

AGREEMENT

BETWEEN

SCHNUCK MARKETS, INC.
COLUMBIA, MO

AND

UNITED FOOD AND COMMERCIAL WORKERS UNION
LOCAL 655

ST. LOUIS, MISSOURI

EFFECTIVE

MARCH 27, 2023

THROUGH

MARCH 29, 2026

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AGREEMENT

This Agreement has been entered into by and between Schnuck Markets, Inc., hereinafter designated as the "Company", and United Food and Commercial Workers Union Local No. 655 of St. Louis, Missouri, chartered by the United Food and Commercial Workers International Union, hereinafter designated as the "Union".

ARTICLE 1

INTENT AND PURPOSE

The Company and the Union each represent that the purpose and the intent of this Agreement is to promote cooperation and harmony, to recognize mutual interests, to provide a channel through which information and problems may be transmitted from one to the other, to formulate rules to govern the relationship between the Union and the Company, to promote efficiency and service, and to set forth herein the basic agreements covering rates of pay, hours of work and conditions of employment.

ARTICLE 2

JURISDICTION

The Union shall be the sole and exclusive bargaining agent for all Grocery Department employees in the Company's stores located in Columbia, Missouri, excluding the Store Manager, Co-manager, Meat Department employees, Deli, Seafood and Salad Bar employees, Bakery Production Department employees, confidential office employees and supervisory employees within the meaning of Section 2 of the National Labor Relations Act, as amended.

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. Management Trainees may perform bargaining unit work within the jurisdiction of this Agreement.

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.

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, post, and maintain rules and regulations covering the operation of the store, a violation of which shall be among the causes for discharge, are vested in the Company; provided, however, that this right shall be exercised with due regard for the rights of the employees and provided further that it will not be used for the purpose of discrimination against any employee.

ARTICLE 4

UNION COOPERATION

Section 4.1. The Union agrees to uphold the rules and regulations of the Company in 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 4.2. 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 4.3. The Union agrees to cooperate in correcting inefficiencies of members which might otherwise necessitate discharge.

Section 4.4. 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.

Section 4.5. The Union agrees to furnish to each store one (1) Union store card, provided such card is kept prominently displayed at all times. All cards are to remain the property of the Union and shall be surrendered to the Union upon demand.

ARTICLE 5

NONDISCRIMINATION

The Company and the Union are pledged to policies of referring and employing personnel on the basis of ability, qualifications and performance. The Company and the Union agree that they will not discriminate against any employee or applicant for employment on account of Union activities or affiliation or because of race, color, religion, national origin, sex, sexual orientation, gender expression, gender identity, or age or disability in accordance with existing law.

ARTICLE 6

UNION AFFILIATION

Section 6.1. 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.

Section 6.2. It shall be a condition of employment that all employees of the Company covered by this Agreement who are members of the Union in good standing on the effective date of this Agreement, shall remain members in good standing, and those who are not members on the effective date of this Agreement shall, on or after the thirty-first (31st) day following the effective date of this Agreement, become and remain members in good standing in the Union. It shall also be a condition of employment that all employees covered by this Agreement and hired on or after its effective date shall, on or after the thirty-first (31st) day following the beginning of such employment, become and remain members in good standing in the Union. For the purpose of this paragraph, the execution date of this Agreement shall be considered as its effective date.

Section 6.3. No employee shall be discriminated against because of Union activities or affiliation.

Section 6.4. The Company agrees not to enter into any agreement or contract with its employees, individually or collectively which in any way, conflicts with the terms and provisions of this Agreement.

Section 6.5. The Company agrees to deduct initiation fees, union dues, and uniform assessments where lawful, uniformly required as a condition of acquiring or retaining membership in the Union from the wages of each 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 (10th) 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.

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 employee's name, Social Security number, phone number, home address, store code, job code and date of hire. Additionally, a list of all employees that have been terminated during the previous month will be sent.

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 to the Company the amounts to be deducted on the regular monthly billing.

ARTICLE 7

UNION REPRESENTATION

Section 7.1. Any accredited Union official shall be granted access to the store for the purpose of satisfying the Union that the terms of the Agreement are being complied with, but such official shall not interfere with the duties of employees or the business of the Company.

Section 7.2. 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.

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 7.3. 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 bargaining unit employee. The employee and the Union will be given a copy of the "Corrective Action."

Should an employee be subject to a 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 bargaining unit employee.

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 7.4 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 6:00p.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 9.2D 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.

Section 7.5 Members of the Union may wear their Union buttons when on duty.

ARTICLE 8

SENIORITY

Section 8.1. 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 he/she has been employed by the Company for at least sixty (60) days, and he/she shall not be deemed to be entitled to any of the privileges of seniority until he/she has been employed for that long. On the sixty-first (61st) day, seniority shall apply from the date of employment.

Section 8.2. 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 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 8.3. Seniority lists will be established and maintained, and shall be available to the Union. For full-time employees, the seniority lists shall be on the basis of the unit covered by this Agreement. For part-time employees, the seniority lists shall be on an individual store basis. The Company will furnish the Union a seniority list each quarter.

Classifications for seniority purposes shall be:

- Department Managers
- Assistant Department Managers
- Full-time Employees
- Part-time Employees
- Courtesy Clerks
- Utility Clerks

A full-time employee is defined as an employee who normally works forty (40) hours per week. "Normally worked" means working forty (40) hours for thirteen (13) consecutive weeks excluding time worked during June, July and August. A part-time employee normally works less than forty (40) hours per week.

