

**Recommended Tentative Agreement**

**Between**

**Dierbergs Markets, Inc.**

**and**

**UFCW Local 655**

*Understanding This Proposal*

**PRINT IN BOLD REPRESENTS PROPOSED NEW LANGUAGE. PRINT WITH A LINE THROUGH IT REPRESENTS LANGUAGE PROPOSED TO BE DELETED.**

**PRINT IN GREEN INDICATES A SUMMARY OF THE PROPOSED CHANGE THAT WOULD HAVE A POSITIVE EFFECT ON PARTNERS.**

**PRINT IN BLUE INDICATES A SUMMARY OF THE PROPOSED CHANGE THAT WOULD HAVE NO EFFECT ON PARTNERS.**

**PRINT IN RED INDICATES A SUMMARY OF THE PROPOSED CHANGE THAT WOULD HAVE A NEGATIVE EFFECT ON PARTNERS.**

The current collective bargaining agreement with the following modifications:

1. ARTICLE 8 - HOURS AND WORKING CONDITIONS

Modify to read:

Section 8.2

- A. The Store Manager will post a work schedule by seniority (in ink or other permanent means) for all employees, by surname and initial, for the succeeding week as soon as practical, but no later than 11:00 a.m. on Friday of the current week (**effective January 1, 2020, Thursday of the current week** ~~(effective no later than February 12, 2017, by 11:00 a.m. on the Friday two (2) weeks in advance of the current week)~~). Any employee leaving on schedule before 11:00 a.m. and who is not scheduled to work on **Friday or Saturday** will be advised by store management of the employee's schedule to be posted. This schedule shall be accessible to all employees and the Union. Copies of all schedules shall be posted in one central location accessible to all employees. In addition, the posted schedule shall be the same schedule that is posted on the computer system and any changes to the posted schedule will also be changed on the computer system concurrently.

**EFFECT: THIS CHANGE WOULD ALLOW DIERBERGS TO RETURN TO A ONE-WEEK SCHEDULE, BUT THE SCHEDULE IS POSTED ONE DAY EARLIER. THE SURVEY SHOWED THAT THIS ISSUE WAS EVENLY SPLIT AMONGST OUR PARTNERS AND THIS IS SEEN AS A COMPROMISE. THIS COULD BE CONSIDERED A POSITIVE FOR SOME PARTNERS WHILE OTHERS MAY FEEL THIS IS A NEGATIVE.**

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

2. ARTICLE 9 - SENIORITY

Modify to read:

Section 9.6

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

**EFFECT: THIS GIVES COURTESY CLERKS AN OPPORTUNITY TO SEE IF THEY HAVE THE ABILITY TO PERFORM AND MOVE INTO A CLERK'S POSITION BY OFFERING A SIX WEEK TRIAL PERIOD. IF THE PARTNER IS NOT ABLE TO PERFORM THE DUTIES OF A CLERK OR DECIDES THEY NO LONGER WANT TO WORK AS A CLERK, THE PARTNER IS ABLE TO RETURN TO THEIR POSITION AS A COURTESY CLERK WITHOUT A LOSS OF SENIORITY. THIS IS A POSITIVE FOR OUR PARTNERS.**

3. ARTICLE 9 - SENIORITY

Modify to read:

Section 9.7

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

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

The Company will offer the position to the most senior employee(s) in each Company's grouping of stores (division, district, zone, region, etc.) or by the entire bargaining unit who has indicated to the Company in writing that they desire to work a forty (40) hour schedule. These written requests for forty (40) hour jobs must be sent to the Labor Relations Department prior to August 1st and February 1st of each year and that request will be valid for one (1) full year from that time period and must include which store(s)

and department(s) the employee is willing to work. Employees will not be offered a forty (40) hour job at a store or in a department that they do not have listed on their forty (40) hour request form.

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

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

**EFFECT: THIS WILL CREATE 12 NEW FULL-TIME JOBS IN THE STORES AND DEPARTMENTS FOR THE MOST SENIOR PARTNERS THAT SUBMIT A FORTY-HOUR REQUEST PRIOR TO FEBRUARY 1, 2020. THIS IS A POSITIVE FOR OUR PARTNERS.**

4. ARTICLE 11 – SUBSTANCE ABUSE

Modify to read:

Section 11.5 Any test performed under this Article shall be performed at a doctor's office, clinic or hospital, **or through an on-site drug and alcohol collection process** at the Company's expense. The employee shall be compensated for all time involved with the testing and for travel to and from the test site.

