

AGREEMENT

BETWEEN

DIERBERGS MARKETS, INC.

AND

UNITED FOOD AND COMMERCIAL WORKERS UNION

LOCAL 655

ST. LOUIS, MISSOURI

---

EFFECTIVE

MAY 13, 2019

THROUGH

MAY 8, 2022

TABLE OF CONTENTS

<u>ARTICLE</u>		<u>PAGE</u>
	Agreement .....	1
1	Jurisdiction .....	1
2	Union Security .....	3
3	Management Rights .....	5
4	Grievances and Arbitration .....	6
5	Union Cooperation.....	7
6	Labor Management Committee .....	8
7	Unauthorized Activities .....	9
8	Hours and Working Conditions .....	9
9	Seniority.....	14
10	Uniforms and Dress Code.....	20
11	Substance Abuse.....	20
12	Leaves of Absence .....	22
13	Sick Days .....	24
14	Funeral Leave.....	25
15	Jury Duty.....	25
16	Sunday and Holidays .....	25
17	Vacations.....	28
18	Health and Welfare .....	30
19	Pensions .....	33
20	401(K) Savings Plan .....	34
21	Technological Change .....	34
22	Store Closing.....	35
23	Separability .....	37
24	Term of Contract.....	37
	Schedule "A" Wages .....	38

TABLE OF CONTENTS

	<u>PAGE</u>
Letter of Understanding .....	43
Pension – Health & Welfare Interpretation Addendum.....	46

## AGREEMENT

THIS AGREEMENT, mutually entered into by and between the Dierbergs Markets, Inc., and/or successors and assigns, a signatory hereto, hereinafter referred to as the "Company", and the United Food & Commercial Workers Union Local No. 655, chartered by the United Food & Commercial Workers International Union, hereinafter referred to as the "Union".

It is the intent and purpose of the parties hereto, by entering into this Agreement, to promote and to improve industrial and economic relationships between the Company and their employees, to recognize mutual interests, to provide a channel through which information and problems can be transmitted from one to another, to formulate rules to govern the relationship between the Union and the Company, and to promote efficiency and service. These objectives shall guide the parties and be observed by them during the term of this Agreement.

WITNESSETH: That the parties have agreed and do, by these presents, agree as follows:

### ARTICLE 1 - JURISDICTION

Section 1.1 The Union shall be the sole and exclusive bargaining agent for all employees as defined in this Agreement in the City of St. Louis and in the counties of St. Louis, Franklin, St. Charles, Jefferson, Washington, Warren and Lincoln, excluding Store Management, supervisory and other employees as defined by the National Labor Relations Act, as amended, and those employees covered by other Collective Bargaining Agreements with the Company.

Section 1.2 All work and services connected with all operations carried on at the premises of the Company's retail establishments including, but not limited to, the handling and selling of all merchandise, shall be performed only by employees within the unit as defined in this Agreement, and by employees working for the first thirty-one (31) days of their employment provided, however, that the foregoing restriction on work jurisdiction may be altered or relaxed in whole or in part by mutual agreement between the Company and the Union.

The Company agrees to notify the Union, in advance, should a new department be opened or leased within a store.

Section 1.3 Under no condition shall supervisors perform bargaining unit work, except in case of emergency, such as Acts of God or other conditions beyond the control of the Company, and to the extent that they may perform customer services. Customer services shall not be construed to include stocking, price marking, truck unloading or building displays, or any other bargaining unit work on a regular basis.

Up to two (2) members of Store Management may be designated and allowed to perform any bargaining unit work. The Company will notify the Union, which current members of Store Management is so designated.

In the event the Company's operations cannot begin or continue due to;

1. recommendations of civil authorities,
2. or failure of public utilities (electricity, water, etc.),
3. or by an Act of God,

the Company may use non-bargaining unit personnel up to the initial six (6) hours of the Act of God to perform any work necessary to limit losses. In addition, the company may use non-bargaining unit personnel for up to a period of six (6) hours after services are restored to assist the Company in

repairing store conditions to their appropriate customer service levels in order to reopen to the public. The intent of this language is to allow the Company to use non-bargaining unit personnel in conjunction with, not as a replacement for, bargaining unit employees and only to the extent to limit losses or repair conditions. During this period, all other terms of the Agreement will remain in full force and effect.

Section 1.4 The above described restriction on work jurisdiction has been, by mutual agreement between the Union and Company, relaxed and altered in the following respect: Vendors entering the said retail establishment for the purpose of delivering and/or servicing bread, milk, chips and snacks, spices, cookies and crackers, soda, greeting cards, ice cream, beer and liquor, L'eggs, pizza, and other traditional direct store delivery (DSD) items. This definition shall also include the following items shipped through and from the Company's warehouse(s): cookies, crackers, snacks, soda, spices, baby food and any "cross-docked" merchandise, which is construed as palletized, pre-selected, individual store miscellaneous products, usually distributed by a specialty merchandise type Vendor.

Removal of outdated product and rotation of perishable dated products which are already on the shelf or in the case by Vendors shall be authorized.

Vendors may clean shelves when rotating product or removing outdated product. Vendors may hang tags as part of resets and new product placement.

Outside salespersons, Store Management and the Company's reset crew shall not be restricted from performing resets or rearrangements of any product once it has been initially stocked by bargaining unit employees, except for new stores and major remodels.

No employee who is on the seniority list as of June 11, 2014, shall have their hours reduced as a direct result of the relaxation of bargaining unit work jurisdiction for Vendors in the contract expiring on May 12, 2013.

Any work done by any person outside of the bargaining unit in violation of this Agreement after it has been brought to the attention of management shall result in the employee on duty who reports the violation receiving pay for the time worked at time and one-half (1½) the top clerk rate in the contract, or time and one-half (1½) the employee's regular rate, whichever is the greatest, in addition to the employee's normal pay for that day. This shall not preclude the Union Representative of the local Union from filing a grievance pertaining to a violation of this paragraph in the name of a particular employee who shall be compensated in the method herein provided above.

Once a violation of any work done by any person outside of the bargaining unit has once been brought to the attention of Management; any other violations within a two (2) week time period by the same person shall result in the employee on duty who reports the violation receiving pay for the time worked at time and one-half (1½) the top clerk rate in the contract, or time and one-half (1½) the employee's regular rate, whichever is greater, in addition to the employee's normal pay for that day.

Section 1.5 In order for the Company to develop candidates for positions within Store Management (i.e. Store Director, Assistant Store Director, Manager, or Co-Manager), the parties have agreed to relax the work jurisdiction within the Agreement as follows:

- A. Designated Store Manager Trainees may perform bargaining unit work within the jurisdiction of this Agreement for up to fifty-two (52) weeks. The Trainee(s) may only perform bargaining unit work within the specific department they are assigned for training purposes. Such weeks need not be consecutive.

- B. When the Company places a Store Management Trainee within a store, no bargaining unit employee within that store shall suffer a reduction in hours as a result of the Store Management Trainee performing bargaining unit work, nor shall the trainee be used to supplant a bargaining unit employee. While a Manager Trainee is performing bargaining unit work, the Company will continue to schedule hours in the assigned department at the level of hours consistent with the methodology used to determine hours for that department.
- C. The Company shall notify the Union, seven (7) days in advance, except in cases of unforeseen circumstances, and in writing of their intent to utilize this provision of the Agreement. The notice shall include; who is being placed, where they will be training; and the approximate length of their training at each location. The Union will then notify the bargaining unit.
- D. A Store Management Trainee may not perform bargaining unit work within the same department for more than sixteen (16) weeks.
- E. The Company is limited to one (1) Store Management Trainee per two (2) stores within the jurisdiction of this Agreement, with a maximum of twenty (20) Store Management Trainees.
- F. Any work done in violation of this section shall result in the employee on duty who reports the violation receiving pay for the time worked at time and one-half (1½) the top clerk rate in the contract, or time and one-half (1½) the employee's regular rate, whichever is the greatest, in addition to the employee's normal pay for that day.

## ARTICLE 2 - UNION SECURITY

**Section 2.1** All employees 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 employee 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.

**Section 2.2** All new employees 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 maintaining membership in the Union from the wages of each employee, present and future, as the same shall be due, provided each such employee executes written authorization therefore, 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 (10<sup>th</sup>) day of each month, furnish to the Company a list of member employees and the amounts due therefore, 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.

The Company will deduct Union dues and initiation fees on a weekly basis. The Company shall, on or before the tenth (10<sup>th</sup>) day of the following month, remit such dues as authorized to the Union. In the event no wages are then due the employee, 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 employees hired the previous month. The list will include the employees' names, social security numbers, store codes, job codes and dates of hire.

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

Section 2.3 No employee shall be deprived of membership in the Union except in accordance with the Constitution and By-Laws of the Union.

Section 2.4 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.

Section 2.5 The Company and the Union agree that there shall be no discrimination against any employee on account of Union activities or affiliation, or because of race, religion, color, creed, national origin, sex, sexual orientation, age, or disability in accordance with existing law.

Section 2.6 The Company agrees not to enter into any agreement or contract with their employees, individually or collectively which, in any way, conflicts with the terms and provisions of this Agreement.

Section 2.7 The Company agrees to permit an authorized representative or officer of the Union to have free access to the stores 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 employees or the business of the Company.

The Union shall have the right to designate two (2) Union Stewards for each store [three (3) Union Stewards for stores with one hundred fifty (150) or more bargaining unit employees] who shall have top ranking seniority (during the term of their office), irrespective of actual length of service, in case of layoffs, and transfers. One week prior to the transfer of a Steward from one department to another, the Store Manager will notify the Steward of the reason for the transfer. The Steward will then have the right to request a meeting with the Store Manager and a Union Representative to express concerns and discuss the reason behind the transfer.

In addition to the above, the Union may appoint, at its discretion, two (2) additional Union Stewards per store. Such Stewards shall not be granted top ranking seniority in case of layoffs or transfers during the term of their office.

The Union shall notify the Company which Stewards are protected under the above paragraph.

As part of the new hire orientation process, the Company will make every effort to advise new employees who the current Stewards are and/or introduce them to Stewards that may be on duty as long as there is minimal disruption to customer service and the needs of the business.

Section 2.8 The Union store card will be displayed in all places where members of Local No. 655 are employed in a location visible to the general public. The store card shall be removed at the request of the Union.

Section 2.9 Members of the Union must wear their Union buttons when on duty.

Section 2.10 Corrective action initiated as a result of investigative shopping reports will be taken within five (5) scheduled working days. All other corrective action will be taken within a reasonable period of time.

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

Should an employee be subject to Corrective Action which will result in a warning that immediately precedes termination or actual termination of employment, Store Management will make every reasonable effort to offer to discuss the Corrective Action with the employee in the presence of a Union Steward, a Union Representative, or another member of the bargaining unit of the employee's choosing who is at work. Based on the operational needs of the business, the Company may request the employee select an alternative member of the bargaining unit who is at work to attend the above meeting.

Work rules and regulations which apply to bargaining unit employees and changes thereafter will be given to the Union at least thirty (30) days prior to implementation.

Once during the term of the Collective Bargaining Agreement, the Company agrees, upon request from the Union, to review specific current Company policies with a committee appointed by the Union.

