AGREEMENT

BETWEEN

UNITED FOOD AND COMMERCIAL WORKERS UNION LOCAL NO. 655

AND

DIERBERGS CENTRAL KITCHEN ST. LOUIS, MISSOURI

EFFECTIVE

July 5, 2021

THROUGH

July 7, 2024

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AGREEMENT

This Agreement is entered into by and between DIERBERGS CENTRAL KITCHEN, a division of DIERBERGS MARKETS Inc., St. Louis, MO., hereinafter called the Company, and the UNITED FOOD AND COMMERCIAL WORKERS UNION LOCAL NO. 655 hereinafter called the Union.

ARTICLE 1 - PREAMBLE

The purpose of this Agreement is to establish and maintain a harmonious relationship between the Union, the Company, and its Associates. The Company and the Union agree that the fullest cooperation between the Company and its Associates is necessary to permit the maintenance of harmonious relations, and therefore, set forth herein rates of pay, hours of work, conditions of employment to be observed by the parties hereto, and that they will abide by this Agreement and all mutual understandings contained therein, it being their purpose to settle all differences without disturbance to industrial peace.

The Company and the Union further agree that the fullest cooperation between the Union, the Company and its Associates is necessary in order that the Company may secure and sustain maximum productivity per Associate during the term of this Agreement. The Union is in accord with the objective of achieving the highest level of Associate performance and efficiency consistent with safety, good health, and sustained effort.

The Union recognizes the responsibilities imposed upon it as the exclusive bargaining agent for the Associates and realizes that in order to provide maximum opportunities for continuing employment, good working conditions, and better wages, the Company must be in a strong market position, which means they must produce at the lowest possible cost consistent with fair production standards.

ARTICLE 2 - RECOGNITION

The Company recognizes the Union as the sole Collective Bargaining Agent for all regular full-time and regular part-time Dierbergs Central Kitchen Production Associates, excluding all office clerical and professional associates, guards and supervisors defined by the National Labor Relations Act.

Supervisors shall not perform bargaining unit work except in case of emergency, acts of God, training, or any other conditions beyond the control of the Company, absenteeism, peak seasons or times, break downs or to meet customer needs.

ARTICLE 3 – UNION SECURITY

All Associates who are now members of the Union shall, as a condition of employment, maintain membership in good standing consistent with the provisions of the Labor Management Relations Act of 1947, as amended.

The Company shall not be required to discharge an Associate for failure to attain or maintain membership in the Union unless it shall have received three (3) days' written notice from the Union prior to the date such discharge is to be effective.

All new Associates must become members of the Union thirty-one (31) days after their employment date and thereafter shall, as a condition of employment, maintain membership in good standing consistent with the provisions of the Labor-Management Relations Act of 1947, as amended.

CHECKOFF: The Company agrees to deduct initiation fees, union dues, and uniform assessments where lawful, uniformly required as a condition of acquiring or retaining membership in the Union from the wages of each Associate, present and future, as the same shall be due, provided each such Associate executes written authorization therefor, in a form authorized by law, and such authorization is turned over to the Company.

The Company agrees to remit such dues and initiation fees as deducted to the Union.

The Union shall, on or before the tenth (10th) day of each month, furnish to the Company a list of member-Associates and the amounts due therefor, including dues owing for the succeeding month.

The Company shall, on or before the last day of the same month, deduct and remit such dues as authorized to the Union.

In the event no wages are then due the Associate, or are insufficient to cover the required deduction, it shall be the responsibility of the Union to resubmit the amount due on the next regular monthly billing.

Once each month the Company will submit to the Union a list of Associates hired the previous month. The list will include the Associate's name, social security number, phone number (home and cell), store code, job code, and date of hire.

Once each year or each week the Company will deduct from the pay of the Associates, who have certified in writing, a political deduction. The Union shall furnish the Company the amounts to be deducted on the regular monthly billings.

No Associate shall be deprived of membership in the Union except in accordance with the Constitution and By-Laws of the Union.

The Company and/or its agents or representatives agree not to aid, promote, or finance any other group or organization which purports to engage in collective bargaining.

The Company agrees not to enter into any agreement or contract with their Associates, individually or collectively which, in any way, conflicts with the terms and provisions of this Agreement.

The Company agrees to permit an authorized representative or officer of the Union to have free access to the facility at all hours when members of Local No. 655 are on duty to satisfy the Union that the terms of this Agreement are complied with, but such representative or officer shall not interfere with the duties of any of the said Associates or the business of the Company.

The Union shall have the right to designate two (2) Union Stewards who shall have top ranking seniority (during the term of their office) irrespective of actual length of service, in case of layoffs.

The Union store card may be displayed in all places where members of Local No. 655 are employed exclusively. The store card shall be removed at the request of the Union.

Corrective action will be discussed in the presence of the Associate and if requested, the Union steward or the Union Representative or another bargaining unit Associate of the associates' choosing who is at work. Based on the operational needs of the business, the Company may request the associate select an alternative member of the bargaining unit who is at work to attend the above meeting. The Associate and the Union will be given a copy of the "Corrective Action".

ARTICLE 4 - MANAGEMENT RIGHTS

The Management of the business and the direction of the working forces, including the right to plan, direct and control the facility operations, hire, suspend or discharge for proper cause, transfer or relieve Associates from duty because of lack of work or for other legitimate reasons, to assign work and equipment, the right to study or introduce new or improved production methods, equipment, technology or facilities (including but not limited to taking action in order to comply with the Food Safety Modernization Act including, industry best practices, and all other applicable federal, state and local laws and regulations), together with the right to determine the methods, processes, and means of manufacture, to outsource products, to exercise the make or buy decision, and the right to establish and maintain reasonable rules and regulations covering the operation of the facility, conduct and safety, a violation of which shall be among the causes for discharge, are vested in the Company; provided, however, that this right shall be exercised with due regard for the rights of the Associates, and provided further that it will not be used for the purpose of discrimination against any Associate. This paragraph is subject to the Grievance Procedure.

ARTICLE 5 – SENIORITY

Seniority shall be defined as the Associate's length of continuous service with the Company, or date of entry into the bargaining unit or seniority classification, whichever is later. No Associate shall acquire any seniority rights until the Associate has been employed for at least sixty (60) days plus an additional thirty (30) days extension if requested by the Company and the Associate shall not be deemed to be entitled to any of the privileges of seniority until the Associate has been employed for that long. At the completion of the probationary period, seniority shall apply from the date of employment.

Seniority of an Associate shall terminate for any of the following reasons:

- A. Voluntary resignation.
- B. Discharge for proper cause.
- C. Failure of an Associate to return to work following a layoff within five (5) working days after notice by certified mail by the Company to the Associate's last known address on Company's records.
- D. Failure of an Associate to return to work under the terms and conditions of Article 14 (Leaves of Absence).
- E. Where an Associate has performed no work for the Company for a period of six (6) months because of layoffs.
- F. Retirement.

ARTICLE 6 – GRIEVANCE PROCEDURE

<u>Section 6.1</u> Should any differences, disputes or complaints arise over the interpretation or application of the contents of this Agreement, there shall be an earnest effort made on the part of both parties to settle same promptly through the following steps:

- STEP 1. By conference between the aggrieved Associates, the Union steward or Union Representative, or both, and the Commissary Director. The Company shall make its decision known within three (3) working days thereafter. If the matter is not resolved in Step 1, it shall be reduced to writing and referred to Step 2 within three (3) working days.
- STEP 2. By conference between an official or officials of the Union and a designated representative of the Human Resources Department of the Company.
- STEP 3. In the event the last step fails to settle the Grievance, it shall be referred to Arbitration within seven (7) working days of the Company's Step 2 decision.

<u>Section 6.2</u> In any case in which the Associate is aggrieved and the Union promptly notifies the Associate that it does not intend to request arbitration after the Step 2 meeting, the time for requesting arbitration shall be stayed pending the Associate's exhaustion of internal Union appeals to the Union's Executive Board.

