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COLLECTIVE

BARGAINING

AGREEMENT

3/28/04 -

3/29/08

135 pages

2004-2008

***A Special Message from
C. James Lowthers,
President, UFCW Local 400***



In our union's negotiation with the management of Safeway, we were able to achieve affordable health care and other terms and conditions of employment which are important to our members and their families. As we all know, these are very challenging times for all unions because of the high cost of healthcare. This collective bargaining agreement clarifies exactly what you are entitled to as a Safeway employee and assures that management will not infringe upon any of your established rights. We are proud of the agreement; as in past contracts we have negotiated, and believe that it will serve the long term interests of our membership.

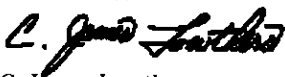
Keep in mind that when Local 400 negotiates a contract, our members set the priorities. Before bargaining begins, our professional team of negotiators listen to what you want in a new contract; every job classification is heard from. The fact that our bargaining proposals reflect your input is important to management—they know our side of the table is expressing the collective needs and concerns of their employees.

As the largest local union in the nation, Local 400 has the clout and resources to provide our members with expert, experienced representation, both on the job and during contract negotiations. Before we make a proposal, it is exten-

sively researched and documented, to ensure that the contract provision we win is the best obtainable.

The membership of Local 400 at Safeway stood together and achieved the best contract possible. As we are challenged in the future, I am sure that we will continue to successfully accomplish our mission to better the lives of our members and their families.

In solidarity,

A handwritten signature in black ink that reads "C. James Lowthers". The signature is written in a cursive, slightly slanted style.

C. James Lowthers
President, UFCW Local 400

Collective Bargaining Agreement — How It Works

When you join a union, you gain the right to have a voice in decisions about your work life — wages, benefits and career. The negotiation process allows your representatives at Local 400 bring to management the issues that are most important to you.

Bargaining is compromise. Neither the union nor management gets everything they want.

How do union negotiators know what issues are most important to the membership? You tell us! Before bargaining begins, the union surveys all members in the bargaining unit to determine priorities. An employee advisory committee provides a constant check for the bargaining team.

In addition, Local 400 representatives and shop stewards are in the facilities almost every day, speaking to members about grievances, problems and needs. They have a hands-on sense of what the problems are.

Our research department monitors trends in the industries where we bargain, looking at wage and benefit settlements. We have a good idea what is transpiring around the country, which means our negotiators can cite examples elsewhere to support our bargaining goals.

When the give-and-take of contract negotiations is finished, management presents its final offer. The union brings that offer to the membership. All contracts are approved or rejected by majority vote of those attending the meeting

from the bargaining unit.

Benefits

Local 400's aggressive organizing activities in the Washington Metropolitan area and throughout its jurisdiction have given us the strength to negotiate good salaries for our members. But we know you have concerns that go beyond your weekly paycheck — and that's why the benefit's package in this contract is so important to you and your family. This extensive total compensation package, one of the best in the industry, is also made possible by the strength of your union at the bargaining table. A prime example is your health care package, which is mostly funded by Safeway.



You'll also find that your health care package includes some very special benefits that can prove invaluable to you, such as:

Medical/Hospitalization

Optical benefits

Dental Care

Prescription drugs at low-cost

Employee Assistance Program for counseling in family problems, retirement planning, stress, obesity, smoking cessation, etc.

In addition to your health care package, this contract provides a paid vacation schedule, paid personal days to attend to family matters, and a life insurance plan.

And keep in mind you are eligible for these benefits as both a full-time and part-time Local 400 member at Safeway. (In some instances, eligibility may depend upon individual qualifications under the collective bargaining agreement).

Paid Vacations

A paid vacation is something that is an outright necessity to every worker in America. To assure that your quality of life is continually up to par, you need paid time off to go to the beach, to visit relatives in other parts of the country, or just to break the everyday routine of the workplace. This is exactly why we have negotiated an extensive vacation schedule for every full-time and part-time Local 400 member at Safeway. Depending on your seniority with the company, you can be eligible for up to five (5) weeks of paid vacation time per year. **(Article 11)**



Personal Days

Vacation days are of great help, however, for meeting medical appointments and attending to family-related matters, in addition to your regular vacation schedule, we have negotiated a number of "personal days" which you can use for any purpose that you choose. Depending on your status (full time or part time) with the

company you are eligible for up to five (5) of these days off a year. (**Article 12.2 and Appendix I**)

Holidays

Holidays are perhaps the best means to spend time with your family members and friends. Throughout the year, you will be paid for the following days: (**Article 12.1 and Appendix I**)



New Year's Day

Labor Day

Memorial Day

Thanksgiving Day

Independence Day

Christmas Day

To assure that you do not miss out on a paid holiday, we have made it possible that when a holiday falls during an employee's vacation, you shall be given another day off during the week or you will receive an additional day's pay. (**Article 11.5**)

Funeral Leave

If the unfortunate occurrence arises where you lose an immediate family member, Local 400 has made certain that you will receive time off to grieve and attend the funeral. You will be

given up to three (3) days of leave with pay to take care of such matters. (**Article 13.2, 13.3**)

Leaves of Absence

Very often an employee may need to leave the workplace for an extended period of time to attend to personal affairs or health matters. As a Local 400 member at Safeway, you are eligible to take a leave of absence without pay if you so choose. If this does occur, we have assured that you will NOT lose any of the seniority you have accrued. (**Article 13**)

Sick Leave Benefits

Times of illness and disability are, needless to say, very unpleasant. Whether you treat your illness at home or in the hospital,



Local 400 has arranged for a sick leave plan that will make the experience as easy as possible. (In some instances, eligibility may depend

upon individual qualifications under the collective bargaining agreement.) Under several plans offered through the contract you may be entitled to between 16 and 39 weeks of paid disability. (**Article 17, and Plan I and Plan X FELRA and UFCW Health & Welfare booklets**)

Retirement Plan

After dedicating yourself to Safeway, you deserve a generous compensation plan so that you

may spend your latter years in comfort and security. Local 400 has therefore negotiated a valuable retirement plan to fulfill your needs after your departure from the working world. As your seniority advances in your years at Safeway, you are credited with an ever-increasing retirement benefit. (**Article 18 FELRA and UFCW Pension Plan booklet**)

Of special interest to you, in this mobile world of ours where workers move around a lot, is pension portability. Local 400 has arranged for pension reciprocity with other plans in the Washington Metropolitan area, as well as the Atlanta, Philadelphia, and the UFCW International Union-Industry Pension plans.

Life Insurance

To guarantee that you have life insurance as a Local 400 member at Safeway, you are eligible for life insurance coverage through the FELRA and UFCW Health & Welfare Fund. (In some instances, eligibility may depend upon individual qualifications under the collective bargaining agreement.) (**FELRA and UFCW Health & Welfare plan booklet**)

Protections

Providing outstanding wages, vacation time, and insurance are only a part of what Local 400 does for its members. We also have negotiated with the company to guarantee that a certain level of respect, safety, and security are pro-

vided for every single one of our members. The guidelines of our contract assure that Safeway will provide a safe working environment, a reasonable working schedule, overtime wages, and a seniority system that establishes certain rights for employees. Local 400 realizes that these issues are very important to each and every union member. That is exactly why we have worked to provide a contract that protects the welfare of our members.

Grievances and Arbitration

This contract is a guarantee of rights and benefits the union has negotiated on your behalf. Still, in any workplace situation, events can occur that affect you adversely, and they may be in violation of the contract. Grievances may be filed and you and your representative can meet with management so that your problem can be reviewed and to assure you are treated fairly. Let your union representative know about it, so that your problem can be reviewed and necessary grievance action be recommended. (Article 21)

Seniority

Local 400 recognizes that loyal, experienced, and long-standing employees are very valuable to a company. We subsequently have bargained for increasingly better benefits, wages, and protection for employees who have the most seniority with Safeway. As you accrue more seniority, you become eligible for additional vacation time,

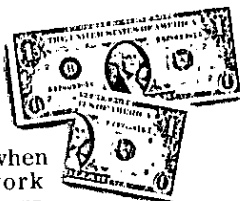
a higher salary, and have a greater chance for being promoted within the company. Those who have dedicated their lives to working for Safeway deserve to be duly rewarded. Our seniority system assures that this occurs. **(Article 5)**

Working Conditions

Without a safe and comfortable work environment, it is virtually impossible for an employee to fulfill his job duties in a productive manner. According to our collective bargaining agreement, Safeway has the responsibility to provide working conditions that are in full compliance with requirements set forth in the contract. Experts within our union actively monitor the work site to ensure that all rules and regulations are being followed. If Local 400 observes that your health and safety are in danger, the proper authorities are notified and action is taken. **(Article 10)**

Overtime

In order to spend time with your family and pursue recreational hobbies, you need to maintain a reasonable work schedule. If such a need arises when you are called to work more than eight (8) hours in a day or forty (40) hours in a week however, you will be paid the appropriate



overtime rate applicable to your date of hire. If it also becomes necessary for a full-time employee to work past 6:00 p.m. more than three (3) nights in any week, you will be paid overtime wages for hours after 6:00 p.m. on the fourth and following nights. Local 400 has also assured that no employee will have to work split shifts. **(Article 6)**

Jury Duty

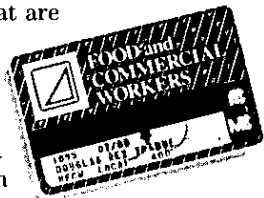
Jury Duty is a responsibility that every American citizen may eventually have to fulfill. Very often court cases run weeks or months at a time and it is likely you will miss a substantial amount of work. Local 400 has made it possible for you to serve your community in this manner without financial penalty. You will be granted time off and paid the difference between the amount of your regular rate of pay and the amount received for your jury duty. **(Article 14)**

Legal Services

Given the ever-increasing costs of legal services, Local 400 has arranged for a legal benefit trust fund for most of our members. These services may be used to provide additional security for you and your family. The benefit is paid for by your employer and the legal services provided are for the most part at no cost to you. **(Article 17 and UFCW and FELRA Health and Welfare Plan booklet)**

UFCW Local 400 Privileges

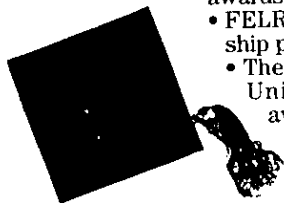
FOR MEMBERS ONLY: The benefits and protections that are set forth in this contract are only part of what every UFCW Local 400 member is offered. In addition, you will receive the following benefits with your union membership.



- An AFL-CIO endorsed credit card, with low-rate balance transfers, a competitive rate, no annual fee, strike skip payments and a unique Member Advocacy Program. Call 1-800-522-4000 or apply online at www.unionplusscard.com.
- Regain control of your finances and stop collection calls. Get help from a high quality, non-profit counseling service, with free counseling and debt management plans. Call 1-877-833-1745 or visit www.unionplus.org/creditcounseling.
- Learn your credit score and get help improving it. Visit www.unionplus.org/creditscore.
- Free and discounted legal assistance. Call 1-888-993-8886 for a referral by phone or visit www.unionplus.org/legal to search for an attorney online.
- AFL-CIO Employees Federal Credit Union, including its savings and loan program. Call 202-661-7711 or visit www.aflciofcu.com.

- Motor Vehicle Certification Program, the union's professional, money-saving car-buying service. Visit www.unionplus.org/auto-buying or call 1-877-800-2924.
- Members who purchase auto insurance can save an average of \$350 on their auto insurance bill. Call 1-800-294-9496 to apply. For quotes, visit www.unionplus.org/autoinsurance.
- Save up to 10% when you service your car or buy tires, and support union workers who make many Goodyear tires. Visit www.unionplus.org/goodyear.
- Discounted International travel packages. Call 1-800-590-1104 or visit www.unionplus.org/travel.
- Special discounts and passes to area entertainment, such as Six Flags America, Kings Dominion and other major amusement parks.
- Special leisure rate at the unionized Hotel Royal Plaza in the Walt Disney World Resort in Orlando, FL. Call 1-800-248-7890 or visit www.unionplus.org/travel.
- Discounts for supplemental life and other insurance programs. UnionSecure provides a wide range of insurance protection with accident coverage, life insurance, hospital recovery coverage and \$5,000 of accidental death insurance at no cost. Call 1-800-393-0864 to speak with an expert about your insurance options or visit www.unionsecure.com.

- Save an average of 18% on prescription costs and reduce out-of-pocket expenses on a variety of health care services such as dental and vision care, and more. Call 1-800-228-3523 or visit www.unionplus.org/healthsavings for details.
- Pre-negotiated 20% to 60% discounts on monthly fees at over 1,500 health clubs. To sign up, call 1-888-294-1500 or visit www.unionplus.org/healthclubs.
- College scholarship award programs for eligible members and their families:
 - UFCW Local 400 scholarship awards;
 - FELRA & UFCW scholarship program;
 - The UFCW International Union scholarship awards;
 - A scholarship program offered by a law firm associated with UFCW.
- Provides information about loans, scholarships, how to select a school, how to prepare for college entry tests, and much more. Visit www.unionplus.org/education for details. To speak to a financial aid counselor, call 1-877-881-1022.
- Union Member Mortgage and Real Estate Services makes buying or selling a home or refinancing a mortgage easier and more af-



fordable. Features include strike, layoff and disability assistance, and an easy over-the-phone application process. Call 1-800-848-6466 or visit www.unionplus.org/mortgage.

- Cut the cost of owning a pet. Save 25% on veterinarian services, 10% on pet health insurance premiums, and much more. Visit www.unionplus.org/pets.
- Union-printed checks and return-address labels that feature your union logo. Call 1-888-864-6625.
- Buy union-made apparel and save with a minimum 5% discount on everything you buy. Jeans, dress shirts, casual wear, jackets and more. Discounts at Justice Clothing and Union Jean & Apparel Company. Order online at www.unionplus.org/clothing or call Union Jean at 1-877-692-8099 (use discount code Union Plus).
- Save up to 5% on cellular phone service with a unionized wireless phone company. Visit www.unionplus.org/cingular or call 1-800-356-9752.
- Music CDs for only \$9.99 each. Buy 2 and get 1 free. Free shipping. 15,000 titles available. Visit www.unionplus.org/music.
- Discounts on IBM/Dell computers & accessories. www.unionplus.org/computers.

Membership in Local 400 is truly a solid investment in your future. Just pennies a day bring effective representation on the job, and substantial savings off the job!