Section 2.11 The Company agrees to schedule up to one (1) employee per store in the bargaining unit (or the equivalent of one (1) per store) off by 6:00 p.m. Friday, and off on weekends or off by 6:00 p.m. the day prior to two (2) consecutive days off of the employees choosing to participate in the Volunteer Organizing Program (VOP) with UFCW Local 655 for the sole purpose of protecting market share. The selected employee(s) will be mutually agreeable between the Union and the Company. All provisions of the collective bargaining agreement shall apply with the exception of Section 8.2D regarding preference of available days off. This program will be in effect from the second pay period beginning in January through the first pay period ending in November of each year. New stores for the first year and stores that are undergoing a remodel will not participate in this program. Employees who participate in this program will not wear Company apparel while working in this capacity, nor will any employee who participates in this program use this program to work at organizing any Company affiliated store or facility. The Union will provide the Company quarterly a master list of employees participating in the VOP program.

### ARTICLE 3 - MANAGEMENT RIGHTS

The management of the business and the direction of the working forces, including the right to plan, direct and control store operations, hire, suspend or discharge for proper cause, transfer or relieve employees from duty because of lack of work or for other legitimate reasons, the right to study or introduce new or improved production methods or facilities and the right to establish and maintain reasonable rules and regulations covering the operation of the stores, a violation of which shall be

among the causes for discharge, are vested in the Company; provided, however, that their right shall be exercised with due regard for the rights of the employees and provided further that it will not be used for the purpose of discrimination against any employees. This paragraph is subject to the Grievance Procedure.

#### ARTICLE 4 - GRIEVANCE AND ARBITRATION

Section 4.1 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 employee, the Union Steward or Union Representative, or both, and the Store Manager. Store Management shall make its decision known within two (2) working days thereafter. If the matter is not resolved in Step 1, it shall be referred to Step 2 within two (2) working days.
- STEP 2. By conference between the Union Representative and a supervisor of the Company. The Company shall make its decision known within three (3) working days thereafter. If the matter is not resolved in Step 2, it shall be reduced to writing and referred within three (3) working days to Step 3.
- STEP 3. By conference between an official or officials of the Union and a designated representative of the Company.
- STEP 4. In the event the last step fails to settle the complaint, it shall be referred, within seven (7) working days, to Arbitration.

Section 4.2 In any case in which an employee is aggrieved and the Union promptly notifies the employee that it does not intend to request arbitration after the Step 3 meeting, the time for requesting arbitration shall be stayed pending the employee's exhaustion of internal Union appeals to the Union's Executive Board.

Section 4.3 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 will be selected within seven (7) days after the receipt of the panel by both parties. The arbitrator may be chosen by alternately striking names. The party striking first will be determined by the flip of a coin. 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 4.4 The Company may, at any time, discharge any employee for proper cause. The Union or the employee 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.

Section 4.5 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.

Section 4.6 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.

Section 4.7 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.

In an effort to continue to improve the relationship between the parties to the Collective Bargaining Agreement the parties have agreed to the following procedures:

- A. When officials of the Union determine that management at a store has repeatedly violated a portion or portions of the Labor Agreement for which there may or may not be specific remedies spelled out in the Agreement and their repeated attempts to remedy the situation through the initial two (2) steps of the grievance procedure have failed, the Union shall notify the Human Resource Department of the Company in writing of the specific violation(s) that have occurred.
- B. Upon receipt of this complaint the Human Resources Department of the Company agrees to notify, in writing, the senior person responsible for Store Operations and advise them of the specific complaint and what is required to correct it. The Union will receive a copy of this written notice.
- C. Should the same violation be repeated after the above notification to the senior person responsible for Store Operations has been notified, upon request from the Union, the President/Owner of the Company will be notified in writing of the repeated violation. The Union will receive a copy of this written notice.

It is not the intent of the parties that the above procedures should circumvent or replace the final two (2) steps of the Grievance Procedure contained within this Article.

Section 4.8 There shall be no lockout or cessation of work pending the decision of the arbitrator.

Section 4.9 If the Arbitrator shall award back wages covering the period of the employee's separation from the payroll of the Company, the amount so awarded shall be less any unemployment compensation received or compensation which the employee would not have earned had the employee not been suspended or discharged. If the decision of the Arbitrator includes back pay, any back pay award shall not be in excess of one (1) year from the date of discharge or disciplinary suspension.

## ARTICLE 5 - UNION COOPERATION

Section 5.1 The Union shall use its best efforts as a labor organization to enhance the interests of the Company, as an Employer of Union labor.

Section 5.2 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.

Section 5.3 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 stores, and in caring for equipment and machinery.

Section 5.4 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.

Section 5.5 The Union recognizes the need for improved methods and output in the interest of the employees 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.

## ARTICLE 6 – LABOR/MANAGEMENT COMMITTEE

Section 6.1 A Labor/Management Committee shall be established to meet as requested but no more than on a quarterly basis to discuss situations and concerns that cannot be addressed within the scope of the Labor Agreement and to work towards the mutual goal of maintaining fair and consistent standards that contribute to bargaining unit member's quality of life and effective business operations. Federal Mediation & Conciliation Service (FMCS) shall facilitate in the training and implementation of this process.

Section 6.2 Agenda and Scheduling. Both parties should submit agenda items to the Designated Representative, (the designated representative shall be selected by both parties) no later than seven (7) calendar days prior to the date of the scheduled meeting. There shall be no obligation to schedule Labor/Management meetings except as requested.

Section 6.3 Function of Committee. The parties agree that the responsibility and function of the Labor/Management Committee will be to consider issues in order to promote good Labor/Management relations. The functions of the committee are:

- A. To provide feedback and communications on situations in the workplace as they relate to employee quality of life issues and effective business operations.
- B. To identify opportunities for improved Labor/Management relations.
- C. Provide a forum for discussion of the consistent application of company policies and work rules.

Section 6.4 Purpose of Committee. The parties further agree this Committee is not for the purpose of collective bargaining or the administration of the contract and that the Committee will not make recommendations with regard to any issues that affect wages, hours or benefits, of the Company. The Labor/Management meetings shall neither be subject to the grievance and arbitration provisions of this Agreement, nor shall proposals be advanced to alter the existing terms and conditions of this Agreement.

Section 6.5 Representation on Committee. The Committee shall consist of not more than four (4) bargaining unit employees, three (3) Union Officials, and seven (7) Officials from the Company. By mutual agreement, the parties may have additional participants.

Section 6.6 Scope of Committee. When necessary, the Committee will make recommendations to the Union and the Company on the issues it discusses. Communications based on the Committee's work will be approved by mutual agreement.

## ARTICLE 7 - UNAUTHORIZED ACTIVITIES

Section 7.1 During the term hereof, the Union agrees that there shall be no strike or any interference with or interruption of the normal conditions of the Company's business. The Company agrees there shall be no lockout.

Section 7.2 The failure of any employee to cross or work behind a lawful primary labor picket line which has been officially recognized by the St. Louis Labor Council and/or the United Food and Commercial Workers International Union, shall not constitute a violation of this Agreement.

Section 7.3 The Company and the Union mutually agree that in the event of an unauthorized strike or slowdown by an employee or employees that the Company will not file or press suits for monetary damages against the Union. The Union agrees that it will immediately take every reasonable means to induce the employee or employees to return to their jobs or resume standard production. Should such employee or employees refuse to return to work or to resume normal production, the Company may exercise whatever disciplinary action it deems proper against such employee or employees, including discharge, layoff, loss of seniority rights or other privileges granted employees under this Agreement or the Company policy.

## ARTICLE 8 - HOURS AND WORKING CONDITIONS

### Section 8.1

- A. The basic workweek for all employees covered by this Agreement shall be forty (40) hours, to be worked in five (5) eight (8) hour shifts or four (4) ten (10) hour shifts, not necessarily consecutive. The workweek shall be each Company's seven (7) day payroll period.
- B. The regular work day for employees shall not exceed eight (8) consecutive hours per shift [or ten (10) consecutive hours per shift for those employees scheduled to work four (4) ten (10) hour shifts], exclusive of an unpaid meal period.
- C. All time worked in excess of forty (40) hours per week or eight (8) consecutive hours per shift [ten (10) consecutive hours per shift for employees working four (4) ten (10) hour shifts] shall be paid at the rate of time and one-half (1½) the employee's regular rate of pay. There shall be no pyramiding of overtime or premium pay.
- D. Available schedules for full-time employees of four (4) ten (10) hour shifts shall be on a voluntary basis in accordance with seniority and qualifications to perform the job. The Company will ascertain the number of four (4) ten (10) hour schedules available by department; then determine the actual number to be scheduled by department based on the number of volunteers per department. At no time shall anyone be forced to work a four (4) ten (10) hour schedule.
- E. Scheduled overtime shall be offered by seniority to employees qualified to do the work within the store for the designated time. Employees shall not be required or compelled to work

overtime as defined above. However, if an insufficient number of employees volunteer, then qualified employees may be required to work by inverse order of seniority.

- F. All employees shall receive at least one (1) full day off per calendar week, Monday through Saturday, inclusive. If employees are required to work on their scheduled day off, they shall be paid at the rate of time and one-half (1½) their regular rate.

#### Section 8.2

- A. The Store Manager will post a work schedule by seniority (in ink or other permanent means) for all employees, by surname and initial, for the succeeding week as soon as practical, but no later than 11:00 a.m. on Friday of the current week (effective January 1, 2020, Thursday of the current week). Any employee leaving on schedule before 11:00 a.m. and who is not scheduled to work on Friday or Saturday will be advised by store management of the employee's schedule to be posted. This schedule shall be accessible to all employees and the Union. Copies of all schedules shall be posted in one central location accessible to all employees. In addition, the posted schedule shall be the same schedule that is posted on the computer system and any changes to the posted schedule will also be changed on the computer system concurrently.

Based on the operational needs of the business and all things being equal, the Company agrees to give full regard to seniority when scheduling checkers and/or office cashiers more desirable work shifts. This provision would also apply to clerks from other departments scheduled to check or work as an office cashier as part of their work week. The intent of this language is to recognize seniority by scheduling the senior employee more desirable shifts on an overall weekly basis, although obvious single day scheduling issues will also be addressed. When comparing schedules of employees the comparison will normally be full-time schedules to full-time schedules and part-time schedules to part-time schedules. This does not preclude the comparison of full-time schedules to part-time schedules on an individual basis where there is an obvious lack of recognition of seniority. Adjustments made to the normal schedule to circumvent the intent of this provision will be addressed and corrected.

- B. All employees shall have a minimum of eight (8) hours off between shifts except as referenced in Section 8.2I and except that at the employee's option the eight (8) hour minimum may be waived. The Company agrees to schedule ten (10) hours off between shifts for those employees that make such a request no later than the Monday before the schedule is posted. Employees shall not work split shifts.
- C. Starting time for employees shall not be changed without twenty-four (24) hours of notice to each employee affected by such change, except in case of emergency caused by illness, absenteeism, etc.
- D. Thirty-two (32) hours or more per week employees shall have preference of available days off by seniority, department and availability.

Once days off are selected, they will not be changed except in holiday weeks for reasons beyond the control of the Company or for operational changes. By agreement with the Union, the Company may elect to rotate Saturday off between all employees in a particular department rather than to grant them to the more senior employees. This paragraph shall not preclude the right of the Company to grant, on an individual request basis, a particular day off on an infrequent basis to an employee for a valid reason.