<u>Section 6.3</u> The Company and the Union shall mutually agree to an impartial arbitrator to hear said arbitration case; however, if said arbitrator cannot be chosen within three (3) days, then the Federal Mediation and Conciliation Service will be requested to furnish a panel of seven (7) names from which the arbitrator may be chosen. The arbitrator may be chosen by the Union first striking three (3) names and then the Company shall strike three (3) names. The decision of the arbitrator shall be binding on both parties. The expenses of the arbitrator shall be paid for jointly. Should either party postpone a scheduled arbitration date, that party shall be responsible for any cancellation fee.

The parties request that the arbitrator render a decision within sixty (60) days of the close of the hearing or the receipt of the post-hearing briefs, whichever is later.

Both parties agree to issue a joint communiqué to any arbitrator whose ruling is not received within a reasonable time frame.

Such arbitrator shall not be empowered to add to, detract from or alter the terms of this Agreement.

Section 6.4 The Company may, at any time, discharge any Associate for proper cause. The Union or the Associate may file a written complaint with the Company within ten (10) days after the date of discharge, asserting that the discharge was improper. Such complaint must be taken up promptly. If the Company and the Union fail to agree, it shall be referred to arbitration. Should the arbitrator determine that it was an unfair discharge, the Company shall abide by the decision of the arbitrator.

<u>Section 6.5</u> Grievances must be taken up promptly. No grievance will be considered, discussed or become arbitrable which is presented later than seven (7) days after such has happened (or ten (10) days after the date of a discharge in the case of a discharge).

<u>Section 6.6</u> The Company shall have the right to call a conference with a Union Steward or officials of the Union for the purpose of discussing a grievance, criticisms or other problems.

<u>Section 6.7</u> Grievances will be discussed only through the outlined procedures; except that by mutual agreement between the Union and the Company, the time limits may be waived.

<u>Section 6.8</u> There shall be no lockout or cessation of work pending the decision of the arbitrator.

Section 6.9 If the Arbitrator shall award back wages covering the period of the Associate's separation from the payroll of the Company, the amount so awarded shall be less any unemployment compensation received or compensation which the Associate would not have earned had the Associate not been suspended or discharged. If the decision of the Arbitrator includes back pay, any back pay award shall not be in excess of twelve (12) months from the date of discharge or disciplinary suspension.

ARTICLE 7 - UNION COOPERATION

- <u>Section 7.1</u> The Union shall use its best efforts as a labor organization to enhance the interests of the Company, as an Employer of Union labor.
- <u>Section 7.2</u> The Union agrees to uphold the rules and regulations of the Company with regard to punctual and steady attendance, proper and sufficient notification in case of necessary absence, conduct on the job, and all other reasonable rules and regulations established by the Company.
- <u>Section 7.3</u> The Union agrees to cooperate with the Company in maintaining and improving safe working conditions and practices, in improving the cleanliness and good housekeeping of the Facility, and in caring for equipment and machinery.
- <u>Section 7.4</u> The Union recognizes the need for conservation and the elimination of waste and agrees to cooperate with the Company in suggesting and practicing methods in the interest of conservation and waste elimination.
- <u>Section 7.5</u> The Union recognizes the need for improved methods and output in the interest of the Associates and the business and agrees to cooperate with the Company in the installation of such methods, in suggesting improved methods, and in the education of its members in the necessity for such changes and improvements.

<u>ARTICLE 8 – UNAUTHORIZED ACTIVITIES</u>

- <u>Section 8.1</u> During the term hereof, the Union agrees that there shall be no strike, slowdown or handbilling or any interference with or interruption of the normal conditions of the Company's business. The Company agrees there shall be no lockout.
- Section 8.2 The Company and the Union mutually agree that in the event of an unauthorized strike or slowdown by an Associate or Associates that the Company will not file or press suits for monetary damages against the Union, provided the Union shall immediately take every reasonable means to induce the Associate or Associates to return to their jobs or resume standard production. Should such Associate or Associates refuse to return to work or to resume normal production, the Company may exercise whatever disciplinary action it deems proper against such Associate or Associates, including discharge, layoff, loss of seniority rights or other privileges granted Associates under this Agreement or the Company policy.

ARTICLE 9 - HOURS

<u>Section 9.1</u> For full-time Associates, eight (8) hours shall constitute a normal day's work and forty (40) hours shall constitute a normal week's work, the forty hours to be worked in five (5) days [or nine (9) consecutive hours per shift for those associates scheduled to work four (4) nine (9) hour shifts or ten (10) consecutive hours per shift for those Associates scheduled to work four (4) ten (10) hour shifts], exclusive of an unpaid meal period.

All time worked in excess of forty (40) hours per week or eight (8) consecutive hours per shift or ten (10) consecutive hours per shift for Associates working a four (4) ten (10) hour shift or nine (9) consecutive hours per shift for Associates working a four (4) nine (9) hour shift, shall be paid at the rate of time and one-half (1 ½) the Associate's regular rate of pay. There shall be no pyramiding of overtime or premium pay.

Available schedules for Associates of four (4) nine (9) hour shifts and one (1) four (4) hour shift shall be first offered on a voluntary basis in accordance with seniority and qualifications to perform the job. The Company will then ascertain the number of four (4) nine (9) hour and one (1) four (4) hour shift schedules available; then determine the actual number to be scheduled assigning the remaining number of schedules needed on the basis of inverse seniority consistent with qualifications to perform the job.

Available schedules for Associates of four (4) ten (10) hour shifts shall be first offered on a voluntary basis in accordance with seniority and qualifications to perform the job. The Company will then ascertain the number of four (4) ten (10) hour schedules available; then determine the actual number to be scheduled assigning the remaining number of schedules needed on the basis of inverse seniority consistent with qualifications to perform the job.

Associates hired after June 7, 2018 shall have all time worked in excess of forty (40) hours per week or ten (10) consecutive hours per shift paid at a rate of time and one-half (1 $\frac{1}{2}$) the Associates regular rate of pay. There shall be no pyramiding of overtime or premium pay.

The Company shall make a good faith effort to utilize as many full-time schedules (for Associates employed as of September 25, 2009) in a given week as possible using the Company's business judgment within the particular operational work week [five (5) days or four (4) days, etc.] then-established by the Company. It is not the Union's intent to micro manage these circumstances.

This section is intended as a basis for calculating overtime and shall not be construed as a guarantee of any hours of work per day or per week.

When overtime is necessary it shall be offered by seniority to the most senior qualified Associate available at the time overtime is needed. If not enough Associates volunteer then the process of inverse seniority will apply. In the case of mandatory overtime, the Company shall provide notice of same not later than three (3) hours prior to the affected Associate's scheduled end of their shift, unless due to act of God, circumstances beyond the Company's control or emergency, or to comply with regulatory (that is, USDA, FDA or Missouri or St. Louis County Health Departments) needs (in the case of regulatory needs, this shall not normally exceed thirty (30) minutes of mandatory overtime). The Company will specifically designate the overtime as mandatory so as to provide proper notice of same to the Associate(s) involved.

<u>Section 9.2</u> There shall be no work on Christmas Eve or New Year's Eve after 6:00 p.m. unless deemed necessary by management due to operational reasons.

<u>Section 9.3</u> All Associates working six (6) or more hours per day shall be granted a thirty (30) minute uninterrupted and unpaid lunch period daily. The lunch period shall be taken unless other arrangements are made by management. For any associate taking a lunch, the lunch period shall occur between the beginning of the fourth hour and the end of the sixth hour after the associate's starting time, unless other mutually agreeable arrangements are made.