Full-time clerk positions shall be filled in order of seniority among those part-time employees who have submitted a request in writing to the Store Manager. Such requests must be submitted prior to February 1 and August 1 of each year and that request will be valid for one (1) full year from that time 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 the employee is disqualified because of this provision, they shall be returned to their previous job with original seniority intact. Such employees will only be offered full-time positions in the future in their present job classification, i.e., grocery, produce, checking and office.

In regards to full-time positions, effective August 7, 2023, the Company will offer full-time positions to five part-time teammates.

Full-time employees shall have seniority over part-time employees.

Section 8.4. If any full-time employees are involuntarily reduced below forty (40) hours he/she will have top seniority on the part-time seniority list.

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 original seniority date in the bargaining unit.

Section 8.5. The Company will assign the weekly schedule with the most straight time hours in accordance with seniority, availability, job classification, qualifications and ability to perform the work.

Employees may claim the entire schedule of a less senior employee, if the less senior employee has a schedule with more weekly hours, in accordance with availability, job classification, qualifications and ability to perform the type of work within the store in which he/she works.

Claims under this provision of the Agreement must be made by the employee to the Company no later than 5:00 p.m. Saturday, or the employee forfeits any claim.

Section 8.6. 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 8.7. A full-time forty (40) hour employee, who has been full-time for one (1) year or more and who has been reduced below thirty-five (35) hours per week for four (4) consecutive weeks, and is not able to avail him or herself of additional hours in their store, then that employee, seniority permitting, may replace the least senior full-time employee in the same job classification within the Local Union's contract jurisdiction. If a part-time employee, who has averaged twenty-five (25) or more hours for at least one (1) year, is reduced to under twenty-five (25) hours per week, for four (4) consecutive weeks, and is not able to avail him or herself of additional hours in their store, then that employee, seniority permitting, may replace the least senior part-time employee, in the same job classification, within the Local Union's contract jurisdiction. Requests to exercise seniority in this regard must be in writing to the Labor Relations Department within one (1) week following the four (4) week period.

The above provision does not apply to employees who have voluntarily limited their availability, employees utilized as vacation replacements, or students returning to school.

Section 8.8. The Company will continue to provide the opportunity for an employee to be considered for a transfer to a higher rated classification if a job exists providing such employee makes known his or her wishes in writing to the Store Manager and Labor Relations Department.

Section 8.9. In layoffs and rehiring, the principle of seniority shall apply. Seniority shall be determined on the length of service of an employee within his or her classification and with regard to his or her experience and ability to perform the work. All circumstances being reasonably equal, length of service within the classification shall be the controlling factor. In the event a layoff not in accordance with seniority is contemplated, the Company shall first contact the Union, and an attempt shall be made to arrive at a mutually satisfactory understanding. In the matter of promotions or transfers from one type of work to the other or from one store to the other, the Company shall have the right to exercise its judgment after giving due regard to seniority.

Section 8.10. Employee transfers without loss of seniority between UFCW Local 655 and other UFCW represented Schnucks stores will be allowed where there are reciprocity agreements in place between UFCW Locals.

ARTICLE 9

HOURS AND WORKING CONDITIONS

Section 9.1. The Store Manager will post a work schedule for all employees by surname and initial for the succeeding week as soon as practical, but no later than 1:00 p.m. Friday, of the current week, satisfactory as far as possible to all employees. This schedule shall be accessible to all employees and the Union. Any employee leaving on schedule before 1:00 p.m. Friday who is not scheduled to work on Saturday, will be advised by store management of his/her schedule to be posted.

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 more desirable work shifts.

Starting times for employees will not be changed unless twenty-four (24) hours' notice has been given to the affected employees, except in cases of emergency caused by illness, absenteeism, or acts beyond the control of the Company.

If employees are required to work on their sixth (6th) day in a work week, they shall be paid a premium of two dollars (\$2.00) per hour for such work, however, if the employee chooses to voluntarily accept a shift on the sixth (6th) day, such shift shall be paid at the employee's regular rate. The intent of this provision is not to circumvent Section 8.5.

When hours are added to the posted schedule during the week, or when in an emergency an employee fails to report to work as scheduled, then those hours will either be offered to the most senior qualified employee(s) working that day who is available to work the needed hours, or to the most senior qualified employee(s) 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; and further provided such hours will not cause the payment of overtime or conflict with other provisions of this contract. Employees may refuse additional hours, however, should the Company not get a sufficient number of volunteers to work the hours, they may assign the hours by inverse seniority. During holiday weeks, full-time employees scheduled for thirty-two (32) hours will be offered available call-in work in accordance with the above.

Section 9.2.

- A. The basic work week for all full-time 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 work week shall be the Company's seven day payroll period.
- B. The regular work day for all 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. 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.

- D. The Company shall schedule full-time employees a set day off Monday through Saturday, on a regular basis. Such day off shall not be changed except for holidays, for operational necessity, or by mutual agreement between the Store Manager and the employee. This shall not preclude the right of the Company to grant, on an individual basis, a particular day off on an infrequent basis to an employee for a valid reason.
- E. Night stock crew employees working a forty (40) hour 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 employees shall give the Company at least ten (10) days' written notice.

