

**TRANSITIONAL RULES
REGARDING THE
HIRING OF FORMER SHOP 'N SAVE EMPLOYEES
FROM ACQUIRED LOCATIONS
ST LOUIS LOCAL 655 LOCATIONS**

Schnuck Markets, Inc. and UFCW Local 655 have adopted the following transitional rules to apply to the acquisition of certain Shop 'n Save Warehouse Foods locations by Schnucks. These transitional rules have been adopted between Schnucks and Local 655 in light of the significant number of employees that will be hired by Schnucks from these acquired locations over a short period of time; and the short amount of time between the closing of the Shop 'n Save stores and the opening of the stores as "Schnucks".

It is understood by Schnucks and Local 655 that the terms of the current existing collective bargaining agreement between Schnucks and Local 655 remain in effect, unless modified herein.

These transitional rules will not apply beyond the expiration of the current contract between Schnucks and Local 655.

1. Rather than being hired at the contract rate for new hires, former Shop 'n Save employees hired by Schnucks will be paid their last rate of pay with Shop 'n Save.
2. Former Shop 'n Save employees will be ranked per their hire date with Schnucks based on Schnucks' normal employment process (i.e., their hire date will be the first date for which they are paid).
3. Rather than being considered a new employee for Health and Welfare purposes, Schnucks will start contributions immediately for employees hired by Schnucks who have a date of hire with Shop 'n Save prior to October 1, 2017.

Former Shop 'n Save employees hired by Schnucks who have a date of hire on or after October 1, 2017, will have their service with Shop 'n Save count towards the eleven month waiting period before contributions begin.

Cost sharing will be per the CBA.

4. Schnucks will immediately commence Pension contributions on behalf of former Shop 'n Save employees hired by Schnucks who had a contribution made on their behalf for hours worked at Shop 'n Save in September 2018. ("immediately" is defined as the October payment for hours worked with Schnucks in September 2018.)

Shop 'n Save employees who did not have a contribution made on their behalf for hours worked at Shop 'n Save in September 2018, will have contributions made in accordance with the CBA.

5. All former Shop 'n Save employees hired by Schnucks that have three or more weeks of vacation per year with Shop 'n Save will be eligible for two paid weeks of vacation and one unpaid week of vacation (at the employees option) effective January 1, 2019. Additional weeks of vacation will be earned per the CBA.

All former Shop 'n Save employees hired by Schnucks that have two weeks of vacation per year with Shop 'n Save will be eligible for one paid week of vacation and one unpaid week of vacation (at the employees option) effective January 1, 2019. Additional weeks of vacation will be earned per the CBA.

All other former Shop 'n Save employees hired by Schnucks will earn vacation per the CBA.

6. Schnucks will red-circle Shop 'n Save employees that earned sick days to be used in 2018, with two sick days to be used in 2019. These employees will then earn sick days for 2020 and beyond per the CBA.
7. Schnucks will waive the six months of service requirement to be eligible for funeral leave.
8. Schnucks will waive the six months of service requirement to be eligible for jury duty.
9. All former Shop 'n Save employees hired by Schnucks will be paid straight time for hours worked on Sundays and a premium of one dollar (\$1.00) per hour for hours worked on holidays, except Thanksgiving and Easter will be a two dollar (\$2.00) per hour premium.
10. Schnucks will waive the six months of service requirement to be eligible for national holidays for former Shop 'n Save employees who had six months or more of service with Shop 'n Save as of their hire date with Schnucks.
11. Former Shop 'n Save employees hired by Schnucks will earn personal holidays beginning in 2019 per the CBA.
12. Sections 9.7A and 9.7C of the CBA will not apply to acquired Shop 'n Save stores through January 31, 2019.
13. Vendors and members of Schnucks management other than members of UFCW Local 655 can perform bargaining unit work in all acquired stores from the time of the acquisition of Shop 'n Save to May 1, 2019.
14. No former Shop 'n Save employees shall acquire any seniority rights until the employee has been employed by Schnucks for at least ninety (90) days.

15. Schnucks will suspend two week schedules in all Schnucks stores from the time of the acquisition of Shop 'n Save to the expiration of the collective bargaining agreement between Schnucks and Local 655.