All associates working six (6) or more hours per day will be allowed a paid uninterrupted rest period of fifteen (15) minutes for each one-half (1/2) shift worked, not to exceed two (2) rest periods per day. Associates working four (4) hours up to six (6) hours per day shall be entitled to one (1) paid uninterrupted fifteen (15) minute rest period per day. When an associate is scheduled ten (10) hours and mandatory overtime is posted, an additional fifteen (15) minute rest period will be granted after the ninth (9th) hour of work. Rest periods shall be taken when directed by Management, but the first rest period shall not occur until the Associate has been on duty for at least two (2) hours.

<u>Section 9.4</u> Associates hired prior to July 1, 2015 for work performed on Sunday will be paid at \$1.00 over current rate. Associates hired after July 1, 2015, shall receive no such Sunday premium. Sunday work will be assigned based on seniority and qualifications.

<u>Section 9.5</u> The manager will post a work schedule by seniority (in ink or other permanent means) for all Associates, by surname and initial, for the succeeding week by 2:30 p.m. Friday of the current week. Associates will be scheduled for the most weekly hours by seniority. This schedule shall be accessible to all Associates and the Union.

<u>Section 9.6</u> When non-overtime hours are added to the schedule, they will be added according to seniority, availability, and qualifications provided the additional hours do not require the payment of overtime.

If not enough Associates volunteer, then the process of inverse seniority shall apply consistent with qualifications, as determined by the Company.

As the term is used throughout this Agreement, qualifications are determined by the Company at its discretion.

<u>Section 9.7</u> When non-overtime hours are added to the schedule, if all qualified and available Associates have been offered those hours, the Company shall at its option either exercise its rights under Section 9.6 above and/or utilize temporary workers, provided in either case the additional hours do not cause the payment of overtime or premium pay.

Section 9.8 Any Associate who averages twenty-five (25) hours or more per week and who is unable to work because of injuries received during the scheduled work week, and whose injuries resulted out of or during the course of employment on the facility premises, shall be entitled to full pay not to exceed eight (8) hours [ten (10) hours for Associates scheduled to work four (4) ten (10) hour shifts] for each scheduled day lost because of such injuries, but not to exceed three (3) days; provided, however, that the Associate shall report upon receipt of the injury to the facility manager who shall refer the Associate to the Company's physician. The physician's decision with respect to the length of time required off from the job shall be the controlling factor, provided further that nothing in this provision shall affect any rights accruing to either party under the Worker's Compensation Act of the State of Missouri, and that the Company shall receive credit for any payment made under this Article, should any compensation be awarded in accordance with the State Worker's Compensation Act.

The above payment is meant to compensate the Associate for scheduled days lost prior to the date Worker's Compensation benefits become effective.

ARTICLE 10 - HOLIDAYS

Section 10.1 The following shall be recognized as holidays:

New Year's Day

Labor Day

Memorial Day Independence Day Thanksgiving Day Christmas Day

Any Associate who has worked the regularly scheduled day before and the day after the holiday and the holiday (if scheduled to work), is eligible for holiday pay. As to Associates hired after July 1, 2012, holidays are first effective after an Associate has been employed for six (6) continuous months prior to a given holiday.

<u>Section 10.2</u> Associates who have been employed for more than one (1) year who have been paid over one thousand eight hundred seventy-two (1,872) hours during the prior calendar year shall receive two (2) personal holidays; provided, however, that any Associate employed as of January 1, 2009, (and listed on Exhibit B) shall during the term of this Agreement, continue to enjoy these two (2) personal holidays if they have

been paid one thousand three hundred (1,300) hours or more in the prior calendar year, which shall be calculated for these purposes by using Section 10.4. These personal holidays shall be celebrated on any day which is mutually agreeable to the Associate and the Company. After Associates have initially qualified for personal holidays, they will qualify for future personal holidays as of January 1st.

Section 10.3 Associates hired before July 1, 2015, shall receive time and one-half (1½) for work performed on any of the above holidays in addition to holiday pay. Associates hired on or after July 1, 2015, shall receive no such premium pay for working on a holiday. An Associate who fails to work on a scheduled holiday shall forfeit holiday pay.

Section 10.4 All Associates who have not been absent of their own accord on either the scheduled working day before or the scheduled working day after the Holiday and the Holiday (if scheduled to work) shall receive holiday pay on a pro-rated basis based on the hours paid during the prior calendar year in accordance with the following schedule:

Under 1,249 hours	4 hours pay
1,249 hours through 1,456 hours	5 hours pay
1,457 hours through 1,664 hours	6 hours pay
1,665 hours through 1,872 hours	7 hours pay
Over 1,872 hours	8 hours pay

ARTICLE 11 - PROMOTIONS

In the case of promotions within the Unit to a "lead" position or to "assistant department manager," the Company shall post notice of any such vacancy and Associates shall have seven (7) calendar days to bid for such. The Company shall make the selection at its discretion, including giving consideration as it deems appropriate to those who have bid.

Associates so selected shall receive a minimum one dollar (\$1.00) per hour additional compensation.

The Company shall post notice of a vacancy in a full-time unit position and allow any part-time unit Associate to bid for such within seven (7) calendar days of the time the position is posted. After giving due regard to seniority, the Company shall have the right to exercise its judgment and discretion as to the requirements of qualification, skill and ability.

ARTICLE 12 – VACATIONS

Associates hired after June 7, 2018:

Section 12.1 Associates shall be entitled to vacation in accordance with the following:

- A. Earned vacation shall be taken between January 1 and December 31. Associates earn vacation in the year prior to that which it is taken.
- B. Associates shall be eligible for vacation with pay according to the following schedule:

Any Associate who has completed one (1) year of continuous employment as of January 1 is entitled to one (1) week of vacation with pay to be taken any time during the following twelve (12) months.

Any Associate who has completed three (3) years of continuous employment as of January 1 is entitled to two (2) weeks of vacation with pay to be taken any time during the following twelve (12) months.

Any Associate who has completed seven (7) years of continuous employment as of January 1 is entitled to three (3) weeks of vacation with pay to be taken any time during the following twelve (12) months.

Any Associates who has completed fifteen (15) years of continuous employment as of January 1 is entitled to four (4) weeks' vacation.

C. Associates who have completed their probationary period and who have less than one (1) year of continuous service on January 1 following their employment date will be entitled to a pro rata vacation as follows:

1 month by January 1	1/12 vacation pay
2 months by January 1	2/12 vacation pay
3 months by January 1	3/12 vacation pay
4 months by January 1	4/12 vacation pay
5 months by January 1	5/12 vacation pay
6 months by January 1	6/12 vacation pay
7 months by January 1	7/12 vacation pay
8 months by January 1	8/12 vacation pay
9 months by January 1	9/12 vacation pay
10 months by January 1	10/12 vacation pay
11 months by January 1	11/12 vacation pay

<u>Section 12.2</u> Vacation pay for all Associates shall be based on the Associate's rate of pay at the time vacation is taken and will be determined by averaging the hours worked per week in the twelve (12) month period commencing January 1st to December 31st in the year prior to taking vacation. However, in no event shall a week's vacation pay exceed the number of hours in the basic workweek times the Associate's regular straight time hourly rate.

This pro rata vacation must be taken in the calendar year following the year of hire, but not before the Associate has been employed for at least six (6) months.

Section 12.3 Associates must take (and will be granted) consistent with scheduling, a full weeks' vacation (7 seven consecutive calendar days) and will be paid for a given week in accordance with the second paragraph of Article 12. Associates who are eligible for one (1) or more weeks of vacation will be allowed to use one (1) week of their vacation, one (1) day at a time, for sickness. Such days may also be used for personal reasons either one (1) day at a time or a half ($\frac{1}{2}$) day at a time but in that case, the rules for selecting personal holidays will apply. In calculating the value of one such day, the weekly vacation rate of pay (see paragraph 2 of Article 12) will be divided by five. The resulting number will be the amount charged to an Associate for any such single day of vacation used accordingly. Associates abusing this privilege shall be subject to corrective action.

