheduling Procedures. As written in the Last, Best and Final Offer to UFCW Local 7 pursuant to the 2009 negotiations. Signed by Bryan Smith for Safeway Inc. and Kim Cordova for UFCW Local No. 7.
23. Health and Welfare Contributions Recitals. Signed by Bryan Smith for Safeway Inc. and Kim Cordova for UFCW Local No. 7.
24. Minimum Wage. Signed by **Frank Jorgensen** for Safeway Inc. and Kim Cordova for UFCW Local No. 7.
25. **Bulk Food. Signed by Frank Jorgensen for Safeway Inc. and Kim Cordova for UFCW Local No. 7.**

26. Drive Up and Go (DUG) Shoppers. Signed by Frank Jorgensen for Safeway Inc. and Kim Cordova for UFCW Local No. 7.

27. Apprenticeship Programs. Signed by Frank Jorgensen for Safeway Inc. and Kim Cordova for UFCW Local No. 7.

28. Joint Labor Management Committee. Signed by Frank Jorgensen for Safeway Inc. and Kim Cordova for UFCW Local No. 7.

SAFEWAY INC. CLERKS LETTERS OF UNDERSTANDING

1. C-4 1982 Denver Negotiation (Training Language) signed by Charles Mercer for UFCW Local 7, and dated 8-16-82.

This letter is to confirm our agreement on an interpretation of the training language in the new collective bargaining agreement between Local 7 and Safeway. First of all, that language does not require Safeway to train an employee in the produce area. Second, an employee cannot use that language to receive training when the training would only affect the employee's ability to obtain a more preferential shift. Obviously, this assumes that the more preferential shift has the same or less hours than the employee's current shift.

2. C-5 Employees reinstated under terms of Alcohol Rehabilitation Program. Agreement reached as a result of a meeting held on March 31, 1983, between Charles Mercer and Rex Berry.

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.
3. C-7 Article 27, Seniority and Section 71, Promotions. Establishes age requirements for promotion to General Merchandise, Bakery and All Purpose Clerk classifications. Signed by Harley Fujimoto for UFCW Local 7 and Bruce Trull for Safeway, dated 2-13-84.
1. Promotions to General Merchandise or Janitor Classifications shall be granted according to the Contract regardless of age.
 2. Promotions to Bakery Classification or All Purpose Clerk Classification shall be granted according to the Contract, provided the employee has attained the age of 18 years.
 3. Employees passed over for promotion because of not being 18 years in age shall remain on the Promotion Request List.
 4. Upon attaining age 18, employees who were passed over shall be promoted as per their request on the Promotion Request List whenever an appropriate position becomes available.
4. C-10 Layoff Rights of Cake Decorators, FTD Florists, Head Bakers and/or Assistant Bakery Managers. Employees in the classifications can be replaced by a more senior employee who has worked at least six (6) months in these classifications. Signed by Charles Mercer for UFCW Local 7 and Bruce Trull for Safeway, dated 4-1-86.

It is understood and agreed that the following language will be applied in Layoff and Reduction in Hours situations in all our Colorado Retail Clerk Agreements:

In the event of a layoff or reduction in hours, employees who have been "specially trained" in the area of Cake Decorators, FTD Florists, Head Baker and/or Assistant Bakery Manager and Postal Clerks may only be replaced by a more senior employee who has worked at least six months in the "specially trained" classification.

Employees will be considered "specially trained" provided they meet the qualifications and guidelines on the attached Exhibits A through D.

EXHIBIT "A"

Qualifications for being "Specially-Trained" in FTD Floral Classification

Head Baker or Assistant
Bakery Manager (When
Designated by the Employer)

It is understood and agreed any employee who is presently performing work in these classifications and who is receiving pay in a higher wage classification will continue to receive wage increases in accordance with said classification.

5. C-11 Layoff of Bargaining Unit Management Personnel (Head Clerk and above). Provides for Layoff by job assignment within certain management classifications. Signed by Gordon Todd for Safeway and Gary Hakes for UFCW Local 7, dated 6-26-86.