**EFFECT: THIS ALLOWS THE COMPANY TO COLLECT A SAMPLE AT THE WORKSITE. THIS ELIMINATES THE NEED FOR A SHOP-STEWARD OR OTHER LOCAL 655 PARTNER TO TRANSPORT A PARTNER THAT IS SUSPECTED TO BE UNDER THE INFLUENCE. THIS IS A POSITIVE FOR OUR PARTNERS.**

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

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

For drugs, two tests may be performed on the sample taken. The first test performed shall be a screening test of an enzyme immunoassay more commonly called the EMIT test. Should the EMIT test be negative, no further tests will be performed. Should the EMIT test be positive, a second confirming test shall be performed. The test shall be the Gas Chromatography/Mass Spectrometry (GC/MS) test. The aforementioned tests will be used unless a more reliable test(s) becomes available in the future.

5. ARTICLE 11 – SUBSTANCE ABUSE

New section:

**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.**

**EFFECT: CURRENTLY THERE IS NO TEST TO DETERMINE IF SOMEONE IS UNDER THE INFLUENCE OF MARIJUANA. WHEN THE STATE OF MISSOURI ADOPTS A LEGAL LIMIT FOR MARIJUANA, THEN THAT WILL BE THE DETERMINATION OF IMPAIRMENT FOR OUR PARTNERS WORKING AT DIERBERGS. THIS IS A POSITIVE FOR OUR PARTNERS.**

6. ARTICLE 12 – LEAVES OF ABSENCE

Modify to read:

Section 12.10 COLLEGE CASUAL. The following is the procedure for classifying employees with **two (2)** ~~six (6)~~ 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

**EFFECT: UNDER THE CURRENT LANGUAGE FOR COLLEGE CASUAL LEAVE, OUR PARTNERS HAVE TO BE WITH THE COMPANY FOR 6 MONTHS AND HAVE THEIR INITIATION FEE PAID IN FULL. MANY COLLEGE CASUAL PARTNERS WOULD STRUGGLE TO BECOME ELIGIBLE AND OFTEN TIMES THEY WOULD QUIT AND WOULD NOT RETURN TO DIERBERGS. THIS WILL MAKE IT EASIER FOR COLLEGE CASUAL PARTNERS TO TAKE ADVANTAGE OF THIS BENEFIT. THIS IS A POSITIVE FOR OUR PARTNERS.**

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

7. ARTICLE 14 - FUNERAL

Modify to read:

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~~ **of** 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 date~~ **of** the funeral/**memorial service**.

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

**EFFECT: THIS CHANGE RECOGNIZES MEMORIAL SERVICES IN THE SAME WAY THAT FUNERALS ARE RECOGNIZED IN THE CONTRACT. THIS ALSO ALLOWS THE USE OF PAID FUNERAL LEAVE ON THE DAY IMMEDIATELY FOLLOWING THE FUNERAL OR MEMORIAL SERVICE. THIS IS A POSITIVE FOR OUR PARTNERS.**

8. ARTICLE 16- SUNDAYS AND HOLIDAYS

Modify to read:

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

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

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

Part-time employees hired before September 5, 2007, who ~~have been employed for one (1) year or more and~~ average twenty-five (25) hours or more per week shall be granted **three (3)** personal holidays. as follows:

- ~~One (1) year of service as of January 1 . . . . . One (1) personal holiday~~
- ~~Two (2) years of service as January 1 . . . . . Two (2) personal holidays.~~
- ~~Six (6) years of service as January 1 . . . . . Three (3) personal holidays.~~

**EFFECT: THIS IS CONSIDERED CONTRACT CLEAN-UP. IT REMOVES THE CONTRACT LANGUAGE THAT IS EITHER NO LONGER RELEVANT OR IS OUTDATED CONTRACT LANGUAGE. THIS HAS NEITHER A POSITIVE NOR A NEGATIVE EFFECT ON THE PARTNERS.**

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

**EFFECT: BEGINNING JANUARY 1, 2020, THIS GRANTS THREE PERSONAL HOLIDAYS TO PART-TIME EMPLOYEES THAT WERE HIRED BEFORE SEPTEMBER 5, 2007 WITHOUT ANY HOUR REQUIREMENTS. THIS IS A POSITIVE FOR OUR PARTNERS.**



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

**EFFECT: THIS GRANTS A PAID PERSONAL HOLIDAY FOR ALL PART-TIME PARTNERS WITH TWO YEARS OF SERVICE OR MORE. THIS IS A POSITIVE FOR OUR PARTNERS.**