- E. When hours are added to the posted schedule during the week, they shall be given to the most senior qualified part-time employee(s) who are available to work those hours. Such added hours

will be given in consideration of the employee(s) present schedule and the operational needs of the store, both in the number of hours added and when the hours are needed; and further provided such hours will not cause the payment of overtime. If the Company offers the hours to an employee not scheduled the day the added hours are needed, the Company will call the most senior qualified part-time employee not scheduled to work five (5) shifts (Monday through Saturday) excluding Sunday and offer the added hours to this employee. However, full-time employees working less than forty (40) hours because of special request, or full-time employees scheduled for thirty-two (32) hours during holiday weeks, will be offered available call-in work in accordance with this section.

- F. If in case of an emergency an employee fails to report to work as scheduled, then those hours will be offered to the most senior qualified part-time employee(s) working that day and is available to work the needed hours or to the most senior qualified part-time employee not scheduled to work on those days. Such hours will be given in consideration of the employee(s) present schedule and the operational needs of the store, both in the number of hours offered and when the hours are needed; provided such hours will not cause the payment of overtime. When the Company offers the hours to an employee not scheduled the day the hours are needed, the Company will call the most senior qualified part-time employee not scheduled to work five (5) shifts (Monday through Saturday) excluding Sunday and offer the hours to this employee. However, full-time employees working less than forty (40) hours because of special request, or full-time employees scheduled for thirty-two (32) hours during holiday weeks, will be offered available call-in work in accordance with this section.
- G. Daily overtime shall be offered by seniority within the store among the employees present and qualified to do the work when the need for overtime arises. Employees shall not be required or compelled to work overtime as defined above. However, if an insufficient number of employees volunteer, then qualified employees may be required to work by inverse order of seniority.
- H. It is agreed that night work after 6 p.m. will be assigned on an equitable basis among all employees who work thirty-two (32) hours or more per week and that no thirty-two (32) hours or more per week employee will be required to work more than three (3) nights per week. For the purpose of applying this clause, this employee shall have worked thirty-two (32) hours or more per week for a period of thirteen (13) consecutive weeks. An employee who works less than thirty-two (32) hours per week for a period of thirteen (13) consecutive weeks shall be disqualified from the above three (3) night provision.
- I. A premium of sixty cents (60¢) per hour in addition to the regular rate of pay shall be paid for all hours worked between 12 a.m. and 5 a.m. Employees scheduled for more than five (5) hours, whose shift encompasses 12 a.m. to 5 a.m., will be paid the premium for the entire shift. Night shift differential shall be included in computing vacation pay. In the week in which a holiday occurs, the week's pay shall not be less than the basic pay plus normal shift differential. An employee working on a night shift which either begins or ends on a Sunday or holiday will be compensated at straight time plus night premium for the entire shift. However, employees who are scheduled both the night shift before and the night shift of a Sunday or a holiday will receive their appropriate Sunday or holiday premium pay (or night premium, whichever is greater) for the entire Sunday or holiday night shift.

Any shift that is scheduled to end after midnight or begin before 4 a.m. is considered to be a night shift. This shift for full-time employees shall be eight (8) hours, not to exceed five (5) nights, forty (40) hours per week, except that full-time employees may be scheduled for forty (40) hours to be worked in four (4) ten (10) hour shifts. In this event, daily overtime shall not be paid until more than ten (10) hours have been worked. Employees working the night shift must have a minimum of twelve (12) hours break between shifts.

The following are pay procedures in conjunction with this Section for employees working night shifts that work during weekends that include holidays that are celebrated on Mondays.

1. There are three possible night work shifts:
  - a) Saturday night into Sunday morning
  - b) Sunday night into Monday morning
  - c) Monday night into Tuesday morning
2. If an employee working night shifts works any one (1) of the above shifts, they shall be paid the night premium pay for all hours worked on that shift.
3. If an employee working night shifts works any two (2) of the above shifts, they shall be paid the night premium pay for the first full shift worked and the appropriate Sunday or Holiday premium pay for the second full shift worked. For example:

Employee works Saturday into Sunday and Monday into Tuesday; the employee shall receive night premium pay for Saturday into Sunday and Holiday premium pay for Monday into Tuesday.

4. If an employee working night shifts works all three (3) of the above shifts, they shall be paid the night premium pay for the first full shift worked, Sunday premium pay for the second full shift worked and holiday premium pay for the last shift worked.
5. When Christmas Day falls on Sunday but is legally celebrated on Monday, employees who work their second full night shift from Sunday night into Monday morning shall receive their Sunday premium pay for hours worked on that shift. Employees who work their second full night shift from Monday night into Tuesday morning shall receive their holiday premium pay for hours worked on that shift.

Available night schedules may be selected by qualified employees on the basis of seniority. In the event there are not enough volunteers, inverse seniority shall apply.

Employees working a forty (40) hour night shift schedule may replace a less senior forty (40) hour employee in their store not working a forty (40) hour night schedule seniority and qualifications permitting. Such employee shall give the Company at least ten (10) days written notice.

- J. In scheduling courtesy clerks, the Company shall schedule for a minimum of ten (10) hours per week. When scheduled, they shall not be reduced below ten (10) hours per week that week. It is understood that this guarantee cannot apply to an employee called in for replacement of another employee.
- K. Any employee who averages twenty-five (25) hours or more per week and who is unable to work because of injuries received during the scheduled workweek and whose injuries resulted out of or during the course of employment on the store premises, shall be entitled to full pay not to exceed eight (8) hours [ten (10) hours for employees 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 employee shall report upon receipt of the injury to the Store Manager who shall refer the employee 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 Workers' 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 Workers' Compensation Act.

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

When an employee averaging less than twenty-five (25) hours per week is injured on the job, they will be paid for the balance of that day's work schedule provided that they conform with the procedures set forth above.

When an employee, following an "on-the-job injury", is certified as ready and able to perform all regular duties by the employee's attending physician and/or Company doctor, but requires continued medical treatments as a result of the same injury, the Company shall adjust the work schedule upon request without penalty to the employee or Company, to provide both the time for medical care and the number of hours of work for which the employee is regularly scheduled by seniority.

Section 8.3 All employees working shifts of six (6) or more hours per day will be allowed a paid uninterrupted rest period of fifteen (15) minutes for each one-half (½) shift worked, not to exceed two (2) rest periods per day. Employees working four (4) hour shifts up to six (6) hour shifts per day shall be entitled to one (1) paid uninterrupted fifteen (15) minute rest period per day. Rest periods shall not be required until the employee has been on duty at least two (2) hours.

Section 8.4 The meal period, without pay, shall not exceed one (1) hour per day on the employee's time and shall be allowed between the beginning of the fourth (4<sup>th</sup>) hour and the ending of the sixth (6<sup>th</sup>) hour after starting time. Any employee working five (5) hours or more shall be entitled to an unpaid thirty (30) minute lunch period, if requested. Such request for a lunch period must be submitted by the Monday prior to the posting of the schedule.

Section 8.5 When an employee shall report for work at the time and place ordered or scheduled, then such employee shall be paid a minimum of four (4) hours pay at the regular rate. Students who are available regularly for as much as four (4) hours in any day during regular store hours shall be covered by the four (4) hour guarantee. The four (4) hour minimum may be waived if mutually agreed to between the Store Manager and the employee.

Section 8.6 When supervision or the Company elects to instruct a member of the bargaining unit to report to the store for emergencies, they will be paid a minimum of two (2) hours at time and one-half (1½) their regular rate of pay.

Section 8.7 Hours not worked, but compensated for by the Company [up to a maximum of forty (40) hours per week] shall be credited as hours worked for purposes of seniority, vacation pay, holiday pay, severance pay and wage progression.

Section 8.8 All employees covered by this Agreement who receive hourly compensation, shall record in person, the exact number of hours worked by use of a time clock or other time record keeping instrument. The Company and the Union agree that a proven violation of established time clock rules, including work before punching in or after punching out, may subject an employee to disciplinary action, up to and including discharge. Falsification of payroll records shall be cause for dismissal. Upon request to Store Management, the Company agrees to allow the Shop Steward or Union Representative to check time records for hours worked on employees covered by this Collective

Bargaining Agreement; and further agrees, upon reasonable notice, to allow records to be checked where necessary for wage rates.

Section 8.9 The Company agrees to provide a complete first aid kit in each store.

Section 8.10 The Company agrees to furnish a bulletin board in each break room of each store [not to exceed two (2) per store] for official Union notices. "Official" is defined as authorized by the President of Local 655. The notices will not be detrimental to the Company, or objectionable in nature, and will be sent to the Human Resources Department prior to being posted.

Section 8.11 Employees are required to be vaccinated/inoculated as required by law or the Company. Employees will not be required to pay for these vaccinations/inoculations.

Section 8.12 The Company, at their discretion, with thirty (30) days advance notice to the Union, may offer voluntary monetary buyouts for any group of employees at any time during the term of this Agreement. The Company will determine how many employees will be eligible for this monetary buyout and the timing for when employees will be allowed to leave the Company under the terms of this monetary buyout.

Section 8.13 The Company reserves the right to utilize Pay Cards in lieu of paper checks as long as there is no additional cost to the employee and the Pay Card is able to be fully cashed at the store.

#### ARTICLE 9 - SENIORITY

Section 9.1 Seniority shall be defined as the employee's length of continuous service with the Company, or date of entry into the bargaining unit or seniority classification, whichever is later. No employee shall acquire any seniority rights until the employee has been employed by the Company for at least sixty (60) days and the employee shall not be deemed to be entitled to any of the privileges of seniority until the employee has been employed for that long. On the sixty first (61<sup>st</sup>) day, seniority shall apply from the date of employment.

Section 9.2 Seniority of an employee shall terminate for any of the following reasons:

- A. Voluntary resignation.
- B. Discharge for proper cause.
- C. Failure of an employee to return to work following a layoff within five (5) working days after notice by certified mail or telegram by the Company to the employee's last known address on Company's records.
- D. Failure of an employee to return to work under the terms and conditions of Article 12 (Leaves of Absence).
- E. Where an employee has performed no work for the Company for a period of six (6) months because of layoffs.
- F. Retirement.

Section 9.3 There shall be three (3) seniority lists:

- A. Full-time Clerks - A full-time clerk is normally scheduled for a forty (40) hour workweek. An employee who is added to the full-time ratio will be placed on the full-time seniority list as referenced in Sections 9.7B and 9.7D (excluding Temporary Replacements).
- B. Part-time Clerks - A part-time clerk normally works less than forty (40) hours per week.
- C. Courtesy Clerks

Section 9.4

- A. Full-time clerks shall have seniority over part-time clerks.
- B. If any full-time employees are involuntarily reduced below forty (40) hours for an accounting period, they will have top seniority on the part-time seniority list.
- C. Any full-time employee who voluntarily reduces their hours to part-time status will be put on the part-time clerk seniority list using the employee's original seniority date in the bargaining unit.
- D. Should a Designated Assistant Department Manager no longer be "Designated", they will be placed on the full-time seniority list providing that upon review of the full-time seniority list, there are employees on the full-time seniority list with a hire date and/or part-time date which is the same or later than the employee no longer being "Designated" with a date equal to the earliest confirming employee's date. If there are no employees on the full-time seniority list with the hire date and/or part-time clerk date which is the same or later than the employee no longer being "Designated", then the employee will be assigned a part-time date in accordance with paragraph "C" above.

