

AGREEMENT

between

SCHNUCKS MARKETS, INC.
FARMINGTON

and

UNITED FOOD AND COMMERCIAL WORKERS
UNION LOCAL NO. 655

September 16, 2019

THROUGH

September 18, 2022

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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 employees in the Company's store located in Farmington, Missouri, excluding the Store Manager, Co-manager, confidential office employees and supervisory employees within the meaning of Section 2 of the National Labor Relations Act, as amended.

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 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 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 3. The Union agrees to cooperate in correcting inefficiencies of members which might otherwise necessitate discharge.

Section 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 5. The Union agrees to furnish to each store one (1) Union store card, provided such card is kept prominently displayed in a location visible to the general public 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, or age or disability in accordance with existing law.

ARTICLE 6

UNION AFFILIATION

Section 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 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 3. No employee shall be discriminated against because of Union activities or affiliation.

Section 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 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, store code, job code and date of hire.

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

ARTICLE 7

UNION REPRESENTATION

Section 1. Any accredited Union official shall be granted access to the store for the purpose of satisfying himself/herself 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 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 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 4. During the term of this agreement, the Company agrees to schedule up to one (1) employee per store in the bargaining unit off by 6:00 p.m. Friday, and off weekends or off by 6:00 p.m. on 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 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. Participation in the Program will be for one (1) calendar month periods, renewable by mutual agreement between the Union and the Company. New stores 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.

ARTICLE 8

SENIORITY

Section 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.

There shall be one common seniority list, (excluding Pharmacy Technicians). 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. Courtesy Clerks and Utility Clerks shall continue to be on a separate seniority list.

Voluntary employee transfers without loss of seniority between Local 655 represented St. Louis Metro Schnucks stores and Farmington will be allowed.

Section 2. Seniority of an employee shall terminate for any of the following reasons:

- A. Voluntary resignation.
- B. Discharge for proper cause.
- C. Failure of an employee to return to work following a layoff within five (5) working days after notice by certified mail or telegram by the Company to the employee's last known address on Company's records.

- D. Failure of an employee to return to work under the terms and conditions of Article 12 (Leaves of Absence).
- E. Where an employee has performed no work for the Company for a period of six (6) months because of layoffs.
- F. Retirement.

Section 3. Seniority lists will be established and maintained, and shall be available to the Union. The Company will furnish the Union a seniority list each quarter.

Classifications for seniority purposes shall be:

- Department Managers
- Assistant Department Managers
- Full-time Clerks
- Part-time Clerks
- Courtesy Clerks
- Maintenance 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 calendar 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, he/she shall be returned to his/her 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.

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

Section 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 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 6. Employees may limit their availability as it regards to 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 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. 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 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.

ARTICLE 9

HOURS AND WORKING CONDITIONS

Section 1. The Store Manager will post a work schedule for all employees by surname and initial two (2) weeks in advance no later than 11:00 a.m. Friday, satisfactory as far as possible to all employees. This schedule shall be accessible to all employees and the Union. Any employee leaving 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. In addition, the posted schedule shall be the same schedule that is posted on the computer system and any changes to the posted schedule will also be changed on the computer system concurrently.

Based on the operational needs of the business and all things being equal, the Company agrees to give full regard to seniority when scheduling checkers more desirable work shifts.

Starting times for employees will not be changed unless twenty-four (24) hours' of 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 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 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 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 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 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 7. All employees scheduled shifts of more than six (6) hours per day will be allowed a paid uninterrupted rest period of fifteen (15) minutes for each one-half (1/2) shift worked, not to exceed two (2) rest periods per day. Employees scheduled four (4) hour shifts up to six (6) hour shifts per day shall be entitled to one (1) paid uninterrupted fifteen (15) minute rest period per day. Rest periods shall not be required until the employee has been on duty at least two (2) hours.

Section 8. 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, he/she will be paid for the balance of that day's work schedule provided that he/she conforms with the procedures set forth above.