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

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

**EFFECT: THIS IS CONSIDERED CONTRACT CLEAN-UP. IT REMOVES THE CONTRACT LANGUAGE THAT IS EITHER NO LONGER RELEVANT OR IS OUTDATED CONTRACT LANGUAGE. THIS HAS NEITHER A POSITIVE NOR A NEGATIVE EFFECT ON THE PARTNERS.**

9. ARTICLE 17 - VACATIONS

Modify to read:

Section 17.4 Employees will be allowed to use two (2) weeks of their vacation, one (1) day at a time, for sickness or other personal reasons, **however, (effective January 1, 2020) no more than five (5) of these days may be used for sickness**. Employees abusing this privilege shall be subject to corrective action. If these days are used for other than sickness, the rules of selecting personal holidays in Article 16, Section 16.1 will apply.

**EFFECT: OF THE TWO WEEKS OF VACATION THAT ARE ALLOWED TO BE USED ONE DAY AT A TIME, THIS LIMITS NO MORE THAN FIVE OF THOSE DAYS CAN BE USED TO COVER SICKNESS OR TO BE USED WITHOUT SCHEDULING THE DAY AHEAD OF TIME. THIS IS A NEGATIVE FOR OUR PARTNERS.**

10. ARTICLE 17-VACATIONS

Modify to read:

Section 17.5 Unused vacation from the prior calendar year, up to **two (2)** ~~one (1)~~ weeks, will be paid no later than January 31<sup>st</sup> of each year.

**EFFECT: ONE ADDITIONAL WEEK OF UNUSED VACATION WILL BE PAID OUT AT THE END OF THE YEAR. THIS IS A POSITIVE FOR OUR PARTNERS.**

11. ARTICLE 18 – HEALTH & WELFARE

Modify to read:

Section 18.1 The Company shall continue to pay four dollars and **ninety thirty cents (\$4.90)** ~~(\$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; the Company shall pay four dollars and thirty-six cents (\$4.36) per hour.**

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

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

**EFFECT: THERE ARE NO REDUCTIONS IN HEALTH INSURANCE BENEFITS FOR THE TERM OF THIS CONTRACT. THE ABOVE RATES ARE ADEQUATE TO MAINTAIN THE CURRENT LEVEL OF BENEFITS. THESE RATES ALSO ALLOW FOR PARTNERS TO MIGRATE FROM PLAN D TO PLAN C AFTER 48 MONTHS WHICH WAS NOT ALLOWED UNDER THE PRIOR CONTRIBUTION RATES. THIS ALSO ALLOWS PARTNERS THAT LEFT SHOP N’ SAVE TO WORK FOR A DIFFERENT CONTRIBUTING EMPLOYER TO MAINTAIN THEIR PREVIOUS LEVEL OF COVERAGE BEGINNING JANUARY 1, 2020. THIS IS A POSITIVE FOR OUR PARTNERS.**

**There will be three (3) one-month company contribution holidays. The first holiday will be the July 2019 payment for hours paid in June 2019, the second holiday will be for the September 2019 payment for hours paid in August 2019, the third for the August 2020**

payment for hours paid in July 2020. If any contribution holiday would result in the Health and Welfare Fund having less than three (3) month of reserves, excluding IBNR, as determined by the Fund’s actuaries, then the contribution holiday will be nullified. Eligibility for these holidays will be determined by meeting the requirements of the utilization schedule adopted by the Fund.

If the Fund’s reserve level excluding IBNR exceeds six (6) months for the month of August 2021, the company will be eligible for an additional contribution holiday for hours paid in July 2021 if it meets the requirements of the utilization schedule adopted by the Fund.

**EFFECT: THE HEALTH & WELFARE FUND CURRENTLY HAS NEARLY SEVEN MONTHS OF RESERVES. THE TRUSTEES BUDGET FOR THREE MONTHS OF RESERVES. THESE CONTRIBUTIONS HOLIDAYS WILL SPEND DOWN RESERVES FOR A SAVINGS TO THE COMPANY. THIS HAS NEITHER A POSITIVE NOR A NEGATIVE EFFECT ON THE PARTNERS.**

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

Section 18.2 Employees whose spouses do not have their own primary health insurance will contribute an additional pre-tax employee contribution of ~~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.