I. When a reduction of the workforce is necessary, the layoff language of all Colorado collective bargaining agreements shall apply, except as modified below.

- A. Layoff will begin within the job assignment in the classification to be affected in reverse seniority order.

The affected person shall be notified and given the following options:

1. Displace the least senior employee within the same job assignment and classification within the store.
2. Displace the least senior employee within the same job assignment and classification within the bargaining unit.
3. Displace a less senior employee in a lower classification within the store, excluding head clerk and above positions, unless qualified.
4. Displace a less senior employee in a lower classification within the bargaining unit, excluding head clerk and above positions, unless qualified.
5. Accept the layoff (recall rights as set forth in all Colorado collective bargaining agreements shall apply only to those individuals who choose the layoff and limited to job assignments previously held).

B. For the purpose of this agreement, "job assignments" are defined as:

1. Front End Supervision
2. Night Crew Foreman
3. Produce Head Clerk
4. File Maintenance Clerk
5. I.C.C. Clerks
6. Variety Manager
7. Grocery Manager
8. Produce Manager
9. Bakery Manager

It is expressly understood and agreed that all assignments of person's occupying the position of head clerk or above are within one of the above-listed categories.

The parties agree that S.M.T.P. graduates, if performing in a head clerk or above position, shall be able to exercise the above options in the event they are laid off but shall not be bumped by other persons; provided, however, that said personnel and procedure are not used to circumvent the contract.

II. All current affected head clerks, with active grievances, shall have the options set forth above.

III. All employees currently classified as frozen food, dairy, and GM head clerks shall be reclassified in accordance with their seniority and consistent with Article 29, Layoffs, and Article ____, Reduction of Hours, as well as the seniority provisions of the contract without recall to a head clerk position. [Note: It is understood that the reference to Article ____ is null and void as a consequence of the change negotiated between the parties with respect to former Article 34 in the Collective Bargaining Agreement.]

IV. The Dairy and Frozen Food full-time positions that are being vacated by persons classified as head clerks shall remain full-time positions at the time of reclassification and shall be filled by all-purpose clerks in accordance with the provisions of the collective bargaining agreement.

V. It is understood and agreed that hours being vacated by head clerks or above, except GM Managers, shall become all-purpose clerk hours and will be used to create as many full-time positions as is possible. It is understood and agreed that the Company retains the right to employ part-time head clerks.

VI. This settlement agreement shall apply to all collective bargaining agreements between Safeway Stores, Inc. and Local No. 7 in Colorado and shall have a term co-existent with the current collective bargaining agreements.

6. C-12 Voluntary and Involuntary Demotions. Provides for specific displacement rights for Head Clerks and above when demoted as opposed to layoffs. Signed by Gordon Todd for Safeway and Gary Hakes for UFCW Local 7, dated 6-26-86.

1. If a member of the bargaining unit classified as a Head Clerks or above is demoted, voluntarily or involuntarily, and has been employed in the bargaining unit for a minimum of one continuous year prior to the demotion, the employee may be returned to the classification and status, full-time or part-time, when first promoted to the bargaining unit position of Head Clerk or above. In returning the employee to the position previously held, the least senior employee in the classification and status may be bumped as a result. Further, the Company may demote the employee to a bargaining unit management position as long as the assignment does not circumvent the Collective Bargaining Agreement.

2. If a member of the bargaining unit classified as a Head Clerk or above is demoted, voluntarily or involuntarily, and has been employed in the bargaining unit for a minimum of one continuous year prior to the demotion, but has not held a non-management position in the bargaining unit, he may claim a position as if he had signed the full-time or promotion request lists and may bump the junior incumbent employee based on seniority.

3. If a member of the bargaining unit classified as Head Clerk of above is demoted voluntarily or involuntarily, and has not been employed in the bargaining unit for one continuous year prior to the demotion, the employee shall be placed in the position of a Courtesy Clerk.