Section 9. 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 10. 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 11. 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 12. 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 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 2. 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 3. All employees shall be paid at their straight time rate of pay for their first year of employment for work on holidays and fifty cents (50¢) per hour in addition to their straight time rate of pay thereafter.

Section 4. Employees, working between the hours of 12:00 midnight and 5:00 a.m., will be paid a night premium of forty cents (40¢) 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

Section 1. Should any differences, disputes or complaints arise over the interpretation or application of the contents of this Agreement, there shall be an earnest effort 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 within five (5) days, 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 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 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 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 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 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 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 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 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 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 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 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. College Casual. The following is the procedure for classifying employees with six (6) months or more of service who attend college to remain an active employee while continuing to perform work on an irregular basis:

Work on an irregular basis is defined as:

1. Some weekends only
2. During holiday breaks
3. During 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 "College Casual 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 reapply for employment in the future.

These employees will retain their original date of hire only for the purposes of vacation, holiday premium entitlement and eligibility for holiday pay (except if they terminate under the provision of the Section), but will not retain their original seniority within the bargaining unit. They will be entitled to the privileges of seniority and other provision 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.

Effective March 16, 2017, employees who are not eligible for sick days as described in the proceeding paragraphs 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 Labor Relations department with the request for contributions to be made to maintain eligibility for health care benefits.

ARTICLE 14

FUNERAL LEAVE

Section 1. The Company agrees to pay employees who have six (6) months or more of service for necessary absence on account of death in the immediate family up to and including a maximum of three (3) scheduled work days at straight time provided the employee attends the funeral.

Section 2. The term "immediate family" shall mean spouse, parents, child, brother, sister, grandparents, grandchildren, present father-in-law, present mother-in-law, brother-in-law, sister-in-law, present step-father, present step-mother or any relative residing with the employee or with whom the employee is residing.

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

ARTICLE 15

JURY SERVICE

Section 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 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 1. Employees 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 full-time 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.

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 2. The Company shall determine the number of employees by department, 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.

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.

No vacations can be carried over from year-to-year.

Unused vacation from the prior calendar year, up to one (1) week, will be paid no later than January 31st of each year.

Section 3. Vacation pay for all employees shall be based on the employee's rate of pay at the time vacation is taken and will be determined by averaging the hours worked per week in the 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.

Section 4. 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 or less, 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 5. 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 6. 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 or last January 1, whichever is appropriate. Any employee who is discharged for dishonesty, or does not give at least one (1) weeks' notice shall forfeit all vacation rights.

Section 7. Employees will be allowed to use two (2) weeks of their vacation, one (1) day at a time for sickness or other personal reasons. 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.

All unused vacation days will be paid no later than February 15th of each year.

ARTICLE 17

HOLIDAYS

Section 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 2. In addition to the above holidays, employees 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. 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.

Employees shall be paid for 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.

Section 3. All eligible full-time employees will receive eight (8) hours holiday pay. All eligible part-time employees shall receive holiday pay on a pro-rated basis based on the hours paid during the prior calendar year in accordance with the following schedule:

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

Section 4. Employees must work the scheduled day before the holiday, the holiday (if scheduled) and the scheduled day after the holiday to qualify for holiday pay, unless absent due to a proven illness or the absence is approved in advance by the Company.

Section 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 6. In the event Christmas falls on a Sunday, holiday pay shall be granted on the following day (Monday).

ARTICLE 18

SUBSTANCE ABUSE

Section 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 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 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 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 5. Any test performed under this Article shall be performed at a doctor's office, clinic or hospital 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.

Section 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 7. If the employee refuses to take any of the aforementioned drug and/or alcohol tests, the employee will be discharged.

Section 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 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 1. The Company shall pay four dollars and thirty cents (\$4.30) 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 January 1, 2017, for hours paid in December, 2016; the Company shall pay four dollars and sixty-five cents (\$4.65) per hour.