**EFFECT: THIS IS CONSIDERED CONTRACT CLEAN-UP. IT REMOVES THE CONTRACT LANGUAGE THAT IS EITHER NO LONGER RELEVANT OR IS OUTDATED CONTRACT LANGUAGE. THIS HAS NEITHER A POSITIVE NOR A NEGATIVE EFFECT ON THE PARTNERS.**

Section 18.3 All employees who are eligible for benefits from the Fund, or who become eligible for benefits from the Fund, shall make employee contributions in order to become and remain eligible for benefit coverage from the Fund. The contributions shall be deducted on a pre-tax weekly basis by the Company. Such deductions shall be as follows:

Weekly deductions shall be as follows:

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

~~Effective January 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

**EFFECT: THIS IS CONSIDERED CONTRACT CLEAN-UP. IT REMOVES THE CONTRACT LANGUAGE THAT IS EITHER NO LONGER RELEVANT OR IS OUTDATED CONTRACT LANGUAGE. THIS HAS NEITHER A POSITIVE NOR A NEGATIVE EFFECT ON THE PARTNERS.**

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

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

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

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

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

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

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

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

**EFFECT: THIS WILL INCREASE THE WEEKLY COST SHARE FOR OUR PARTNERS THAT HAVE PLAN B, PLAN C OR PLAN D. THIS WILL HAVE A NEGATIVE EFFECT ON THE PARTNERS.**

\* 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.

**EFFECT: THIS IS CONSIDERED CONTRACT CLEAN-UP. IT REMOVES THE CONTRACT LANGUAGE THAT IS EITHER NO LONGER RELEVANT OR IS OUTDATED CONTRACT LANGUAGE. THIS HAS NEITHER A POSITIVE NOR A NEGATIVE EFFECT ON THE PARTNERS.**

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,~~ (effective January 1, 2017, 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.

**EFFECT: THIS IS CONSIDERED CONTRACT CLEAN-UP. IT REMOVES THE CONTRACT LANGUAGE THAT IS EITHER NO LONGER RELEVANT OR IS OUTDATED CONTRACT LANGUAGE. THIS HAS NEITHER A POSITIVE NOR A NEGATIVE EFFECT ON THE PARTNERS.**

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 January 1, 2017, 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.

**EFFECT: THIS IS CONSIDERED CONTRACT CLEAN-UP. IT REMOVES THE CONTRACT LANGUAGE THAT IS EITHER NO LONGER RELEVANT OR IS OUTDATED CONTRACT LANGUAGE. THIS HAS NEITHER A POSITIVE NOR A NEGATIVE EFFECT ON THE PARTNERS.**

12. ARTICLE 19 – PENSIONS

Section 19.1 Subject to the terms of this Article, the Company shall continue to pay ~~eighty cents (80¢) [effective January 1, 2017,~~ one dollar and twelve cents (\$1.12)] per hour for all hours paid with a maximum of forty (40) hours for all employees covered by this Agreement, into the Company-Union Pension Fund, which shall be jointly administered by the Union and the Company as provided in an agreement establishing such Pension Fund.

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

**Effective December 31, 2019, the Company will cease participation in the UFCW Local 655 Food Employers Joint Pension Plan as stated above, pursuant to the Dierbergs Pension Terms Summary.**

Section 19.2 The nature, type and extent of pension benefits to be provided shall be such as the Trustees in their discretion will determine, and which are in accordance with the Trust Agreement.

Section 19.3 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 (13<sup>th</sup>) month of employment, with the first month being defined as the month in which the employee works his/her first hour.

Example: An employee first works an hour for a contributing employer on July 25, ~~2016~~ **2019**. The Company’s obligation begins with hours worked on and after July 1, ~~2017~~ **2020**.

Section 19.4 Said Pension Fund shall be used to provide benefit pensions for eligible employees of the Company as provided in a Pension Plan, the terms and provisions of which are to be agreed upon by the parties hereto. Said Pension Plan shall, among other things, provide that all benefits under the Plan and costs, charges and expenses of administering the Plan and all taxes levied or assessed upon or in respect of said Plan or Trust or any income therefrom, shall be paid out of the Pension Fund.

Section 19.5 Said Pension Plan and the Trust Agreement establishing the Pension Fund shall be submitted to the United States Treasury Department 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 19.6 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 19.5 above, but payment of contributions to the Fund will not be delayed pending such approval and rulings; provided, however, that if such Plan is disapproved, then all contributions made by the Company to the Pension Fund will be refunded to the Company.