Section 12.4 All Associates who are eligible for two (2) or more weeks of vacation will be allowed to use two (2) weeks of their vacation, one (1) day at a time or a half ($\frac{1}{2}$) day at a time for personal reasons, however five (5) of these days may be used for sickness. Employees abusing this privilege shall be subject to corrective action. If these days are used for other than sickness, the rules for selecting personal holidays in Article 10, section 10.2 will apply.

Effective January 1, 2022, if, however, a FMLA eligible Associate seeks intermittent or reduced schedule leave for a FMLA qualifying reason, the Company will require the Associate to substitute any accrued vacation for the intermittent or reduced schedule leave without limitation.

Section 12.5 Unused vacation from the prior calendar year, up to one (1) week, will be paid no later than January 31st of each year. No vacations can be carried over from year to year.

Section 12.6 Vacation schedules for the Central Kitchen shall be posted by January 1st and vacations selected by January 31st of each year. The completed vacation schedule shall be posted by February 5th of each year. The Company shall have the right to regulate the number from a department on vacation at any one time based on production requirements. Any Associate who wants vacation time off in January will make such request to Management and such request shall be granted if production requirements allow.

Vacations will be selected by date of hire (in case of tie, default to the last four digits of the Associate's social security number, the numerically higher prevails). Associates who fail to select vacation by January 31st will select on a first come first serve basis. For Associates who fail to select vacation by June 1st of each year, the company will make a good faith effort to attempt to mutually agree with the Associate on the vacation dates.

Vacations once selected shall not change unless mutually agreed to by the Company and the Associate, except, effective January 1, 2022, when an FMLA eligible Associate subsequently seeks Leave for a FMLA qualifying reason. In that instance, the Company will require the Associate to substitute any remaining vacation whether previously scheduled or not for the FMLA Leave.

Should a holiday as enumerated in Article 10 hereof occur during an Associate's vacation, the Associate shall receive an additional day to be scheduled in mutual agreement with the Company and paid at a rate in accordance with the daily vacation formula set forth above.

<u>Section 12.7</u> In case of a death of an Associate, unpaid vacation benefits will be paid to the Associates' beneficiary.

<u>Section 12.8</u> Leaves of absence for illness and/or injury of ninety (90) days or less in a calendar year shall not affect vacations. Such leaves of more than ninety (90) days but not over one hundred eighty (180) days shall reduce vacation and vacation pay by one quarter (1/4).

Such leaves of more than one hundred eighty (180) days but not over two hundred seventy (270) days shall reduce vacation and vacation pay by one-half (1/2). Such leaves of more than two hundred seventy (270) days shall disqualify an Associate for vacations.

In the event an Associate is off work because of an on-the-job injury through one hundred twenty (120) days, the Company shall count all time off as time worked for the purpose of computing vacation pay. Over one hundred twenty (120) days, the above formula shall apply.

Section 12.9 Any Associate who is laid off or quits after the associate's anniversary date shall be entitled to earned vacation due, but not taken. In addition, any associate with three (3) years of service shall be entitled to pro-rata vacation pay based on one-twelfth (1/12) for each full month worked past January 1 of that year. Any employee who is discharged for dishonesty or does not give at least one (1) week of notice shall forfeit all vacation rights.

<u>ARTICLE 13 – FUNERAL LEAVE</u>

In the event of the death of a parent, grandparent, grandchild, sister, brother, spouse, same sex domestic partner, child, present mother-in-law, or present father-in-law, step-mother, and step-father of an Associate covered by this Agreement who have completed six (6) months of service, the Company will grant a leave of absence from the day of death until and including the day after the funeral/memorial service, but not to exceed three (3) consecutive days, with pay for scheduled working days, providing the Associate attends the funeral/memorial service.

ARTICLE 14 – LEAVES OF ABSENCE

<u>Section 14.1</u> A Leave of Absence shall be defined as a period during which an Associate must, for legitimate reasons, be absent from work. Leaves under this Article shall be limited to:

- A. Military
- B. Medical/Maternity
- C. Union
- D. Management
- E. Personal
- F. Care of newborn or adopted child
- G. College Casual

They shall be for a specified length of time and without pay.

Effective January 1, 2022, any Leave taken by an FMLA eligible Associate for an FMLA qualifying event shall concurrently apply against the Associate's total FMLA Leave entitlement and any Leave time set forth below in this Article.

Any required substituted vacation time for FMLA Leave (running concurrently) shall be limited such that each Associate shall be required to substitute the value of one-week vacation on an hourly basis (as determined in Article 12 for full and part time respectively); provided, further, this only applies to Associates having two (2) or more weeks of vacation time (or the equivalent for part-time Associates).

<u>Section 14.2 MILITARY LEAVE</u>: In the event an Associate covered by this Agreement enters into the Armed Forces of the United States, he/she shall be eligible for reinstatement in accordance with the provisions of the applicable Federal Legislation.

Section 14.3 MEDICAL/MATERNITY LEAVE: A leave of absence for reason of extended personal illness, injury or maternity shall be granted to all Associates, with six (6) months or more of consecutive service, for an initial period not to exceed thirty (30) days, provided such request is supported by satisfactory medical evidence. If at the end of thirty (30) days the Associate is unable to return to work, the leave may be extended for an additional thirty (30) days and each thirty (30) days thereafter, up to a maximum of twelve (12) months, provided such request for an extension is supported by satisfactory medical evidence. An associate will not be required to submit additional thirty (30) day leave extensions when verification from the attending physician of the need for a leave of more than thirty days is presented, so long as the time period of leave is indicated, and so long as additional leave time does not become necessary.

<u>Section 14.4</u> Following compliance with the terms of 14.3 above, an Associate, upon returning to work with a doctor's release indicating physical fitness to return to work, shall be placed in the same or comparable job classification, seniority permitting, and shall receive the rate of pay then established for the job. The Associate will be scheduled for work on the next posted schedule in accordance with seniority, provided that the necessary notification and/or release was presented to the Company at least twenty-four (24) hours prior to the time called for in this Agreement for the posting of the written schedule.

Section 14.5 UNION LEAVE: When an Associate leaves employment with the Company to take employment with United Food & Commercial Workers Union Local No. 655, or the United Food & Commercial Workers International Union, the Associate shall be considered on a leave of absence up to a maximum of three (3) years, and the Associate shall, after completion of such employment with the Union, return to his/her former employment with the Company, and his/her seniority shall continue uninterrupted.

Associates duly elected to serve as a Vice-President with Local Union No. 655, or as Shop Steward, shall upon giving proper notice be granted an unpaid leave of absence to attend scheduled meetings or conferences. However, at the Associates request, when attending meetings of four (4) or less hours, he/she will have their daily work schedule adjusted without a penalty to the Associate.

<u>Section 14.6 MANAGEMENT LEAVE:</u> A management leave of absence may be granted to an Associate accepting a management position with the same Company subject to the written approval of the Company for a period of time not to exceed three (3) years. Seniority will not be interrupted during this period.

<u>Section 14.7 PERSONAL LEAVE:</u> A personal leave of absence may be granted to Associates having six (6) months or more of continuous service subject to the written approval of the Company.

<u>Section 14.8 GENERAL PROVISIONS:</u> Except in cases of emergencies, a written request to the Personnel Department for a leave shall be made at least five (5) working days prior to the requested starting date of the leave.

It shall be the responsibility of an Associate who is on leave to notify the Company if he/she is unable to return to work at the expiration of the leave and to request an extension in accordance with proper procedure.

A copy of the approved Leave of Absence will be forwarded to the Union office.

Section 14.9 LEAVE OF ABSENCE FOR CARE OF NEWBORN OR ADOPTED CHILD: For Associates with six (6) months or more of continuous service, a leave of absence for either parent shall be granted without pay for a period of up to twelve (12) weeks for the purpose of newborn or adopted childcare. The Associate shall be

guaranteed reinstatement in accordance with the Associate's seniority. An Associate who wishes to change the Associate's date of return to work shall notify the Facility 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) weeks from the date of birth or date of adoption. The Company may require verification of the parent relationship to the newborn or the adopted child.