Effective June 1, 2017, for hours paid in May, 2017, the Company shall pay four dollars and eighty cents (\$4.80).

Effective June 1, 2018, for hours paid in May, 2018, the Company shall pay four dollars and ninety cents (\$4.90).

Effective June 1, 2019, for hours paid in May, 2019, 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.

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

Section 2. Employees whose spouses do not have their own primary health insurance will contribute an additional pre-tax employee contribution of ten dollars (\$10.00) [effective January 1, 2017, twenty dollars (\$20.00); effective January 1, 2018, thirty dollar (\$30.00) effective January 1, 2019, forty dollars (\$40.00)] per week to the Welfare Fund for spousal coverage.

Section 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:

Weekly deductions shall be as follows:

	Plan A		Plan B		Plan C	
	Non-Smoker	Smoker	Non-Smoker	Smoker	Non-Smoker	Smoker
Employee Only	\$24.00	\$28.00	\$15.00	\$19.00	\$10.00	\$14.00
Employee + Child(ren)	\$28.00	\$32.00	\$19.00	\$23.00	\$14.00	\$18.00
Employee + Spouse*	\$28.00	\$32.00	\$19.00	\$23.00	\$14.00	\$18.00
Family*	\$32.00	\$36.00	\$23.00	\$27.00	\$18.00	\$22.00

Effective (April 1, 2017) weekly deductions shall be as follows:

	Plan A		Plan B		Plan C		Plan D	
	Non-Smoker	Smoker	Non-Smoker	Smoker	Non-Smoker	Smoker	Non-Smoker	Smoker
EE Only	\$25.25	\$29.50	\$15.75	\$20.00	\$10.50	\$14.75	\$2.00	\$6.00
EE + Child(ren)	\$29.50	\$33.50	\$20.00	\$24.25	\$14.75	\$19.00	\$5.00	\$9.00
EE + Spouse*	\$29.50	\$33.50	\$20.00	\$24.25	\$14.75	\$19.00	\$5.00	\$9.00
Family*	\$33.50	\$37.75	\$24.25	\$28.25	\$19.00	\$23.00	\$10.00	\$14.00

Effective January 1, 2018, weekly deductions shall be as follows:

	Plan A		Plan B		Plan C		Plan D	
	Non-Smoker	Smoker	Non-Smoker	Smoker	Non-Smoker	Smoker	Non-Smoker	Smoker
EE Only	\$26.50	\$31.00	\$16.50	\$21.00	\$11.00	\$15.50	TBD	TBD
EE + Child(ren)	\$31.00	\$35.25	\$21.00	\$25.50	\$15.50	\$20.00	TBD	TBD
EE + Spouse*	\$31.00	\$35.25	\$21.00	\$25.50	\$15.50	\$20.00	TBD	TBD
Family*	\$35.25	\$39.75	\$25.50	\$29.75	\$20.00	\$24.25	TBD	TBD

Effective January 1, 2019, weekly deductions shall be as follows:

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

* Employees whose spouses do not have their own primary health insurance will contribute an additional pre-tax employee contribution of ten dollars (\$10.00) [(effective January 1, 2017, twenty dollars (\$20.00); effective January 1, 2018, thirty dollars (\$30.00); effective January 1, 2019, forty dollars (\$40.00)] per week to the Welfare Fund for spousal coverage.

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, effective 01-01-2017 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 C (effective 01-01-2017 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 4. The Company shall not be required to make contributions on behalf of all employees for the first eleven (11) months of employment. The parties agree that the obligation to contribute begins on the first day of the twelfth (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 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. Coverage under the ERIP program may begin on the first day of any of the following months, as elected by the employee, as long as the employee meets the eligibility requirements as of that date: February, March, April, May, August, September, October and November. 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 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 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

401(k) SAVINGS PLAN

The Company will provide to all eligible employees a 401(k) savings plan. This plan will include an employer match provision, employer non-elective contributions, and a provision that will allow employees to borrow 401(k) funds in accordance with Company policy.