Section 9.3. Sunday and holiday work will be scheduled by management on an as needed basis among qualified employees. Sunday and holiday work may be inside the basic work week.

Section 9.4. Employees requested or scheduled to report to work shall be guaranteed four (4) hours of work or pay in lieu thereof, if the employee is available for such four (4) hours, except the guarantee for courtesy clerks shall be three (3) hours. This minimum guarantee of hours may be waived if mutually agreed to between the Store Manager and the employee.

Section 9.5. All employees shall have a minimum of eight (8) hours off between shifts, except that at the employee's option, the eight (8) hour minimum may be waived. Employees shall not work split shifts.

Section 9.6. 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 (4th) hour and the ending of the sixth (6th) hour after starting time. Any employee working more than six (6) hours shall be entitled to an unpaid thirty (30) minute lunch period if requested at least one (1) week prior to the posting of the work schedule.

Section 9.7. 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 ($\frac{1}{2}$) 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 9.8. No full-time employee hired before January 12, 1993, shall be required to work more than three (3) nights per week except for regular night stock crews.

Night work is any shift that extends past 6:00 p.m.

Section 9.9. Any employee who averages twenty-five (25) hours or more per week who is unable to work because of injuries received during the scheduled work week, and whose injuries resulted out of or during the course of employment on the 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 Worker's Compensation Act of the State of Missouri, and that the Company shall receive credit for any payment made under this Article, should any compensation be awarded in accordance with the State Worker's Compensation Act.

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

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

Section 9.10. 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 9.11. 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. 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 pension contributions, insurance programs and wage rates.

Section 9.12. Any uniforms or specific neckwear deemed necessary by the Company for its employees shall be furnished by the Company. Such uniform 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 9.13. 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.

ARTICLE 10

OVERTIME AND PREMIUM PAY PROVISIONS

Section 10.1. All time worked in excess of forty (40) hours per week or eight (8) consecutive hours per shift for full-time employees working five (5) eight (8) hour shifts, or, ten (10) consecutive hours per shift for full-time employees working four (4) ten (10) hour shifts, or, ten (10) consecutive hours per shift for all part-time employees shall be paid at the rate of time and one-half (1-1/2) the employees' regular rate of pay. There shall be no pyramiding of overtime or premium pay. Employees who are scheduled to work over nights shall have the appropriate night premium included in the calculation for overtime.

Section 10.2. Employees hired prior to December 28, 1989, who work on holidays shall be paid time and one-half (1-1/2) their straight time hourly rate of pay. Employees hired after December 28, 1989, and before January 12, 1993, shall be paid a premium of two dollars (\$2.00) per hour in addition to their regular straight time rate of pay for hours worked on holidays. All employees hired after January 12, 1993, shall be paid at their straight time rate of pay for their first year of employment for work on holidays and one dollar (\$1.00) per hour in addition to their straight time rate of pay thereafter.

Section 10.3. Employees who work on Sundays shall be paid time and one-half (1-1/2) their straight time hourly rate of pay except that employees hired after October 1, 1986, and before January 12, 1993, shall be paid a premium of one dollar (\$1.00) per hour in addition to their regular straight time rate of pay for hours worked on Sunday; however, employees other than Courtesy Clerks, shall receive a premium of two dollars (\$2.00) per hour in addition to their regular straight time hourly rate of pay after one (1) year of employment. All employees hired after January 12, 1993, shall be paid at their straight time rate of pay for work on Sundays.

Section 10.4. Overtime will be paid on the day or week, whichever is greater, but in no case on both, and hours paid for at premium rates will be excluded from the computation of daily or weekly overtime, unless provided by law.

Daily overtime shall be offered by seniority and job classification within the store among the employees present and qualified to do the work when the need for overtime arises. 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.

Section 10.5. Employees, working between the hours of 12:00 midnight and 5:00 a.m., will be paid a night premium of forty cents (40¢) [effective May 8, 2023, fifty-five cents (55¢)] per hour in addition to their straight time hourly rate of pay for all such hours worked. Employees scheduled for more than five (5) hours, whose shift encompasses 12:00 midnight to 5:00 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.

ARTICLE 11

GRIEVANCE AND ARBITRATION

Should any differences, disputes or complaints arise over the interpretation or application of the contents of this Agreement, there shall be an earnest effort on the part of both parties to settle such promptly through the following steps:

- Step 1. By conference between the aggrieved employee; the Union Steward and/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 complaints, it shall be referred, within seven (7) working days to arbitration.

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.

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.

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

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 seven (7) 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.

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.

The Company shall have the right to call a conference with a Union Steward or officials of the Union for the purpose of discussing its grievance, criticisms, or other problems.

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 throughout the initial two (2) steps of the grievance procedure have failed, the Union shall notify the Labor Relations/Human Resource Department of the Company in writing of the specific violation(s) that have occurred.
- B. Upon receipt of this complaint the Labor Relations/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.

There shall be no lockout or cessation of work pending the decision of the Arbitrator.

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.

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, absent himself/herself from work. Leaves, under this Article, shall be limited to:

- A. Military
- B. Medical/Maternity
- C. Personal
- D. Union
- E. Management
- 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. In the event an employee covered by this Agreement enters into the Armed Forces of the United States, he/she shall be eligible for reinstatement in accordance with the provisions of the applicable Federal legislation.