TABLE OF CONTENTS

	Page
AGREEMENT	19
WITNESSETH	19
ARTICLE 1 - Successors and Assigns	20
ARTICLE 2 - Management Authority	20
ARTICLE 3 - Recognition	23
ARTICLE 4 - Union Security	25
ARTICLE 5 - Seniority	26
ARTICLE 6 - Hours and Overtime	31
ARTICLE 7 - Wages and Employee Classifications	39
ARTICLE 8 - Courtesy Clerks	43
ARTICLE 9 - Night Crew Employees	45
ARTICLE 10 - Working Conditions	47
ARTICLE 11 - Vacations	51
ARTICLE 12 - Holidays	55
ARTICLE 13 - Leaves of Absence	58
ARTICLE 14 - Jury Duty & Legal Proceedings ...	60
ARTICLE 15 - Store Card or Decal	61
ARTICLE 16 - Shop Stewards	62
ARTICLE 17 - Health and Welfare	63
ARTICLE 18 - Pension	70
ARTICLE 19 - Joint Labor Management Committee	72
ARTICLE 20 - Voluntary Check-off of Union Fees & Deductions	72

Table of Contents (continued)

	Page
ARTICLE 21 - Grievances and Arbitrations	73
ARTICLE 22 - Military Service	76
ARTICLE 23 - No Strikes or Lockouts	76
ARTICLE 24 - Invalidation	77
ARTICLE 25 - Duration of Contract	77
APPENDIX I	79
SCHEDULE "A" WAGES	82
SCHEDULE "B" WAGES	85
SCHEDULE "C" WAGES	94
SCHEDULE "C-1" WAGES	103
SCHEDULE "D" SAFETY & HEALTH	112
SCHEDULE "E" NON-FOOD	113
SCHEDULE "F" VARIATIONS	114
SCHEDULE "G" SENIORITY AREAS	115
SCHEDULE "H" SENIORITY AREAS	116
SCHEDULE "I" SERVICE CLERK	117
VALLEY ADDENDUM	119
SCHEDULE "V-1" WAGES	123
SCHEDULE "V-2" WAGES	125
SCHEDULE "V-3" WAGES	127
SCHEDULE "V-4" WAGES	129
FUEL STATION MANAGER WAGES	132

AGREEMENT

THIS AGREEMENT, made and entered into this 28th day of March, 2004 between **SAFEWAY INC.**, (hereinafter referred to as the "Employer"), a participating member of Washington, D.C. Food Employers' Labor Relations Association (hereinafter referred to as "Employers' Council") and the **UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL 400** of Landover, Maryland, chartered by the United Food and Commercial Workers International Union, AFL-CIO (hereinafter referred to as the "Union").

WITNESSETH:

WHEREAS, the Employers' Council is an employer association of food chains in and about the Washington, D.C. area.

WHEREAS, the Employer and the Union in the performance of this Agreement agree not to discriminate against any employee or applicant for employment because of race, color, religious creed, origin, age or sex.

The use of personal pronouns of the male gender is for grammatical purposes only and the contract should apply equally to persons of either gender; and

WHEREAS, the parties hereto desire to establish uniform standards and hours of labor, rates of pay, and other conditions under which the employees classified herein shall work for the Employer during the life of this Agreement and thereby promote a relationship between the parties hereto providing for more harmonious and efficient cooperation and mutual benefit.

ARTICLE 1

Successors and Assigns

1.1 This Agreement shall be binding on all signatories hereto, and their successors and assigns, whether such status is created by sale, lease, assignment or any other type of transfer or transaction. In consideration of the Union's execution of this Agreement, the Employer promises that its operations covered by this Agreement or any part thereof shall not be sold, conveyed, or otherwise transferred or assigned to any successor without first securing the Agreement of the successor to assume the Employer's obligations under this Agreement and to offer employment subject to the terms of this Agreement, to all of the Employer's then current employees, recognizing their accrued seniority for all purposes. Provided, that the Employer shall not be a guarantor or be held liable for any breach by the successor or assignee of its obligations, and the Union will look exclusively to the successor or assignee for compliance with the terms of this Agreement.

1.2 The foregoing shall be applicable in cases only where the Employer sells or transfers more than ten percent (10%) of the facilities covered under this Agreement, and shall not apply in cases of store closing (30 days or more).

ARTICLE 2

Management Authority

2.1 The authority and responsibility for management of the business, including but not lim-

ited to the planning, direction and control of the work force shall repose exclusively in the Employer and its appointed representatives except as provided in this Agreement.

2.2 In the event that the Employer contemplates the introduction of major technological changes affecting bargaining unit work within the Grocery Department, advance notice of such changes will be given to the Union. If requested to do so, the Employer will meet with the Union to discuss the implementation of such changes before putting such changes into effect.

2.3 Should the Employer intend to substitute electronic checkout systems for existing equipment in any store, the Employer agrees to notify the Union in advance and to provide the Union a list of all employees regularly assigned to the store on the effective date of the utilization of said systems.

Said employees shall not be removed from the Employer's payroll as a result of the installation of such a system. Employees may continue to be transferred, assigned to other work, or laid off in accordance with the seniority provisions of this agreement provided the layoff is for reasons other than the installation of such a system.

2.4 The Employer further agrees that all fresh meat products will be cut, packaged, prepared and sold by the employees in the stores, covered by this Agreement.

Exceptions may be made provided the Union is notified in advance and given written assurance that no member's job will be eliminated as

a result of such exception. The Union agrees that it will not withhold its Agreement.

For the purpose of this section "notified" shall mean a letter for each individual introduction of a class of product (e.g., boneless sub primal cuts of meat, deveined liver, rolled veal, etc.). "Member" shall mean full time employees on the payroll actively at work on the effective date of this Agreement or who are on leave of absence or who are sick or injured and return to work as elsewhere provided for in this Agreement. "Eliminated" means removed from payroll or reduced to part time and is not intended to refer to the nature of the work being performed by the employee. Employees may continue to be transferred, assigned to other work, or laid off in accordance with the seniority provisions of this Agreement, provided the layoff is for reasons other than the introduction of new products and/or new methods.

It is not the Union's intention to impede progress in our industry with respect to any new method of cutting and packaging meat, delicatessen and seafood products, and the necessity for change to accommodate a changing society.

The Union reiterates, therefore, its intention with respect to the "products clause," as follows:

The Employer may introduce new methods and new products, i.e., (make exceptions) provided it does the following:

1. Union must be notified in advance.
2. The Employer will list all new products or new methods in letter of notification.

3. The Employer will give written assurance that no member's job will be eliminated, in accordance with subparagraph 2.4.
4. The Employer will meet at the Union's request for the purpose of reviewing complaints and further compliance of this Section and Article.

If 1, 2, 3, & 4 above are complied with, the Union will not withhold its Agreement.

ARTICLE 3 **Recognition**

3.1 The Employer recognizes the Union as the exclusive bargaining agency for all of its employees, except Store Manager, Assistant Store Manager, Co-Managers, and In-Store Bakery Personnel (production employees), in its retail food stores within the City of Washington, D.C., the Counties of Albemarle, Arlington, Augusta, Caroline, Clarke, Culpeper, Fairfax, Fauquier, Frederick, Greene, Highland, King George, Loudoun, Louisa, Madison, Orange, Page, Prince William, Rappahannock, Rockingham, Shenandoah, Spotsylvania, Stafford and Warren, the independent Cities of Alexandria, Charlottesville, Fairfax, Falls Church, Fredericksburg, Harrisonburg, Manassas, Manassas Park, Staunton, Waynesboro, and Winchester in the State of Virginia, and the Counties of Anne Arundel south of South River from Chesapeake Bay to Maryland State Route 450, south of Maryland State Route 450 from South River to Prince Georges County, Calvert, Charles, Montgomery, Prince Georges and St. Marys in the State of Maryland.

3.2 The Employer further agrees that if the Employer should establish a new food store, or stores, within the territories described in Paragraph 3.1, this Agreement shall apply to such a new store or stores. In the event the Employer engages in Department or Discount type stores, then the Employer and the Union shall negotiate as to the terms for wages, hours and working conditions for employees working in such stores.

3.3 All meat, fish or poultry, fresh, chilled, frozen, cooked or smoked, historically or customarily offered for sale by the Employer in its Retail Meat Departments, will continue to be handled by Meat Department employees.

3.4 Floor care may be performed by an outside vendor. Employees who performed floor care prior to March 26, 2000 shall receive the same hours and rates of pay as they had in the past.

3.5 All work and services connected with, or incidental to the handling or selling of all merchandise offered for sale to the public in the Employers' retail establishments covered by this Agreement shall be performed only by employees of the Employer within the unit referred to above, for which the Union is recognized as the collective bargaining agency by the Employer except such work as is currently performed at the point of delivery by driver-salesmen in servicing retail markets with perishable bakery products, beverages, greeting cards, magazines, potato and corn chips directly from the delivery vehicle. Further excepting that representatives

of a company sponsoring special promotions may erect and stock initial special displays in connection with said special promotions. There shall be a limitation of three (3) times per year for promotional programs using persons other than employees of the Employer, provided, however, that such special promotions must be area-wide promotions. The Employer shall notify the Union in writing prior to the beginning of any promotional program.

The application of this provision shall in no way restrict the work which may be performed by the Store Managers or Assistant Store Managers.

3.6 The Employer shall notify the Union thirty (30) days prior to a store closing. The Employer shall negotiate the effect on employees of the store scheduled to be closed.

ARTICLE 4 Union Security

4.1 All employees shall, as a condition of employment, become and remain members of the Union on and after the thirty-first (31st) day following the date of employment, or on and after the thirty-first (31st) day following the effective date of this Agreement, whichever is the later.

4.2 Upon failure of any employee to become and remain a member of the Union within the period and under the conditions specified in Paragraph 4.1 above, the Union shall notify the Employer, in writing, of such failure and the Employer shall, within seven (7) days of receipt of

such notice, discharge any such employee as provided in the Labor Management Relations Act of 1947 as amended.

4.3 The application of Paragraph 4.1 above, is deferred in any jurisdiction where the Union Shop is not permitted by law, except for the purpose of representation, unless and until such law is declared unconstitutional or is repealed or otherwise becomes inoperative as to the operations of the Employer.

4.4 The Employer will notify the Union in writing as soon as possible within twenty-five (25) days from the date of employment, reinstatement, or transfer into the bargaining unit of any employee, of the name of such employee, the home address, place of employment, social security number and job classification (full time or part time), and the date of employment, reinstatement, transfer, termination, or change in status from part time to full time or full time to part time.

ARTICLE 5

Seniority

5.1 Seniority for the purpose of this Agreement shall be calculated by continuous service from the last date of employment (except as otherwise provided). Separate seniority lists for all full time Grocery, full time Meat Department employees, part time Grocery and part time Meat Department employees shall be set up by the Employer and shall be furnished to the Union upon request. Seniority areas governing this

Agreement are outlined in Schedules "G & H," attached hereto and made a part hereof. Seniority shall prevail in the following instances in the manner as listed hereafter.

Employees transferring into the Service Deli shall retain their seniority.

5.2 The Employer recognizes the principle of seniority as being one in which the movement of an employee from one job to another or from one location to another through promotion, lay-off, recall after layoff, or permanent transfer, shall be governed by the length of service of the employee, and in connection with such movement the Employer may take into consideration as to each employee involved his ability to perform the work.

5.3 In connection with lay offs and store closings seniority will first apply to store, then geographic area (as set forth in Schedule "G") and last the jurisdiction of this Agreement. In connection with promotions and permanent transfers, seniority will apply first to the store then seniority area (as set forth in Schedule "H").

5.4 In all layoffs the ordinary rules of seniority shall prevail with due consideration being given to the job classification, fitness for the work involved, and the practicability of applying the rules of seniority in the particular case. Employees laid off for periods of less than one (1) year shall have preference to reinstatement in the reverse order. The service record of such reinstated employees shall not be interrupted. Sick-ness does not count as layoff. A full time em-

employee shall have seniority over a part time employee to the extent that a full time employee who is involuntarily laid off in order of seniority may claim existing part time schedules calling for the least reduction of hours up to a maximum of forty (40) hours per week in the first instance or those schedules providing for the least reduction of hours if forty (40) hours are not available, provided due consideration is given to job classification and to fitness to perform the work involved and further provided that this shall not result in the employee creating premium or overtime pay situations. Part time employees shall have seniority over other part time employees under the same conditions subject to the provisions of Article 6, Section 6.14. However, if the available opening for a part time employee who is recalled is outside of the seniority area, the employee may refuse the opening without prejudice to future recall within the same seniority area.

Before a Journeyman Meat Cutter can be reduced to part time or laid off within the geographical area all apprentices must be laid off within the geographical area. Where the application of this provision creates a hardship or operational problem the Union agrees to discuss and resolve the problem.

5.5 Seniority and the employee's ability to perform the work shall be given consideration in regard to promotion within the bargaining unit. If the employee fails to qualify within a reasonable time for the upgraded position he or she will be afforded the opportunity to return to his or her former classification without loss of seniority.

The Employer will notify the Union of all promotions to Department Head Classification.

5.6 Full time employees to be reduced to part time may exercise their right to a complete lay-off without prejudice to their right to recall.

When a full time employee is involuntarily reduced to part time he shall continue to accrue seniority as though he was still full time. When a full time employee voluntarily reduces himself in writing, his part time seniority is dated from the original date of hire. Full time employees reduced from full time to part time through no fault of their own will retain full time Health and Welfare and Pension coverage for a period of six (6) months. The Employer will continue the full time Health and Welfare and Pension contribution for said period of time.

5.7 A Meat Department employee laid off or reduced to part time out of his seniority turn shall receive pay for all time lost, provided the layoff or reduction is not at the employee's request. Likewise, any part time employee who has requested full time in accordance with this paragraph, and who is bypassed in seniority when a full time opening occurs shall be paid for all lost earning opportunity provided the bypass was not at the request of the employee.

5.8 Any employees transferred into the bargaining unit from any other part of the Company shall retain their last employment date for the purpose of computing the effective date of their benefits, but their seniority date shall be otherwise established as of the day they commenced working in the bargaining unit.

5.9 Employees involuntarily transferred from one seniority area to another as a result of store closing or layoffs, will be afforded the opportunity to return to their original seniority area before a permanent employee of the same job classification is hired in said seniority area. Said transfer opportunity shall exist for a period of twelve (12) months.

5.10 Part time employees desiring full time work and lower classified food employees desiring to be upgraded in classification shall be given preference for such work in accordance with the following procedure.

Employees who desire upgrading as described above shall notify the Employer in writing with a copy to the Union, during the periods March 1 to March 21 and September 1 to September 21, each year. Such letters shall remain valid for eighteen (18) months.

The first consideration for any such vacancies shall be given to employees with a current request in order of the employee's seniority with ability to do the work to be considered. However, full time night crew employees will be given priority consideration for available full time day vacancies within the food clerk classification.

When the file of request letters has been exhausted, all employees regardless of the length of service will be considered for available openings on a store-by-store basis before seeking outside applicants.

Only requests for permanent classification change shall be valid and failure to be available

thereafter for such work for a period of twenty-six (26) weeks after obtaining such status, except for reasons beyond the employee's control, shall be barred from future requests for a period of twelve (12) months.

Failure to accept an offer of such work in any of the Employer's stores within a seniority area shall result in removal of the employee's request for the balance of that six (6) month period, but it shall not bar the employee from future requests. Except any employee who declines a full time night crew position will not be removed from the list for the balance of the active bid.

Part time employees who are promoted to full time will receive credit for time worked on the basis of forty (40) hours being equivalent to one (1) week and the employee's full time seniority date will be adjusted accordingly.

The Employer and the Union agree to exchange a list of part time employees requesting full time jobs during the months of January and July of each year. The list will contain the employee's name, social security number, store number, and the date the letter was received by their respective office.

5.11 The Union shall be notified of all full time openings.

ARTICLE 6

Hours and Overtime

6.1 The guaranteed basic work week for all full time employees shall be forty (40) hours per week, consisting of five (5) eight (8) hour days.

6.2 For the purpose of this Agreement the basic work week shall be from Monday through Saturday, inclusive.

6.3 Sunday work shall be isolated and shall not be part of the basic work week.

6.4 All time worked by an employee in excess of eight (8) hours in any one (1) day, five (5) days in one (1) week, or forty (40) hours in any work week, or in excess of the thirty-two (32) hours in any week in which one of the specified holidays fall, shall be deemed overtime. Such overtime work shall be paid for at the rate of time and one-half (1-1/2) the employee's regular rate of pay, but the employee shall not be compensated for both daily and weekly overtime. Hours which qualify for Sunday premium pay as provided in Paragraph 6.11 of this Article shall not be included in computing weekly overtime.