ARTICLE 21

NO STRIKE, NO LOCKOUT & PICKETS

Section 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 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.

ARTICLE 22

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 23

STORE CLOSING

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

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

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

Over 9 Months equals one (1) week of pay.

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

Section 2. The Company shall continue contributions to the Health and Welfare Trust Funds and 401(k) Plan 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 Health and Welfare Trust Funds who makes contributions in behalf of such employees into these Funds.

Section 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 4. All monies due employees shall be paid in a lump sum upon termination.

Section 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 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, Health & Welfare contributions, and 401(k) contributions.

Section 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 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 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 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 24

WAGE RATES AND JOB CLASSIFICATIONS

Section 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 2. An employee relieving a Department Manager for three (3) days or more shall receive the Department Manager's contract rate of pay.

Section 3. No employee shall suffer a reduction in pay because of this Agreement.

Section 4. The duties of a Courtesy Clerk shall be limited to bagging, carrying customers' purchases, handling bascart, 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 5. 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 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 25

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 26

TERM OF AGREEMENT

This Agreement shall continue in effect from September 12, 2016, through September 15, 2019, 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.

FOR THE UNION:
UNITED FOOD & COMMERCIAL
WORKERS UNION
LOCAL NO. 655

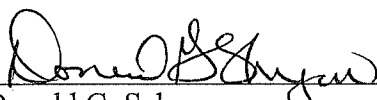


David Cook
President

10-5-17

Date

FOR THE COMPANY:
SCHNUCK MARKETS, INC.



Donald G. Schaper
Director, Labor Relations

9/12/17

Date

SCHEDULE "A" – WAGES

All Department Managers and full-time clerks at the full-time thereafter rate or higher as of March 16, 2017, will receive a cash payment of seven hundred dollars (\$700), less deductions required by law. These cash payments will be made no later than three (3) weeks following March 16, 2017.

All part-time clerks at the part-time thereafter rate or higher as of March 16, 2017, will receive a cash payment of four hundred dollars (\$400), less deductions required by law. These cash payments will be made no later than three (3) weeks following March 16, 2017.

Effective:	<u>Current</u>	<u>11/6/17</u>	<u>11/5/18</u>
Grocery Manager	15.20	15.50	15.85
Produce Manager	14.20	14.50	14.85
Head Cashier	14.20	14.50	14.85
Customer Service Manager (Optional)	14.70	15.00	15.35
Dairy Manager (Optional)	13.20	13.50	13.85
Frozen Food Manager (Optional)	13.20	13.50	13.85
GM Manager (Optional)	12.70	13.00	13.35
Bakery Manager (Optional)	12.70	13.00	13.35
Floral Manager (Optional)	12.70	13.00	13.35
Meat Manager	15.20	15.50	15.85
Deli/Seafood Manager	14.20	14.50	14.85
Seafood Manager (Optional)	12.70	13.00	13.35

Department Managers at rates higher than those posted above will receive a thirty cent (30¢) increase effective November 6, 2017, and a thirty-five (35¢) increase on November 5, 2018.

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.

All Duty Clerks

Effective:	<u>Current</u>	<u>3/20/17</u>	<u>11/6/17</u>	<u>11/5/18</u>
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Part-time Clerks

First 1040 hours	7.70			
Next 1040 hours	7.75			
Next 1040 hours	8.00			
Next 1040 hours	8.25	8.25*		
Next 1040 hours	8.50	8.50**	8.50*	
Next 1040 hours	8.75	8.75	8.75**	8.75*
Next 1040 hours		9.00	9.00	9.00**
Thereafter/Next 1040 hours	9.20	9.25	9.25	9.25
Thereafter/Next 1040 hours			9.55	9.55
Thereafter				9.90

* 1st bracket is 260 hours

** 2nd bracket is 520 hours

Brackets following are 1040 hours

Part-time employees at the rates of \$8.25 as of March 16, 2017, will have any hours accumulated at their current rate applied to the new rate to reach the next bracket.