<u>Section 14.10 COLLEGE CASUAL:</u> The following is the procedure for classifying associates with two (2) months or more of service who attend college to remain as an active associate while continuing to perform work on an irregular basis:

Work on an irregular basis is defined as:

- 1. Some weekends only
- 2. During holiday breaks
- 3. During summer

Associates wishing to be so classified must complete a Company-authorized form and return to their Plant Manager no later than two (2) weeks prior to their last day of work before leaving for college. The Plant Manager will forward the form to The Human Resources Department and the associate will then be classified as "College Casual Associate". The Human Resources Department will notify the Union of each Associate so classified.

These Associates, as long as they have performed work during the past twelve (12) months, will continue to be treated as "active" associates and will not be required to complete any employment forms when they perform work on as irregular basis as defined above. Should they not work during any consecutive twelve (12) month period they will be terminated and treated as newly hired associates should they reapply for employment in the future.

These Associates will retain their original date of hire only for the purposes of vacation, Sunday premium entitlement, holiday premium entitlement and eligibility for holiday pay (except if they terminate under the provisions of this Section) but will not retain their original seniority within the bargaining unit. They will be entitled to the privileges of seniority and other provisions of the Labor Agreement based on their then current continuous length of employment in accordance with the Labor Agreement. Hours worked will continue to accumulate for purposes of wage increases in accordance with provisions outlined in the Schedule "A" – Wages and the Supplemental Agreements attached to the Labor Agreement. "Casual College Associates" may be so classified for a period of time not to exceed five (5) years. After five (5) years these Associates, if not again working on a regular basis, will be terminated.

ARTICLE 15 – JURY DUTY

An Associate who has completed six (6) months of service, who is subpoenaed for and reports for jury service shall receive the difference in pay for the lost time and the amount

received as jury pay. When an Associate is released for the day or the greater part of the day, he shall report to his place of work. This jury duty pay shall not exceed ten (10) working days per calendar year, nor shall jury duty leave be granted for more than one period per calendar year.

ARTICLE 16 - NON-DISCRIMINATION

The Company and the Union are pledged to policies of referring and employing personnel on the basis of ability, qualifications and performance. The Company and the Union agree that they will not discriminate against any Associate or applicant for employment because of race, color, religion, national origin, sex, age, sexual orientation, gender identity, disability, genetic information, or union activities all in accordance with existing law. The parties agree also to observe non-discriminatory practices in the application and administration of the provisions of this Agreement.

ARTICLE 17 - HEALTH AND WELFARE

Section 17.1 The Company shall continue to pay four dollars and ninety cents (\$4.90) per hour for all hours paid with a maximum of forty (40) hours per week for all associates covered by this Agreement, into the United Food and Commercial Workers Union, Local No. 655 Welfare Fund.

Effective June 1, 2019, for hours paid in May 2019; the Company shall pay four dollars and thirty-six cents (\$4.36) per hour.

Effective June 1, 2020, for hours paid in May 2020, the Company shall pay four dollars and fifty-seven cents (\$4.57).

Effective June 1, 2021, for hours paid in May 2021, the Company shall pay four dollars and ninety-nine cents (\$4.99).

Effective June 1, 2022, for hours paid in May 2022 and thereafter, the employer agrees to pay the same contractual rate set by the fund for all contributing employers at such time the Fund establishes a change in the rate. The employer agrees to pay for said hours, even if said agreement(s) is entered into after the expiration date of the current contract(s), including any such retroactive increase ultimately set by the Fund.

There will be three (3) one-month company contribution holidays. The first holiday will be the July 2019 payment for hours paid in June 2019, the second holiday will be for the August 2019 payment for hours paid in July 2019, the third for the August 2020 payment for hours paid in July 2020. If any contribution holiday would result in the Health and Welfare Fund having less than three (3) months of reserves, excluding IBNR, as determined by the Fund's actuaries, then the contribution holiday will be nullified. Eligibility for these holidays will be determined by meeting the requirements of the utilization schedule adopted by the Fund.

If the Fund's reserve level excluding IBNR exceeds six (6) months for the month of August 2021, the company will be eligible for an additional contribution holiday for hours

paid in July 2021 if it meets the requirements of the utilization schedule adopted by the Fund.

For purposes of interpreting the provisions of this Section, refer to the "Health and Welfare Interpretation Rules Addendum" which is attached hereto and incorporated by reference as if fully set out herein.

<u>Section 17.2</u> Associates whose spouses do not have their own primary health insurance will contribute an additional pre-tax associate contribution of forty dollars (\$40.00) per week to the Welfare Fund for spousal coverage.

<u>Section 17.3</u> All Associates who are eligible for benefits from the Fund, or who become eligible for benefits from the Fund, shall make Associate contributions in order to become and remain eligible for benefit coverage from the Fund. The contributions shall be deducted on a pre-tax weekly basis by the Company. Such deductions shall be as follows:

Effective Date January 1, 2020

	Plan A		Plan B		Plan C		Plan D	
	Non- Smoker	Smoker	Non- Smoker	Smoker	Non- Smoker	Smoker	Non- Smoker	Smoker
Associate Only	\$22.00	\$26.00	\$15.00	\$19.00	\$10.00	\$14.00	\$2.00	\$6.00
Associate + Child(ren)	\$26.00	\$30.00	\$19.00	\$23.00	\$14.00	\$18.00	\$5.00	\$9.00
Associate + Spouse*	\$26.00	\$30.00	\$19.00	\$23.00	\$14.00	\$18.00	\$5.00	\$9.00
Family*	\$30.00	\$34.00	\$23.00	\$27.00	\$18.00	\$22.00	\$10.00	\$14.00

Effective Date January 1, 2022

	Plan A		Plan B		Plan C		Plan D	
The state of the s	Non- Smoker	Smoker	Non- Smoker	Smoker	Non- Smoker	Smoker	Non- Smoker	Smoker
Associate Only	\$24.00	\$28.00	\$17.00	\$21.00	\$12.00	\$16.00	\$3.50	\$7.50
Associate + Child(ren)	\$28.00	\$32.00	\$21.00	\$25.00	\$16.00	\$20.00	\$6.50	\$10.50
Associate + Spouse*	\$28.00	\$32.00	\$21.00	\$25.00	\$16.00	\$20.00	\$6.50	\$10.50

Family*	\$32.00	\$36.00	\$25.00	\$29.00	\$20.00	\$24.00	\$11.50	\$15.50

Effective Date January 1, 2023

	Plan A		Plan B		Plan C		Plan D	
	Non- Smoker	Smoker	Non- Smoker	Smoker	Non- Smoker	Smoker	Non- Smoker	Smoker
Associate Only	\$26.00	\$30.00	\$19.00	\$23.00	\$14.00	\$18.00	\$5.00	\$9.00
Associate + Child(ren)	\$30.00	\$34.00	\$23.00	\$27.00	\$18.00	\$22.00	\$8.00	\$12.00
Associate + Spouse*	\$30.00	\$34.00	\$23.00	\$27.00	\$18.00	\$22.00	\$8.00	\$12.00
Family*	\$34.00	\$38.00	\$27.00	\$31.00	\$22.00	\$26.00	\$13.00	\$17.00

^{*}Associates whose spouses do not have their own primary health insurance will contribute an additional pre-tax associate contribution of forty dollars (\$40.00) per week to the Welfare Fund for spousal coverage.

The parties acknowledge that it is the responsibility of the employer to assure its compliance with the Affordable Care Act.

An Associate who elects to decline coverage and not to pay the above Associate contributions in accordance with this Agreement shall not receive benefits from the Fund.

The Associate's declination of coverage shall not relieve the Company of its obligation to contribute on behalf of that Associate.