Section 9.5 The Company shall submit to the Union, in an Excel or Access format, on a quarterly basis, a current seniority list, which includes name, employee id number, store location, hire date, seniority date, department, wage rate and hours paid in the previous accounting or payroll quarter.

Section 9.6 When a clerk's job becomes available, a Courtesy Clerk employee will have the first opportunity to advance into the clerk's classification, once per employee, within the store in which the employee works by seniority, provided the employee has the availability, skills and ability to do the work. In the event a courtesy clerk is moved to a clerk position, it will be on a trial basis for up to six (6) weeks. At the end of this trial period and at the discretion of the Store Manager, the employee will remain in their new position or be returned to the courtesy clerk position at their former courtesy clerk rate of pay with their original courtesy clerk seniority date. By mutual agreement between the Company and the Union, Courtesy Clerks may be scheduled on both clerk and Courtesy Clerk schedules when transitioning to clerk status, but only to the extent to eliminate a loss of income in the transition.

Section 9.7

- A. Employees shall be scheduled by seniority for the most weekly hours.
- B. At least forty-five percent (45%) of the scheduled hours for the Company (excluding Courtesy Clerk hours) shall be guaranteed forty (40) hour schedules. Forty (40) hour schedules shall be assigned to employees based on seniority and ability to perform the work.

The Company may determine the aforementioned forty-five percent (45%) of scheduled hours by store, by the Company's grouping of stores (division, district, zone, region, etc.) or by the entire bargaining unit. The Company will notify the Union in writing of what method will be used and it will not be changed for the term of this Labor Agreement.

The number of forty (40) hour schedules will be the same for each week of a quarter and any adjustments, up or down, to the number of forty (40) hour schedules shall be made no later than the first pay period following March 1, June 1, September 1, and December 1. The ratios will be calculated as of the first pay period in the months of February, May, August, and November using actual hours worked in the prior twelve (12) months. Additions made to fill ratio requirements at these dates will be from the forty (40) hour request list.

If the Company is over the required ratio percentage, they may reduce the number of full-time positions at the beginning of each quarter as outlined above. If there is a full-time Designated Assistant Department Manager who has less full-time seniority than a non-designated full-time employee who is being reduced, then that full-time Designated Assistant Department Manager may be reduced. Should the Company choose not to reduce the above Designated Assistant Department Manager, then the Company will no longer be able to count the Designated Assistant Department Manager toward the fulfillment of its ratio requirements, with the exception that their hours shall continue to count toward the ratio calculation. The intent of this language is to allow the Company to reduce the number of full-time employees to the required percentage with the exception that if the Company wants to keep the "Designated Assistant Department Manager(s)" with less seniority such "Designated Assistant Department Manager(s)" would be over and above the normal ratio requirement.

The Company agrees to furnish ratio information to the Union on a quarterly basis in a format approved by the Union. Such information shall include a listing of full-time employees and a listing of twenty-five (25) hour employees in accordance with this section. Designated Assistant Department Managers assigned full-time positions shall count toward the required number of full-time positions needed for the ratio, except as outlined above, and shall be identified on the listing provided to the Union.

This section shall not apply during the first eight (8) weeks of a new store opening or the first four (4) weeks of a major remodel.

Fractions of forty (40) hour schedules will be rounded up or down.

All forty (40) hour schedules that are shown on the work schedule(s) count for purposes of the ratio whether worked by the employee or not. However, during a quarter as defined in paragraph 3, permanent full-time openings that become available due to resignations, terminations, and openings as a result of full-time employees on an approved leave of absence for four (4) weeks or more shall be replaced after one (1) week, under the following conditions:

1. Will not be replaced if there is an overage in the full-time ratio.
2. If replaced within the store, the employee must be qualified to perform the job and will be considered as a "temporary replacement" and not assigned a full-time seniority date.
3. Full-time employees may be transferred to compensate for overages in the full-time ratio.

The remaining fifty-five percent (55%) of the hours (excluding Courtesy Clerk hours) shall be weekly schedules assigned to part-time employees. At least forty percent (40%) of these weekly scheduled hours shall be schedules of at least twenty-five (25) hours but less than forty (40) hours. Part-time employees are entitled to the weekly schedule with the most hours based on seniority and ability to perform the work.

- C. Employees may claim the entire weekly schedule of a less senior employee within their department, if the less senior employee has a schedule with more weekly hours, in accordance with availability and ability to perform the type of work within the store in which they work

Should a less senior employee be scheduled for more hours than a senior employee in another department, the senior employee must advise the Store Manager of the inequity and of their desire for more hours. Should the scheduling inequity continue for four (4) out of six (6) weeks once it has been brought to the Manager's attention, the senior employee may claim the entire weekly schedule of the less senior employee outside of their department, in accordance with availability and ability to perform the type of work within the store in which they work. In situations where it is determined that the senior employee has the availability but not the ability to perform the work required, the employee may request, in writing, to be trained in the other department. Should the scheduling inequity not be corrected then training in the job to be performed will be provided. The Company will determine within a two (2) to four (4) week period if the employee can perform the work satisfactorily. If an employee cannot perform the work satisfactorily the Company will not be required to schedule the employee in that department. The intent of this language shall not be to circumvent the seniority provisions of this Agreement.

Claims under this provision of the Agreement must be made by the employee to the Company no later than 5 p.m. Saturday or the employee forfeits any claim.

- D.1. In the event a forty (40) hour schedule becomes available, exclusive of department manager positions, at the beginning of the quarters as outlined in paragraph B above, the following procedure will apply:

The most senior employee as referenced in Section 9.4B above in the grouping of stores of the Company where the forty (40) hour permanent schedule becomes available will be given the first opportunity to work a forty (40) hour schedule.

The Company will offer the position to the most senior employee(s) in each Company's grouping of stores (division, district, zone, region, etc.) or by the entire bargaining unit who has indicated to the Company in writing that they desire to work a forty (40) hour schedule. These written requests for forty (40) hour jobs must be sent to the Human Resources Department prior to August 1<sup>st</sup> and February 1<sup>st</sup> of each year and that request will be valid for one (1) full year from that time period and must include which store(s) and department(s) the employee is willing to work. Employees will not be offered a forty (40) hour job at a store or in a department that they do not have listed on their forty (40) hour request form.

In regards to the February 2020, 40-hour request list, the Company will offer full-time jobs to the twelve (12) most senior employees on that list.

Employees will acknowledge in writing each time a forty (40) hour schedule is offered and they refuse the opportunity.

- 2. If necessary, training in the job to be performed will be provided. The Company will determine within a two (2) to four (4) week period if the employee can perform the work satisfactorily. If an employee is disqualified because of this provision the employee will be transferred back to

the employee's original store. These employees may only be offered forty (40) hour schedules in the future in the employee's present department (i.e., grocery, produce, checking and office). The employee at any time during or at the end of the four (4) week period may return to the employee's former department and/or store with no loss of seniority.

3. If the employee mentioned in No. 1 above refuses a forty (40) hour schedule at a store and in a department they have requested, then the Company will repeat the procedure in No. 1 until the most senior employees who have requested that store and department in writing, have been offered the schedule. If no employee accepts this forty (40) hour schedule, then the Company may offer the schedule to the most senior employee in the store where this opening is deemed to exist who desires to work a forty (40) hour schedule.
4. The Company will assign, at their discretion, employees to any forty (40) hour jobs available in a new or remodeled store by selecting forty (40) hour employees from other stores or as outlined in Section 9.7D. Forty (40) hour schedules vacated in other stores because of the new store will be filled in accordance with No. 1 above.
5. The Company may elect not to replace the forty (40) hour job if there is an overage in the full-time ratio.
6. When a forty (40) hour position is filled, the Company will notify the Union in writing of the employee's name, social security number, store location and full-time date.

Section 9.8 Employees may limit their availability as it regards total number of shifts they are available to work in a week and/or the total number of weekly hours they are available to work. This shall not be construed to mean preferential shifts.

Employees who, at any time, have voluntarily limited their availability for work may, thereafter, claim a weekly schedule with more hours only when a vacancy occurs or when additional hours become available. The employee shall notify the Company in writing of their intent to claim a schedule with a greater number of hours when their availability is, again, unlimited on a permanent basis.

Section 9.9 It is agreed by the Company that the Store Manager will not use the scheduling of hours as a punitive measure.

Section 9.10 A full-time (40-hour) employee, who has been reduced below forty (40) hours per week for four (4) out of six (6) weeks in the employee's store, seniority permitting, may replace the least senior full-time employee in the Company's grouping of stores or bargaining unit. Requests to exercise seniority in this regard must be made in writing to the Human Resources Department within one (1) week following the four (4) week period.

If necessary, training in the job to be performed will be provided. The Company will determine within a two (2) to four (4) week period if the employee can perform the work satisfactorily. If an employee is disqualified because of this provision, the employee will be transferred back to the employee's original store and assigned a part-time seniority date in accordance with Section 9.3B. These employees may only be offered forty (40) hour schedules in the future in the employees present department (i.e., grocery, produce, checking, or office) or in accordance with the procedures outlined in Section 9.7D (filling ratio positions). The employee at any time during or at the end of the four (4) week period may return to the employee's former department and/or store and will be assigned a seniority date that is in accordance with Section 9.3B.

Section 9.11 In the event of a store closing, full-time (40-hour) employees in the closed store will be treated as laid off employees in accordance with Section 9.12, paragraphs "A", "B", and "C".

Section 9.12 In the event of layoff, all employees may exercise their seniority in the following manner:

- A. Employees may exercise their seniority on the basis of replacement of the least senior employee working the same department first, if none are available, in other departments in accordance with ability to perform the type of work in the Company's grouping of stores.
- B. An employee who is displaced as a result of "A" above may have the opportunity to displace the least senior employee in the same department first, if none are available, in other departments in accordance with ability to perform the type of work in the Company's grouping of stores closest to that employee's residence.
- C. An employee who is displaced as a result of "B" above may have the opportunity to displace the least senior employee in the same department first, if none are available in other departments, in accordance with ability to perform the type of work in the unit covered by this Agreement.
- D. An employee who is displaced as a result of "C" above will be considered to be on layoff status. Recall to work shall be in accordance with seniority, with the last employee laid off being the first to be recalled, in accordance with ability to perform the type of work.
- E. A part-time clerk who is laid off, seniority permitting, may displace a courtesy clerk in the store in which the employee is working. Such employee shall receive the prevailing courtesy clerk rate of pay and be placed on the courtesy clerk seniority list in accordance with the employee's part-time clerk seniority date or the employee's original courtesy clerk seniority date, whichever is earlier.
- F. All changes occurring due to paragraphs "A", "B", and "C" above shall be completed in a period of not more than two (2) weeks.

Section 9.13 Department managers may exercise their seniority as described in Section 9.12, "A", "B", "C", and "D" above, with the exception:

Department managers may not displace another department manager, but may displace a full-time employee.

Section 9.14 PROMOTIONS. In the matter of promotions after giving due regard to seniority, the Company shall have the right to exercise its judgment.