4. If a management employee who is not a member of the bargaining unit is demoted, voluntarily or involuntarily, into a non-management bargaining unit position, the employee may exercise full Company seniority from the date of such demotion, notwithstanding language set forth in the Collective Bargaining Agreement establishing a 30 day waiting period, and will be deemed to have signed the full-time and promotion request lists and to have all rights available to an employee on such lists. Such an employee, however, may not bump an incumbent employee from a position but must await a vacancy which he may claim based on his seniority as provided for in the full-time and promotion request procedures. Pending a vacancy, the employee may be placed as a management trainee as defined in the Collective Bargaining Agreement or a Courtesy Clerk. Further, the employee must be employed for one continuous year in a store or facility covered by any Collective Bargaining Agreement with Local 7 immediately preceding the demotion or the employee shall be placed in the position of Courtesy Clerk.

5. The Company may demote a management employee who is not a member of the bargaining unit into a management bargaining unit position of Head Clerk or above so long as such assignment does not circumvent the Collective Bargaining Agreement.

6. When a reduction in the number of employees in a classification of Head Clerk and above is implemented, this procedure shall not apply, but rather the Letter of Understanding concerning layoff of bargaining unit management personnel shall be followed.

7. This Settlement Agreement shall apply to all Collective Bargaining Agreements between Safeway and Local 7 in Colorado and shall have a term coextensive with the current collective bargaining agreements.

8. Local 7 agrees that the arbitrator in the Monte Vista Reduction of Hours arbitration, Union case #644-85, currently pending ("Monte Vista Arbitration") will not be advised of either the fact or terms of this Letter of Understanding and that this Letter of Understanding shall not be used as evidence in any way in the Monte Vista Arbitration.

7. C-14 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.

DATE: _____

Subject: Scheduling of Employee with Conscientious Objections to Working on His or Her Day of Sabbath

Employee Name:

Nature of Conscientious Objections:

Day of Week Unable to Work:

Nature of Request for Accommodation:
(Explain fully which aspect of Scheduling Procedure Employee Has Sought to Utilize)

Store Manager Response:
(Was Request Granted, and if not, State Specifically why not)

I acknowledge that the above information is true and correct.

Employee Signature

Store Manager Comments:

Signed

Distribution: Original to ERD
Retain copy in store
Second copy to District Office

- 8. C-20 Grievance Settlements at Store Level. provides for non-precedent settlements between Store Managers and Union Stewards. Signed by Charles Mercer for UFCW Local 7 and Bruce Trull for Safeway, dated 2-3-87.

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.

- 9. C-24 Espresso Vendors. Provides for espresso vendors and carts outside Safeway stores. Signed by Michael Belo for UFCW Local 7 and Bruce Trull for Safeway, dated 2-11-93.

The Union agrees to permit vendors to serve espresso and a limited number of other items from carts or similar enclosures outside Safeway stores, under the following conditions:

(1) The vendors can sell only espresso and drinks made with espresso, such as cappuccino, and will not sell coffee, pop, or other drinks sold by bargaining unit employees inside the stores.

(2) The vendors can sell incidental pastries, such as donuts, cookies or sweet rolls, but they must purchase all such pastries from the Safeway store in the same manner as a regular customer does. They must also purchase any other supplies from the Safeway store in the same manner, except that they may purchase coffee beans for espresso elsewhere if the beans used for espresso are not available from

that store. Vendors cannot sell candy, sandwiches, and other food items (except pastries) that are sold by bargaining unit employees in the Safeway store.

(3) There will be no more than one vendor and one cart at any store.

10. C-27 Broomfield Store. Excludes one (1) Store Assistant Manager from the Union since the Broomfield clerk bargaining unit voted to become part of the Denver Metro Bargaining Unit.

It is understood and agreed between Safeway Stores, Incorporated and Retail Clerks Union, Local No. 7 that effective November 1, 1979 the metro-Denver contract shall apply in its entirety to the Broomfield store with the following exception:

One (1) Store Assistant Manager shall continue to be excluded from the bargaining unit.

11. C-28 Seniority--Employee Transfer and Reinstatement. Provides for the bridging of seniority for employees transferring into any Colorado UFCW Local #7 bargaining unit after thirty days.

It is understood and agreed that the following language shall be added to and become a fixed part of all labor agreements between Safeway Stores, Incorporated (Denver Division) and Retail Clerks Union Local No. 7, and shall replace letters dated 8/29/77.