Part time employees who are scheduled for five (5) days in one (1) week, and who are called into work on their scheduled day off shall receive time and one-half (1-1/2) for all hours worked on said scheduled day off, provided said employee remains available to work the remainder of his schedule for that week.

6.5 Employees who work an eight (8) hour shift shall work eight (8) hours in a period of either eight and one-half (8-1/2) or nine (9) consecutive hours and shall be granted an uninterrupted meal period of either one (1) or one-half (1/2) hour beginning not before three (3) hours of work nor later than five (5) hours of work. A one-half (1/2) hour meal period shall be assigned

only by mutual agreement. Employees who work a shift of less than eight (8) hours but more than five (5) hours shall, upon request, be granted an uninterrupted meal period of one-half (1/2) hour, not before three (3) hours of work nor later than four (4) hours of work.

The lunch period specified in the above paragraph may be waived (without pay) by mutual agreement between the employee and the Employer.

6.6 Any employee instructed to work their meal period shall receive pay for that period of time at the rate of one and one-half (1-1/2) times the regular rate of pay.

6.7 The Employer may establish as many shifts as necessary and the starting time of such shifts shall be optional with the Employer.

6.8 There will be no split shifts.

6.9 Any full time employee who works later than 6:00 p.m. more than three (3) nights in any week shall be paid time and one-half (1-1/2) for the hours after 6:00 p.m. on the fourth (4th) or subsequent nights even though they may be a part of the regular shift.

6.10 Any time worked after 1:00 a.m. or before 4:00 a.m. shall be paid at the rate of time and one-half (1-1/2) of the employee's regular rate of pay, except for employees on the night crew.

6.11 Work performed by employees hired prior to March 30, 2004, on Sunday shall be compensated for at time and one-half (1-1/2) the employee's rate of straight time pay.

For employees hired on or after March 30, 2004, work performed Sundays shall be compensated for at the following rates, which shall be in addition to the straight time pay provided for the holiday:

0 to 12 months of employment	\$1.00/hour premium for each hour worked
13 to 24 months of employment	\$1.50/hour premium for each hour worked
25 to 60 months of employment	\$2.00/hour premium for each hour worked
Thereafter	time and one-half (1-1/2) employee's regular rate of pay

provided, however, that any such employee who works in excess of forty (40) hours per week (Sunday through Saturday inclusive) shall not be compensated for both Sunday premium and weekly overtime.

All terms and conditions of this Agreement shall apply to work performed on Sundays and holidays.

6.12 No employee shall be required to work on Sundays or the designated holidays, except as hereinafter provided. All work to be performed on Sundays and holidays shall be offered on the basis of seniority with due consideration given to job classification and fitness for the work required. If sufficient volunteers are not available, the Company may assign such work to employees in reverse order of seniority. A sheet will be posted on Monday next to the work schedule for

the purpose of signing up for Sunday and holiday work. The schedule for Sunday and holiday work will be assigned by seniority from this list.

Full time employees shall be offered eight (8) hours if work is available, and if the store is open for eight (8) hours. Part time employees shall be offered not less than four (4) hours. Any employee accepting Sunday or holiday work shall work not less than four (4) hours. Employees shall not be discriminated against for declining Sunday or holiday work nor shall they be coerced into accepting it.

In the Meat Department work assignments for Sunday and holiday work shall be offered first to full time employees by classification within the store on a rotating basis from among the work force who volunteered for such work by making the request in writing to the Employer. In the event sufficient volunteers are not available, the Employer may elect to draw volunteers from within the Supervisor's territory or direct employees to work by inverse order of seniority within the store. Once the employee has requested such work they shall be obligated to work in the location for a minimum of a six (6) month duration except in the case of a personal emergency. The work shift may consist of eight (8) hours or more, but in no event for less than four (4) hours. (The Weigher and Wrapper, if qualified, and the Deli Clerk for the purpose of this paragraph, shall be considered the same classification.)

6.13 The Employer shall not discipline any employee for refusal to work unreasonable overtime. On days where overtime is worked it shall

be offered to employees on a seniority basis with due consideration being given to job classification and ability to do the work. On days where overtime is worked and a second meal period is taken it shall consist of one-half (1/2) hour duration only.

6.14 Part time employees shall be employed a maximum of thirty-five (35) hours per week.

6.15 In any week in which a part time employee works in excess of the hours specified in 6.14, he shall be paid for all hours worked at his appropriate full time hourly rate.

6.16 No part time employee shall be scheduled for less than four (4) hours in any one (1) day. Each calendar quarter, part time employees may be scheduled for less than four (4) hours, but not less than one (1) hour, for the purpose of attending a store employees' meeting.

6.17 Part time employees who report to work pursuant to instructions and are not given work shall be paid for their scheduled hours, but in no event for less than four (4) hours except for those stores closing at 6:00 p.m.

6.18 Full time employees reporting for work at their scheduled time or on instructions from their Employer shall be guaranteed eight (8) hours at straight time rate of pay for the employee's scheduled work days and four (4) hours with pay for non-scheduled days at the overtime rate of pay.

6.19 The Employer agrees to post a weekly work schedule, in ink, with employees' names

listed in order of seniority, and in a conspicuous place by noon on Saturday of the week preceding the week for which the schedule is effective, of working hours specifying the starting and finishing times and regular days off. The schedule shall contain the employees' full names and shall have the scheduled hours of each employee totaled at the end of the column. The schedule for the night crew and those scheduled off on Saturday must be posted prior to the end of those employees' scheduled shift on Friday of the week preceding the week for which the schedule is effective.

6.20 The schedule for all full time employees showing the starting and finishing times and regular days off shall not be altered after it is posted, except by mutual agreement. Each full time employee shall regularly receive the same day off each week. A seven (7) day written notice must be given in order for a full time employee's regularly scheduled day off to be changed, except for holiday weeks. In the week following the holiday week, the regular schedule shall apply pertaining to days off.

In the Meat Department, the scheduling of nights (past 6:00 p.m.) and Saturday night for full time employees shall be done on a rotating basis as nearly equal as practical.

The schedule for a part time employee may be changed by notification to the employee prior to store closing the previous day.

A part time schedule shall be complete and reflect the anticipated basic need for the store's requirements for that week.

6.21 The Employer shall combine existing part time assignments on a seniority basis, unless such hours duplicate each other, providing the employee can do the work, so as to provide the maximum part time employment per individual within the definition of part time employment, and further to create as many full time positions as possible.

When a part time employee is scheduled and/or works for forty (40) hours per week for more than six (6) consecutive weeks and the work is not temporary (i.e., vacation and/or absence coverage), a full time position will be deemed to have been created. Such a full time position within the store and department where the work was performed will be filled in accordance with the following procedure:

- A. Notice of the available position will be posted for seven (7) days within the store. Part time employees, within the department where the available position exists, who express in writing a desire to fill the full time position will be selected by seniority and ability to do the work.
- B. If the position cannot be filled in accordance with paragraph A above, other part time employees within the store may be selected on the same basis.
- C. If the position cannot be filled in accordance with paragraphs A or B above, an employee will be selected in accordance with Article 5.10.

6.22 Employees working more than five and one-half (5-1/2) hours in a day shall receive two

(2) rest periods of fifteen (15) minutes each, one (1) rest period to be in the first half of the work day, the second rest period to be in the second half of the work day as near as possible to the middle of each shift. Employees working five and one-half (5-1/2) hours or less in a day shall receive one (1) fifteen (15) minute rest period. The Employer will not intentionally prepare a schedule to avoid the requirement of a second rest period.

6.23 Employees who sustain an occupational injury requiring treatment by a doctor or hospital shall suffer no loss in pay for the day the injury occurs provided the employee returns to work unless otherwise instructed in writing by the attending doctor.

6.24 Eligible part time employees shall be scheduled a minimum of sixteen (16) hours work per week, provided that they are available to work said hours on a regular and continuing basis. The sixteen (16) hour minimum does not apply to probationary employees, students, part time employees holding another job, courtesy clerks, or employees not available.

The above paragraph sets forth minimums, but is not intended to be a guarantee where there are insufficient overall store hours to meet the minimums.

ARTICLE 7

Wages and Employee Classifications

7.1 Wage scales are set forth in Schedules "A," "B," "C" and "C-1" attached hereto and made a part hereof.

7.2 The minimum wage provided in Schedule "C-1" shall apply to all new employees and each new employee is to be on probation for a period of ninety (90) days. If, during the probationary period, it is found that the new employee is not suitable for the business, his services are to be terminated at the Employer's discretion.

The service record of any new employee retained after the probationary period shall date from the time of such employee's original employment. The salary of such employee shall be retro-active to the date of employment.

7.3 An employee who has worked within the industry during the past three (3) years shall be credited with all previous super-market experience in the same type of work, or in the case of general merchandising or bakery employees, all previous experience in a similar capacity, proven by verification or ability, which shall be recognized as seniority for the purpose of establishing the pay scale to which the employee is entitled. The Employer, employee, and the Union will make every effort to verify all previous experience on the employee's application. If, however, complete information cannot be obtained within the first three (3) months of employment, the pay scale shall be determined by the Employer on the basis of whatever verification of experience has become available and the employee's ability. The Employer agrees to notify the Union no later than forty-five (45) days after employment if complete verification of experience has not been obtained. The above applies except in the case of a journeyman or an apprentice who has not worked in the industry

within the past three (3) years, who shall be given a jointly observed block test immediately following the ninety (90) day probationary period. The salary of such employee shall be retroactive to the date of original employment.

7.4 When a higher classified employee is absent from his position for more than one (1) day and another employee performs the job of the higher classified employee, he shall receive the appropriate rate of pay of the higher classification.

When an employee is promoted to a higher classification the employee's pay rate shall progress to the next higher wage rate in the new classification and thereafter progress through the remaining progression.

7.5 All Meat Departments shall be operated by a Meat Department Manager, who may be relieved by a Journeyman Meat Cutter or an Apprentice.

7.6 Department Heads may be assigned in stores where designated by the Employer and where assigned, they will be paid the appropriate prevailing rate as listed in Schedules "A, B, C or C-1."

The apprenticeship program in retail stores shall be two (2) years as provided in Schedules "A, B, C or C-1," whichever is applicable. An Apprentice is a person learning all the details and developing manual skills for performing the duties of a Journeyman Meat Cutter. He shall be given a meat cutting test jointly observed by representatives of the Employer and the Union within his

twenty-third (23rd) or twenty-fourth (24th) month. If he fails to qualify at this time, he shall continue at the same rate of pay and be given another test at the end of his twenty-seventh (27th) month; if he fails to qualify at this time, he shall be terminated. It will be the Employer's responsibility to see that Apprentices are given the proper instruction and opportunity to learn the skills for performing the duties of a Journeyman Meat Cutter. Nothing will prevent the Employer from advancing an Apprentice to Journeyman before the end of the prescribed training program, if in the judgment of the Employer he is qualified. An employee entering the apprenticeship program shall suffer no reduction in pay.

7.7 A Weigher and Wrapper is one who weighs, prices and wraps meat cut by a Journeyman or an Apprentice. He displays or places said meat in self-service cases or in storage. He may use a slicing machine for cutting cheese and luncheon meats; also use a knife for cutting liverwurst or any other luncheon meat that cannot be cut by the slicing machine. He is not, however, to cut beef, pork, veal, lamb, poultry or fish with a knife or any other automatic device nor assume any work other than the above, which normally is performed by Journeymen Meat Cutters or Apprentices. He, however, may perform general house cleaning chores, and also clean the cases, work tables, etc. To the extent practical, the Employer will use only Meat Weighers and Wrappers to perform their traditional duties as outlined above.

7.8 A Meat Department bargaining unit employee shall be on duty until 8:00 p.m. or store

closing, whichever occurs first. However, a department need not be manned during meal periods where there is only one (1) employee in the unit on duty that shift.

7.9 In stores with three (3) or more full time Meat Cutters, including the Meat Department Manager, one shall be designated First Cutter. The First Cutter classification applies to the store and not to the individual.

7.10 In stores where there is no First Cutter classification, in accordance with the formula that there must be three (3) Journeyman Meat Cutters including the Meat Department Manager, the employee who relieves the Meat Department Manager shall be compensated at the Meat Department Manager rate beginning with the first day of relief, excluding the regular day off. The employee relieving the Meat Department Manager on the Meat Department Manager's regular day off will receive the First Cutter rate for that day.

7.11 In the event the First Cutter is away, then any Meat Cutter who relieves the First Cutter for one (1) week or more shall be compensated at the First Cutter rate and shall relieve the Meat Department Manager as provided for in Section 7.9 of this Article.

ARTICLE 8

Courtesy Clerks

8.1 Courtesy Clerks shall be guaranteed ten (10) hours work per week at no less than three (3) hours work per shift. Their duties shall be

limited to bagging, parcel pick up, cleaning up around the checkout stand and parcel pick up areas, racking empty bottles, returning unsold merchandise, handling recycled items, tearing off magazine covers, spot cleaning spills, floor care and other cleaning duties anywhere in the store.

8.2 Eligible Courtesy Clerks will receive vacations as provided in Article 11 and three (3) hours pay for the legal holidays as provided for in Article 12.

8.3 It shall be a violation of this Contract for Courtesy Clerks to perform any duties other than those specified above. In order to remedy violations of this Section the parties agree as follows:

A. The Employer shall post in each of its stores a notice to the employees signed by an authorized Employer representative instructing all employees of the duties of Courtesy Clerks, and instructing all employees that the performance of any other duties constitutes a violation of the contract.

- B. Upon the first violation of this Section, the Courtesy Clerk in the store involved shall be paid the regular clerk starting rate for all hours worked in the week or weeks in which the violation occurred, including hours worked in performance of Courtesy Clerk duties.
- C. Upon a second violation in the same store, all Courtesy Clerks in the store involved shall be paid the regular clerks starting

rate for all hours worked in the week or weeks in which the violation occurred, including hours worked in performance of Courtesy Clerks duties.

- D. Upon a third violation in the same store, all Courtesy Clerks in the store involved shall be paid double the Courtesy Clerk rate for all hours worked in the week or weeks in which the violation occurred, including hours worked in performance of Courtesy Clerks duties.

8.4 The Employer will not be obligated to make Health and Welfare, Pension, Severance, and Legal contributions on behalf of Courtesy Clerks.

ARTICLE 9

Night Crew Employees

9.1 A Night Crew employee is one who is scheduled for work on a Night Crew two (2) or more nights in any one (1) week. No employee shall be required to work a day and a night shift in the same work week.

9.2 Any employee working on the Night Crew two (2) or more nights during the week shall receive the night premium for all hours worked during the entire week.

Any time worked by a member of the Night Crew prior to 8:00 p.m. or after 11:00 a.m. shall be paid at the rate of time and one-half (1-1/2) of the employee's regular rate of pay which shall be in addition to his night premium.

9.3 When a majority of the Night Crew employees in any individual store, who by written mutual consent with the Employer choose to elect to report to work before 8:00 p.m. or beyond 11:00 a.m. shall be deemed to have waived the premium provisions of Articles 9.2 and 6.10 for those hours covered by such election.

9.4 Each employee working on the night shift will receive an additional one dollar (\$1.00) per hour, which shall be over and above the regular rate of pay for the same or similar day job.