Section 19.7 A copy of the Trust Agreement and any amendments thereto shall be made a part hereof as if herein at length set forth, when adopted.

Section 19.8 If the Company fails to make monthly pension contributions as set forth herein, they shall be notified by certified or registered mail of their delinquency, by the Pension Plan Administrator, if said remittance is not paid within ten (10) days; notwithstanding any provision of this Agreement, the Union, without the necessity of giving any other further notice, shall have the right to strike or to take such action as it shall deem necessary until such delinquency payments are made. It is further agreed that in the event such action is taken, the Company shall be responsible to the employees for any losses resulting therefrom. The Company hereby waives the requirement of any other notice or notices being given by the Pension 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 19.9 The Company agrees, upon reasonable notice, to allow records to be checked where necessary for pension contributions.

**EFFECT: DIERBERGS IS LEAVING THE UFCW LOCAL 655 FOOD EMPLOYERS JOINT PENSION PLAN AND BEGINNING IN 2020, THEY WILL BE CONTRIBUTING TO A NEW UFCW LOCAL 655 DIERBERGS VARIABLE ANNUITY FUND (VAF) JOINT PENSION PLAN. UFCW LOCAL 655 HAS NEGOTIATED AN EXIT FROM THE UFCW LOCAL 655 FOOD EMPLOYERS JOINT PENSION PLAN THAT LEAVES THAT FUND IN A BETTER FINANCIAL STANDING THAN IF DIERBERGS HAD STAYED IN THE PLAN. DIERBERGS WILL BEGIN CONTRIBUTING PENSION CONTRIBUTIONS FOR THEIR EMPLOYEES TO A NEW VAF PENSION PLAN IN ORDER TO RETAIN A DEFINED BENEFIT PENSION PLAN FOR THE EMPLOYEES. THIS NEW VAF PENSION PLAN WILL BE FUNDED AT A LEVEL THAT WILL MAINTAIN PENSION BENEFITS FOR DIERBERGS EMPLOYEES. THIS IS A POSITIVE FOR OUR PARTNERS.**

13. ARTICLE 22- STORE CLOSING

Modify to read:

Section 22.1 In the event the Company closes or sells a store and employees are terminated as a result thereof, pay equal to one (1) week of pay for each year of continuous service commencing with the third (3<sup>rd</sup>) year of continuous service for employees averaging twenty-five (25) or more hours per week and the fifth (5<sup>th</sup>) year for employees averaging less than twenty-five (25) hours per week up to but not to exceed eight (8) weeks of pay at their regular rate. However, those employees who have an incomplete year of continuous service as an employee, will receive pro-rata severance pay for that year as follows:

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



6 - 9 months equals seventy-five percent (75%) of a week of pay.  
Over nine (9) months equals one (1) week of pay.

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

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

**EFFECT: THIS IS AN IMPROVEMENT TO THE CONTRACT LANGUAGE REGARDING STORE CLOSING. UNDER THE PREVIOUS CONTRACT LANGUAGE, PARTNERS THAT WERE ON A LEAVE OF ABSENCE HAD THEIR SEVERANCE PAY REDUCED DUE TO WEEKS WHERE NO WORK WAS PERFORMED. BY CHANGING THIS LANGUAGE, THE SEVERANCE PAY WOULD MORE ACCURATELY REFLECT THE PARTNER'S WEEKLY AVERAGE HOURS. THIS IS A POSITIVE FOR OUR PARTNERS.**

14. ARTICLE 24 – TERM OF CONTRACT

Modify to read:

THIS AGREEMENT shall continue in full force and effect from May **13, 2019** ~~May 9, 2016~~, through **May 8, 2022** ~~May 12, 2019~~, and shall continue from year to year thereafter unless either party serves notice in writing sixty (60) days prior to the expiration date or prior to any anniversary thereafter of a desire for termination of or for changes in this Agreement.