Associates will elect in writing the "Plan" of benefit coverage they will participate in from among the "Plans" that they are eligible for, based on eligibility guidelines established by the Trustees of the Welfare Fund. Associates will remain with the same Benefit Plan (A, B, C, D, or no coverage) unless the Associate notifies the Health & Welfare Fund office in writing during the next enrollment period prior to January of each year. Associates will have the option to change Plan of Benefits (based on eligibility guidelines) or discontinue coverage during the annual enrollment period prior to the applicable January of each year.

Associates will elect in writing the coverage level (i.e. Associate only, Associate and spouse, etc.) from among the coverage levels that they are eligible for based on eligibility guidelines established by the Trustees of the Welfare Fund. Associates will remain with the same coverage level unless the Associate notifies the Health and Welfare Fund Office in writing during the next enrollment period prior to January of each year of the Associate's desire to change the coverage level or discontinue coverage.

Associates who have declined coverage can only elect coverage during open enrollment periods or in the event of a "life changing event", as defined in the Plan Document/Summary Plan Description.

A newly eligible Associate who does not make an election will be enrolled in Plan D at the highest level of coverage for which he/she is eligible based on hours paid. Any Associate who is automatically enrolled in this manner has the right to decline or change the coverage prospectively at any time by submitting a request in writing.

Section 17.4 The Company shall not be required to make contributions on behalf of all Associates for the first eleven (11) months of employment. The parties agree that the obligation to contribute begins on the first day of the twelfth (12th) month of employment, with the first month being defined as the month in which the Associate works his/her first hour.

Example: An Associate first works an hour for a contributing employer on July 25, 2016. The Company's obligation begins with hours worked on and after June 1, 2017.

Notwithstanding the foregoing, the Company agrees that it will report all hours paid on all Associates beginning with the date of hire and also report whether the Associate is variable hour or known full-time, within the meaning of the Affordable Care Act guidance. In addition, notwithstanding the foregoing, the obligation to contribute on behalf of an Associate designated by the Company as a known full-time Associate will begin with the first hour worked.

<u>Section 17.5</u> An Early Retirement Incentive Program (ERIP) is available to all bargaining unit members who meet the eligibility requirements established by the Board of Trustees of the Health and Welfare Fund, as those requirements exist on the date that coverage under the ERIP begins. Additionally, to be eligible for coverage under the ERIP program an Associate's last day of employment must be in one of the following months: January, February, March, April, August, September and October. The parties acknowledge and agree that the Board of Trustees has the right and authority to modify the rules and requirements of the ERIP Program at any time.

<u>Section 17.6</u> The Trust Agreement and any and all amendments thereto are hereby made a part of this Agreement and are incorporated by reference as if fully set out herein, and the Company hereby agrees to be bound by said Trust Agreement. The parties acknowledge that the Trustees of the Welfare Fund reserve the right to amend or terminate the Plan at any time.

<u>Section 17.7</u> The Company agrees, upon reasonable notice, to allow its books and records to be reviewed by the Union and/or the Trustees of the Fund to determine compliance with the obligation to contribute as set forth in this Agreement.

ARTICLE 18 - PENSION

Section 18.1 Subject to the terms of this Article, the Company shall continue to pay one dollar and twelve cents (\$1.12) per hour for all hours paid with a maximum of forty (40) hours for all employees covered by this Agreement, into the United Food and Commercial Workers Union Local 655, Food Employers Joint Pension Plan, which has been jointly administered by the Union and the Company as provided in an agreement establishing such pension fund. The payment for January 1, 2020, for hours paid in December 2019, and the payment of the Company's withdrawal liability payment shall be the final payments in to this jointly administered multi-employer pension fund.

Effective February 1, 2020, for hours paid in January 2020, the Company will pay ninety cents (90¢) per hour for all hours paid with a maximum of forty (40) hours for all employees covered by this Agreement, into the Dierbergs and UFCW Local 655 Variable Annuity Fund, herein after referred to as "Pension Fund". The Pension Fund will be established by the parties during 2020, which shall be jointly administered by the Union and the Company as provided in an agreement establishing such Pension Fund.

Refer to the "Pension and Health & Welfare Interpretation Rules Addendum", which is attached hereto and incorporated by reference as if fully set out herein.

<u>Section 18.2</u> The nature, type and extent of pension benefits to be provided shall be such as the Trustees in their discretion will determine, and which are in accordance with the Pension Fund Trust Agreement.

<u>Section 18.3</u> The Company shall not be required to make contributions to the Pension Fund on behalf of all employees for the first twelve (12) months of employment. The parties agree that the obligation to contribute begins on the first day of the thirteenth (13th) month of employment, with the first month being defined as the month in which the employee works his/her first hour.

Example: An employee first works an hour for a contributing employer on July 25, 2019. The Company's obligation begins with hours worked on and after July 1, 2020.

Section 18.4 Said Pension Fund shall be used to provide benefit pensions for eligible employees of the Company 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 therefrom, shall be paid out of the Pension Fund.

<u>Section 18.5</u> Said Pension Plan and the Trust Agreement establishing the Pension Fund shall be submitted to the United States Treasury Department for the approval satisfactory to the Company, 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 18.6 It is understood and agreed that any and all steps necessary and advisable will be taken to obtain and maintain the approval of the United States Treasury Department as outlined in Section 18.5 above, but payment of contributions to the Fund will not be delayed pending such approval and rulings; provided, however, that if such Plan is disapproved, then all contributions made by the Company to the Pension Fund will be refunded to the Company.

<u>Section 18.7</u> A copy of the Trust Agreement of the Pension Fund and any amendments thereto shall be made a part hereof as if herein at length set forth, when adopted.

Section 18.8 If the Company fails to make monthly pension contributions as set forth herein, they shall be notified by certified or registered mail of their delinquency, by the Pension Plan Administrator, if said remittance is not paid within ten (10) days; notwithstanding any provision of this Agreement, the Union, without the necessity of giving any other further notice, shall have the right to strike or to take such action as it shall deem necessary until such delinquency payments are made. It is further agreed that in the event such action is taken, the Company shall be responsible to the employees for any losses resulting therefrom. The Company hereby waives the requirement of any other notice or notices being given by the Pension Fund Administrator or by the Union to the Company or anyone else other than such notice or notices expressly provided for in this Article.

<u>Section 18.9</u> The Company agrees, upon reasonable notice, to allow records to be checked where necessary for Pension Fund contributions.

ARTICLE 19 - 401(K) SAVINGS PLAN

The Company agrees to provide to all eligible Associates a 401(K) Savings Plan and allow Associates to borrow 401(K) funds in accordance with Company policy.

ARTICLE 20 - SUBSTANCE ABUSE

<u>Section 20.1</u> The Company and the Union recognize the seriousness of substance abuse in our society and in the workplace and the need to approach this problem in a humane and progressive manner and in a manner which recognizes the legitimate privacy rights of the Associates.

<u>Section 20.2</u> In addition, the use of drugs or the consumption of alcohol during breaks or meal periods is strictly prohibited and subjects the Associate to disciplinary action up to and including discharge.

Any Associate found to be consuming alcoholic beverages, or using drugs, while on duty or while on Company property, will be subject to disciplinary action up to and including discharge.

Section 20.3 If an Associate is having a problem on the job and there is belief that the Company's Drug and Alcohol Policy may have been violated, the Company may request the Associate to submit to a testing procedure consistent with the steps set forth below. At the time that such request is made, both the Associate and the Union Representative (or in the event of the unavailability of the Union Representative, the Steward or another member of the bargaining unit of the Associate's choice who is at work) shall be specifically advised of all of the facts forming the basis of the Company's belief that the Associate may be having a problem on the job. Based on the operational needs of the business, the Company may request the Associate select an alternate member of the bargaining unit who is at work to attend the above meeting. The manager requiring the test will complete a report supporting the reason for having the Associate tested.