"In the event an employee transfers from one area in the Denver Division of Safeway, or is reinstated from another Division of Safeway within thirty (30) days as per Safeway's Reinstatement Policy, to a bargaining unit in the jurisdiction of Local No. 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 or is reinstated.

It is agreed that this provision shall become effective, and seniority dates shall be adjusted as soon as administratively possible, for all employees who have previously transferred or been reinstated from another Division of Safeway into a Local 7 bargaining unit."

The parties agree that when seniority date adjustments become necessary, as a result of this Agreement, that the adjustments shall be made as quickly as possible within the terms of the respective Contract.

12. **News Media and RTUI** (Placement of Signs upon Shopping Carts). (All Safeway Bargaining Units in Colorado). Signed by **Frank Jorgensen** for Safeway and **Kim C. Cordova** for UFCW Local 7.

1. Representatives from **News Media and RTUI (or an alternative vendor)**, may maintain advertising space on aisle vision billboards, shopping carts, and the shelf-talker instant coupon machine in all stores, with the understanding that such advertising placards are not to include pricing of any kind.

2. It is further understood that this work is strictly limited as described above and shall not be expanded further.

3. The Company will provide the Union with a copy of the current contract with **News Media and RTUI** and will, upon request, provide a copy of future contracts.

5. The term of this letter of understanding is concurrent with the present collective bargaining agreements, effective from **2019-2022**. Either party may choose to terminate this letter of understanding when such agreements expire.

ALBERTSONS/SAFEWAY

Name:

Date: 10-15-20

UFCW LOCAL 7

Name:

Date: August 19, 2020

13. Layoff Procedures, Colorado Springs retail clerks and meat bargaining units. Clarifies layoff procedures on Section 75 of the retail clerks contract and Section 97 of the retail meat contract for Colorado Springs. Signed by Bruce Trull for Safeway on 12-18-94 and Michael Belo for 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.

14. Estes Park Store SW 920 (Retail Clerks Contract). Transfers of Employees from Outside the Unit. Clarifies seniority rights for Head Clerks and other management employees who transfer into this store. Signed by Bruce Trull for Safeway on 12-19-94 and Michael Belo for UFCW Local 7 on 1-3-95.
 1. This agreement pertains to the interpretation of Article 27, Section 63, which provides as follows, in relevant part: "Seniority for employees who transfer into the store from another bargaining unit will begin on the first (1st) day they work in the Estes Park store, except the Company shall have the right to transfer a maximum of one (1) employee per bargaining unit per year into the store who shall retain their original seniority date with the Employer after they have worked for six (6) consecutive months in the Estes Park store."
 2. A dispute has arisen between the Union and the Employer about whether the above provision applies to transfers of head clerks or to transfers of other management employees who are included in the bargaining unit or, even if not included in the unit when transferred, are demoted or step down into the bargaining unit after their transfer. The parties agree to resolve the dispute as set forth below.
 3. In the event that the Employer transfers head clerks or other management employees into the Estes Park store, such employees will have seniority from the date they begin working in the Estes Park store until two years have passed. After two years of working continuously in the store, such employees will regain their company seniority, i.e., length of continuous employment with the Employer. This two-year waiting period shall apply to transfers of head clerks, other bargaining unit management employees, and non-bargaining unit management employees who are demoted or step down into the bargaining unit. This restriction on seniority does not apply to qualifications for the number of weeks of vacation (but does apply to scheduling of vacations) or other non-competitive benefits for which continuous employment with the Employer is the requirement.
 4. Before transferring head clerks or other bargaining unit management employees into the Estes Park store, the Employer will first notify Estes Park employees of the position and will consider any Estes Park employees who have applied for the position. The Employer will have full discretion, however, to decide whether or not to select an Estes Park employee for the position.
 5. Head clerks previously transferred in 1994 shall retain their original seniority date with the Employer after they have worked for six (6) consecutive months in the Estes Park store.
 6. If the Employer transfers a head clerk or bargaining unit management employee into the Estes Park store and such employee is the only person transferred into the store within the calendar year, this agreement does not apply. Such employee shall retain his/her original seniority date with the Employer after working for six (6) consecutive months in the Estes Park store, as provided for in the current contract.
 7. The Union's agreement to this settlement is contingent upon ratification by a majority of members employed in the Estes Park store.
15. Establishment of Variety Manager Classification. Colorado Stores only. Creates a new variety manager classification and grandfathers existing managers as Second Assistants. Signed by Bruce Trull for Safeway on 8-1-95 and Gary Hakes for UFCW Local 7 on 7-19-95.