Section 12.3. A leave of absence for reason of extended personal illness, injury or maternity shall be granted to 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 shall 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.

Section 12.4. Following compliance with the terms of Section 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 classification, seniority permitting, and shall receive the rate of pay then established for the job, provided he/she has the physical fitness and ability to perform the job.

Section 12.5. A personal leave of absence for good cause may be granted at the discretion of the Company without pay. The request and reason for such a leave of absence shall be in writing.

Section 12.6. 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 his/her former employment with the Company, and his/her seniority shall continue uninterrupted.

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

Section 12.7. A management leave of absence may be granted to an employee accepting a management position with the 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 12.8. 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 ten (10) weeks for the purpose of newborn or adopted child care. The employee shall be guaranteed reinstatement in accordance with their seniority. An employee who wishes to change his or her date of return to work shall notify the Store Manager two (2) weeks in advance and shall be returned to work as set forth above. The leave of absence for either parent must end no later than ten (10) weeks from the date of birth or date of adoption. The Company may require verification of the parent relationship to the newborn or adopted child.

Section 12.9. Except in cases of emergencies, a written request for a leave shall be made on a form provided by the Company at least five (5) working days prior to the requested starting date of the leave.

Section 12.10. It shall be the responsibility of an employee who is on leave to notify the Company if he/she is unable to return to work at the expiration of the leave and to request an extension in accordance with proper procedure.

Section 12.11. At the end of any leave of absence, including leave of absence for illness and/or injury up to one (1) year, an employee shall be restored to employment with the Company with full seniority to his/her former position, or to a position comparable to the position that he/she held immediately prior to such leave of absence, provided that the employee is physically able to perform work comparable to that which he/she performed prior to such leave of absence.

Section 12.12. 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 Labor Relations 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 outlined in Schedule "A" – Wages. "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

Each January 1 full-time employees and 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 for the weeks actually worked.

All unused sick days will be paid off 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 17.2. Employees shall be entitled to earned Sick Days 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 sick day rights.

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 UFCW Local 655 Health and Welfare Fund with the request for contributions to be made to maintain eligibility for health care benefits.

Effective January 1, 2023, and each January 1 thereafter, the fund shall compute the hours reported on all participants working under a collective bargaining agreement with hourly contributions for the previous year. Participants that have less than one thousand eight hundred seventy-two (1872) hours reported shall be granted a "health insurance eligibility hours bank" of hours not to exceed thirty-six (36) hours in a calendar year. These hours may only be used to continue their current health coverage in the event the participant falls short of the required hours to maintain their eligibility for that coverage. These hours may not be used to initially qualify for coverage or to increase their existing level of benefits (example: move from self-coverage to dependent or family coverage). The use of the health insurance eligibility hours bank must be requested of the fund by the participant.

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 SERVICE

Section 15.1. No employee who has six (6) or more months of service shall suffer any reduction in take home pay when summoned for jury duty. Jury duty shall not exceed ten (10) working days per calendar year.

Section 15.2. When an employee is released for a day or a greater part of a day, he or she shall report for work to complete their regular work schedule. 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 he/she is scheduled to serve on jury duty the following day.

ARTICLE 16

VACATIONS

Section 16.1. All employees hired before January 12, 1993, shall be eligible for vacation in accordance with the following:

- One (1) week after one (1) year of service.
- Two (2) weeks after three (3) years of service.
- Three (3) weeks after six (6) years of service.
- Four (4) weeks after twelve (12) years of service.
- Five (5) weeks after eighteen (18) years of service.

All full-time employees hired after January 12, 1993, but before December 15, 1998 shall be eligible for vacation in accordance with the following:

- One (1) week after one (1) year of service.
- Two (2) weeks after three (3) years of service.
- Three (3) weeks after eight (8) years of service.
- Four (4) weeks after fifteen (15) years of service.

Part-time employees hired after January 12, 1993, but before December 15, 1998 shall be eligible for vacation in accordance with the above with a maximum of three (3) weeks.

Section 16.2. Employees hired after December 15, 1998 shall be entitled to vacation in accordance with the following:

1. Earned vacation shall be taken between January 1 and December 31. Employees earn vacation in the year prior to that which it is taken.
2. 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 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' vacation with pay to be taken any time during the following twelve (12) months.

Any employee who has completed eight (8) years of continuous employment as of January 1 is entitled to three (3) weeks' vacation with pay to be taken any time during the following twelve (12) months.

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

Part-time employees hired after December 15, 1998 shall be eligible for vacation in accordance with the above with a maximum of three (3) weeks.

3. 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 16.3. The Company shall determine the number of employees, in this bargaining unit, who may be on vacation during any week of the year.

Vacation schedules shall be posted by December 1, and vacations selected by February 1 of each year. The completed vacation schedule shall be posted by February 15 of each year.

Vacations may be scheduled throughout the year, except for six (6) 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 six (6) weeks per year in which no more than three (3) 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.

Employees who fail to select vacations by February 1 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 four (4) weeks of vacation – up to one (1) week will be paid.

Employees with five (5) weeks of vacation – up to two (2) weeks will be paid.

No vacations can be carried over from year-to-year. Unused vacation from the prior calendar year, up to two (2) weeks, will be paid no later than February 15th of each year.