9.5 One (1) person other than the Assistant Manager or Department Head shall be designated as the employee in charge of the Night Crew. This employee shall not be replaced by any employee in a higher wage classification.

9.6 The employee in charge of the Night Crew will receive in addition to his night premium, an additional premium of twenty-five dollars (\$25.00) per week. A Night Captain in charge of a store which is open for business on a twenty-four (24) hour basis shall receive an additional ten dollars (\$10.00) per week night premium (in addition to the twenty-five dollars (25.00) per week Night Captain premium).

9.7 Part time employees may be assigned on a night shift, provided however, they must be assigned for a full shift of not less than eight (8) hours. Part time employees may be scheduled for less than eight (8) hours by mutual agreement.

9.8 Night Crew employees in the Meat Department shall be permitted to start their shifts at

9:00 p.m. on Sundays or holidays at the straight time rate of pay.

9.9 The meal period for Night Crew workers shall be one-half (1/2) hour and the eight (8) hour shift shall be worked in a period of eight and one-half (8-1/2) consecutive hours.

9.10 Any regular member of the Night Crew will receive his basic weekly wage plus his night premium in the computation of his overtime, vacation or holiday pay.

9.11 Employees who want on or off the Night Crew shall bid as follows: A request must be in writing to the Employer and will be placed on the list referred to in Article 5.10. As day openings occur, the most senior employee on the combined list shall be assigned to the job provided the employee is available to work such hours on a regular and continuing basis.

Employees in the Meat Department who want on or off the night crew shall bid on or off on a seniority basis in a seniority territory. No new hires shall be employed until said bids are honored, provided that said employees do so in writing.

ARTICLE 10

Working Conditions

10.1 The Employer will furnish and launder such store linens as it desires worn by its employees. In the event the Employer provides Dacron or similar type uniforms for employees, these garments may be laundered by the employee. Since this item of expense is intended to make the Employer's service more attractive to

customers, members agree to cooperate by presenting a neat, clean, businesslike appearance while on duty in the store.

10.2 The Employer shall have the right to discharge or discipline any employee for good cause, including but not limited to, proven or acknowledged dishonesty, intoxication during working hours, drinking or gambling on Employer's premises, or direct refusal to obey orders by the Employer which are not in violation of this Agreement, provided, however, that no employee shall be discharged or discriminated against because of membership in the Union or for Union activities.

10.3 In the event that an employee's work is unsatisfactory, he shall be given at least one (1) written notice before disciplinary action is taken, and a copy of the notice shall be sent to the Union at the same time. Notices and warnings shall become null and void nine (9) months from the date of issue.

10.4 Representatives of the Union shall have access to the Employer's stores for the purpose of determining that the terms of this Agreement are being complied with including but not limited to inspecting work schedules, investigating the standing of employees and inspecting the pay records, which shall be available for a reasonable length of time.

10.5 No employee shall suffer a reduction of hourly wage rates, increase of hours, or reduced vacation time solely by the signing of this Agreement.

10.6 If a physical examination or health permit is required by the Employer or Local Government, all expenses attached to the same shall be borne by the Employer.

10.7 If any employee is required to work in more than one (1) store in the same day, the expense for necessary transportation shall be borne by the Employer. The time required for travel between the stores shall be included as a portion of the employee's work day and considered as time worked for all purposes. An employee on temporary assignment away from his regularly assigned store which requires additional transportation expense shall be reimbursed for such increased expense on the basis of thirty-six cents (\$.36) per mile, except, however, when an employee chooses public transportation, except taxicabs, he shall be reimbursed only for the actual cost of such increased transportation. Temporary assignments will not exceed thirty (30) days except in cases of relief of an employee absent on extended sick leave.

10.8 No temporary transfer will be allowed in or out of Local 400's jurisdiction except in demonstrable emergency.

10.9 Employees shall be at their stores ready for work at their scheduled starting time, otherwise they are reporting late. They shall remain at their work until their scheduled quitting time. Employees shall be paid for all time worked. There shall be a time recording device in each of the Employer's stores for the purpose of recording time worked. The Employer and the Union agree that a proven violation of established time

recording device rules, including working before punching in or after punching out, may subject such an employee to disciplinary action up to and including discharge. Furthermore, all time during which an employee is suffered or permitted to work or is required to be on duty on the Employer's premises at a given work place shall be considered hours worked and recorded.

10.10 Except by mutual agreement between the employee and the Employer, employees shall have a minimum of ten (10) hours off between the ending of their scheduled shift and the starting of their next scheduled shift. Any employee who works during this ten (10) hour period shall be paid for such time at the rate of time and one-half (1-1/2) their straight time rate of pay.

10.11 The Employer shall maintain two (2) first aid kits, fully equipped in each store to be available for all shifts worked. One (1) first aid kit shall be located in the Meat Department.

10.12 The Employer agrees to provide sufficient space on the store bulletin board for the posting of Union activities after approval by management.

10.13 No employee may be required to make up or be disciplined for cash register shortages, unless he is given the privilege of checking the change and daily receipts upon starting and completing the work shift.

10.14 No employee shall be required to make good any bad checks cashed unless said checks are cashed in violation of the Employer's rules

and regulations, which have previously been given to the employee in writing.

10.15 No employee shall be given a polygraph (lie detector) test, unless the Union agrees in writing.

10.16 The cleaning of the Meat Department and immediate working area shall be performed by employees of the Meat Department.

10.17 The Employer will discuss, investigate and correct any problem of jackets or gloves in connection with frozen food lockers and dairy.

ARTICLE 11

Vacations

11.1 Full time employees with one (1) or more years of continuous service shall be granted vacations as follows:

<u>Annual Vacation</u>	<u>Pro-Rata Vacation On Termination</u>
One week uninterrupted after one year	1/12 week for each additional month
Two weeks uninterrupted after three years	2/12 week for each additional month
Three weeks uninterrupted after seven years	3/12 week for each additional month
Four weeks after thirteen years	4/12 week for each additional month
Five weeks after twenty years	5/12 week for each additional month

11.2 Employees discharged for proven or acknowledged dishonesty shall not be entitled to any vacation pay.

11.3 From January 1 to March 31 of each year, employees shall select their desired date for vacation for that year. Said selection will be awarded on a seniority basis within each department. After March 31, employees may select vacant weeks by seniority but may not bump less senior employees who have exercised their vacation selection during the bid period. Vacations requested after the bid period will be honored on a first come, first served basis. Employees may take vacation in any of the fifty-two (52) calendar weeks, subject to management approval.

The vacation schedule of any employee cannot be changed, except by mutual agreement. The vacation schedule shall be available on request by an employee.

11.4 Vacation time shall be computed from date of employment or anniversary of vacation eligibility date, and shall be taken at a time convenient to both the employee and the Employer, and shall be paid at the rate of pay in effect at the time the vacation is taken. An employee who is absent from work for less than sixteen (16) weeks during his anniversary year shall receive his full vacation allowance, but if absent for reasons other than illness or for illness for more than sixteen (16) weeks or in the case of Workers' Compensation cases for more than six (6) months, he shall receive one-twelfth (1/12) his vacation entitlement for each full month worked during the anniversary year.

11.5 When a holiday designated in Article 12.1 occurs during the full time employee's vacation, the employee shall be entitled to an extra days vacation, or cash in lieu thereof, based on straight time pay for an eight (8) hour work day with due regard for the staffing requirements of the Meat Department.

11.6 Vacation pay is to be paid to the employee prior to the day the vacation begins. If the employee's vacation pay is not available when he is scheduled to leave he will be paid from store funds.

11.7 Part time employees shall be entitled to a vacation on or after each anniversary date of their employment, pro-rated on the basis of the average straight time hours worked during the preceding year according to the vacation formula set forth above and subject to the same conditions as pertain to full time employees.

11.8 When a holiday designated in Article 12.1 occurs during a part time employee's vacation, he shall be paid five (5) hours holiday pay if he qualifies under Article 12.5 and 12.6.

11.9 Part time employees who change to full time will receive credit for the vacation earned on the basis of forty (40) hours being equal to one (1) week of work. In the computation of future vacations, credit shall be given for hours worked as a part time employee and the vacation anniversary date adjusted accordingly.

11.10 Full time employees changing to part time will continue their original vacation an-

niversary date and will receive part time vacation on the basis of average hours worked during the vacation year. The original employment date will be the basis for determining eligibility for vacation.

11.11 Employees who have exhausted their personal holiday entitlement and who have at least two (2) weeks of vacation accrued may use one (1) week (five (5) days) of vacation in single day increments, subject to the following conditions:

- A. Scheduling of single day vacations will be by mutual agreement between the employee and employer;
- B. The employee will provide at least two (2) weeks advance notice of their desire to schedule a single day vacation; and
- C. Full-time employees shall be paid in increments of eight (8) hours per day and part-time employees shall be paid in increments of five (5) hours per day (part-time employees must have a minimum of five (5) hours accrued in order to take a single day). However, if the Employer can electronically process single day vacation entitlement based on one-fifth (1/5) of the week's average hourly vacation entitlement, then payment will be made on that basis rather than in five (5) hour increments.
- D. Vacation shall be taken in the year in which it is earned or, at the latest, the following year.

ARTICLE 12

Holidays

12.1 The Employer agrees that the following days shall be holidays. When a holiday falls on a Sunday, the following Monday shall be observed:

New Year's Day	Labor Day
Thanksgiving Day	Memorial Day
Christmas Day	Independence Day

Work may be performed on any of the herein-above mentioned holidays, however, for employees hired prior to March 30, 2004, work as such shall be compensated for at the rate of time and one-half (1-1/2) the employee's regular straight time rate of pay, which shall be over and above the regular straight time rate of pay as provided.

For employees hired on or after March 30, 2004, work performed on any of the holidays specified above shall be compensated for at the following rates, which shall be in addition to the straight time pay provided for the holiday:

0 to 12 months of employment	\$1.00/hour premium for each hour worked
13 to 24 months of employment	\$1.50/hour premium for each hour worked
25 to 60 months of employment	\$2.00/hour premium for each hour worked
Thereafter	time and one-half (1-1/2) employee's regular rate of pay

provided, however, that any such employee who works in excess of thirty-two (32) hours in a hol-

iday week, (excluding the holiday hours) shall not be compensated for both holiday premium and weekly overtime.

12.2 Mini-Vacations:

- A. Employees shall receive one (1) personal day off with pay for each four (4) months of employment up to a maximum of three (3) days per anniversary year.
- B. Personal days may be used for the purpose of Mini-Vacations. Employees shall be entitled to such days at a time of their choice subject to store seniority preference in the event of conflict of employee choice, however, not to interfere with staffing requirements of the Meat Department. Employees shall notify the Store Manager at least two (2) weeks in advance of his intention to use his personal days off for a mini-vacation.
- C. Employees shall notify the Store Manager at least two (2) weeks in advance of his intention to take a personal day off (except in case of using personal days for mini-vacation) and the employee shall receive such day off or a mutually agreed upon day off. In the event of a conflict of employee choice, seniority shall prevail.
- D. An employee who separates or is separated from the Employer's service, voluntarily or involuntarily (including but not limited to separation occasioned by voluntary or involuntary termination of the Employer's business), except when said em-

ployee is duly discharged for dishonesty, shall on separation, be paid for unused personal days on a pro-rata basis.

- E. Employees may use personal days for absence due to illness not otherwise compensated for under this Agreement.
- F. Such holidays shall be paid on the basis of five (5) hours pay for part time and eight (8) hours pay for full time.

12.3 Full time employees shall be granted holiday pay based on an eight (8) hour day.

12.4 To receive the aforementioned holiday pay, an employee shall be at work on the working day preceding and following such holiday, except for those on vacation or absence approved by the Manager. Holiday pay shall be given an employee who is prevented from working on his scheduled day before or his scheduled day after the holiday because of illness to the employee, or the employee's wife, husband, or child, of such a serious character as to require the employee to remain away from work. This seriousness must be attested to by a physician. Holiday pay shall be granted to an employee who does not work his scheduled day before or his scheduled day after the holiday in the event the employee's absence is caused by a verified accident. Provided, however, that in all events the employee must work at least one (1) day during the week in which the holiday falls in order to qualify for holiday pay.

12.5 All part time employees upon the completion of six (6) months but less than one (1) year

of continuous service with the Employer shall be paid five (5) hours holiday pay at the straight time hourly rate provided one (1) of the holidays listed in Paragraph 12.1 above falls on a day he or she would normally be scheduled to work provided such employee works his or her scheduled work day before and after such holiday, Sundays excepted. Work schedules shall not be changed for the purpose of avoiding holiday pay. Where an employee is scheduled to work only one (1) day in a week and the holiday falls on that day, the one (1) day requirement shall be waived.

12.6 Part time employees with one (1) or more years of continuous service regardless of whether they are normally scheduled to work on the day that the holiday falls shall receive holiday pay for five (5) hours provided the employee works his last scheduled work day before and scheduled work day after the holiday. To be eligible for the holiday pay the employee must work at least one (1) day during the holiday week. Where an employee is scheduled to work only one (1) day in a week, the one (1) day requirement shall be waived.

12.7 There shall be no pyramiding of overtime and/or premium pay. Hours worked on Sundays or holidays shall be in addition to the normally scheduled work week.

ARTICLE 13

Leaves of Absence

Subject to the following conditions, employees shall be granted leaves of absence which shall not interrupt their service record.

13.1 Leave of absence shall be granted up to one (1) year without pay when an employee with six (6) or more months of continuous service is unable to work because of sickness, accident or pregnancy, and this leave shall become effective after the final sick benefit payment is made. The disability must be attested to by a registered physician. However, in the event such employee is unable to return to work at the expiration of his leave period, he shall be entitled to an additional leave of six (6) months (twelve (12) months for workers compensation leaves) if he submits satisfactory medical evidence that he will be able to return to his regular duties within the said additional period. The employee must give two (2) weeks notice in writing prior to the date he intends to return to work.

13.2 In the case of a death in the immediate family (namely, the death of a parent, spouse, child, brother, sister, grandparent, or parent-in-law) of any full time employee requiring the employee's absence from his regularly scheduled assignments, the employee shall be granted leave of absence with pay of three (3) scheduled work days.

13.3 In the case of a death in the immediate family (namely, the death of a parent, spouse, child, brother, sister, grandparent, or parent-in-law) of any part time employee requiring the employee's absence from his regularly scheduled assignments, the employee shall be granted leave of absence with pay up to three (3) days. When a part time employee's normal time off falls within the three (3) day period, he shall be reimbursed for the portion of the time normally scheduled for work.

13.4 Employees, full or part time, who serve in the National Guard or military reserve units which require annual training shall be granted the necessary leave without pay to fulfill the annual training requirements of the unit in which they serve. Such employee shall give the Employer two (2) weeks prior notice.

13.5 Any member of the Union employed by the Employer who is elected to a permanent office in the Union or is assigned by the Union to a Union activity necessitating leave of absence, shall be granted such leave of absence and shall, at the end of the term in the first instance or at the end of his mission in the second instance, be given re-employment at his former wage rate plus any increase or less any reduction that may have become effective during his absence.

13.6 Approved leave of absence for reasons other than those listed above shall not interrupt an employee's service record.

ARTICLE 14

Jury Duty & Legal Proceedings

14.1 Employees who are required to report for, or serve on jury duty, shall receive the difference between their straight time weekly basic pay and the amount received while on jury duty. They will be expected to work their regularly posted schedule on days when the jury is not in session. The schedule of a part time employee shall not be altered solely for the purpose of avoiding jury duty pay.