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

**EFFECT: THIS IS CONSIDERED CONTRACT CLEAN-UP. IT REMOVES THE CONTRACT LANGUAGE THAT IS EITHER NO LONGER RELEVANT OR IS OUTDATED CONTRACT LANGUAGE. THIS HAS NEITHER A POSITIVE NOR A NEGATIVE EFFECT ON THE PARTNERS.**

15. SCCHEDULE "A" WAGES

Modify to read:

SCCHEDULE "A" - WAGES

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

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

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

**EFFECT: PARTNERS AT THE "THEREAFTER" RATE OF PAY LAST RECEIVED A RAISE IN NOVEMBER 2018. RAISES IN THIS CONTRACT ARE SCHEDULED TO TAKE EFFECT IN JANUARY 2020. THIS BONUS IS TO BRIDGE THE GAP SINCE IT WILL BE FOURTEEN MONTHS BETWEEN RAISES. ADDITIONALLY, THE BONUSES ARE BASED ON AVERAGE HOURS WORKED IN 2019 INSTEAD OF FULL-TIME/PART-TIME CLASSIFICATION. THIS CHANGE WILL MAKE MORE PARTNERS ELIGIBLE FOR THE LARGER BONUS. THIS IS A POSITIVE FOR OUR PARTNERS.**

A. Department Managers

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

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

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

**EFFECT: THIS CONTRACT REFLECTS A RATIFICATION BONUS AS WELL AS THREE WAGE INCREASES THROUGHOUT THE CONTRACT. THIS IS A POSITIVE FOR OUR PARTNERS.**

B. Salaried Department Managers

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

Effective:	<u>11/05/18</u>	<u>12/30/19</u>	<u>12/28/20</u>	<u>12/27/21</u>
Weekly Salary	945.00	<b>956.00</b>	<b>972.00</b>	<b>992.00</b>
Sunday	276.50	<b>279.75</b>	<b>284.25</b>	<b>290.25</b>
Sunday (½ day)	138.25	<b>139.75</b>	<b>142.25</b>	<b>145.00</b>

**EFFECT: THIS CONTRACT REFLECTS A RATIFICATION BONUS AS WELL AS THREE WAGE INCREASES THROUGHOUT THE CONTRACT. THIS IS A POSITIVE FOR OUR PARTNERS.**

C. ClerksFull-time employees

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

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

**EFFECT: STARTING RATE FOR FULL-TIME PARTNERS INCREASES EACH YEAR OF THE CONTRACT AS WELL AS 25¢/35¢/45¢ INCREASES AT THE TOP OF THE BRACKET. THIS IS A POSITIVE EFFECT FOR OUR PARTNERS.**

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

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

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

Part-time employees

Effective:	<u>11/05/18</u>	<u>12/30/19</u>	<u>12/28/20</u>	<u>12/27/21</u>
1st 260 hours	9.00			
Next 260 hours	9.25			
Next 520 hours	9.50	<b>9.60</b>		
Next 520 hours	9.75	9.75		
Next 1040 hours	10.00	10.00		
Next 1040 hours	10.25	10.25	<b>10.45</b>	
Next 1040 hours	10.50	10.50		
Next 1040 hours	10.75	10.75	10.75	
Next 1040 hours	11.00	11.00		
Next 1040 hours	11.20	11.20	11.20	<b>11.30</b>
<b>Thereafter/Next 1040 hours</b>	11.50	11.50	11.50	11.50
<b>Thereafter/Next 1040 hours</b>		<b>11.75</b>	<b>11.75</b>	<b>11.75</b>
<b>Thereafter/Next 1040 hours</b>			<b>12.10</b>	<b>12.10</b>
<b>Thereafter</b>				<b>12.55</b>

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

**EFFECT: STARTING RATES INCREASE 15¢ ABOVE MINIMUM WAGE. PARTNERS AT THE “THEREAFTER” RATE OR ABOVE RECEIVE 25¢/35¢/45¢ INCREASES AT THE TOP OF THE BRACKET. THIS IS A POSITIVE EFFECT FOR OUR PARTNERS.**

D. Courtesy Clerks

Effective:	<u>11/05/18</u>	<u>12/30/19</u>	<u>12/28/20</u>	<u>12/27/21</u>
Rate	<b>8.60</b>	<b>9.45</b>	<b>10.30</b>	<b>11.15</b>

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

**EFFECT: MANY OF THE COURTESY CLERKS WILL RECEIVE WAGE INCREASES AS THE MINIMUM WAGE INCREASES EACH JANUARY OVER THE LIFE OF THE CONTRACT. COURTESY CLERKS WILL EITHER RECEIVE A WAGE INCREASE EACH JANUARY WITH THE INCREASE OF THE MINIMUM WAGE, OR THE SAME 25¢/35¢/45¢ CONTRACT INCREASES THAT THE CLERKS CLASSIFICATION RECEIVES. THIS IS A POSITIVE FOR OUR PARTNERS.**

16. LETTER OF UNDERSTANDING

Modify to read:

13. Regarding Schedule "A" Wages, Section C, employees at the top rate of pay on June 16, 1985, will be paid **nineteen dollars and ninety-five cents (\$19.95)** ~~nineteen dollars and forty-five cents (\$19.45)~~ per hour.