Section 16.4. 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 anniversary year preceding the vacation, or the twelve-month period commencing January 1 to December 31 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 work week times the employee's regular straight time hourly rate.

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

The Company shall notify the Union as to the method used to determine vacation and must, at all times, stay with this choice.

Section 16.5. Leaves of absence for illness and/or injury of ninety (90) days or less in a calendar year shall not affect vacation. Such leaves of more than ninety (90) days but not over one hundred eighty (180) days shall reduce vacation and vacation pay by one quarter (1/4). Such leaves of more than one hundred eighty (180) days but not over two hundred seventy (270) days shall reduce vacation and vacation pay by one half (1/2). Such leaves of more than two hundred seventy (270) days shall disqualify an employee for vacation.

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

Section 16.6. If a holiday, as enumerated in Article 17 hereof, occurs during an employee's vacation, he or she shall be paid an additional day's pay or receive an extra day off in addition to the vacation pay.

Section 16.7. Any employee who is laid off or quits after his/her 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 the last anniversary date (if hired before December 15, 1998) or last January 1, (if hired after December 15, 1998). Any employee who is discharged for dishonesty, or does not give at least one (1) weeks' notice shall forfeit all vacation rights.

Section 16.8. 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, 2021, 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 17, Section 2 will apply.

ARTICLE 17

HOLIDAYS

Section 17.1. 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.

Section 17.2. In addition to the above holidays, employees hired prior to September 13, 1989; and employees hired after September 13, 1989, who attain full-time status shall be granted three (3) personal holidays subject to the same conditions set forth in this Article for other holidays. Part-time employees hired on or after September 13, 1989, who have been employed for two (2) years as of January 1, shall be granted one (1) personal holiday.

Effective January 1, 2024, part-time employees with five (5) years of service as of January 1 shall be granted three (3) personal holidays.

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. No more than three (3) Personal Holidays may be carried over from year to year. Effective January 1, 2024, Personal Holidays must be used in the years in which they were earned. Employees shall not be denied personal holidays because of absence from work because of an approved medical leave of absence.

Employees retiring under the Pension Plan covering this Agreement shall be paid for personal holidays due but not taken.

Section 17.3. 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 1249 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 17.4. Employees must work the scheduled day before and the scheduled day after the holiday, and the holiday itself, if scheduled, to qualify for holiday pay. However, if an employee is absent due to a 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 17.5. There shall be no work on Christmas Day. The store shall close no later than 6:00 p.m. on Christmas Eve and no employee shall be required to work past 7:00 p.m. Work after 8:30 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 8:30 p.m. by inverse seniority.

Section 17.6. In the event Christmas falls on a Sunday, holiday pay shall be granted on the following day (Monday).

Section 17.7. 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 18

SUBSTANCE ABUSE

Section 18.1. 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 employees.

Section 18.2. However, 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 18.3. 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) shall be specifically advised of all 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. The manager requiring the test will complete a report supporting the reason for having the employee tested.

Section 18.4. 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 a 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 18.5. 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.

The testing facility used by the Company shall be of high quality and integrity. Furthermore, the Company agrees that the testing lab(s) selected shall meet any 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 shall 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 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 18.6. 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 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 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 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 the 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 their 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 (1st) year

after returning to work. In the event the random test proves positive for drugs or alcohol, the employee will be discharged.

Section 18.7. If the employee refuses to take any of the aforementioned drug and/or alcohol tests, the employee will be discharged.

Section 18.8. 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 18.9. 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 19

HEALTH & WELFARE

Section 19.1. The Company shall continue to pay four dollars and seventy-seven cents (\$4.77) 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, 2023, for hours paid in May 2019, the Company will pay four dollars and seventy-six cents (\$4.76) per hour.

Effective June 1, 2024, for hours paid in May 2020, the Company shall pay four dollars and seventy-five cents (\$4.75) per hour.

Effective June 1, 2025, for hours paid in May 2025, and thereafter, the employer agrees to pay the same contractual rate set by the fund for all contributing employers at such time the Fund establishes a change in the rate. The employer agrees to pay for said hours, even if said agreement(s) is entered into after the expiration date of the current contract(s), including any such retroactive increase ultimately set by the Fund.

There will be three (3) one-month company contribution holidays. The first holiday will be the August 2022 payment for hours paid in July 2022; the second holiday will be for the August 2023 payment for hours paid in July 2023, the third for the July 2024 payment for hours paid in June 2024. If any contribution holiday would result in the Health and Welfare Fund having less than three (3) months of reserves, excluding IBNR, as determined by the Fund's actuaries, then the contribution holiday will be nullified.

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 19.2. 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 19.3. 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:

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

Example: An employee first works an hour for a contributing employer on July 25, 2011. The Company’s obligation begins with hours worked on and after July 1, 2012.

Effective upon ACA requirements, the above two paragraphs will be null and void and replaced with the following two paragraphs:

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 (12th) 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, 2015. The Company’s obligation begins with hours worked on and after June 1, 2016.

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 19.5. 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 19.6. 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 19.7. 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 20

PENSION

Section 20.1. Subject to the terms of this Article, the Company shall continue to pay one dollar and thirty-seven cents (\$1.37) per hour for all hours paid with a maximum of forty (40) hours for all employees covered by this Agreement, into the Company-Union Pension Fund, which shall be jointly administered by the Union and the Company as provided in an agreement establishing such Pension Fund.