Section 9.15 TRANSFERS. Transfers from one type of work to another or from one store to another will be made for justifiable reasons and will not be punitive or used for the purpose of discriminating against any employee.

Employees may request a transfer by indicating in writing their desire to relocate to another store. These written requests for a transfer must be sent to the Human Resources Department prior to August 1<sup>st</sup> and February 1<sup>st</sup> of each year and that request will be valid for one (1) full year from that time period and must include which store(s) the employee is requesting a transfer to. While placement on this list does not guarantee an employee will be granted a transfer, the Company will give consideration to those employees on the list before making their final decision. In a situation where more than one employee is qualified and assuming all things are equal, seniority will be the determining factor.

When the Company opens a new store where there are additional full-time openings, employees working forty (40) hours a week, who have advised the Human Resources Department or the Company in writing of their desire to transfer to a store nearer their home will be considered for such openings in accordance with seniority and availability.

#### ARTICLE 10 - UNIFORMS AND DRESS CODE

Section 10.1 Any uniforms or specific neckwear deemed necessary by the Company for its employees shall be furnished by the Company. Such uniforms shall be laundered by the employee and will be replaced as necessary, provided the employee turns in the worn uniform for a new uniform.

Section 10.2 During excessively cold weather, reasonable wearing apparel may be worn.

Section 10.3 Employees will be allowed to wear any light, solid colored dress shirt. Hairstyles will be neat and trimmed and subject to review and approval by the store manager. Facial hair will be neat and trimmed and subject to review and approval by the store manager. The repeated starting and stopping of the growth of facial hair will not be tolerated. The Company reserves the right to restrict facial hair for employees working in any area in which the Health Department or other governing authority requires the wearing of beard nets.

Non-canvas athletic shoes may be worn by the employees. The color of the shoes may be determined by the Company and shall be solid and neutral (i.e. brown, black, white, etc.) and conducive to good business practice and customer acceptance. The shoes are subject to review and approval by the store manager. If a change in the color of shoes is required, it is considered acceptable for the employee to dye and/or polish the shoes to the appropriate color.

Should the Company make a change in its dress code policy that would require the employee to purchase new items (i.e. pants, shoes, etc.); the Company must provide at least four (4) months notice. After said notice and until the implementation date of the new dress code policy, employees may conform to either the current or new dress code. Any change in the dress code policy that requires an expenditure by the employee shall occur only once in the term of this contract.

Should an employee be transferred into a store where a different dress code policy has been established, the employee shall be afforded time (no less than four (4) months) to comply, as outlined in the prior paragraph, with the dress code requirements.

Section 10.4 When the Company believes an employee is not conforming to a “subjective interpretation” of the Company’s dress code (i.e. business like appearance, etc.) the employee’s appearance will be reviewed by the Human Resources Department and the Union Representative prior to discipline involving a suspension and/or discharge is administered.

#### ARTICLE 11 - SUBSTANCE ABUSE

Section 11.1 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 employee.

Section 11.2 In addition, the use of drugs or the consumption of alcohol during breaks or meal periods is strictly prohibited and subjects the employee to disciplinary action up to and including discharge.

Any employee 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 11.3 Where there is a reasonable basis for believing that an employee is having a problem on the job that may be drug or alcohol related, the Company may request the employee to submit to a testing procedure consistent with the steps set forth below. At the time that such a request is made, both the employee 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 employee's choosing who is at work) shall be specifically advised of all of the facts forming the basis of the Company's belief that the employee may be having a problem that may be drug or alcohol related. Based on the operational needs of the business, the Company may request the employee to 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 employee tested.

Section 11.4 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 store. A drug and alcohol screen will be required of all employees involved in or contributing to the incident giving rise to the injury.

Section 11.5 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 employee 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 of an employee in regards to this article.

Section 11.6 If an employee is tested for reasonable cause, and the tests prove positive for drugs or alcohol, the employee will be subject to discipline up to and including discharge. Prior to administering discipline, consideration will be given to the employee'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 employee not be discharged, the employee will be placed on a leave of absence and/or a disciplinary suspension for the first incident of a positive test. The employee 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 employee is tested because they were injured “on-the-job” and the tests prove positive for drugs or alcohol the employee 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 employee not be discharged the employee will be given the opportunity to be referred to an employee assistance program and, after an evaluation, the employee may be urged to consider participation in an alcohol and/or drug treatment program.

To the extent required to enable the employee to participate in such a program, the employee 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 employee or the employee’s medical program if applicable.

It shall be a condition of continued employment for employees 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 employee will be terminated.

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

Section 11.7 If the employee refuses to take any of the aforementioned drug and/or alcohol tests the employee will be discharged.

Section 11.8 Test results are sent to the EAP 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 employee, or to the extent required by law, or to the extent required by the Company for use in any proceeding involving the employee.

Section 11.9 In the event any test results do not establish that the employee tested positive for alcohol or drugs, then the Company shall expunge from its records all references to the testing.

## ARTICLE 12 - LEAVES OF ABSENCE

Section 12.1 A Leave of Absence shall be defined as a period during which an employee 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.

Section 12.2 MILITARY LEAVE. In the event an employee covered by this Agreement enters into the Armed Forces of the United States, the employee shall be eligible for reinstatement in accordance with the provisions of the applicable Federal Legislation.

Employees who are members of a National Guard unit and are required to attend training will be granted a leave of absence for this purpose. The employee may, at the employee's option, elect to take this time as vacation time or take vacation time at another time.

Section 12.3 MEDICAL/MATERNITY LEAVE. A leave of absence for reason of extended personal illness, injury or maternity shall be granted to all employees, 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 employee 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 employee 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 (30) days is presented, so long as the time period of leave is indicated, and so long as additional leave time does not become necessary.

Section 12.4 Following compliance with the terms of Section 12.3 above, an employee, 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, seniority permitting, and shall receive the rate of pay then established for the job. The employee 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 12.5 UNION LEAVE. When an employee 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 employee shall be considered on a leave of absence up to a maximum of three (3) years, and the employee shall, after completion of such employment with the Union, return to the employee's former employment with the Company, and the employee's seniority shall continue uninterrupted.

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

Section 12.6 MANAGEMENT LEAVE. A management leave of absence may be granted to an employee 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.

Section 12.7 PERSONAL LEAVE. A personal leave of absence may be granted to employees having six (6) months or more of continuous service subject to the written approval of the Company.

Section 12.8 LEAVE OF ABSENCE FOR CARE OF NEWBORN OR ADOPTED CHILD. For employees 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 child care. The employee shall be guaranteed reinstatement in accordance with the employee's seniority. An employee who wishes to change the employee's 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) 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.

Section 12.9 GENERAL PROVISIONS. Except in cases of emergencies, a written request to the Human Resources 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 employee who is on leave to notify the Company if they are 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.

Seniority shall continue to accrue during leaves of absence.

Section 12.10 COLLEGE CASUAL. The following is the procedure for classifying employees with two (2) months or more of service who attend college to remain as an active employee while continuing to perform work on an irregular basis:

Work on irregular basis is defined as:

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

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

These employees, as long as they have performed work during the past twelve (12) months, will continue to be treated as "active" employees and will not be required to complete any employment forms when they perform work on an 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 employees should they re-apply for employment in the future.

These employees 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 the provisions outline in Schedule "A" – Wages and the Supplemental Agreements attached to the Labor Agreement. "Casual College Store Employees" may be so classified for a period of time not to exceed five (5) years. After five (5) years these employees, if not again working on a regular basis, will be terminated.

### ARTICLE 13 - SICK DAYS

On January 1 of each year, employees who were paid one thousand eight hundred seventy-two (1872) hours or more in the prior calendar year will be granted two (2) sick days.

Employees with one (1) or more years of service who normally work thirty-six (36) or more hours per week who were on an approved leave of absence during the prior calendar year will be afforded the sick days should they average thirty-six (36) or more hours per week for the weeks actually worked.

All unused sick days will be paid off in the first full week of December each year. However, employees have the option to use sick days as personal holidays in accordance with the procedure outlined in Section 16.1.

Employees who are not eligible for sick days as described in the preceding paragraphs, but who are eligible for and participating in health care benefits will be granted thirty-six (36) hours per calendar year for the purposes of Health and Welfare contributions only. Employees will notify the Human Resources department with the request for contributions to be made to maintain eligibility for health care benefits.

### ARTICLE 14 - FUNERAL LEAVE

In the event of the death of a parent, grandparent, grandchild, brother, sister, spouse, same-sex domestic partner, son, daughter or present mother-in-law, father-in-law, brother-in-law, sister-in-law, present step-father, present step-mother of an employee with six (6) months or more of service or other relative residing with the employee, the Company will grant a leave of absence from day of death until and including the day after the funeral/memorial service, not to exceed three (3) days with pay for scheduled working days, provided the employee attends the funeral. In the case of son-in-law or daughter-in-law not living with the employee, one (1) day will be given off, that day being the day of the funeral/memorial service. The employee shall not be paid beyond the day after the funeral/memorial service.

Same sex partners will be considered equivalent to spouses for purposes relative to funeral leave.

### ARTICLE 15 - JURY DUTY

Employees with six (6) months or more of service who are subpoenaed and who report for jury service shall receive the difference in pay for the time lost and the amount received as jury pay, but in no case shall the total pay exceed forty (40) hours pay at the employee's regular straight time hourly rate of pay. Jury pay shall not exceed ten (10) working days per calendar year. When an employee is released for a day or the greater part of the day, the employee shall report to the store for work except that if a night work employee is required to be on jury duty more than four (4) hours in any one day, the employee shall not be expected to report for work that night providing the employee is scheduled to serve on jury duty the following day.

### ARTICLE 16 - SUNDAYS AND HOLIDAYS

Section 16.1 The following days shall be recognized as holidays and shall apply only to employees who have completed six (6) months of service: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day, or on days legally celebrated in lieu thereof.

In addition to the above holidays, employees, who have attained full-time seniority status shall be granted three (3) personal holidays subject to the same conditions set forth in this Article for other holidays. Employees who attain full-time seniority status, will be eligible for personal holidays during their initial calendar year as a full-time employee based on the following:

- Attains full-time status between January - June . . . . . Three (3) personal holidays
- Attains full-time status between July – September . . . . Two (2) personal holidays
- Attains full-time status between October – November. One (1) personal holiday
- Attains full-time status in December . . . . . Zero (0) personal holidays

Part-time employees hired before September 5, 2007, who average twenty-five (25) hours or more per week shall be granted three (3) personal holidays.

Effective January 1, 2020, part-time employees hired before September 5, 2007, shall be granted three (3) personal holidays.

Effective January 1, 2020, part-time employees hired on or after September 5, 2007, who have been employed for two (2) years as of January 1, shall be granted one (1) personal holiday.

These personal holidays shall be celebrated on any day which is mutually agreeable to the employee and the Company. No weeks may be blocked out. After employees have initially qualified for personal holidays, they will qualify for future personal holidays as of January 1<sup>st</sup>.

Each January 1, eligibility for personal holidays shall be determined for that year based on the employee’s full-time or part-time status and employment date. Personal holidays will be paid in accordance with Section 16.2. Employees shall not be denied personal holidays because of absence from work because of an approved medical leave of absence.