Part-time Clerks at rates higher than those posted above will receive a thirty cent (30¢) increase effective November 6, 2017 and a thirty-five cent (35¢) increase on November 5, 2018.

Effective:

<u>Full-time Clerks</u>	<u>Current</u>	<u>3/20/17</u>	<u>11/6/17</u>	<u>11/5/18</u>
First 1040 hours	9.00			
Next 1040 hours	9.50			
Next 1040 hours	10.00	10.00	10.00	10.00
Next 1040 hours	10.50	10.50	10.50	10.50
Next 1040 hours	11.00	11.00	11.00	11.00
Next 1040 hours	11.50	11.50	11.50	11.50
Next 1040 hours		12.00	12.00	12.00
Thereafter /Next 1040 hours	12.20	12.25	12.25	12.25
Thereafter /Next 1040 hours			12.55	12.55
Thereafter				12.90

Full-time Clerks at rates higher than those posted above will receive a thirty cent (30¢) increase effective November 6, 2017 and a thirty-five (35¢) increase on November 5, 2018.

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.

Courtesy Clerks

Effective:	<u>Current</u>	<u>9/12/16</u>	<u>11/6/17</u>	<u>11/5/18</u>
	7.70	7.70	7.70	7.70

Courtesy Clerks at rates higher than those posted above will receive a ten cent (10¢) increase effective March 20, 2017, a ten cent (10¢) increase effective November 6, 2017, and a ten cent (10¢) increase on November 5, 2018.

Maintenance Clerks

Effective:	<u>Current</u>	<u>3/20/17</u>	<u>11/16/17</u>	<u>11/5/18</u>
First 1040 hours	7.70	7.75	7.75	7.75
Next 1040 hours	7.75	8.00	8.00	8.00
Next 1040 hours	8.20	8.25	8.55	8.90

Maintenance Clerks at rates higher than those posted above will receive a thirty cent (30¢) increase effective November 6, 2017 and a thirty-five (35¢) increase on November 5, 2018.

LETTER OF UNDERSTANDING

1. 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.
2. 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.
3. 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.
4. Pharmacy Technician's seniority shall be separate and apart from all other employees covered under this Supplemental Agreement.

A Pharmacy Technician's duties include, but are not limited to, medication distribution, inventory ordering and control, computer entry, physician office communication, prescription processing and assisting the pharmacist.

The Company shall reimburse Pharmacy Technicians for the fee to receive a new state Pharmacy license. The Company shall cover the application fee for a Pharmacy Technician to renew their Pharmacy license each year. Pharmacy Technicians must stay one hundred and eighty (180) days beyond the latest reimbursement.

The Company shall reimburse Pharmacy Technicians for the fee to become a Certified Technician. The Company will also reimburse the fee for recertification upon passing. Pharmacy Technicians must stay one hundred and eighty (180) days beyond the latest reimbursement or they will be subject to a fifty percent (50%) pay back of the reimbursement.

5. 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.
6. The seniority of Meat, Deli and Seafood employees transferring from other Schnucks stores shall be recognized by Local 655. Subject to ratification by UFCW Local 88, there will be reciprocity between this Labor Agreement and the UFCW Local 88 Labor Agreement as it relates to seniority in the event a Meat, Deli, or Seafood employee is transferred from one

bargaining unit to another. Any such transfer would be on a voluntary basis.

7. Regarding Article 9 Hours and Working Conditions, 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.
8. Regarding Article 16 Vacations, employees with five weeks of vacation may request, two (2) weeks in advance, to be paid for up to two (2) weeks unscheduled vacation throughout the year.

HEALTH AND WELFARE INTERPRETATION ADDENDUM

The parties agree that the following principles will apply in interpreting the Company's obligation to contribute to the Health and Welfare Fund 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).