Effective January 1, 2024, for hours paid in December 2023, the Company will pay one dollar and twenty-two cents (\$1.22) per hour; effective January 1, 2025, for hours paid in December 2024, one dollar and seven cents (\$1.07) per hour.

Refer to the “Pension Interpretation Rules Addendum”, which is attached hereto and incorporated by reference as if fully set out herein.

Section 20.2. 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 Trust Agreement.

Section 20.3. The Company shall not be required to make contributions on behalf of all employees for the first twelve (12) months of employment. The parties agree that the obligation to contribute begins on the first day of the thirteenth (13th) month of employment, with the first month being defined as the month in which the employee works his/her first hour.

Example: An employee first works an hour for a contributing employer on July 25, 2011. The Company’s obligation begins with hours worked on and after July 1, 2012.

Section 20.4. 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 20.5. Said Pension Plan and the Trust Agreement establishing the Pension Fund shall be submitted to the United States Treasury Department and the United States Department of Labor for the approval and rulings 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 20.6. It is understood and agreed that any and all steps necessary and advisable will be taken to obtain and maintain the approval and rulings of government agencies as outlined in Section 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 20.7. A copy of the Trust Agreement and any amendments thereto shall be made a part hereof as if herein at length set forth, when adopted.

Section 20.8. 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 Plan Administrator or by the Union to the Company or anyone else other than such notice or notices expressly provided for in this Article.

Section 20.9. The Company agrees, upon reasonable notice, to allow records to be checked where necessary for Pension contributions.

ARTICLE 21

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 22

NO STRIKE, NO LOCKOUT & PICKETS

Section 22.1. During the term hereof, the Union agrees that there shall be no strike or any other interference with or interruption of the normal conditions of the Company's business by the Union or its members.

The Company agrees that there shall be no lockout.

Section 22.2. After the Company has been officially notified by the Union, the Company shall not require or request any employee to cross or work behind any legal A.F.L.-C.I.O. picket line approved by the United Food & Commercial Workers International Union, Washington, DC. However, if the business of the Company becomes involved in a controversy with any other labor organization, the Union agrees to use its best efforts to bring about a settlement of such a

controversy. For the purpose of this section, a picket line shall not include a picket line against an employer that is leasing space from the Company.

ARTICLE 23

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 a direct material impact affecting bargaining unit work, thirty (30) days advance notice of such change will be given to the Union.

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 transfer to another store.
- C. In the event an employee is not retrained or transferred and is permanently displaced as a direct result of major technological changes as defined above, the employee will be eligible for severance pay in accordance with the following provisions:
 - 1. All employees, excluding Courtesy Clerks, with two (2) or more years of continuous service will be eligible for one (1) week's severance pay for each year of continuous service. Maximum severance pay of 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 sixty (60) miles.
 - c. Voluntarily terminates employment.

ARTICLE 24

STORE CLOSING

Section 24.1. In the event the Company closes or sells a store and employees are terminated as a result thereof, pay equal to one (1) week's pay for each year of continuous service commencing

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

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

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

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

Over 9 Months equals one (1) week's pay.

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

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 24.2. The Company shall continue contributions to the Pension and Health and Welfare Trust Funds for three (3) full months following termination for those employees who receive severance pay, except those employees who secure employment with a contributing Company in the Pension and Health and Welfare Trust Funds who makes contributions in behalf of such employees into these Funds.

Section 24.3. Holidays that fall within thirty (30) days after termination and employees who are eligible for severance pay shall be entitled to holiday pay.

Section 24.4. All monies due employees shall be paid in a lump sum upon termination.

Section 24.5. An employee who is terminated and who is eligible for severance pay, and accepts severance pay, forfeits his/her seniority and has no recall rights. However, an employee may elect to accept a voluntary layoff not to exceed ninety (90) days. At the end of the ninety (90) day period, if he/she has not been recalled, he/she will be paid severance pay and forfeits his/her 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 24.6. If an employee is offered a transfer within a radius of sixty (60) miles, and he/she refuses to accept the transfer he/she forfeits his/her rights to severance pay, holiday pay, and Pension and Health & Welfare contributions.

Section 24.7. 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 no provisions of this Article shall apply.

Comparable is defined as:

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

Section 24.8. The Company agrees to give to the employees and the Union two (2) weeks' notice in advance of a store closing or sale. When such notice is given, employees shall remain with the Company or forfeit their rights under this Article unless mutually agreed to by the employees, Company and Union. Failure of the Company to give the required two (2) weeks' notice shall result in the payment of two (2) weeks' pay to the employees terminated as a result of the store closing.

Section 24.9. 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, land condemnation, then this Article shall not apply.

Section 24.10. 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, except department Heads who will receive the top clerk rate of pay.

ARTICLE 25

WAGE RATES AND JOB CLASSIFICATIONS

Section 25.1. Rates of pay and pay schedules as set forth in Wage Schedule "A" attached hereto shall remain in effect for the life of this Agreement, and shall constitute the basis for determination of wages for time worked.

Section 25.2. An employee relieving a Department Manager for a period of three (3) days or longer of the manager's five (5) day schedule shall receive the Department Manager's contract rate of pay for those days.