Section 16.2 Full-time employees shall be paid eight (8) hours holiday pay {ten (10) hours holiday pay for employees working a schedule of four (4) ten (10) hour shifts.} All part-time eligible employees 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

Section 16.3 Employees must work the scheduled day before the holiday, the holiday (if scheduled to work), and the scheduled day after the holiday to qualify for holiday pay. However, if an employee is absent due to proven illness or the absence is approved in advance by the Company (with the exception of approved leaves of absence referenced in Article 12 or FMLA leaves of absence), they shall receive the holiday pay, provided they work any part of the holiday week.

Section 16.4 During weeks in which holidays occur, full-time employees will be scheduled for a minimum of thirty-two (32) hours work in four (4) shifts, except for those full-time employees who are working ten (10) hour shifts during a holiday week. These employees shall be scheduled a minimum

of thirty (30) hours work in three (3) shifts. The holiday pay for these individuals shall be ten (10) hours. Weekly overtime will not be paid in a holiday week until after forty (40) hours of actual work.

Section 16.5 Sunday work may be part of the basic workweek.

Employees shall be paid a premium of one dollar (\$1.00) per hour in addition to their regular straight time hourly rate of pay for hours worked on holidays.

Work on Sundays and holidays shall be on a voluntary and rotating basis among qualified employees. However, if not enough employees volunteer to work, then such work will be assigned to qualified employees on an inverse seniority basis.

A Sunday and holiday volunteer list will be posted by department in each store in order to determine those employees who desire Sunday and holiday work. This Sunday and holiday list shall be posted for each four (4) week period throughout the year. Employees may add their names to the list at any time or delete their names from the Sunday and holiday volunteer list at any time. If an employee elects to delete their name from the volunteer list, they will be passed over on that particular Sunday or holiday until such time as they volunteer again. When said employee again places their name on the volunteer list, they will be placed on the bottom of the volunteer list and begin to work their way up through the rotation process.

When Sunday work is part of the basic workweek, management will attempt whenever possible to make schedules with two (2) consecutive days off.

Hours worked on Sundays and holidays will apply toward the following:

1. Wage progression
2. Vacation hours
3. Holiday pro rata pay
4. Seniority
5. Funeral leave
6. Jury duty

Section 16.6 There shall be no work on Christmas Day and after 6:00 p.m. on Christmas Eve and 8:30 p.m. on New Year's Eve. Stores will be closed no later than 5:30 p.m. on Christmas Eve and 8:00 p.m. on New Year's Eve to allow employees to finish work by the appropriate time. Work after 6:00 p.m. on New Year's Eve shall be voluntary, however, should an insufficient number of employees volunteer, the Company may assign employees to work after 6:00 p.m. by inverse seniority. Stores will open no earlier than 8:00 a.m. on New Year's Day. No employee will be required to work before 8:00 a.m. on New Year's Day. However, employees may work before 8:00 a.m. on New Year's Day on a voluntary basis. When Christmas Day falls on Sunday, there shall be no work on that day, and pay and work for the following Monday will be in accordance with Section 16.5 above.

The Company will have the right to be open for business on Easter and/or Thanksgiving in the event a major competitor is open in a store or store's trade area (no more than a five (5) mile distance). A "major competitor" is defined as a supermarket or supercenter with fresh meat and produce departments within the store in question. Work on Easter and Thanksgiving shall be on a voluntary basis only (by seniority) and a volunteer sign-up sheet will be posted thirty (30) days prior to the holiday. Should the volunteer sign-up sheet not be posted thirty (30) days prior to the holiday, the store cannot open on the holiday.

Department Managers, Assistant Department Managers and employees who currently receive a time and one-half (1 ½ X) holiday premium will be paid time and one-half (1 ½ X) their hourly rate for

work performed on Easter and Thanksgiving. All other employees will receive a two dollar (\$2.00) premium over their current hourly rate for work on Easter and Thanksgiving.

Section 16.7 Employees shall be entitled to earned personal holidays due but not taken in the calendar year in which they terminate employment.

Any employee who is discharged for dishonesty or does not give at least one (1) weeks' notice shall forfeit all personal holiday rights.

#### ARTICLE 17 - VACATIONS

Section 17.1 Employees shall be entitled to vacation in accordance with the following:

A. Earned vacation shall be taken between January 1 and December 31. Employees earn vacation in the year prior to that which it is taken.

B. Employees shall be eligible for vacation with pay according to the following schedule:

Any employee 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 employee 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 employee 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 employee who has completed fifteen (15) years of continuous employment as of January 1 is entitled to four (4) weeks of vacation with pay to be taken any time during the following twelve (12) months.

Any employee who has completed twenty (20) years of continuous employment as of January 1 is entitled to five (5) weeks of vacation with pay to be taken any time during the following twelve (12) months.

Part-time employees hired after January 1, 2002, shall be eligible for vacation in accordance with the above with a maximum of three (3) weeks of paid vacation. These employees will continue to earn time off, without pay, to be taken in full-week increments according to the schedule above.

C. Employees 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

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

Section 17.2 Vacations may be scheduled throughout the year, except for three (3) weeks per year during which no vacations may be taken. The Company shall determine by department which weeks to block and only those employees whose home department is blocked will be prohibited from taking vacation on the blocked weeks. The Company also retains the right to limit vacations for an additional three (3) weeks per year in which no more than five (5) employees per store may take vacations. The Company shall determine by store, the number of employees, by department (produce, grocery, checking, etc.), who may be away on vacation during weeks which are not blocked or limited, subject to the operational needs of the business.

The Company will notify the employees and the Union which weeks are to be blocked or limited in accordance with the above prior to the posting of the vacation schedule each year.

Vacation schedules shall be posted by December 1st and vacations selected by January 15th of each year. The completed vacation schedule shall be posted by February 15th of each year. Vacations shall be selected by date of hire.

Employees who fail to select vacations by January 15th will select on a first come first served basis.

Employees may request, two (2) weeks in advance, to be paid for unscheduled vacation throughout the year in accordance with the following:

Employees with three (3) or more weeks of vacation – up to two (2) weeks will be paid.

No vacations can be carried over from year to year.

Section 17.3 Vacation pay for all employees shall be based on the employee'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 employee's regular straight time hourly rate except as outlined in Section 8.2I of this Agreement.

Full-time employees who average thirty-eight (38) hours or more per week will receive forty (40) hours vacation pay.

The Company must notify the Union within sixty (60) days after the effective date of this Agreement as to the method used to determine vacation and must at all times stay with this choice during the life of this Agreement.

Section 17.4 Employees will be allowed to use two (2) weeks of their vacation, one (1) day at a time, for sickness or other personal reasons, however, (effective January 1, 2020) no more than 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 of selecting personal holidays in Article 16, Section 16.1 will apply.

Section 17.5 Unused vacation from the prior calendar year, up to two (2) weeks, will be paid no later than January 31<sup>st</sup> of each year.

Section 17.6 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 (¼). 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 (½). Such leaves of more than two hundred seventy (270) days shall disqualify an employee for vacations.

In the event an employee is off work because of an on-the-job injury of one hundred eighty (180) days or less, the Company shall count all time off as time worked for the purpose of computing vacation pay. In the event an employee is off work because of an on-the-job injury over one hundred eighty (180) days, the above formula shall apply.

Section 17.7 If a holiday, as enumerated in Article 16 hereof, occurs during an employee's vacation, the employee shall be paid an additional day's pay or receive an extra day off in addition to the vacation pay.

Section 17.8 In case of a death of an employee, unpaid vacation benefits will be paid to the employee's beneficiary.

Section 17.9 Any employee who is laid off or quits after the employee's anniversary date shall be entitled to earned vacation due, but not taken. In addition, any employee 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.

## ARTICLE 18 - HEALTH & WELFARE

Section 18.1 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 employees 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) per hour.

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

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) month 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 “Pension and Health and Welfare Interpretation Rules Addendum” which is attached hereto and incorporated by reference as if fully set out herein.

**Section 18.2** Employees whose spouses do not have their own primary health insurance will contribute an additional pre-tax employee contribution of forty dollars (\$40.00) per week to the Welfare Fund for spousal coverage.

**Section 18.3** All employees who are eligible for benefits from the Fund, or who become eligible for benefits from the Fund, shall make employee 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 January 1, 2019, weekly deductions shall be as follows:

	Plan A		Plan B		Plan C		Plan D	
	Non-Smoker	Smoker	Non-Smoker	Smoker	Non-Smoker	Smoker	Non-Smoker	Smoker
EE Only	\$27.75	\$32.50	\$17.25	\$22.00	\$11.50	\$16.25	\$2.00	\$6.00
EE + Child(ren)	\$32.50	\$37.00	\$22.00	\$26.75	\$16.25	\$21.00	\$5.00	\$9.00
EE + Spouse*	\$32.50	\$37.00	\$22.00	\$26.75	\$16.25	\$21.00	\$5.00	\$9.00
Family*	\$37.00	\$41.75	\$26.75	\$31.25	\$21.00	\$25.50	\$10.00	\$14.00

Effective January 1, 2020, weekly deductions shall be as follows:

	Plan A		Plan B		Plan C		Plan D	
	Non-Smoker	Smoker	Non-Smoker	Smoker	Non-Smoker	Smoker	Non-Smoker	Smoker
EE Only	\$27.75	\$32.50	\$18.25	\$23.00	\$12.50	\$17.25	\$5.00	\$10.00
EE + Child(ren)	\$32.50	\$37.00	\$23.00	\$27.75	\$17.25	\$22.00	\$10.00	\$15.00
EE + Spouse*	\$32.50	\$37.00	\$23.00	\$27.75	\$17.25	\$22.00	\$10.00	\$15.00
Family*	\$37.00	\$41.75	\$27.75	\$32.25	\$22.00	\$26.50	\$15.00	\$20.00

Effective January 1, 2021, weekly deductions shall be as follows:

	Plan A		Plan B		Plan C		Plan D	
	Non-Smoker	Smoker	Non-Smoker	Smoker	Non-Smoker	Smoker	Non-Smoker	Smoker
EE Only	\$27.75	\$32.50	\$19.25	\$24.00	\$13.50	\$18.25	\$7.00	\$12.00
EE + Child(ren)	\$32.50	\$37.00	\$24.00	\$28.75	\$18.25	\$23.00	\$12.00	\$17.00
EE + Spouse*	\$32.50	\$37.00	\$24.00	\$28.75	\$18.25	\$23.00	\$12.00	\$17.00
Family*	\$37.00	\$41.75	\$28.75	\$33.25	\$23.00	\$27.50	\$17.00	\$22.00

Effective January 1, 2022, weekly deductions shall be as follows:

	Plan A		Plan B		Plan C		Plan D	
	Non-Smoker	Smoker	Non-Smoker	Smoker	Non-Smoker	Smoker	Non-Smoker	Smoker
EE Only	\$27.75	\$32.50	\$20.25	\$25.00	\$14.50	\$19.25	\$9.00	\$14.00
EE + Child(ren)	\$32.50	\$37.00	\$25.00	\$29.75	\$19.25	\$24.00	\$14.00	\$19.00
EE + Spouse*	\$32.50	\$37.00	\$25.00	\$29.75	\$19.25	\$24.00	\$14.00	\$19.00
Family*	\$37.00	\$41.75	\$29.75	\$34.25	\$24.00	\$28.50	\$19.00	\$24.00

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

The cost sharing amounts for any plan not listed above will be determined by the bargaining parties. An employee who elects to decline coverage and not to pay the above Employee Contributions in accordance with this Agreement shall not receive benefits from the Fund. The employee's declination of coverage shall not relieve the Company of its obligation to contribute on behalf of that employee.