UFCW Local #7 and Safeway Inc., Denver Division, agree to the establishment of a Variety Manager classification in all Colorado Retail contracts.

1. The Company shall designate the classification in its stores under these two general criteria:
 - a. The sales volume of the Variety Department will be approximately \$35,000 per week on a regular basis.
 - b. The Variety Department may have the equivalent of 1.5 employees or approximately fifty-six (56) hours per week.
2. It is agreed that this position will not be subject to the promotion request language of the Collective Bargaining Agreements.
3. Existing Variety Department Managers classified as Second Assistants will be grandfathered and the Company will be allowed to replace them at its discretion, with the new classification through attrition.
4. Employees assigned to this new classification will be paid the new rate as of the date they are assigned the position.
5. The rate of pay will be \$12.00/hour for Denver and all areas with similar rates. Areas with different rates will be paid a rate comparable to the same percentage of the new rate to the APC rate for Denver.

16. Incidental Letters Pertinent to interpretation.

- a. Plant Floral Rates of Pay. Letter to Gordon Todd, Safeway from Gary Hakes, UFCW Local 7, dated 6-24-86. Clarifies that the new plant floral rates and classifications created by this letter are for FTD Departments only. GM plant clerks in non-FTD Departments will remain at GM rates.

All GM clerks currently working in an authorized "F.T.D." floral shop will be reclassified into the FTD Floral Classification and receive the appropriate new higher rate of pay, and GM clerks in non-FTD departments will remain the same.

The affected floral clerks will be paid retro back to June 1, 1986, for all hours worked.

The new Plant Floral Classification will be paid in accordance with the King Soopers contract. The correct rates are as follows:

<u>Effective 5/4/86</u>		<u>Holiday Rate</u>	
1st 960 hours of work:	\$7.20	1st 960 hours of work:	\$13.01
2nd 960 hours of work:	7.97	2nd 960 hours of work:	14.40
Thereafter:	9.28	Thereafter:	16.81
 Plant Floral Designer	 9.66		 17.57

- b. Health Insurance Coverage. Letter to Bruce Trull, Safeway from Ernest Duran, UFCW Local 7, dated 6-25-92. Clarifies that employees who qualify for health coverage but lose it due to being reclassified as a courtesy clerk during the 6 to 12 month period will be given coverage through the Trust but contributions will not be required.

With regard to health insurance coverage for employees who have qualified therefore but lose coverage due to being reclassified to the courtesy clerk position during the six (6) to twelve (12) month period of their employment, Safeway will agree to handle it as a trust matter. In other words, such employees will be given coverage but contributions will not be required.

17. 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.

18. Dress Requirements letter pursuant to Article 51 of this Agreement. Clarifications made to letter 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. Courtesy Clerks may wear shorts between May 1 through September 30 provided they are of the same material allowed above. 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.

19. Four (4) Ten (10) Hour Straight-Time Shifts letter dated August 13, 1996. Signed by Richard D. Cox for Safeway Inc. and Gary R. Hakes for UFCW Local No. 7.

Re: Four (4) Ten (10) Hour Straight-Time Shifts
1996-1999 Front Range Agreements

1. 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.

2. Overtime will be computed for all hours worked over forty (40). Hours worked over eight (8) in a day will not apply to full-timers working the ten (10) hour shifts provided for herein.

3. It is also understood that all other provisions of the Collective Bargaining Agreement, including seniority rights, will be modified as applicable toward any ten (10) hour shifts the Employer may create in the individual store.

4. 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 eight (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.