Section 25.3. The duties of a Courtesy Clerk shall be limited to bagging, carrying customers' purchases, handling bascarts, parcel pickup, operating the recycling center which includes but not limited to customer refunds and the sorting of empty returnable containers, sweeping the store, mopping, shelf conditioning, filling bag racks, and returning merchandise left in the checkstands to shelves.

Section 25.4. The duties of a Utility Clerk shall exclude the following: stocking and display of product, checking out customers, working the Courtesy Counter, customer service sales, and receiving duties.

Section 25.5. No employee shall suffer a reduction in pay because of this Agreement.

Section 25.6. 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.

ARTICLE 26

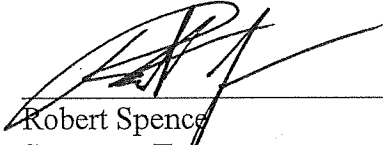
SEPARABILITY

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 27

TERM OF AGREEMENT

This Agreement shall continue in effect from March 27, 2023, through March 29, 2026, and shall automatically be renewed from year to year unless either party serves notice to the other party sixty (60) days prior to the anniversary date, of a desire of termination of or changes in this Agreement.



Robert Spence
Secretary-Treasurer



Mike Forte
Senior Director, Employment and Labor Relations

07/13/23

Date

6/28/2023

Date

SCHEDULE "A" - WAGES

Section 1.

Effective:	<u>01/01/23</u>	<u>05/08/23</u>	<u>03/25/24</u>	<u>03/24/25</u>
Center Store Manager	19.05	20.05	21.30	22.55
Customer Service Manager	19.05	20.05	21.30	22.55
Produce Manager	19.00	20.00	21.25	22.50
Center Store Lead	18.20	19.20	20.45	21.70
Bakery Manager	18.05	19.05	20.30	21.55
Floral Manager	15.05	16.05	17.30	18.55
Specialty Manager	15.05	16.05	17.30	18.55
Salaried Grocery Manager/CSM	873.75	919.50	977.00	1,034.25
Sunday (whole day)	250.50	266.75	283.25	300.00
Sunday (half day)	130.25	133.25	141.75	150.00

Department Managers at the thereafter rate or higher for their classification will receive a one-dollar (\$1.00) increase effective May 8, 2023, a one-dollar and twenty-five cents (\$1.25) increase effective March 25, 2024, and a one-dollar and twenty-five cents (\$1.25) increase effective March 24, 2025.

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 classification.

Night Manager (appointed at option of Company) - Twenty-five cents (25¢) per hour over base hourly rate of pay. This would be in addition to respective night work premium pay.

Assistant Department Managers (appointed at option of Company) – Twenty-five cents (25¢) per hour over base hourly rate of pay.

Receivers will receive twenty-five cents (25¢) per hour over their base hourly rate of pay.

An employee who is scheduled as Manager-on-Duty for three (3) hours or more of their shift, will receive a fifty cents (50¢) premium for the time scheduled as Manager-on-Duty. No more than one teammate may receive this premium at any point in time. This shall only apply to shifts during the hours that the store is open.

All Duty Clerks

Effective:	<u>01/01/23</u>	<u>05/08/23</u>	<u>03/25/24</u>	<u>3/24/25</u>
<u>Full-time Clerks</u>				
First 1040 hours	13.40	13.50	13.50	
Next 1040 hours	13.85	13.85	14.50	14.50
Thereafter/Next 1040 hours		14.85	14.85	15.00
Thereafter/ Next 1040 hours			16.10	16.10
Thereafter/ Next 1040 hours				17.35
Thereafter (not at top clerk rate of pay on 9/10/93 and hired before 1/12/93)	14.75	15.75	17.00	18.25
Thereafter (clerks at top rate of pay on 9/10/93)	16.05	17.05	18.30	19.55

Full-time All Duty Clerks at the thereafter rate or higher for their classification will receive a one-dollar (\$1.00) increase effective (1st Monday after DOR), a one-dollar and twenty-five cents (\$1.25) increase effective March 25, 2024, and a one-dollar and twenty-five cents (\$1.25) increase effective March 24, 2025.

<u>Part-time Clerks</u>	<u>01/01/23</u>	<u>05/08/23</u>	<u>03/25/24</u>	<u>3/24/25</u>
First 1040 hours	12.10	12.75		
Next 1040 hours	12.20	13.00	13.00	13.00
Thereafter/Next 1040 hours	12.30	13.30	13.30	13.30
Thereafter/Next 1040 hours			14.30	14.30
Thereafter/Next 1040 hours				15.30

Part-time All Duty Clerks at the thereafter rate or higher for their classification will receive a one-dollar (\$1.00) increase effective (1st Monday after DOR), a one-dollar (\$1.00) increase effective March 25, 2024, and a one-dollar (\$1.00) increase effective March 24, 2025.

Section 2.