14.2 Employees serving on the jury shall not be required to work hours other than those during which the employee is normally scheduled and in no case shall they be required to report for less than four (4) hours.

14.3 Employees who work on the night crew and who are called to serve on jury duty will assume the schedule of the least senior employee in their classification and status scheduled to work during the day. That employee scheduled during the day will assume the schedule of the night crew employee for the duration of the jury duty.

14.4 Time spent at legal proceedings at the request of the Employer or Employer's counsel shall be compensated at straight time rates. Such compensation shall also be paid for time spent at the request of any law enforcement agency, involving investigation or legal proceeding for the benefit of the Employer, provided the employee has given the Store Manager prompt notice of the request. Such hours shall not be considered as time worked for the computation of daily or weekly overtime, unless it is part of the regular scheduled work week.

ARTICLE 15

Store Card or Decal

The Union agrees to furnish to the Employer Union Store Cards and/or Decals for each of the Employer's stores. Such cards or decals shall remain the property of the United Food and Commercial Workers International Union and shall

be surrendered to the Union upon demand. The Employer shall display such Union Cards or Decals in the Meat Department and a conspicuous area accessible to the public in each establishment covered by this Agreement.

ARTICLE 16

Shop Stewards

16.1 The Union shall have the right to appoint two (2) Chief Shop Stewards in each store whose duties shall be to report any irregularities to the Union. In no instance shall the Shop Steward be discriminated against for discharging such duties, provided such duties do not unreasonably interfere with the regular performance of their work for the Employer. Shop Stewards shall report all irregularities to the Store Manager prior to reporting same to the Union. In stores with more than 100 employees, the Union shall have the right to appoint two (2) Assistant Stewards.

16.2 Chief Shop Stewards may not be transferred from store or job assignment without written consent of the Union, except in cases of promotion. The Chief Shop Stewards shall have super-seniority among all other employees for the purpose of layoff and recall only in their store. Further, the Shop Stewards shall not be threatened, coerced or intimidated for performing Union activities.

16.3 In the interest of promoting cooperative relations the Store Manager shall introduce each new employee in his store to the Union Shop Stewards within one (1) week after the new em-

ployee reports to work. Stewards shall give the new employee a copy of the contract and shall explain its operation. The Shop Steward may answer any questions the new employee asks him. They may request the new employee to join the Union and may make arrangements for the new employee to become a member.

16.4 The Union shall furnish to the Employer a complete list of Shop Stewards which shall be amended from time to time as may be necessary. The Employer agrees to grant two (2) days of paid leave each calendar year for each store, for Steward Training and Education, however, in no event shall more than two (2) Stewards be granted leave on any one (1) day or any Steward receive more than one (1) day leave for training and education per calendar year. The Union must notify the Employer at least two (2) weeks in advance thereof. The Shop Steward must upon returning from the leave present the Store Manager with written evidence from the Union that the Steward has used the leave for the purpose for which the leave was intended.

ARTICLE 17

Health and Welfare

17.1 Health Benefits

1. For employees hired on or before March 30, 2004, the Employer shall contribute to the FELRA and UFCW Health and Welfare Fund (hereinafter referred to as the "Welfare Fund") the sum of six hundred and thirty-five dollars (\$635.00) per month for each appropriate full

time employee on the Employer's payroll. The contribution by the Employer will commence with the first full payroll month following the completion of twelve (12) months continuous employment with the Employer.

2. For employees hired on or before March 30, 2004, the Employer shall contribute to the Welfare Fund the sum of two hundred and eighty-six dollars (\$286.00) per month for each appropriate part time employee on the Employer's payroll. The contribution by the Employer will commence with the first full payroll month following the completion of twelve (12) months of continuous employment with the Employer.

3. For employees hired on or before March 30, 2004, after twenty-four (24) months of continuous employment, appropriate part time food, non-food and service clerks, may be eligible for dependent coverage by submitting a request to the Fund office between one (1) and three (3) months before the eligibility date. The monthly premium to be paid by the employee shall be twenty percent (20%), currently one hundred and sixty-four dollars (\$164.00); and the monthly premium to be paid by the Employer shall be eighty percent (80%), currently six hundred and fifty-three dollars (\$653.00).

4. For employees hired after March 30, 2004, the Employer shall contribute to the Welfare Fund a sum estimated at approximately four hundred and seventy dollars (\$470.00) per month for each appropriate full-time employee on the Employer's payroll. The contribution will commence with the first full payroll month fol-

lowing the completion of twelve (12) months of continuous employment with the Employer. The actual contribution amount will be calculated prior to the effective date of the first eligible participants.

5. For employees hired after March 30, 2004, the Employer shall contribute to the Welfare Fund a sum estimated at approximately two hundred dollars (\$200.00) per month for each appropriate part-time employee on the Employer's payroll. The contribution will commence with the first full payroll month following the completion of twelve (12) months of continuous employment with the Employer. The actual contribution amount will be calculated prior to the effective date of the first eligible participants.

Benefits for employees hired after March 30, 2004, will be provided under Plan XX. Full-time employees shall be eligible for Group A benefits after completion of twelve (12) months of continuous employment, and shall be eligible to receive Group B benefits after completion of fifteen (15) months of continuous employment. Part-time employees shall be eligible for Group A benefits after completion of eighteen (18) months of continuous employment and shall be eligible to receive Group B benefits after completion of thirty (30) months continuous employment. Part time employees are not eligible for dependent coverage. Coverage for part-time employees shall be secondary if the employee is covered under another plan. Full-time and part-time employees shall be eligible to receive the Plan X level of benefits after completion of six (6) years of continuous employment.

6. Thereafter, the Employer shall make monthly contributions in amounts determined by the Board of Trustees of the above Fund, so as to maintain current and existing health and welfare benefits (as established in the negotiations of March, 2004) and further to provide a three (3) month financial reserve.

7. Monthly contributions will be made on behalf of each employee who received compensation from the Employer during said month.

8. Any change in contribution shall be preceded by a thirty (30) day written notice from the Board of Trustees to the Employer.

9. The contributions provided for in this Agreement shall be in lieu of any obligation on the part of the Employer to provide any Health and Welfare benefits other than those provided by the Trust Agreement and Plan governing the Funds.

10. The Funds shall be governed by Boards of Trustees consisting of equal numbers to be designated by the Food Employers' Labor Relations Association and the Union.

11. It is understood and agreed that the benefits referred to herein shall be such as to allow the Employer an income tax deduction for the contribution paid hereinunder.

12. It is agreed that all questions involving Health and Welfare not specifically set forth herein shall be determined by the provisions of the Agreement and Declaration of Trust governing each Plan.

13. An Employer, at its discretion, may or may not be required to designate a representative on the Board of Trustees, but in any event the Employer agrees to be bound by all the decisions made by the Trustees in accordance with the Declaration of Trust.

14. There shall be separate calculations of the cost of providing health and welfare benefits, severance benefits, legal benefits, and scholarship benefits under the Welfare Fund.

17.2 Legal Benefits

1. The Welfare Fund will maintain a separate accounting of the assets and liabilities attributable to the provision of legal benefits under the Welfare Fund and such separate account shall be referred to as the "United Food and Commercial Workers and Food Employers Labor Relations Association Legal Benefits Fund."

2. Effective January 1, 2004 the Employer shall continue to make contributions to the United Food and Commercial Workers Union and FELRA Legal Benefits Fund (hereinafter referred to as the "Fund") in the amount of fifteen dollars and fifty cents (\$15.50) per month, plus the cost of administration, or sixteen dollars and forty-seven cents (\$16.47) for each appropriate employee who is on the Employer's payroll on the first day of each month. The monthly contribution by the Employer will commence with the first full payroll week of the month following the completion of twelve (12) months of continuous employment with the Employer.

3. Effective January 1, 2005, the Employer

shall increase such contribution to sixteen dollars (\$16.00) per month, plus the cost of administration.

Effective January 1, 2006, the Employer shall increase such contribution to sixteen dollars and fifty cents (\$16.50) per month, plus the cost of administration.

Effective January 1, 2007, the Employer shall increase such contribution to seventeen dollars (\$17.00) per month, plus the cost of administration.

Effective January 1, 2008, the Employer shall increase such contribution to seventeen dollars and fifty cents (\$17.50) per month, plus the cost of administration.

4. For employees hired after March 30, 2004, the monthly contribution by the Employer will commence with the first full payroll week of the month following the completion of eighteen (18) months of continuous employment with the Employer.

5. The Legal Fund and Plan shall be governed by the Board of Trustees of the Welfare fund and supervised by a committee of the Legal Fund.

6. It is understood and agreed that the benefits referred to herein shall be such as to allow the Employer an income tax deduction for the contribution paid hereunder.

7. It is agreed that all questions involving legal benefits not specifically set forth herein shall be determined by the provisions of the Agreement and Declaration of Trust governing the Welfare Fund and the Legal Benefits Plan.

17.3 Severance Benefits

1. The Welfare Fund will maintain a separate accounting of the assets and liabilities attributable to the provision of severance benefits under the Welfare Fund and such separate account shall be referred to as the "United Food and Commercial Workers and Food Employers Labor Relations Association Severance Fund."

2. The Severance Fund and Plan shall be governed by the Board of Trustees of the Welfare Fund and supervised by a committee of the Severance Fund.

3. It is understood and agreed that the benefits referred to herein shall be such as to allow the Employer an income tax deduction for the contribution paid hereunder.

4. It is agreed that all questions involving severance benefits not specifically set forth herein shall be determined by the provisions of the Agreement and Declaration of Trust governing the Welfare Fund and Severance Plan.

5. The Employer shall make contributions, if required, so as to maintain current and existing benefits (as established in the negotiations of March, 2004).

6. Employees hired in eligible severance classifications through March 25, 2000, shall be eligible for benefits under the Severance Fund. Severance benefits for such Employee shall be based on Service Credit calculated in accordance with the Severance Plan

17.4 Scholarship Benefits

1. The Welfare Fund will maintain a separate accounting of the assets and liabilities attributable to the provision of scholarship benefits under the Welfare Fund and such separate account shall be referred to as the "United Food and Commercial Workers and Food Employers Labor Relations Association Scholarship Fund."

2. The Scholarship Fund shall be governed by the Board of Trustees of the Welfare Fund.

3. It is understood and agreed that the benefits referred to herein shall be such as to allow the Employer an income tax deduction for the contribution paid hereunder.

4. It is agreed that all questions involving scholarship benefits not specifically set forth herein shall be determined by the provisions of the Agreement and Declaration of Trust governing the Welfare Fund and the Scholarship Plan.

ARTICLE 18 **Pension**

18.1 Effective April 1, 2004, the Employer shall contribute to the FELRA and UFCW Pension Fund the sum of thirty-four cents (\$.34) per hour for all straight time hours worked for each appropriate employee. Contributions shall be made for each new employee beginning with the first full month following the completion of twelve months of continuous employment with the Employer.

Effective April 1, 2005, the Employer shall increase such contribution to forty-nine cents (\$.49) per hour for all straight time hours worked for each appropriate employee.

Effective April 1, 2006, the Employer shall increase such contribution to sixty-seven cents (\$.67) per hour for all straight time hours worked for each appropriate employee.

Effective April 1, 2007, the Employer shall increase such contribution to eighty-seven cents (\$.87) per hour for all straight time hours worked for each appropriate employee.

18.2 The Pension Fund and Plan shall be governed by a Board of Trustees consisting of equal numbers to be designated by the Food Employers' Labor Relations Association and the Union.

18.3 It is understood and agreed that the Pension Fund referred to herein shall be such as will continuously qualify for approval by the Internal Revenue Service, so as to allow the Employer an income tax deduction for the contribution paid hereunder.

18.4 It is agreed that all questions involving pensions not specifically set forth herein shall be determined by the provisions of the Agreement and Declarations of Trust governing the Plan.

18.5 An Employer, at its discretion, may or may not be required to designate a representative on the Board of Trustees, but in any event the Employer agrees to be bound by all the decisions made by the Trustees in accordance with the Declaration of Trust.

ARTICLE 19
Joint Labor Management Committee

The Union and the Association agree to continue to fund the Employer contributions as agreed upon by the Union and Employers a joint labor-management committee for the purposes of improving labor-management relationships, improving job security, enhancing economic development and monitoring the conditions of those engaged in the retail food industry.

ARTICLE 20
Voluntary Check-off of Union Fees & Deductions

20.1 The Employer shall check-off initiation fees and dues from all members who authorize in writing such deductions and shall make every effort to remit the same to the Secretary-Treasurer of Local 400 not later than the first of the month following the deduction. Dues will be checked off weekly and remitted monthly.

20.2 The Employer agrees to deduct seventy-five cents (\$.75) per week and remit monthly to the Local Union's Active Ballot Club from employees who are members and who have signed deduction authorization cards.

The Union agrees to hold the Employer harmless from all legal claims or liabilities that may arise out of any erroneous deductions as a result of above check-off provisions.

20.3 Those Employers who do not currently have a Credit Union agree to honor the AFL-CIO

Employees Federal Credit Union deduction authorization.

Credit Union deductions shall be remitted to the Local 400 Credit Union by the eighth (8th) of the month following the month for which the deductions were made.

20.4 The Employer agrees that it will utilize current computer capabilities to electronically transfer dues, initiation fees, credit union deductions as well as updated employee information to the Union. The parties agree that they will cooperate with one another to accomplish this objective. This will not increase administrative costs.

ARTICLE 21

Grievances and Arbitration

21.1 Should a controversy, dispute or disagreement arise during the period of this Agreement concerning the interpretation of the provisions of this Agreement, except that liability for wage claims shall not be subject to arbitration unless involving a disputed interpretation of the provisions of the Agreement, there shall be no cessation or stoppage of work or lockout because of such controversy, dispute or disagreement, but the difference shall be adjusted in the following manner.

21.2 Upon receipt of notice from either party, the representative of the Employer and the representative of the Union shall, within three (3) days, commence discussion in an attempt to reach a settlement of the controversy.

21.3 If the matter is not amicably settled under 23.2 above, then either party may, on giving five (5) days notice to the other party:

1. Submit the matter to the Federal Mediation and Conciliation Service for a list of fifteen (15) arbitrators and the parties shall select therefrom one (1) arbitrator as follows: Each of the parties shall strike one (1) name from the list until a last name remains, each of the parties drawing lots to determine who shall be entitled to the first strike.
2. The arbitrator shall not have the authority to decide questions involving the jurisdiction of any Local or of the International or which may in any way affect or change the Union Security Clause, nor shall the arbitrator have the authority to effect a change in, modify, or amend any of the provisions of this Agreement or to make decisions or provisions covering wages or working conditions to be incorporated either in a new Agreement or any subsequent annual Agreement, except as hereinafter provided.
3. In the event that one (1) party should fail to make their selection of arbitrators within two (2) weeks after receipt of notification by the other party that their choices have been submitted, then the first choice of the selecting party shall be binding on the non-selecting party.
4. In the further event, should one (1) party

fail to participate in the scheduled arbitration proceeding, the other party may proceed unilaterally and the decision of the arbitrator shall be final and binding upon all parties.

21.4 The provisions of no strike or lockout shall not be binding on either party if the other fails to abide by the decision of the arbitrator. The expenses of the arbitrator shall be borne equally by both the Employer and the Union.