20. Courtesy Clerk Premium. Signed by **Frank Jorgensen** for Safeway and **Kim C. Cordova** for UFCW Local No. 7.

The parties have agreed that Courtesy Clerks who have more than three (3) years of service as a Courtesy Clerk with **the Company** shall, during the term of this Agreement, be compensated at a straight-time hourly wage rate fifty-five cents (\$0.55) per hour above the "Thereafter" Courtesy Clerk wage rate **set forth in Appendix "A" of this Agreement. Further, the parties have agreed that, effective as of the date of expiration of the applicable 2015-2019 Agreement, Courtesy Clerks who have more than six (6) years of continuous service as a Courtesy Clerk with the Company shall, during the term of this Agreement, be compensated at a straight-time hourly wage rate one dollar and ten cents (\$1.10) per hour above the "thereafter" Courtesy Clerk wage rate set forth in Appendix "A" of this Agreement.**

ALBERTSONS/SAFEWAY
Name: Frank Jorgensen
Date: 10-15-20

UFCW LOCAL 7
Name: Kim C. Cordova
Date: August 19, 2020

21. 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
22. Establishment of Arbitration Scheduling Procedures. As written in the Last, Best and Final Offer to UFCW Local 7 pursuant to the 2009 negotiations. Signed by Bryan Smith for Safeway Inc. and Kim Cordova for UFCW Local No. 7.

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.

23. 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.

24. 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: 

Date: 10-15-20

Name: 

Date: August 19, 2020

25. Bulk Food.

The Employer currently offers a variety of bulk food products in select stores. The offering includes both a prepackaged assortment as well as, in some stores, binned bulk food items.

The Employer and the Union agree that so long as the pre-packaged items are cross-docked at the Employer’s warehouse facilities (i.e. not delivered directly to stores by a vendor), employees covered by the parties’ labor agreement will continue to stock the pre-packaged product as they currently do. The Employer and the Union agree that in stores where binned bulk food products currently are offered, as well as any stores where such products are introduced in the future, the Employer may assign all work related to the ordering and servicing of the binned bulk food to a vendor, notwithstanding that it may be cross-docked. The current binned bulk food product assortment consists of 97 items. The Employer may make substitutions of items, but it is understood that if the Employer wishes to increase the number of items beyond 97, the parties will discuss the ordering and in-store servicing of such additional products by a vendor.

ALBERTSONS/SAFEWAY

UFCW LOCAL 7

Name: Frank Jozwik

Name: Ken C. Adams

Date: 10-15-20

Date: August 19, 2020

26. Drive Up and Go (DUG) Shoppers.

The parties hereby agree to establish the terms and conditions for a Drive Up and Go (DUG) Shopper classification pursuant to the provisions below. It is expressly understood and agreed that DUG Shopper work is bargaining unit work within the scope of the applicable “Clerks” collective bargaining agreements between Safeway Inc., Albertsons LLC., and UFCW Local 7 within the Denver Division.

All terms and conditions of the applicable UFCW Local 7 clerks collective bargaining agreement between Safeway Inc., Albertsons LLC., and UFCW Local 7 will apply to the DUG Shopper classification, except as specifically modified herein.

DUG Shoppers will select and pack customer-ready products to fulfill customer orders. The DUG Shoppers will perform no preparation or cutting of food or meat.

DUG Shoppers shall be considered a separate classification in the Clerks Agreement for all purposes, including but not limited to seniority and scheduling.

Wage rates for DUG Shoppers will be the same as the Non-Food/GM classification wage rate progression of the applicable Clerks Agreement for the Store.

If the Company chooses to establish a DUG Shopping Manager in the DUG Shopping Department, the company shall notify the Union immediately, and a new wage rate for such job shall be determined by the Employer and the Union.

ALBERTSONS/SAFEWAY

UFCW LOCAL 7

Name: Frank Jojuda

Name: Ken C. Adams

Date: 10-15-20

Date: August 19, 2020

27. 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 Jojuda

Name: Ken C. Adams

Date: 10-15-20

Date: August 19, 2020

28. 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 Jojuda

Name: Ken 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 to the current Agreement.