Courtesy Clerks

Effective:	<u>01/01/23</u>	<u>05/08/23</u>	<u>03/25/24</u>	<u>3/24/25</u>
Courtesy Clerks	12.00	12.00	12.25	12.50

Maintenance Clerks/Utility Clerks

Effective:	<u>01/01/23</u>	<u>05/08/23</u>	<u>03/25/24</u>	<u>3/24/25</u>
First 1040 Hours	12.10	12.75		
Next 1040 hours	12.20	13.00	13.00	13.00
Thereafter/Next 1040 hours	12.30	13.30	13.30	13.30
Thereafter/Next 1040 hours			14.30	14.30
Thereafter/Next 1040 hours				15.30

Utility Clerks at the thereafter rate or higher for their classification will receive a one-dollar (\$1.00) increase effective May 8, 2023, a one-dollar (\$1.00) increase effective March 25, 2024, and a one-dollar (\$1.00) increase effective March 24, 2025.

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 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.

LETTER OF UNDERSTANDING

1. The Company will continue to provide a Profit Participation Plan.
2. The following full-time employees will continue to be scheduled for a forty (40) hour position.
 1. Margaret Gonzalez
 2. Mark Hardeman
3. The following employees will be allowed to work on Sunday irrespective of Article 9, Section 3. Sunday work may be inside the basic workweek.
 1. Uwe Lochner
 2. Margaret Gonzalez
 3. Mark Hardeman
4. All employees hired before January 1, 1990, will not be required to work on Sundays.
5. It is agreed that the Company at its discretion, may recognize individual ability and efficiency by increasing the rate of pay an employee receives beyond those set forth. The establishment of a "Red Circle" rate in recognition of superior performance or additional responsibility given an individual shall, in no way, affect the established minimum rate for the classification. The Company may, conversely, reduce or rescind a "Red Circle" rate based on changes in the above which led to its establishment.
6. 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.
7. 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.
8. When employees are required to travel to attend meetings, training seminars, etc., the employee will be paid travel time at the employee's rate of pay plus any premiums that might apply and the Company mileage rate if the employee is required to provide his/her own transportation.
9. If the bargaining parties for the Schnucks Metro agreement are able to reach an understanding concerning Sunday pay only as a sixth day for salaried managers then that understanding will also apply to this agreement.
10. Effective the first pay period following July 16, 2009 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 July 16, 2009, 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 and Utility Clerks shall continue to be on a separate seniority list per Section 8.3.

11. When a new store opens, or is acquired, employees hired for the new/acquired store, within ninety (90) days of the store opening, will have a 90-day probationary period as referenced in Section 8.1.
12. The intent of this language is to institute a new seniority classification of Part-time Flex (PTF). PTF clerks shall be classified under a separate seniority list and shall only have seniority over other PTF clerks and Courtesy Clerks and shall only work shifts claimed through the process outlined in this LOU. Current and future full-time and part-time clerks shall not have any reduction in hours as a result of this provision. The Company or store management shall not manipulate the store schedules to accommodate PTF clerks.

No Part-time Flex clerk shall acquire any seniority rights until the employee has completed thirty (30) working shifts, but not to exceed ninety (90) calendar days from date of hire, and the employee shall be deemed as a probationary employee during this time frame. On the employee's thirty-first (31st) working shift or ninety-first (91st) day, seniority shall apply from the date of employment.

Full-time and part-time clerks shall have their weekly hours scheduled by seniority as described in Article 8.3 and the schedule shall be posted as required in Article 9.1. PTF clerks will be assigned a home store for tracking purposes.

Regarding Article 8 of the Local 655 Columbia Agreement, employees who volunteer to claim a shift outside their own store through this PTF LOU, such hours will not apply towards their full-time seniority status as defined in Section 8.3.

All provisions of the Collective Bargaining Agreement apply unless specifically expressed in this Letter of Understanding and/or associated bargaining notes. The Company shall pay contributions on all hours paid up to forty (40) hours per week to the Health & Welfare Fund, as described in Article 19 of this Collective Bargaining Agreement.

The PTF clerk's hire date will be used for purposes of vacation, personal holidays, and other contractual benefits.

Regarding seniority for selecting shifts under this LOU the following shall be the order for awarding shifts:

In-store clerks (the shift does not create overtime)
Out of store clerks (the shift does not create overtime)
PTF clerks (the shift does not create overtime)
In-store clerks (overtime)
Out of store clerks (overtime)
PTF clerks (overtime)

Regarding 17.4, PTF clerks must work the selected shift before the holiday and the selected shift after the holiday to qualify for holiday pay. However, if a PTF clerk 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. PTF Clerks shall not be subject to the inverse scheduling of holidays as described in Article 17.5 or overtime as described in 9.1.

Any Part-time Flex employee who indicates their desire, in writing along with their preference of stores that have current job openings, to be scheduled as a regular part-time status employee shall be given the appropriate seniority date within that respective seniority grouping using the date of that status change. Their new seniority date will be for the purpose of scheduling hours by seniority, but they shall retain their original hire date for all other benefit eligibility.

No shifts will be less than four (4) hour shifts.

If necessary, training shall be provided to regular employees that wish to make themselves eligible for additional shifts under this LOU.

If an employee relinquishes their shift through the designated process and they have received notification that the shift was filled, then that employee will be released from the responsibility of that shift and shall not receive any discipline or occurrence for the shift.

The Company shall notify the Union at least thirty (30) days prior to any implementation within the bargaining unit. The parties will schedule a meeting no later than six (6) months after implementation and every six (6) month period thereafter to discuss the PTF program and make any necessary changes. If the program is ended, PTF clerks will be offered employment as a regular part-time clerk.

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 20 – Pensions and under Article 19 – 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).