Employees 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. Employees will remain with the same Benefit Plan (A, B, C, D) or no coverage) unless the employee notifies the Health & Welfare Fund office in writing during the next enrollment period prior to January of each year. Employees 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.

Employees will elect in writing the coverage level (i.e. employee only, employee 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. Employees will remain with the same coverage level unless the employee notifies the Health and Welfare Fund Office in writing during the next enrollment period prior to January of each year of the employee's desire to change the coverage level or discontinue coverage.

Employees 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 employee 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 person 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 18.4** The Company shall not be required to make contributions on behalf of all employees for the first eleven (11) months of employment. The parties agree that the obligation to contribute begins on the first day of the twelfth (12<sup>th</sup>) 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, 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 employees beginning with the date of hire and also report whether the employee 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 employee designated by the Company as a known full-time employee will begin with the first hour worked.

#### Section 18.5

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 employee'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.

Section 18.6 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.

Section 18.7 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 19 - PENSION

Section 19.1 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.

Section 19.2 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.

Section 19.3 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 (13<sup>th</sup>) 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 19.4 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.

Section 19.5 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 19.6 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 19.5 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.

Section 19.7 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 19.8 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.

Section 19.9 The Company agrees, upon reasonable notice, to allow records to be checked where necessary for Pension Fund contributions.

#### ARTICLE 20 - 401(K) - SAVINGS PLAN

The Company agrees to provide to all eligible employees a 401(k) Savings Plan. The Company agrees to institute a provision that would allow employees to borrow 401(k) funds in accordance with Company policy.

#### ARTICLE 21 - TECHNOLOGICAL CHANGE

The parties recognize that automated equipment and technology is now available for the retail food industry. The Company recognizes that there is a desire to protect and preserve work opportunities. At the same time, the Union recognizes that the Company has a right to avail itself of modern technology. With this common objective, the parties agree as follows:

In the event the Company introduces major technological changes which would have direct material impact affecting bargaining unit work, thirty (30) days advance notice of such change will be given to the Union.

With regard to any technological changes implemented by the Company during the life of this Agreement, the parties agree to meet and to bargain over the effects of such a decision upon employees. Both parties are obligated to bargain in good faith in an effort to reach an agreement on the effects of the Company's decision upon the employees.

In addition, the Company agrees:

- A. Any retraining necessary will be furnished by the Company at no expense to the employees.
- B. Where retraining is not applicable, the Company will make every effort to effect a reassignment to another job or transfer to another store. Should the employee not be retrained or reassigned to another job, and is reduced in hours or laid off, such employees shall be able to exercise the employee's seniority in accordance with Article 9.
- C. In the event an employee is not retrained, reassigned to another job, or does not exercise seniority, and is permanently displaced as a direct result of major technological changes above, the employee will be eligible for severance pay in accordance with the following provisions:
  1. All employees, excluding Courtesy Clerks, with two (2) or more years of continuous service will be eligible for one (1) week severance pay for each year of continuous service. Maximum severance pay of eight (8) weeks pay to be paid on a weekly 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.
  2. An employee shall be disqualified for severance pay in the event the employee:
    - a) Refuses retraining.
    - b) Refuses a transfer within a radius of thirty (30) miles.
    - c) Voluntarily terminates employment.

## ARTICLE 22- STORE CLOSING

Section 22.1 In the event the Company closes or sells a store 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 (3<sup>rd</sup>) year of continuous service for employees averaging twenty-five (25) or more hours per week and the fifth (5<sup>th</sup>) year for employees 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 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 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 employees 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 22.2 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 employees 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.

Section 22.3 Employees 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 store closing shall receive pay for earned personal holidays and earned pro-rata vacation in accordance with the provisions of Article 17, Section 17.9.

Section 22.4 All monies due employees shall be paid in a lump sum upon termination.

Section 22.5 An employee 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 employee may elect to accept a voluntary layoff not to exceed ninety (90) days. At the end of the ninety (90) day period if the employee has not been recalled, the employee will be paid severance pay and forfeit the employee's seniority. Any extensions of this ninety (90) day period must be agreed in writing and signed by the employee, 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 employee accepted the layoff.

Section 22.6 If an employee is offered a transfer within thirty (30) miles of the store in which the employee was last working, and the job is comparable (similar type of work and similar number of hours worked per week) and the employee refuses to accept the transfer, the employee shall forfeit all rights to severance pay, holiday pay and Pension and Health and Welfare contributions.

Section 22.7 If a store is sold and the successor Company 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 Section 22.1 of the Article shall not apply. Comparable is defined as:

- A. Similar type of work.
- B. Similar number of hours [i.e., an employee'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.

Section 22.8 The Company agrees to give to the employees and the Union three (3) weeks notice in advance of a store closing or sale. When such notice is given, an employee shall remain with the Company or forfeit the employee's rights under this Article unless mutually agreed to by the employee, 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 employees terminated as a result of the store closing.

Section 22.9 No benefits shall accrue under the terms of this Article unless the Company makes a business decision to close or sell a store. If a store closing is caused by fire, flood, storm, or condemnation, then this Article shall not apply.

Section 22.10 Employees 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.

Department Managers who are displaced as a result of store 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 23 - SEPARABILITY

Nothing contained in this Agreement is intended to violate any Federal or State laws, rules or regulations made pursuant thereto. If any part of this Agreement is construed to be in such violation by any court of competent jurisdiction, then that part shall be null and void and the parties will negotiate to replace said void part with a valid provision.

ARTICLE 24 - TERM OF CONTRACT

THIS AGREEMENT shall continue in full force and effect from May 13, 2019, through May 8, 2022, and shall continue from year to year thereafter unless either party serves notice in writing sixty (60) days prior to the expiration date or prior to any anniversary thereafter of a desire for termination of or for changes in this Agreement.

It is further provided that any improvements, changes or amendments, unless otherwise provided for in the new Agreement, shall become effective on the day following the expiration date of the old Agreement provided there has not been a work stoppage.

FOR THE UNION:

FOR DIERBERGS MARKETS, INC.:

\_\_\_\_\_  
David Cook  
President  
United Food and Commercial  
Workers Union, Local 655

\_\_\_\_\_  
Nancy A. Meyer  
V. P. of Human Resources  
Dierbergs Market, Inc.

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## SCHEDULE "A" - WAGES

Employees presently employed who have been in the employ of the Company for the following designated periods of time shall receive these minimum wages during the life of this Agreement.

Department Managers and clerks at the thereafter rate or higher for their classification as of December 3, 2019 that averaged thirty-five hours per week or above (for weeks actually worked for 2019 [December 31, 2018 through September 1, 2019]), will receive a cash payment of five hundred dollars (\$500.00), less deductions required by law. These cash payments will be made no later than (within 3 weeks of December 3, 2019).

Clerks at the thereafter rate or higher for their classification as of December 3, 2019 that averaged less than thirty-five hours per week (for weeks actually worked) for 2019 [December 31, 2018 through September 1, 2019] will receive a cash payment of two hundred and fifty dollars (\$250.00), less deductions required by law. These cash payments will be made no later than (within 3 weeks of December 3, 2019).

### A. Department Managers

Effective:	11/05/18	12/30/19	12/28/20	12/27/21
Grocery Manager	21.20	21.45	21.80	22.25
Customer Service Manager	21.20	21.45	21.80	22.25
Produce Manager	21.11	21.36	21.71	22.16
Head Cashier	20.20	20.45	20.80	21.25
Dairy Manager	20.20	20.45	20.80	21.25
Dairy/Frozen Manager	20.20	20.45	20.80	21.25
Frozen Food Manager	20.20	20.45	20.80	21.25
GM Manager	17.40	17.65	18.00	18.45
Bakery Manager	17.40	17.65	18.00	18.45
Floral Manager	16.50	16.75	17.10	17.55
Salad Bar Manager	16.50	16.75	17.10	17.55
Specialty Department Manager	16.50	16.75	17.10	17.55

Receivers, Night Managers, Party Center Managers and Scan Coordinators will receive twenty-five cents (25¢) per hour over their base hourly rate of pay.

Department Managers at or above their contract rate or higher for their classification will receive a twenty-five cent (25¢) increase effective December 30, 2019, a thirty-five cent (35¢) increase effective December 28, 2020 and a forty-five (45¢) increase effective December 27, 2021.

Certified Trainers will receive fifty-cents (.50¢) per hour over their base hourly rate of pay for hours worked when they are assigned by the Company to train.

B. Salaried Department Managers

At the Company's option, and with the employee's consent, an employee may be appointed to a salaried position in addition or in lieu of the above-mentioned Grocery Manager and Customer Service Manager classifications. The Grocery Manager's and Customer Service Manager's salary shall be:

Effective:	<u>11/05/18</u>	<u>12/30/19</u>	<u>12/28/20</u>	<u>12/27/21</u>
Weekly Salary	945.00	956.00	972.00	992.00
Sunday	276.50	279.75	284.25	289.25
Sunday (½ day)	138.25	139.75	142.25	145.00

C. Clerks

Full-time employees

Effective:	<u>11/05/18</u>	<u>12/30/19</u>	<u>12/28/20</u>	<u>12/27/21</u>
1st 520 hours	12.00			
Next 520 hours	12.50	12.50	12.75	
Next 520 hours	13.00	13.00	13.00	13.00
Next 520 hours	13.50	13.50	13.50	13.50
Next 520 hours	14.00	14.00	14.00	14.00
Next 520 hours	14.50	14.50	14.50	14.50
Next 520 hours	15.00	15.00	15.00	15.00
Next 520 hours	15.55	15.55	15.55	15.55
Next 520 hours	15.75	15.75	15.75	15.75
Thereafter/ Next 1040 hours	16.05	16.05	16.05	16.05
Thereafter/Next 1040 hours		16.30	16.30	16.30
Thereafter/Next 1040 hours			16.65	16.65
Thereafter				17.10

Full-time clerks at the thereafter rate or higher for their classification will receive a twenty-five cent (25¢) increase effective December 30, 2019, a thirty-five cent (35¢) increase effective December 28, 2020 and a forty-five (45¢) increase effective December 27, 2021.

Employees who have been full-time more than two (2) years and who are subsequently reduced below full-time will retain the employee's rate of pay.

Full-time employees who have been full-time less than two (2) years, who voluntarily reduce themselves to part-time status will have their pay reduced three full-time brackets but not below the initial full-time rate of pay. Employees will remain at that rate plus any contract increases until they once again attain full-time status at which time they will return to their previous full-time rate plus any contract increases.

Employees who are assigned as Designated Assistant Department Managers and who have been full-time less than two (2) years and are reduced to part-time status will have their pay reduced to the initial full-time rate of pay. Such employees will continue to receive contract increases until they once again attain full-time status at which time they will return to their previous full-time bracket rate plus any increases.