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

~~These employees will receive a twenty cent (20¢) increase effective November 6, 2017, and a thirty cent (30¢) increase effective November 5, 2018.~~

**EFFECT: THIS CONTRACT REFLECTS A RATIFICATION BONUS AS WELL AS 25¢/35¢/45¢ WAGE INCREASES. THIS IS A POSITIVE FOR OUR PARTNERS.**

14. Regarding Schedule "A" Wages, Section C, General Merchandise Clerks hired prior to June 13, 1985, will be paid **sixteen dollars and thirty cents (\$16.30)** ~~fifteen dollars and eighty cents (\$15.80)~~ per hour.

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

~~These employees will receive a twenty cent (20¢) increase effective November 6, 2017, and a thirty cent (30¢) increase effective November 5, 2018.~~

**EFFECT: THIS CONTRACT REFLECTS A RATIFICATION BONUS AS WELL AS 25¢/35¢/45¢ WAGE INCREASES. THIS IS A POSITIVE FOR OUR PARTNERS.**

17. LETTER OF UNDERSTANDING

Add new item in Letter of Understanding:

**Regarding Schedule “A” Wages, effective December 1, 2019, part-time employees who have five (5) years of service will receive a forty cent (40¢) retention premium over their base rate of pay. This increase, or a portion of the increase will be applied to part-time employees, not to exceed the full-time “Thereafter” rate in place at that time.**

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

**EFFECT: ON DECEMBER 1, 2019, ALL PART-TIME EMPLOYEES THAT HAVE COMPLETED 5 YEARS OF SERVICE WILL RECEIVE A 40¢ PER HOUR INCREASE NOT TO EXCEED THE FULL-TIME “THEREAFTER” RATE OF PAY. THEN, EACH DECEMBER, THE COMPANY WILL APPLY A 40¢ PER HOUR WAGE INCREASE TO EVERY PART-TIME EMPLOYEE THAT COMPLETES THEIR 5<sup>TH</sup> YEAR OF SERVICE IN THE PRIOR 12 MONTHS AS LONG AS THE PARTNER DOES NOT HAVE ANY WRITTEN CORRECTIVE ACTIONS. IF AN EMPLOYEE HAS RECEIVED A WRITTEN CORRECTIVE ACTION AND HAS BECOME INELIGIBLE FOR THE RETENTION PREMIUM, THEN THAT EMPLOYEE WILL AGAIN BE ELIGIBLE THE NEXT DECEMBER THAT THEY HAVE NOT HAD A WRITTEN CORRECTIVE ACTION. THIS IS A POSITIVE FOR OUR PARTNERS.**

18. LETTER OF UNDERSTANDING

Add new item in Letter of Understanding:

**Regarding Article 1.2, members of the Company’s management may perform bargaining unit work on an as needed basis during the holidays as defined in Article 16.1 and one special event per year. When Company management will be working in the store during these periods, as has been the practice, hours will be maximized for all available employees.**

**EFFECT: DURING PEAK CUSTOMER TIMES AND HOLIDAYS, DIERBERGS HAS REQUESTED TO USE MANAGEMENT AND EMPLOYEES FROM THE CORPORATE OFFICE TO HELP IN THE STORES. THIS HAS BEEN ALLOWED ON A CASE BY CASE BASIS IN THE PAST AND WAS NEVER IN THE CONTRACT BEFORE. HOURS WILL CONTINUE TO BE MAXIMIZED FOR ALL AVAILABLE PARTNERS, AS HAS BEEN THE PRACTICE, SO THIS WILL HAVE NEITHER A POSITIVE NOR A NEGATIVE EFFECT FOR OUR PARTNERS.**

19. LETTER OF UNDERSTANDING

Add new item in Letter of Understanding:

**Regarding Schedule “A” Wages, Section F, stores with seventy (70) bargaining unit employees or less, will have a Grocery Manager, a Produce Manager, and a Head Cashier or Customer Service Manager. Any changes to requirements as stated above will be through attrition only.**

**The aforementioned stores will be determined each April 1, based on the number bargaining unit employees at each store. At no time shall this affect more than 5 (five) stores and those stores shall be the stores with the fewest employees on April 1.**