<u>Section 20.4</u> In our continued effort to provide a safe, drug-free and alcohol-free work environment, the Company will require a breathalyzer and/or blood test for alcohol and an urinalysis test for drugs as a routine part of the investigation of the circumstances present at the time of an "on-the-job accident" which results in medical treatment away from the facility. A drug and alcohol screen will be required of all Associates involved in or contributing to the incident giving rise to the injury.

<u>Section 20.5</u> Any test performed under this Article shall be performed at a doctor's office, clinic or hospital, or through an on-site drug and alcohol collection process at the Company's expense. The Associate shall be compensated for all time involved with the testing and for travel to and from the test site.

Furthermore, the Company agrees that the testing lab(s) selected shall be certified by the Department of Health and Human Services (DHHS) and will meet any future governmental guidelines that may be developed for the purpose of controlling laboratories involved in alcohol and drug screen testing. Testing facilities used by the Company follow the Department of Health and Human Services (DHHS) chain of custody requirements.

For alcohol, if available a breathalyzer test will be given. If the breathalyzer test is negative no further tests will be performed. Should the breathalyzer test not be available or if available and it is positive a confirming test shall be performed, i.e., a confirming breathalyzer, or a blood test.

For drugs, two tests may be performed on the sample taken. The first test performed shall be a screening test of an enzyme immunoassay more commonly called the EMIT test. Should the EMIT test be negative, no further tests will be performed. Should the EMIT test be positive, a second confirming test shall be performed. The test shall be

the Gas Chromatography/Mass Spectrometry (GC/MS) test. The aforementioned tests will be used unless a more reliable test(s) becomes available in the future.

At such a time that the level of impairment for tetrahydrocannabinol (THC) use is established by the State of Missouri, then those guidelines will be used to determine impairment for an employee in regards to this article.

Section 20.6 If an Associate is tested per section 20.3, and the tests prove positive for drugs or alcohol, the Associate will be subject to discipline up to and including discharge. Prior to administering discipline, consideration will be given to the Associate's length of service [if at least eighteen (18) months], work history, the seriousness of the violation and other factors involved. However, any gross misconduct will result in immediate discharge. Should the Associate not be discharged, the Associate will be placed on a leave of absence and/or a disciplinary suspension for the first incident of a positive test. The Associate will be referred to an assistance program for evaluation and must complete any recommended program. Subsequent positive tests will result in disciplinary action, up to and including discharge.

If an Associate is tested because they were injured "on-the-job" and the tests prove positive for drugs or alcohol the Associate will be placed on a leave of absence and/or a disciplinary suspension for the first incident of a positive test. Subsequent positive tests will result in disciplinary action, up to and including discharge. Should the Associate not be discharged the Associate will be given the opportunity to be referred to an Associate Assistance program and, after an evaluation, the Associate may be urged to consider participation in an alcohol and/or drug treatment program. To the extent required to enable the Associate to participate in such a program, the Associate shall be allowed to take an unpaid leave of absence in accordance with the Leave of Absence provisions of the collective bargaining agreement. Cost of any rehabilitation program shall be the responsibility of the Associate or the Associate's medical program if applicable.

It shall be a condition of continued employment for Associates at the completion of the aforementioned Leave of Absence and/or disciplinary suspension to submit to a follow-up drug and/or alcohol screen prior to returning to work. Should the results of the follow-up drug and/or alcohol screen also show a positive finding, and the results have been verified by a second test, the Associate will be terminated.

As a further condition of returning to work after the aforementioned Leave of Absence and/or a disciplinary suspension an Associate will be subject to random tests during the first (1st) year after returning to work. In the event the random test proves positive for drugs or alcohol, the Associate will be discharged.

<u>Section 20.7</u> If the Associate refuses to take any of the aforementioned drug and/or alcohol tests the Associate will be discharged.

<u>Section 20.8</u> Test results are sent to the AAP representative or designated representative(s) at the Company's corporate offices. The Company will inform the Union in writing of the designated representative(s).

Company records shall be kept in strict confidence, and neither said records nor the contents thereof shall be disseminated to any third party except upon written authorization by the Associate, or to the extent required by law, or to the extent required by the Company for use in any proceeding involving the Associate.

<u>Section 20.9</u> In the event any test results do not establish that the Associate tested positive for alcohol or drugs, then the Company shall expunge from its records all references to the testing.

<u>Section 20.10</u> The Union acknowledges the Company's right to make reasonable rules and regulations as long as they do not conflict with Article 20 of this agreement.

ARTICLE 21 – INVALIDATION CLAUSE

<u>Section 21.1</u> Each and every clause of the contract shall be deemed separable from each and every other clause of this contract to the end that in the event that any clause or clauses shall be finally determined to be in violation of any law, then and in such event such clause or clauses only to the extent that they may be in violation, shall be deemed of no force and effect and unenforceable without impairing the validity and enforceability of the rest of the contract, including any and all provisions in the remainder of any clause, sentence or paragraph in which the offending language may appear.

<u>Section 21.2</u> The Company agrees that should any of the clauses in this contract be declared illegal and void, the Company will meet to negotiate such new clauses to satisfy the intent within the limit of the law of those clauses declared illegal or void.

ARTICLE 22 – WAGES

Job classifications for the term of this Agreement are as set forth in Exhibit "A" attached hereto.

Wage rates are to be considered minimums that may or may not be exceeded by the Company, at its discretion.

The Company, at its discretion, may institute incentive or bonus programs with monetary or other rewards. The programs may be for all or any group of Associates and may be commenced or discontinued at any time.

ARTICLE 23 - FACILITY CLOSING

<u>Section 23.1</u> In the event the Company closes or sells the Central Kitchen facility and employees are terminated as a result thereof, pay equal to one (1) week of pay for each

year of continuous service commencing with the third (3rd) year of continuous service for Associates averaging twenty-five (25) or more hours per week and the fifth (5th) year for Associates averaging less than twenty-five (25) hours per week up to but not to exceed eight (8) weeks of pay at their regular rate. However, those Associates who have an incomplete year of continuous service as an Associate, will receive pro-rata severance pay for that year as follows:

- 0 3 months equals twenty-five percent (25%) of a week of pay.
- 3 6 months equals fifty percent (50%) of a week of pay.
- 6 9 months equals seventy-five percent (75%) of a week of pay.

Over nine (9) months equals one (1) week of 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.

For Associates who were on an approved leave of absence during the fifty-two (52) weeks preceding a voluntary layoff or termination, severance pay shall be computed based on average hours per week for the weeks actually worked.

Section 23.2 The Company shall continue contributions to the Pension and Health and Welfare Trust Fund for three (3) full months following termination for those employees who were eligible for coverage at the time of their termination. This does not apply to those Associates who secure employment with a contributing Company in the Pension and Health and Welfare Trust Fund who makes a payment on their behalf for the first three (3) full months.

<u>Section 23.3</u> Associates who are eligible for severance pay shall be entitled to holiday pay for calendar holidays that fall within thirty (30) days after their termination.

All employees who are terminated as a result of the facility closing shall receive pay for earned personal holidays and earned pro-rata vacation in accordance with the provisions of Article 10, Section 10.9.

<u>Section 23.4</u> All monies due Associates shall be paid in a lump sum upon termination.

Section 23.5 An Associate who is terminated and who is eligible for severance pay, and accepts severance pay, forfeits the employee's seniority and has no recall rights. However, an Associate may elect to accept a voluntary layoff not to exceed ninety (90) days. At the end of the ninety (90) day period if the Associate has not been recalled, the employee will be paid severance pay and forfeit the Associate's seniority. Any extensions of this ninety (90) day period must be agreed in writing and signed by the Associate, a representative of the Union, and the Company. In no case will such

extension exceed a total of six (6) months from the date the Associate accepted the layoff.

<u>Section 23.6</u> If an Associate is offered a transfer within thirty (30) miles of the facility in which the Associate was last working, and the job is comparable (similar type of work and similar number of hours worked per week) and the Associate refuses to accept the transfer, the Associate shall forfeit all rights to severance pay, holiday pay and Pension and Health and Welfare contributions.