Part-time Employees

Effective:	<u>11/05/18</u>	<u>12/30/19</u>	<u>12/28/20</u>	<u>12/27/21</u>
1st 520 hours	9.00			
Next 520 hours	9.25			
Next 1040 hours	9.50	9.60		
Next 1040 hours	9.75	9.75		
Next 1040 hours	10.00	10.00		
Next 1040 hours	10.25	10.25	10.45	
Next 1040 hours	10.50	10.50		
Next 1040 hours	10.75	10.75	10.75	
Next 1040 hours	11.00	11.00		
Next 1040 hours	11.20	11.20	11.20	11.30
Thereafter/Next 1040 hours	11.50	11.50	11.50	11.50
Thereafter/Next 1040 hours		11.75	11.75	11.75
Thereafter/Next 1040 hours			12.10	12.10
Thereafter				12.55

Part-time clerks at the thereafter rate or higher for their classification will receive a twenty-five cent (25¢) increase effective December 30, 2019, a thirty-five cent (35¢) increase effective December 28, 2020 and a forty-five (45¢) increase effective December 27, 2021.

D. Courtesy Clerks

Effective:	<u>11/05/18</u>	<u>01/01/20</u>	<u>01/01/21</u>	<u>01/01/22</u>
Rate	8.60	9.45	10.30	11.15

Courtesy Clerks that do not receive a raise due to the minimum wage increase will receive a twenty-five cent (25¢) increase effective December 30, 2019, a thirty-five cent (35¢) increase effective December 28, 2020 and a forty-five (45¢) increase effective December 27, 2021.

- E. The duties of a Courtesy Clerk are confined to: bagging, carrying customers' purchases, handling bascarts, parcel pickup, sorting of empty beverage containers, sweeping and mopping store, and returning merchandise left in the check stands to the shelves.

In the event of a proven violation of this Agreement with respect to the duties and use of the Courtesy Clerk classification, the aggrieved employee shall be paid the Clerk rate of pay for all hours worked that week and will be elevated to a Clerk with a seniority date of that date and shall remain in that classification.

In the event of a second violation in the same store of the Company within a six (6) month period (following the first violation), the Union may advise the Company, in writing, that the classification of Courtesy Clerk in that store is terminated for a period of six (6) months; and that all employees in the Courtesy Clerk classification will be reclassified as of the first (1st) day of the next pay period to the appropriate Clerk rate, and remain in this classification.

A violation is constituted when work, other than proper duties for Courtesy Clerk, is by the direction of Management and/or work that is done with Management's knowledge.

The parties have agreed that the above duties of the Courtesy Clerk may be expanded to maintain shelf and display conditions (i.e. face, level, condition, pull cardboard) once the product has been initially stocked by a Clerk. No full-time employee shall have their hours reduced as a result of this provision.

- F. All stores will have a Grocery Manager, Produce Manager, Head Cashier and a Dairy Manager or Dairy/Frozen Manager.

Designated Assistant Department Managers may be appointed in accordance with one (1) Designated Assistant Department Manager for every forty (40) bargaining unit or portion thereof. For example:

Number of Bargaining Unit Employees	Number of Designated Assistant Department Managers
0 – 39	0
40 – 79	1
80 – 119	2
120 – 159	3
160 - 199	4
etc.	etc.

The Company may assign these Assistant Department Managers based on the operational needs of the business.

Designated Assistant Department Managers will be paid fifteen cents (15¢) per hour over their base rate of pay.

- G. When an employee relieves a Department Manager for a period of three (3) days or longer of the manager's five (5) day schedule, the employee shall be paid the Department Manager's contract rate of pay for those days.
- H. Employees receiving in excess of the above scales shall not have their pay decreased because of this Agreement.
- I. Employees hired above the starting rate of pay or moved to a higher bracket will progress to the next pay bracket upon completion of the required hours.
- J. The Company may provide an optional profit participation plan in the future.
- K. The Company, at its discretion and with notice to the Union, may institute motivational incentive programs with monetary or other rewards. The programs may be for any group of employees and may commence or be discontinued at any time.
- L. The Company agrees that during the term of this Agreement they will maintain the wage rates at a level which is at least fifteen cents (15¢) higher than the Federal Minimum Wage.

## LETTER OF UNDERSTANDING

1. Regarding Section 8.2H, all employees hired before May 1, 1972, who work thirty-two (32) hours or more per week for thirteen (13) consecutive weeks will not be required to work more than two (2) nights per week, except Grocery Managers and Produce Managers may work three (3) nights per week.
2. Regarding Article 9, effective the first pay period following September 5, 2007, the Master Food seniority list and the Specialty Departments seniority list shall be combined into one common seniority list. It is the intent of the parties that the new combined seniority list shall use each employee's seniority date(s) as of September 5, 2007, and rank the employees accordingly. Full-time employees shall be ranked by the date they became full-time and part-time employees shall be ranked by their appropriate part-time date regardless of which seniority list they were on originally. Courtesy Clerks shall continue to be on a separate seniority list per Section 9.3.
3. Regarding Section 9.4, employees who were placed on the full-time seniority list on May 11, 1985, and who were classified as regular on that date will be ranked on the full-time seniority list using that regular seniority date.
4. Regarding Section 9.4, employees who were classified as regular on May 11, 1985, will retain that date and will have seniority over employees who were classified as part-time on that date.
5. Regarding Section 9.10, in the event an employee who was on the regular seniority list on May 11, 1985, and is eligible for the twenty-five (25) hour minimum schedule as specified in Section 9.7B, and the employee is reduced below twenty-five (25) hours for two (2) consecutive weeks, the employee may request, in writing, to be trained in a different job function in the employee's store. If such training would make available to the employee a work schedule with more hours in the employee's store, the Store Manager will make such training available. The Company will determine within three (3) weeks if the employee can perform the work satisfactorily.
6. Regarding Section 16.1, 2<sup>nd</sup> paragraph, employees who were on regular status on May 11, 1985, who continue to average at least twenty (20) hours per week will be eligible for personal holidays.
7. Regarding Section 16.1, 2<sup>nd</sup> paragraph, employees hired before May 9, 1982, are eligible for personal holidays regardless of how many hours they work.
8. Regarding Section 16.5, employees hired prior to June 13, 1985, shall be paid time and one-half (1½) their straight time hourly rate of pay for work performed on Sunday.

Employees hired after June 13, 1985, and before June 19, 1991, shall be paid a premium of two dollars (\$2.00) per hour in addition to their straight time hourly rate of pay for work performed on Sundays.

Employees hired after June 19, 1991, and before August 1, 2000, shall be paid a premium of one dollar (\$1.00) per hour in addition to their straight time hourly rate of pay for work performed on Sundays.

9. Regarding Section 16.5, employees hired prior to June 18, 1988, shall be paid time and one-half (1½) their straight time hourly rate of pay for work performed on a holiday.

Employees hired after June 18, 1988, and before June 19, 1991, shall be paid a premium of two dollars (\$2.00) per hour in addition to their straight time hourly rate of pay for work performed on a holiday.

10. Regarding Section 16.5, employees hired before May 8, 1982, will not be required to work on Sundays and/or holidays.

11. Regarding Article 17, all employees hired before June 13, 1997, will continue to be eligible for additional weeks of vacation based on their anniversary date and in accordance with the schedule outlined below:

All employees 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 employees 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 employees 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 employees 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.

All employees who have been in the continuous employment of the Company for twenty (20) years or more shall be granted five (5) weeks of vacation with pay.

12. Regarding Section 17.9, any employee hired before June 13, 1997, 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.

13. Regarding Schedule "A" Wages, Section C, employees at the top rate of pay on June 16, 1985, will be paid nineteen dollars and ninety-five cents (\$19.95) per hour.

These employees will receive a twenty-five cent (25¢) increase effective December 30, 2019, a thirty-five cent (35¢) increase effective December 28, 2020, and a forty-five (45¢) increase effective December 27, 2021.

14. Regarding Schedule "A" Wages, Section C, General Merchandise Clerks hired prior to June 13, 1985 will be paid sixteen dollars and thirty cents (\$16.30) per hour.

These employees will receive a twenty-five cent (25¢) increase effective December 30, 2019, a thirty-five cent (35¢) increase effective December 28, 2020, and a forty-five (45¢) increase effective December 27, 2021.

15. Regarding Schedule "A" Wages, Section F, full-time (40-hour) clerks as of June 18, 1988, shall not be reduced in hours to create room under the full-time ratio for new Assistant Department Managers.

16. Regarding Schedule "A" Wages, no employee who has received merit pay increases from the employee's Company will have these increases subsequently taken away by the Company.

17. Employee transfers without loss of seniority between UFCW Local 655 and other UFCW represented Dierbergs stores will be allowed where there are reciprocity agreements in place between UFCW Locals.

18. Regarding Section 8.4, the Company agrees that lunches for employees in the “perimeter” departments (i.e. bakery, floral, produce, salad bar, grocery, etc.) shall be discretionary, with the exception of those employees working multiple departments that includes the front end. Employees desiring to take a lunch shall comply with Section 8.4 of the Agreement.
19. Regarding Schedule “A” Wages, effective December 1, 2019, part-time employees who have five (5) years of service will receive a forty cent (40¢) retention premium over their base rate of pay. This increase, or a portion of the increase, will be applied to part-time employees, not to exceed the full-time “Thereafter” rate in place at that time.

For subsequent years, part-time employees who reach five (5) years of employment as of December 1, and who have no “Written” Corrective Actions in the prior year will receive a retention premium of forty cents (40¢) over their base rate of pay. This increase, or a portion of the increase, will be applied to part-time employees, not to exceed the full-time “Thereafter” rate in place at that time. Employees who do not receive this premium due to Corrective Actions will be reviewed on subsequent December 1 dates to determine if they are eligible at that time.

20. Regarding Article 1.2, members of the Company’s management may perform bargaining unit work on an as needed basis during the holidays as defined in Article 16.1 and one special event per year. When Company management will be working in the store during these periods, as has been the practice, hours will be maximized for all available employees.
21. Regarding Schedule “A” Wages, Section F, stores with seventy (70) bargaining unit employees or less, will have a Grocery Manager, a Produce Manager, and a Head Cashier or Customer Service Manager. Any changes to requirements as stated above will be through attrition only.

The aforementioned stores will be determined each April 1, based on the number bargaining unit employees at each store. At no time shall this affect more than five stores and those stores shall be the stores with the fewest employees on April 1.

22. Regarding Schedule “A” Wages, Section F; during the term of this contract the Company will provide a list of 25 (twenty-five) additional Associates who are “Designated” Assistant Department Managers to the Union. These Designated Assistants will not count towards the calculation of the number of Designated Assistant Managers allowed. No new Designated Assistant Department Managers will be identified until the Company is again within the contractual guidelines as stated in Schedule “A” Wages, paragraph F.

## PENSION – HEALTH & WELFARE INTERPRETATION ADDENDUM

The parties agree that the following principles will apply in interpreting the Company's obligation to contribute to the Pension Fund under Article 19 – Pensions and under Article 18 – 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 employee 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 (25) hours of unused vacation from 2010. The Company is obligated to contribute for forty (40) hours for that week.

An employee 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 employee 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 employee is paid the vacation hours.

Examples:

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

An employee 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 employee 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).