**EFFECT: BECAUSE OF THIS CHANGE, DIERBERGS WILL NOT BE REQUIRED TO HAVE A DAIRY OR DAIRY/FROZEN MANAGER IN STORES WITH LESS THAN SEVENTY PARTNERS. THIS WILL NOT HAVE AN EFFECT ON CURRENT PARTNERS, BUT COULD REDUCE A FULL-TIME DEPARTMENT MANAGER IN NO MORE THAN FIFTEEN STORES THAT HAVE LESS THAN SEVENTY EMPLOYEES.**

20. LETTER OF UNDERSTANDING

Add new item in Letter of Understanding:

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

**EFFECT: THIS LANGUAGE IS A WAY FOR TWENTY-FIVE DIERBERGS PARTNERS TO ATTAIN FULL-TIME STATUS WITHOUT HANDCUFFING DIERBERGS BASED ON THE DESIGNATED ASSISTANT DEPARTMENT MANAGER RATIOS IN SCHEDULE “A” WAGES, SECTION F, OF THE CONTRACT. THIS IS A POSITIVE FOR THOSE PARTNERS AS WELL AS A POSITIVE FOR OTHER PARTNERS THAT DIERBERGS MAY APPOINT AS A DESIGNATED ASSISTANT DEPARTMENT MANAGER GOING FORWARD.**



21. Dierbergs Pension Terms Summary

**UFCW Local 655 and The Employer will establish the Dierbergs and UFCW Local 655 Variable Annuity Fund (VAF), a variable defined benefit plan, effective on January 1, 2020, subject to the Taft-Hartley Act and the Employee Retirement Income Security Act. The governance rules for the VAF will be modeled on the rules under the Trust Agreement for the United Food and Commercial Workers Union Local 655, Food Employers Joint Pension Plan, varied from those rules as appropriate and agreed to by the Union and Employer.**

**Subject to the terms of Article 19, the Company will contribute ninety cents (\$0.90) per hour for all hours paid with a maximum of forty (40) hours for all employees covered by this Agreement, into the Dierbergs and UFCW Local 655 Variable Annuity Fund. The plan will be designed in a way that will ensure that the hourly contribution of ninety cents (\$0.90) will maximize the annual accruals for the fund participants. Credits earned in the United Food and Commercial Workers Union Local 655, Food Employers Joint Pension Plan will count for vesting purposes in the Dierbergs and UFCW Local 655 Variable Annuity Fund (VAF). Said plan shall be jointly administered by the Union and the Company as provided in an agreement establishing this Fund and there shall be an equal number of union and management trustees.**

**Effective no later than December 31, 2019, The Company will make a lump sum negotiated contribution to the United Food and Commercial Workers Union Local 655, Food Employers Joint Pension Plan which will allow them to exit the current plan. Said contribution shall improve the funding status of the pension fund as well as improve the status of all retirement benefits previously earned by Dierbergs employees.**

**On or about January 1, 2020, January 1, 2021 and January 1, 2022 Dierbergs will contribute \$250,000 into the Dierbergs and UFCW Local 655 Variable Annuity Fund (VAF) to prefund a stabilization reserve which will be used in part to reduce or eliminate the adjustment in benefits for retired participants that would otherwise occur in the event of investment returns below the hurdle rate.**

**EFFECT: DIERBERGS IS LEAVING THE UFCW LOCAL 655 FOOD EMPLOYERS JOINT PENSION PLAN AND BEGINNING IN 2020, THEY WILL BE CONTRIBUTING TO A NEW UFCW LOCAL 655 DIERBERGS VARIABLE ANNUITY FUND (VAF) JOINT PENSION PLAN. UFCW LOCAL 655 HAS NEGOTIATED AN EXIT FROM THE UFCW LOCAL 655 FOOD EMPLOYERS JOINT PENSION PLAN THAT LEAVES THAT FUND IN A BETTER FINANCIAL STANDING THAN IF DIERBERGS HAD STAYED IN THE PLAN. DIERBERGS WILL BEGIN CONTRIBUTING PENSION CONTRIBUTIONS FOR THEIR EMPLOYEES TO A NEW VAF PENSION PLAN IN ORDER TO RETAIN A DEFINED BENEFIT PENSION PLAN FOR THE EMPLOYEES. THIS NEW VAF PENSION PLAN WILL BE FUNDED AT A LEVEL THAT WILL MAINTAIN PENSION BENEFITS FOR DIERBERGS EMPLOYEES. THIS IS A POSITIVE FOR OUR PARTNERS.**