<u>Section 23.7</u> If the facility is sold and the successor Company offers employment to an Associate who is otherwise eligible for severance pay under the terms of this Article, and the new job is comparable, then Section 23.1 of the Article shall not apply. Comparable is defined as:

- A. Similar type of work.
- B. Similar number of hours [i.e., an Associate's average weekly hours for the first thirteen (13) weeks of employment with a new Company is at least within two (2) hours of the average weekly hours worked for the prior fifty-two (52) weeks for the former Company].
- C. Rate of pay is not less than one (1) bracket below their current rate of pay.

<u>Section 23.8</u> The Company agrees to give to the Associates and the Union three (3) weeks notice in advance of a facility closing or sale. When such notice is given, an Associate shall remain with the Company or forfeit the Associate's rights under this Article unless mutually agreed to by the Associate, Company and Union. Failure of the Company to give the required three (3) weeks notice shall result in the payment of three (3) weeks pay to the Associates terminated as a result of the facility closing.

<u>Section 23.9</u> No benefits shall accrue under the terms of this Article unless the Company makes a business decision to close or sell the facility. If the facility closing is caused by fire, flood, storm, or condemnation, then this Article shall not apply.

<u>Section 23.10</u> Associates who are eligible for severance pay and accept a transfer to a lower rated job will maintain their present rate or the rate for the contract covering the area to which they are transferred, whichever is greater.

Leads who are displaced as a result of facility closing shall maintain their present rate of pay for a period of ninety (90) days and thereafter will be placed on the appropriate contract rate.

ARTICLE 24 - TERM OF AGREEMENT

Three (3) year Agreement effective July 5, 2021 through July 5, 2024.

IN WITNESS WHEREOF, the parties have hereunder set names of their duly authorized representatives.

ACCEPTED FOR:	ACCEPTED FOR:
UNITED FOOD & COMMERCIAL LOCAL WORKERS NO. 655	DIERBERGS MARKETS, INC.
By: Robert Spence Director of Collective Bargaining UFCW Local 655	By: Nancy Meyer V.P. of Human Resources Dierbergs Market, Inc.
Date: 8/13/2/	Date: 8/13/2021
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By: David Williams Union Representative	By: Mike Willis Labor Relations
Date: 8/13/21	Date: 4/13/21
Jan Han	•
By: /Tara Hagin	
Union Representative	By:
Date: 8-13-2	Date:

EXHIBIT "A"

	07/05/21	07/04/22	07/03/23
First 520	\$12.00	\$12.00	
Next 1040	\$12.50	\$12.50	\$12.50*
Next 1040	\$13.00	\$13.00	\$13.00
Next 1040	\$13.50	\$13.50	\$13.50
Next 1040	\$14.00	\$14.00	\$14.00
Next 1040	\$14.50	\$14.50	\$14.50
Next	\$14.85	\$14.85	\$14.85
1040/Thereafter	Ψ17.00	Ψ.1.00	Ψ11.00
Next		\$15.35	\$15.35
1040/Thereafter		Ţ	7
Next			\$15.85
1040/Thereafter			T

^{*}First 520 Hours

Associates at a rate less than \$12.00 will move to \$12.00 effective 07/05/21.

Effective July 13, 2021, All Associates with a base rate within the brackets will move to the next higher bracket on the 7/05/21 scale and begin accumulating hours towards the next step.

All Assistant Managers, Leads, and Production Associates with a base rate at or above \$13.70 but below \$14.00 as of 07/05/21 will move to \$14.00 effective 07/05/21 and progress through the brackets as outlined above.

All Assistant Managers, Leads, and Production Associates with a base rate at or above \$14.85 as of 07/05/21 will receive a wage increase of thirty-five cents (\$0.35) on 07/05/21 and a wage increase of fifty cents (\$0.50) on 07/04/22 and a wage increase of fifty cents (\$0.50) on 07/03/23.

LETTER OF UNDERSTANDING

1. Regarding Article 12, all associates hired before June 7, 2018, will continue to be eligible for additional weeks of vacation based on their anniversary date and in accordance with the schedule outlined below:

All associates who have been in the continuous employment of the Company for one (1) year or more shall be granted one (1) week of vacation with pay.

All associates who have been in the continuous employment of the Company for three (3) years or more shall be granted two (2) weeks of vacation with pay.

All associates who have been in the continuous employment of the Company for seven (7) years or more shall be granted three (3) weeks of vacation with pay.

All associates who have been in the continuous employment of the Company for fifteen (15) years or more shall be granted four (4) weeks of vacation with pay.

2. Regarding Section 12.9, any associate hired before June 7, 2018, with three (3) years of service shall be entitled to pro-rata vacation pay based on one-twelfth (1/12) for each full month worked past the anniversary date.

PENSION AND HEALTH & WELFARE INTERPRETATION RULES ADDENDUM

The parties agree that the following principles will apply in interpreting the Company's obligation to contribute to the Pension Fund under Article 18 – Pensions and under Article 17 – Health and Welfare Fund.

1. The Company shall contribute on hours paid out in a calendar year as unused vacation from the previous year, up to a maximum of forty (40) hours in the week in which the payout is made.

Examples:

An associate who is paid for forty (40) hours in a week in 2011 (including pay for hours worked and day-off entitlement hours) also receives in the same week pay for twenty-five (2 5) hours of unused vacation from 2010. The Company is obligated to contribute for forty (40) hours for that week.

An associate who is paid for twenty (20) hours in a week in 2011 (including pay for hours worked and day-off entitlement hours) also receives in the same week pay for twenty-five (25) hours of unused vacation pay from 2010. The Company is obligated to contribute for forty (40) hours for that week.

An associate who is paid for twenty (20) hours in a week in 2011 (including pay for hours worked and day-off entitlement hours) also receives in the same week pay for fifteen (15) hours of unused vacation time from 2010. The Company is obligated to contribute for thirty-five (35) hours for that week.

2. The Company shall contribute on hours paid for vacation entitlement in lieu of time off up to a maximum of forty (40) hours in the week in which the associate is paid the vacation hours.

Examples:

An associate who is paid for forty (40) hours in a week (including pay for hours worked and day-off entitlement hours) also receives in the same week twenty-five (25) hours of vacation pay in lieu of time off. The Company is obligated to contribute forty (40) hours in that week.

An associate who is paid for twenty (20) hours in a week (including pay for hours worked and day-off entitlement hours) also receives in the same week twenty-five (25) hours of vacation pay in lieu of time off. The Company is obligated to contribute for forty (40) hours in that week.

An associate who is paid for twenty (20) hours in a week (including pay for hours worked and day-off entitlement hours) also receives in the same week fifteen (15) hours of vacation pay in lieu of time off. The Company is obligated to contribute for thirty-five (35) hours in that week.

3. Upon termination of employment, the Company is obligated to contribute for all hours paid in a lump sum (that is, hours which the associate was eligible to receive upon termination pursuant to the Collective Bargaining Agreement, which may include, but is not necessarily limited to vacation, personal holidays and sick days) without regard to a forty (40) hour cap.

Example: An associate terminates employment (whether by quitting, retiring or involuntary termination). He/she receives a check representing payment for twenty (20) hours worked, eighty (80) hours of unused vacation and sixteen (16) hours of personal holiday. The Company is obligated to contribute for one hundred sixteen (116) hours.

4. The Company is obligated to contribute on hours paid for vacation in advance of the time taken off if the time to be taken off as vacation is designated at the time the vacation pay is requested:

Examples:

An associate requests vacation pay for time to be taken off the following week. The Company is obligated to contribute for these hours.

An associate requests vacation pay for time to be taken off a month after the request is made. The Company is obligated to contribute for these hours.

An associate has requested vacation pay with no indication of if or when time off would be taken. The Company's obligation to contribute for these hours would be determined under paragraph 2 above (i.e., pay for vacation entitlement in lieu of time off).