21.5 All complaints must be filed, in writing, within thirty (30) days after occurrence of the matter in dispute or disagreement, provided that any complaints in reference to dismissal must be filed, in writing, to the Employer within ten (10) days from the date of dismissal. Complaints not filed within the limits herein specified shall have no right of appeal by any party involved.

21.6 During the consideration of such difference or misunderstanding, neither party shall use any coercive or retaliatory measures to compel the other party to accede to its demands.

21.7 Since it is the desire of the parties to expedite the handling of all grievances, they therefore agree that the time limits prescribed must be followed, unless agreed to by the Union and the Employer. The party failing to move forward as required shall be deemed to have withdrawn the grievance. All notices required herein shall be in writing.

ARTICLE 22

Military Service

The Employer will comply with the applicable laws of the United States concerning the reemployment of persons leaving the military service of the United States. At the time an employee leaves for military service, he shall receive whatever vacation pay is due him. The application of this provision will comply with the Uniformed Services Employment and Reemployment Rights Act. Upon return from military service, the employee shall assume his original employment date and be entitled to his pro-rata vacation.

ARTICLE 23

No Strikes or Lockouts

There will be no strikes or lockouts during the existence of this Agreement. The Union agrees that during such time it will not order, but will use every effort to prevent a concerted cessation of work by any of the employees of the Employer for any reason;

Except for:

- (1) Refusal to comply with the arbitration machinery set forth herein, or
- (2) Refusal to comply with the decision of the Board of Arbitration, or
- (3) Failure to reach an agreement in the negotiation of wages, hours and working conditions provided for in Article 3, paragraph 3.2 hereinabove. Nothing herein contained shall compel any employee to

walk through a picket line, provided the picket line has the sanction of his own International Union.

ARTICLE 24

Invalidation

Should any Article, Section, or portion thereof, of this Agreement be held unlawful and unenforceable by any court of competent jurisdiction, such decision of the court shall apply only to the specific Article, Section, or portion thereof directly specified in the decision, provided, however, that upon such a decision the parties agree immediately to negotiate a substitute for the invalidated Article, Section, or portion thereof.

ARTICLE 25

Duration of Contract

This Agreement shall continue in effect from March 28, 2004, through March 29, 2008, and shall continue in effect from year to year after March 29, 2008, unless either party serves notice in writing on or before January 29, 2008 or on or before January 28th of any year thereafter of a desire for termination of or for changes in the Agreement. In the event either party serves such notice in respect to changes in the Agreement, the Employer and the Union shall immediately begin negotiations on the proposed changes, and that pending the termination of negotiations neither party shall change conditions existing under the Agreement, it being understood and

agreed that either party may in its own discretion, by written notice, unilaterally terminate such negotiations whenever it so desires.

IN WITNESS WHEREOF, the parties hereto have set their hand and seal the day and year first above written.

FOR THE EMPLOYER:

Michael R. Bull

Michael R. Bull
Director,
Labor Relations

FOR THE UNION:

E. James Lowthers

E. James Lowthers
President,
UFCW Local 400

APPENDIX I

With the exception of the items listed below, the text of the contract will apply to those employees hired prior to October 30, 1983 (except as otherwise provided):

6.11 Work performed on any of the holidays specified in Article 12 shall be compensated for at the rate of twice the employee's regular rate of pay, which shall be in addition to the straight time pay provided for the holiday. Work performed on Sunday shall be compensated for at double the employee's rate of straight time pay. All terms and conditions of this Agreement shall apply to work performed on Sundays and holidays.

8.2 Courtesy clerks will be paid four (4) hours for legal holidays provided for in Article 12, including Easter Monday.

Courtesy clerks shall be entitled to the same fringe benefit package as they were eligible for in the 1980-1983 Agreement.

12.1 Employees shall receive Easter Monday in addition to those holidays listed in Article 12.1.

Work may be performed on any of the holidays listed in Article 12.1 and such work shall be compensated at double the employee's straight time

rate of pay, which shall be over and above the regular straight time rate of pay as provided.

12.2 (A) Employees on the payroll as of January 1, 1978, shall receive five (5) days off with pay. Employees hired after January 1, 1978, shall receive one (1) personal day off with pay for each ten (10) weeks of service up to a maximum of five (5) days per anniversary year.

17.1 The following Health and Welfare contribution rates shall be effective for classifications of employees as described:

Classification

Full Time Grocery and Meat Employees hired prior to October 23, 1983, and Full Time Non-Food Employees hired prior to August 28, 1977	\$1,492.00
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Part Time Grocery and Meat Employees hired prior to October 23, 1983, and Part Time Non-Food Employees hired prior to August 28, 1977	\$1,360.00
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Full Time Non-Food Employees hired after August 28, 1977, and before October 30, 1983	\$635.00
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Part Time Non-Food Employees hired after August 28, 1977, and before October 30, 1983	\$286.00/Individual Coverage; \$653.00 (currently 80%)/Family Coverage; \$164.00 (currently 20%)/ Employee Co-Pay for Family Coverage
Full Time Courtesy Clerks hired prior to October 30, 1983	\$635.00
Part Time Courtesy Clerks hired prior to October 30, 1983	\$286.00/Individual Coverage; \$653.00 (currently 80%)/Family Coverage; \$164.00 (currently 20%)/ Employee Co-Pay for Family Coverage

The Employer to maintain current level of benefits for the duration of this Agreement.

18.1 The following Pension contribution rates shall be effective for classifications of employees as described:

<u>Classification</u>	<u>Employer Contribution</u>
Full Time Grocery and Meat Employees hired prior to October 30, 1983, and Full Time Non-Food Employees hired prior to March 1, 1964	April 1, 2004, \$229.11/month; April 1, 2005, \$332.79/month; April 1, 2006, \$451.97/month; April 1, 2007, \$588.46/month
Part Time Grocery and Meat Employees hired prior to October 30, 1983, and Part Time Non-Food Employees hired prior to August 28, 1977	April 1, 2004, \$84.82/month; April 1, 2005, \$123.21/month; April 1, 2006, \$167.33/month; April 1, 2007, \$217.87/month

SCHEDULE "A"
EMPLOYEES HIRED PRIOR TO OCTOBER 30, 1983

CLASSIFICATION:

	Effective <u>3/28/04</u>	Effective <u>3/27/05</u>	Effective <u>3/26/06</u>	Effective <u>3/25/07</u>
FULL-TIME - ASSISTANT MANAGER, BAKERY MANAGER, PHARMACY FLOOR MANAGER, GROCERY MANAGER, VARIETY/GM MANAGER, PRODUCE MANAGER, MEAT MANAGER, SEAFOOD MANAGER, DELI MANAGER:	\$.30/hr	\$.30/hr	\$.35/hr	\$.30/hr
FULL-TIME - FOOD CLERK, WEIGHER & WRAPPER, DELI CLERK, SEAFOOD CLERK, COOK, STEWARD, APPRENTICE MEAT CUTTER:	\$.30/hr	\$.30/hr	\$.35/hr	\$.30/hr
PART-TIME - FOOD CLERK, WEIGHER & WRAPPER, DELI CLERK, SEAFOOD CLERK, COOK, STEWARD, APPRENTICE MEAT CUTTER:	\$.30/hr	\$.30/hr	\$.35/hr	\$.30/hr

SCHEDULE "A" (continued)
EMPLOYEES HIRED PRIOR TO OCTOBER 30, 1983

FULL-TIME - FIRST CUTTER, JOURNEYMAN MEAT CUTTER:

\$.30/hr	\$.30/hr	\$.35/hr	\$.30/hr
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PART-TIME - FIRST CUTTER, JOURNEYMAN MEAT CUTTER:

\$.30/hr	\$.30/hr	\$.35/hr	\$.30/hr
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∞ **FULL-TIME - GM & PHARMACY CLERK, PORTER, BAKERY CLERK:**

\$.30/hr	\$.30/hr	\$.35/hr	\$.30/hr
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PART-TIME - GM & PHARMACY CLERK, PORTER, BAKERY CLERK:

\$.30/hr	\$.30/hr	\$.35/hr	\$.30/hr
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FULL-TIME & PART-TIME - PHARMACY TECHNICIAN:

\$.30/hr	\$.30/hr	\$.35/hr	\$.30/hr
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Pharmacy Technicians shall receive an additional \$.25 per hour premium

SCHEDULE "A" (continued)
EMPLOYEES HIRED PRIOR TO OCTOBER 30, 1983

CLASSIFICATION:

Effective
3/28/04

Effective
3/27/05

Effective
3/26/06

Effective
3/25/07

COURTESY CLERK:

\$.15/hr

\$.15/hr

\$.20/hr

\$.15/hr

Effective October 1, 2000, employees with four (4) or more years of service shall receive an additional ten cents (\$.10) per hour increase.

SCHEDULE "B"**EMPLOYEES HIRED AFTER OCTOBER 30, 1983 AND PRIOR TO MARCH 21, 1996****CLASSIFICATION:**

	Effective <u>3/28/04</u>	Effective <u>3/27/05</u>	Effective <u>3/26/06</u>	Effective <u>3/25/07</u>
ASSISTANT MGR.	\$19.45 \$.30/hr	\$19.75 \$.30/hr	\$20.10 \$.35/hr	\$20.40 \$.30/hr
GROCERY & PRODUCE MGR.	\$18.95 \$.30/hr	\$19.25 \$.30/hr	\$19.60 \$.35/hr	\$19.90 \$.30/hr
MEAT MGR.	\$19.70 \$.30/hr	\$20.00 \$.30/hr	\$20.35 \$.35/hr	\$20.65 \$.30/hr
VARIETY/GM	\$16.45 \$.30/hr	\$16.75 \$.30/hr	\$17.10 \$.35/hr	\$17.40 \$.30/hr
FLORAL MGR.	\$16.88 \$.30/hr	\$17.18 \$.30/hr	\$17.53 \$.35/hr	\$17.83 \$.30/hr

SCHEDULE "B" (continued)

EMPLOYEES HIRED AFTER OCTOBER 30, 1983 AND PRIOR TO MARCH 21, 1996

CLASSIFICATION:

	Effective <u>3/28/04</u>	Effective <u>3/27/05</u>	Effective <u>3/26/06</u>	Effective <u>3/25/07</u>
SEAFOOD MGR.	\$17.10 \$.30/hr	\$17.40 \$.30/hr	\$17.75 \$.35/hr	\$18.05 \$.30/hr
86 DELI MANAGER	\$18.95 \$.30/hr	\$19.25 \$.30/hr	\$19.60 \$.35/hr	\$19.90 \$.30/hr
JOURNEYMAN MEAT CUTTER	\$18.70 \$.30/hr	\$19.00 \$.30/hr	\$19.35 \$.35/hr	\$19.65 \$.30/hr
FIRST CUTTER	\$18.95 \$.30/hr	\$19.25 \$.30/hr	\$19.60 \$.35/hr	\$19.90 \$.30/hr

SCHEDULE "B" (continued)

EMPLOYEES HIRED AFTER OCTOBER 30, 1983 AND PRIOR TO MARCH 21, 1996

FULL-TIME & PART-TIME FOOD CLERK, WEIGHER/WRAPPER, SEAFOOD CLERK, DELI CLERK:

Employees hired after October 30, 1983 and prior to September 12, 1992

\$16.88	\$17.18	\$17.53	\$17.83
\$.30/hr	\$.30/hr	\$.35/hr	\$.30/hr

Employees hired after September 12, 1992 and prior to March 21, 1996

Start	\$ 6.60	\$ 6.60	\$ 6.60	\$ 6.60
After 90 days	\$ 7.10	\$ 7.10	\$ 7.10	\$ 7.10
After 9 mos.	\$ 7.70	\$ 7.70	\$ 7.70	\$ 7.70
After 15 mos.	\$ 8.20	\$ 8.20	\$ 8.20	\$ 8.20
After 21 mos.	\$ 9.00	\$ 9.00	\$ 9.00	\$ 9.00
After 27 mos.	\$ 9.75	\$ 9.75	\$ 9.75	\$ 9.75
After 33 mos.	\$10.55	\$10.55	\$10.55	\$10.55
After 39 mos.	\$11.30	\$11.30	\$11.30	\$11.30
After 45 mos.	\$16.88	\$17.18	\$17.53	\$17.83
	\$.30/hr	\$.30/hr	\$.35/hr	\$.30/hr

SCHEDULE "B" (continued)

EMPLOYEES HIRED AFTER OCTOBER 30, 1983 AND PRIOR TO MARCH 21, 1996

CLASSIFICATION:

<u>Effective</u> <u>3/28/04</u>	<u>Effective</u> <u>3/27/05</u>	<u>Effective</u> <u>3/26/06</u>	<u>Effective</u> <u>3/25/07</u>
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FULL-TIME & PART-TIME SERVICE CLERK:

Employees hired after October 30, 1983 and prior to September 12, 1992

88

\$11.75	\$12.00	\$12.30	\$12.55
\$.25/hr	\$.25/hr	\$.30/hr	\$.25/hr

Employees hired after September 12, 1992 and prior to March 21, 1996

Start	\$ 6.10	\$ 6.10	\$ 6.10	\$ 6.10
After 90 days	\$ 6.40	\$ 6.40	\$ 6.40	\$ 6.40
After 9 mos.	\$ 6.95	\$ 6.95	\$ 6.95	\$ 6.95
After 15 mos.	\$ 7.25	\$ 7.25	\$ 7.25	\$ 7.25
After 21 mos.	\$ 7.65	\$ 7.65	\$ 7.65	\$ 7.65
After 27 mos.	\$ 8.05	\$ 8.05	\$ 8.05	\$ 8.05
After 33 mos.	\$11.75	\$12.00	\$12.30	\$12.55
	\$.25/hr	\$.25/hr	\$.30/hr	\$.25/hr

SCHEDULE "B" (continued)

EMPLOYEES HIRED AFTER OCTOBER 30, 1983 AND PRIOR TO MARCH 21, 1996

FULL-TIME & PART-TIME GM & PHARMACY CLERK:

Employees hired after October 30, 1983 and prior to September 12, 1992

\$12.40	\$12.70	\$13.05	\$13.35
\$.30/hr	\$.30/hr	\$.35/hr	\$.30/hr

Employees hired after September 12, 1992 and prior to March 21, 1996

Start	\$ 6.35	\$ 6.35	\$ 6.35	\$ 6.35
After 90 days	\$ 6.65	\$ 6.65	\$ 6.65	\$ 6.65
After 9 mos.	\$ 7.20	\$ 7.20	\$ 7.20	\$ 7.20
After 15 mos.	\$ 7.50	\$ 7.50	\$ 7.50	\$ 7.50
After 21 mos.	\$ 7.90	\$ 7.90	\$ 7.90	\$ 7.90
After 27 mos.	\$ 8.30	\$ 8.30	\$ 8.30	\$ 8.30
After 33 mos.	\$12.40	\$12.70	\$13.05	\$13.35
	\$.30/hr	\$.30/hr	\$.35/hr	\$.30/hr

SCHEDULE "B" (continued)
EMPLOYEES HIRED AFTER OCTOBER 30, 1983 AND PRIOR TO MARCH 21, 1996

CLASSIFICATION:

Effective <u>3/28/04</u>	Effective <u>3/27/05</u>	Effective <u>3/26/06</u>	Effective <u>3/25/07</u>
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FULL-TIME & PART-TIME PHARMACY TECHNICIAN:

Employees hired after October 30, 1983 and prior to September 12, 1992

\$12.90	\$13.20	\$13.55	\$13.85
\$.30/hr	\$.30/hr	\$.35/hr	\$.30/hr

Pharmacy Technicians shall receive an additional \$.25 per hour premium

Employees hired after September 12, 1992 and prior to March 21, 1996

Start	\$ 6.85	\$ 6.85	\$ 6.85	\$ 6.85
After 90 days	\$ 7.15	\$ 7.15	\$ 7.15	\$ 7.15
After 9 mos.	\$ 7.70	\$ 7.70	\$ 7.70	\$ 7.70
After 15 mos.	\$ 8.00	\$ 8.00	\$ 8.00	\$ 8.00
After 21 mos.	\$ 8.40	\$ 8.40	\$ 8.40	\$ 8.40
After 27 mos.	\$ 8.80	\$ 8.80	\$ 8.80	\$ 8.80
After 33 mos.	\$12.90	\$13.20	\$13.55	\$13.85
	\$.30/hr	\$.30/hr	\$.35/hr	\$.30/hr

Pharmacy Technicians shall receive an additional \$.25 per hour premium

SCHEDULE "B" (continued)

EMPLOYEES HIRED AFTER OCTOBER 30, 1983 AND PRIOR TO MARCH 21, 1996

APPRENTICE MEAT CUTTER:

Employees hired after October 30, 1983 and prior to September 12, 1992

\$16.88	\$17.18	\$17.53	\$17.83
\$.30/hr	\$.30/hr	\$.35/hr	\$.30/hr

Employees hired after September 12, 1992 and prior to March 21, 1996

Start	\$ 7.35	\$ 7.35	\$ 7.35	\$ 7.35
After 90 days	\$ 7.85	\$ 7.85	\$ 7.85	\$ 7.85
After 6 mos.	\$ 8.70	\$ 8.70	\$ 8.70	\$ 8.70
After 12 mos.	\$10.00	\$10.00	\$10.00	\$10.00
After 18 mos.	\$11.05	\$11.05	\$11.05	\$11.05
After 24 mos.	\$16.88	\$17.18	\$17.53	\$17.83
	\$.30/hr	\$.30/hr	\$.35/hr	\$.30/hr

SCHEDULE "B" (continued)

EMPLOYEES HIRED AFTER OCTOBER 30, 1983 AND PRIOR TO MARCH 21, 1996

CLASSIFICATION:

	Effective <u>3/28/04</u>	Effective <u>3/27/05</u>	Effective <u>3/26/06</u>	Effective <u>3/25/07</u>
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FULL-TIME & PART-TIME COURTESY CLERK:

Employees hired after October 30, 1983 and prior to September 12, 1992

	\$8.85	\$9.00	\$9.20	\$9.35
	\$.15/hr	\$.15/hr	\$.20/hr	\$.15/hr

Employees hired after September 12, 1992 and prior to March 21, 1996

Start	\$5.50	\$5.50	\$5.50	\$5.50
After 90 days	\$5.75	\$5.75	\$5.75	\$5.75
After 6 mos.	\$6.00	\$6.00	\$6.00	\$6.00
After 12 mos.	\$6.25	\$6.25	\$6.25	\$6.25
After 18 mos.	\$8.85	\$9.00	\$9.20	\$9.35
	\$.25/hr	\$.25/hr	\$.30/hr	\$.25/hr

Effective October 1, 2000, employees with four (4) or more years of service shall receive an additional ten cents (\$.10) per hour increase.

PREMIUMS

Service Clerks who spend 50% or more of their time on porter duties will receive top service clerk rates.

Service Clerks working Salad Bar will receive a twenty-five cent (\$.25) per hour premium for such work.

One person shall be designated as Lead Person in the Salad Bar and will receive a fifty cent (\$.50) per hour premium for such work.

36 All of the premium rates under Schedule "B" shall be paid for all holiday and vacation hours and shall be paid for all hours worked on Sunday and holidays, but will not be used in the computation of overtime or Sunday and holiday premiums.

SCHEDULE "C" (continued)

EMPLOYEES HIRED AFTER MARCH 21, 1996 AND PRIOR TO MARCH 30, 2004

CLASSIFICATION:

	Effective <u>3/28/04</u>	Effective <u>3/27/05</u>	Effective <u>3/26/06</u>	Effective <u>3/25/07</u>
F.T. & P.T. FOOD CLERK, WEIGHER/WRAPPER, SEAFOOD/DELI CLERK				
0 to 3 months	\$ 6.60	\$ 6.60	\$ 6.60	\$ 6.60
3 to 6 months	\$ 6.85	\$ 6.85	\$ 6.85	\$ 6.85
6 to 9 months	\$ 7.10	\$ 7.10	\$ 7.10	\$ 7.10
9 to 12 months	\$ 7.35	\$ 7.35	\$ 7.35	\$ 7.35
12 to 15 months	\$ 7.60	\$ 7.60	\$ 7.60	\$ 7.60
15 to 18 months	\$ 7.85	\$ 7.85	\$ 7.85	\$ 7.85
18 to 21 months	\$ 8.10	\$ 8.10	\$ 8.10	\$ 8.10
21 to 24 months	\$ 8.35	\$ 8.35	\$ 8.35	\$ 8.35
24 to 27 months	\$ 8.60	\$ 8.60	\$ 8.60	\$ 8.60
27 to 30 months	\$ 8.85	\$ 8.85	\$ 8.85	\$ 8.85
30 to 33 months	\$ 9.10	\$ 9.10	\$ 9.10	\$ 9.10
33 to 36 months	\$ 9.35	\$ 9.35	\$ 9.35	\$ 9.35
36 to 39 months	\$ 9.60	\$ 9.60	\$ 9.60	\$ 9.60
39 to 42 months	\$ 9.85	\$ 9.85	\$ 9.85	\$ 9.85
42 to 45 months	\$10.10	\$10.10	\$10.10	\$10.10
After 45 months	\$13.40	\$13.70	\$14.05	\$14.35
	\$.30/hr	\$.30/hr	\$.35/hr	\$.30/hr

SCHEDULE "C" (continued)**EMPLOYEES HIRED AFTER MARCH 21, 1996 AND PRIOR TO MARCH 30, 2004****GM AND PHARMACY CLERK**

0 to 3 months	\$ 6.35	\$ 6.35	\$ 6.35	\$ 6.35
3 to 6 months	\$ 6.50	\$ 6.50	\$ 6.50	\$ 6.50
6 to 9 months	\$ 6.65	\$ 6.65	\$ 6.65	\$ 6.65
9 to 12 months	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80
12 to 15 months	\$ 6.95	\$ 6.95	\$ 6.95	\$ 6.95
15 to 18 months	\$ 7.10	\$ 7.10	\$ 7.10	\$ 7.10
18 to 21 months	\$ 7.25	\$ 7.25	\$ 7.25	\$ 7.25
21 to 24 months	\$ 7.40	\$ 7.40	\$ 7.40	\$ 7.40
24 to 27 months	\$ 7.55	\$ 7.55	\$ 7.55	\$ 7.55
27 to 30 months	\$ 7.75	\$ 7.75	\$ 7.75	\$ 7.75
30 to 33 months	\$ 8.00	\$ 8.00	\$ 8.00	\$ 8.00
After 33 months	\$10.80	\$11.10	\$11.45	\$11.75
	\$.30/hr	\$.30/hr	\$.35/hr	\$.30/hr

SCHEDULE "C" (continued)

EMPLOYEES HIRED AFTER MARCH 21, 1996 AND PRIOR TO MARCH 30, 2004

CLASSIFICATION:

	<u>Effective</u> <u>3/28/04</u>	<u>Effective</u> <u>3/27/05</u>	<u>Effective</u> <u>3/26/06</u>	<u>Effective</u> <u>3/25/07</u>
SERVICE CLERK				
0 to 3 months	\$ 6.10	\$ 6.10	\$ 6.10	\$ 6.10
3 to 6 months	\$ 6.25	\$ 6.25	\$ 6.25	\$ 6.25
6 to 9 months	\$ 6.40	\$ 6.40	\$ 6.40	\$ 6.40
9 to 12 months	\$ 6.55	\$ 6.55	\$ 6.55	\$ 6.55
12 to 15 months	\$ 6.70	\$ 6.70	\$ 6.70	\$ 6.70
15 to 18 months	\$ 6.85	\$ 6.85	\$ 6.85	\$ 6.85
18 to 21 months	\$ 7.00	\$ 7.00	\$ 7.00	\$ 7.00
21 to 24 months	\$ 7.15	\$ 7.15	\$ 7.15	\$ 7.15
24 to 27 months	\$ 7.30	\$ 7.30	\$ 7.30	\$ 7.30
27 to 30 months	\$ 7.50	\$ 7.50	\$ 7.50	\$ 7.50
30 to 33 months	\$ 7.75	\$ 7.75	\$ 7.75	\$ 7.75
After 33 months	\$10.15	\$10.40	\$10.70	\$10.95
	\$.25/hr	\$.25/hr	\$.30/hr	\$.25/hr

SCHEDULE "C" (continued)

EMPLOYEES HIRED AFTER MARCH 21, 1996 AND PRIOR TO MARCH 30, 2004

COURTESY CLERK

0 to 3 months	\$ 5.50	\$ 5.50	\$ 5.50	\$ 5.50
3 to 6 months	\$ 5.65	\$ 5.65	\$ 5.65	\$ 5.65
6 to 9 months	\$ 5.80	\$ 5.80	\$ 5.80	\$ 5.80
9 to 12 months	\$ 5.95	\$ 5.95	\$ 5.95	\$ 5.95
12 to 15 months	\$ 6.10	\$ 6.10	\$ 6.10	\$ 6.10
15 to 18 months	\$ 6.25	\$ 6.25	\$ 6.25	\$ 6.25
18 to 21 months	\$ 6.40	\$ 6.40	\$ 6.40	\$ 6.40
21 to 24 months	\$ 6.75	\$ 6.75	\$ 6.75	\$ 6.75
After 24 months	\$ 8.35	\$ 8.50	\$ 8.70	\$ 8.85
	\$.15/hr	\$.15/hr	\$.20/hr	\$.15/hr

1. Wage increases apply to employees at or over top rates in each progression.
2. Effective October 1, 2000, employees with four (4) or more years of service shall receive an additional ten cents (\$.10) per hour increase.

PREMIUMS

Service Clerks who spend 50% or more of their time on Porter duties will receive top Service Clerk rates.

Service Clerks working Salad Bar will receive a twenty-five cents (\$.25) per hour premium for such work.

One person shall be designated as Lead Person in the Salad Bar and will receive a fifty cents (\$.50) per hour premium for such work.

102 All of the premium rates under Schedule "C" shall be paid for all holiday and vacation hours and shall be paid for all hours worked on Sunday and holidays, but will not be used in the computation of overtime or Sunday and holiday premiums.

In stores where there is more than one employee working in the Floral Department, there shall be one employee classified as Floral Manager, who's rate of pay shall be at the top of the Food Clerk rate in the tier in which they were hired. All other employees in the Floral Department will be classified as Service Clerks.

SCHEDULE "C-1"
EMPLOYEES HIRED AFTER MARCH 30, 2004

CLASSIFICATION:

	Effective <u>3/28/04</u>	Effective <u>3/27/05</u>	Effective <u>3/26/06</u>	Effective <u>3/25/07</u>
ASSISTANT MANAGER	\$19.45 \$.30/hr	\$19.75 \$.30/hr	\$20.10 \$.35/hr	\$20.40 \$.30/hr
GROCERY & PRODUCE MGR.	\$18.95 \$.30/hr	\$19.25 \$.30/hr	\$19.60 \$.35/hr	\$19.90 \$.30/hr
MEAT MANAGER	\$19.70 \$.30/hr	\$20.00 \$.30/hr	\$20.35 \$.35/hr	\$20.65 \$.30/hr
VARIETY/GM MANAGER	\$16.45 \$.30/hr	\$16.75 \$.30/hr	\$17.10 \$.35/hr	\$17.40 \$.30/hr
FLORAL MGR.	\$13.40 \$.30/hr	\$13.70 \$.30/hr	\$14.05 \$.35/hr	\$14.35 \$.30/hr

SCHEDULE "C-1" (continued)
EMPLOYEES HIRED AFTER MARCH 30, 2004

CLASSIFICATION:

	Effective <u>3/28/04</u>	Effective <u>3/27/05</u>	Effective <u>3/26/06</u>	Effective <u>3/25/07</u>
SEAFOOD MGR.	\$17.10 \$.30/hr	\$17.40 \$.30/hr	\$17.75 \$.35/hr	\$18.05 \$.30/hr
DELI MANAGER	\$18.95 \$.30/hr	\$19.25 \$.30/hr	\$19.60 \$.35/hr	\$19.90 \$.30/hr
JOURNEYMAN MEAT CUTTER	\$18.70 \$.30/hr	\$19.00 \$.30/hr	\$19.35 \$.35/hr	\$19.65 \$.30/hr
FIRST CUTTER	\$18.95 \$.30/hr	\$19.25 \$.30/hr	\$19.60 \$.35/hr	\$19.90 \$.30/hr

**SCHEDULE "C-1" (continued)
EMPLOYEES HIRED AFTER MARCH 30, 2004**

F.T. & P.T. FOOD CLERK, WEIGHER/WRAPPER, SEAFOOD/DELI CLERK

0 to 520 hours	\$ 6.60	\$ 6.60	\$ 6.60	\$ 6.60
520 to 1040 hours	\$ 6.85	\$ 6.85	\$ 6.85	\$ 6.85
1040 to 1560hours	\$ 7.10	\$ 7.10	\$ 7.10	\$ 7.10
1560 to 2080 hours	\$ 7.35	\$ 7.35	\$ 7.35	\$ 7.35
2080 to 2600 hours	\$ 7.60	\$ 7.60	\$ 7.60	\$ 7.60
2600 to 3120 hours	\$ 7.85	\$ 7.85	\$ 7.85	\$ 7.85
3120 to 3640 hours	\$ 8.10	\$ 8.10	\$ 8.10	\$ 8.10
3640 to 4160 hours	\$ 8.35	\$ 8.35	\$ 8.35	\$ 8.35
4160 to 4680 hours	\$ 8.60	\$ 8.60	\$ 8.60	\$ 8.60
4680 to 5200 hours	\$ 8.85	\$ 8.85	\$ 8.85	\$ 8.85
5200 to 5720 hours	\$ 9.10	\$ 9.10	\$ 9.10	\$ 9.10
5720 to 6240 hours	\$ 9.35	\$ 9.35	\$ 9.35	\$ 9.35
6240 to 6760 hours	\$ 9.60	\$ 9.60	\$ 9.60	\$ 9.60
6760 to 7280 hours	\$ 9.85	\$ 9.85	\$ 9.85	\$ 9.85
7280 to 7800 hours	\$10.10	\$10.10	\$10.10	\$10.10
After 7800 hours	\$13.40	\$13.70	\$14.05	\$14.35
	\$.30/hr	\$.30/hr	\$.35/hr	\$.30/hr

SCHEDULE "C-1" (continued)
EMPLOYEES HIRED AFTER MARCH 30, 2004

CLASSIFICATION:

106

	Effective <u>3/28/04</u>	Effective <u>3/27/05</u>	Effective <u>3/26/06</u>	Effective <u>3/25/07</u>
GM AND PHARMACY CLERK				
0 to 520 hours	\$ 6.35	\$ 6.35	\$ 6.35	\$ 6.35
520 to 1040 hours	\$ 6.50	\$ 6.50	\$ 6.50	\$ 6.50
1040 to 1560hours	\$ 6.65	\$ 6.65	\$ 6.65	\$ 6.65
1560 to 2080 hours	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80
2080 to 2600 hours	\$ 6.95	\$ 6.95	\$ 6.95	\$ 6.95
2600 to 3120 hours	\$ 7.10	\$ 7.10	\$ 7.10	\$ 7.10
3120 to 3640 hours	\$ 7.25	\$ 7.25	\$ 7.25	\$ 7.25
3640 to 4160 hours	\$ 7.40	\$ 7.40	\$ 7.40	\$ 7.40
4160 to 4680 hours	\$ 7.55	\$ 7.55	\$ 7.55	\$ 7.55
4680 to 5200 hours	\$ 7.75	\$ 7.75	\$ 7.75	\$ 7.75
5200 to 5720 hours	\$ 8.00	\$ 8.00	\$ 8.00	\$ 8.00
After 5720 hours	\$10.80	\$11.10	\$11.45	\$11.75
	\$.30/hr	\$.30/hr	\$.35/hr	\$.30/hr

SCHEDULE "C-1" (continued)
EMPLOYEES HIRED AFTER MARCH 30, 2004

PHARMACY TECHNICIAN

0 to 520 hours	\$ 6.85	\$ 6.85	\$ 6.85	\$ 6.85
520 to 1040 hours	\$ 7.00	\$ 7.00	\$ 7.00	\$ 7.00
1040 to 1560hours	\$ 7.15	\$ 7.15	\$ 7.15	\$ 7.15
1560 to 2080 hours	\$ 7.30	\$ 7.30	\$ 7.30	\$ 7.30
2080 to 2600 hours	\$ 7.45	\$ 7.45	\$ 7.45	\$ 7.45
2600 to 3120 hours	\$ 7.60	\$ 7.60	\$ 7.60	\$ 7.60
3120 to 3640 hours	\$ 7.75	\$ 7.75	\$ 7.75	\$ 7.75
3640 to 4160 hours	\$ 7.90	\$ 7.90	\$ 7.90	\$ 7.90
4160 to 4680 hours	\$ 8.05	\$ 8.05	\$ 8.05	\$ 8.05
4680 to 5200 hours	\$ 8.25	\$ 8.25	\$ 8.25	\$ 8.25
5200 to 5720 hours	\$ 8.50	\$ 8.50	\$ 8.50	\$ 8.50
After 5720 hours	\$11.55	\$11.85	\$12.20	\$12.50
	\$.30/hr	\$.30/hr	\$.35/hr	\$.30/hr

Pharmacy Technicians shall receive an additional \$.25 per hour premium

SCHEDULE "C-1" (continued)
EMPLOYEES HIRED AFTER MARCH 30, 2004

CLASSIFICATION:

	Effective <u>3/28/04</u>	Effective <u>3/27/05</u>	Effective <u>3/26/06</u>	Effective <u>3/25/07</u>
APPRENTICE MEAT CUTTER				
0 to 520 hours	\$ 7.35	\$ 7.35	\$ 7.35	\$ 7.35
520 to 1040 hours	\$ 7.60	\$ 7.60	\$ 7.60	\$ 7.60
1040 to 1560hours	\$ 7.85	\$ 7.85	\$ 7.85	\$ 7.85
1560 to 2080 hours	\$ 8.25	\$ 8.25	\$ 8.25	\$ 8.25
2080 to 2600 hours	\$ 8.70	\$ 8.70	\$ 8.70	\$ 8.70
2600 to 3120 hours	\$ 9.35	\$ 9.35	\$ 9.35	\$ 9.35
3120 to 3640 hours	\$10.00	\$10.00	\$10.00	\$10.00
3640 to 4160 hours	\$11.00	\$11.00	\$11.00	\$11.00
After 4160 hours	\$13.90	\$14.20	\$14.55	\$14.85
	\$.30/hr	\$.30/hr	\$.35/hr	\$.30/hr

SCHEDULE "C-1" (continued)
EMPLOYEES HIRED AFTER MARCH 30, 2004

SERVICE CLERK

0 to 520 hours	\$ 6.10	\$ 6.10	\$ 6.10	\$ 6.10
520 to 1040 hours	\$ 6.25	\$ 6.25	\$ 6.25	\$ 6.25
1040 to 1560hours	\$ 6.40	\$ 6.40	\$ 6.40	\$ 6.40
1560 to 2080 hours	\$ 6.55	\$ 6.55	\$ 6.55	\$ 6.55
2080 to 2600 hours	\$ 6.70	\$ 6.70	\$ 6.70	\$ 6.70
2600 to 3120 hours	\$ 6.85	\$ 6.85	\$ 6.85	\$ 6.85
3120 to 3640 hours	\$ 7.00	\$ 7.00	\$ 7.00	\$ 7.00
3640 to 4160 hours	\$ 7.15	\$ 7.15	\$ 7.15	\$ 7.15
4160 to 4680 hours	\$ 7.30	\$ 7.30	\$ 7.30	\$ 7.30
4680 to 5200 hours	\$ 7.50	\$ 7.50	\$ 7.50	\$ 7.50
5200 to 5720 hours	\$ 7.75	\$ 7.75	\$ 7.75	\$ 7.75
After 5720 hours	\$10.15	\$10.40	\$10.70	\$10.95
	\$.25/hr	\$.25/hr	\$.30/hr	\$.25/hr

SCHEDULE "C-1" (continued)
EMPLOYEES HIRED AFTER MARCH 30, 2004

CLASSIFICATION:

	Effective <u>3/28/04</u>	Effective <u>3/27/05</u>	Effective <u>3/26/06</u>	Effective <u>3/25/07</u>
COURTESY CLERK				
0 to 520 hours	\$ 5.50	\$ 5.50	\$ 5.50	\$ 5.50
520 to 1040 hours	\$ 5.65	\$ 5.65	\$ 5.65	\$ 5.65
1040 to 1560 hours	\$ 5.80	\$ 5.80	\$ 5.80	\$ 5.80
1560 to 2080 hours	\$ 5.95	\$ 5.95	\$ 5.95	\$ 5.95
2080 to 2600 hours	\$ 6.10	\$ 6.10	\$ 6.10	\$ 6.10
2600 to 3120 hours	\$ 6.25	\$ 6.25	\$ 6.25	\$ 6.25
3120 to 3640 hours	\$ 6.40	\$ 6.40	\$ 6.40	\$ 6.40
3640 to 4160 hours	\$ 6.75	\$ 6.75	\$ 6.75	\$ 6.75
After 4160 hours	\$ 8.35	\$ 8.50	\$ 8.70	\$ 8.85
	\$.15/hr	\$.15/hr	\$.20/hr	\$.15/hr

Wage increases apply to employees at or over top rates in each progression.

PREMIUMS

Service Clerks who spend 50% or more of their time on Porter duties will receive top Service Clerk rates.

Service Clerks working Salad Bar will receive a twenty-five cents (\$.25) per hour premium for such work.

One person shall be designated as Lead Person in the Salad Bar and will receive a fifty cents (\$.50) per hour premium for such work.

III All of the premium rates under Schedule "C-I" shall be paid for all holiday and vacation hours and shall be paid for all hours worked on Sunday and holidays, but will not be used in the computation of overtime or Sunday and holiday premiums.

SCHEDULE "D"

SAFETY AND HEALTH

The Employer and Union jointly agree to cooperate in continuing a safety program for the purpose of awareness and training of all newly hired employees. Such a program will also include but not be limited to the distribution of educational materials and job awareness of its employees. A more formal training program presentation will be discussed in greater detail within a one (1) year period.

The Employer agrees to provide available statistical information pertaining to occupational injuries and illnesses upon request.

The Employer agrees to provide whatever personal protective equipment is required at no cost to the employee.

The Employer agrees to work jointly with the Union in resolving unsafe conditions or equipment within the employee's work area.

Shop Stewards shall be permitted to accompany the government inspector at no loss in pay.

SCHEDULE "E"
NON-FOOD (where applicable)

1. Anyone relieving a Department Manager in non-food for one (1) full week or more shall receive an additional twenty-five dollars (\$25.00) per week for each week of relief.

2. When openings occur, seniority and ability to perform the new job shall be the determining factors for the transfer. Should the employee fail to satisfactorily perform within the first ninety (90) days of the transfer, he shall be afforded the opportunity to return to a similar non-food classification without loss of seniority.

The Employer agrees that said non-food employees will be transferred to food positions before considering Courtesy Clerks.

3. All other provisions of the Agreement will apply except as set forth in this Schedule "E."

4. Wearing apparel for the promotions will be worn on a voluntary basis.

5. For all full time and part time non-food employees hired between August 28, 1977, and October 30, 1983, the Employer shall continue to contribute to the United Food and Commercial Workers (UFCW) and Participating Employers Pension Fund a total of fifteen cents (\$.15) per hour for all straight time hours paid.

SCHEDULE "F"
Variations in Agreement

**ASSISTANT STORE MANAGER AND
STORE MANAGER RELIEF - SAFEWAY**

A. Food Clerks who work a portion of the week as Relief Manager shall receive the rate of Assistant Store Manager for the hours of actual relief. His daily overtime shall be on the same basis as Assistant Store Manager and in no event shall he be paid more than an Assistant Store Manager would receive for the same hours of work.

B. Assistant Store Managers and/or Food Clerks shall receive the base rate of the Store Manager being relieved during the second or subsequent full time pay weeks of relief work. They shall work the Store Manager's hours.

C. Assistant Managers assigned prior to 3/1/64 will be guaranteed three and one-half (3-1/2) hours overtime.

SCHEDULE "G"

NORTHWEST - 693, 853, 895, 923, 945, 1089, 1200, 1213, 1276, 1315, 1336*, 1342, 1369, 1395, 1579, 1620, 1668, 1715, 1716, 1956, 3306, 4113, 4202, 4763, 4832, 4873, 4928, 4964

SOUTHWEST - 0005**, 421, 743, 764, 866, 878, 886, 907, 942, 1019, 1048, 1081, 1084, 1270, 1283, 1285, 1298, 1300, 1304, 1331, 1352, 1358, 1365, 1401, 1417**, 1428, 1431, 1462, 1538, 1570**, 1588, 1606, 1689, 1702, 1759, 1801, 1847, 1950, 2635, 2650, 4001, 4002, 4003, 4007, 4218, 4933, 4970, 4999

NORTHEAST - 107, 271, 855, 870, 1085, 1129, 1410, 1423*, 1565, 1804, 4114, 4115, 4126, 4812, 4817, 4868, 4984

SOUTHEAST - 105, 124, 931, 1177, 1344**, 1415, 1425, 1443, 1445, 1731, 1882, 4103, 4205, 4270, 4837, 4872

SCHEDULE "H"

DISTRICT #81: 1089, 1213, 1315, 1342, 1565,
1579, 1620, 1668, 1715, 1956, 4113

DISTRICT #83: 105, 931, 1129, 1344, 1415,
1443, 1731

DISTRICT #84: 0005, 942, 1081, 1084, 1270,
1298, 1331, 1417, 1431, 1570, 1606, 1689, 1702,
1759, 1801, 2635, 2650, 4001, 4002, 4218

DISTRICT #85: 693, 764, 945, 1048, 1200, 1300,
1304, 1352, 1395, 1401, 3306, 4007, 4832, 4928,
4933, 4999

DISTRICT #86: 124, 271, 923, 1177, 1276, 1410,
1425, 1445, 1882, 4103, 4126, 4202, 4205, 4270,
4837, 4872, 4873

DISTRICT #87: 421, 743, 866, 878, 886, 907,
1019, 1283, 1285, 1358, 1365, 1428, 1462, 1588,
1847, 1950, 4003, 4970

DISTRICT #88: 107, 853, 855, 870, 895, 1085,
1369, 1716, 1804, 4114, 4115, 4763, 4812, 4817,
4868, 4964, 4984

VALLEY: 1538

*stores fall under Local 27 for Meat and Local
400 for Grocery

SCHEDULE "I" SERVICE CLERK

All terms and conditions of the basic contract will apply except as follows:

1. Work shall include job duties of a "non-conventional" nature.
2. Such employee will be guaranteed a minimum of ten (10) hours work per week with a minimum of three (3) hours work per shift.
3. Such employee shall receive three (3) hours of pay for the holidays listed in Article 12.
4. Such employees shall have the opportunity for upgrading in classification as outlined in Schedule "E," paragraph 2.
5. The Employer shall not be obligated to make contributions to the Severance Fund on behalf of such employees.

This will confirm that the duties of a Service Clerk will include the following:

- a) fresh vegetable and fruit juices
- b) fresh peanut butter
- c) salad bar
- d) flower shop
- e) vegetable platters
- f) pizza preparation
- g) health foods
- h) bulk foods

- i) stuffed potato preparation
- j) Handling outdoor merchandise display
- k) preparation of quiche
- l) bake off rolls in deli
- m) bakery
- n) porter
- o) make sandwiches
- p) vacuum pack in Deli Express
- q) cook hot food and rotisserie chicken
- r) cut vegetables for prepared foods
- s) party platters

Additional duties of a non-conventional nature may be assigned after agreement between the Company and the Union.

ADDENDUM SAFEWAY VALLEY STORE (1538)

With the exception of the following items, all terms and conditions of the Washington Division Collective Bargaining Agreement between Safeway Stores and U.F.C.W. Local 400 shall apply:

Article 1 - The provisions set forth in Section 1.1 and 1.2 shall not apply.

Article 5 - Delete existing language in Section 5.2 and 5.3 and replace with the following:

5.2 - The Employer recognizes the principle of seniority as being one in which the movement of an employee from one job to another through promotion, layoff, recall after layoff, or permanent transfer, shall be governed by the length of service of the employee, and in connection with such movement the Employer may take into consideration as to each employee involved his ability to perform the work.

5.3 - In connection with layoffs and store closings seniority will apply to store only. Should store closings occur during the life of the Agreement, employees with a minimum of 5 years of service shall be placed in Northern Virginia stores at FELRA rates and benefits with no loss of seniority.

Should a full time employee be reduced to part time during the life of this Agreement, the employee shall have the option of being placed into a Northern Virginia store under the same terms and conditions of employment as outlined above.

Article 6.11 - Work performed by employees hired prior October 28, 2004, on Sunday shall be compensated for at time and one-half (1-1/2) the employee's rate of straight time pay.

For employees hired on or after October 28, 2004, work performed Sundays shall be compensated for at the following rates, which shall be in addition to the straight time pay provided for the holiday:

0 to 12 months of employment	\$1.00/hour premium for each hour worked
13 to 24 months of employment	\$1.50/hour premium for each hour worked
After 24 months of employment	\$2.00/hour premium for each hour worked

provided, however, that any such employee who works in excess of forty (40) hours per week (Sunday through Saturday inclusive) shall not be compensated for both Sunday premium and weekly overtime.

6.22 - The provisions set forth in Section 6.22 for a second rest period shall apply to Valley store employees working six (6) hours or more in a day.

Article 7 - The provisions set forth in Section 7.8 shall not apply. -

Article 9 - The rate provision set forth in Section 9.4 shall be sixty-two and one-half cents (\$.625) per hour.

The provision set forth in Section 9.6 will be effective 7/1/00.

Article 12.1 - Work may be performed on any of the hereinabove mentioned holidays, however, for employees hired prior to October 28, 2004, work as such shall be compensated for at the rate of time and one-half (1-1/2) the employee's regular straight time rate of pay, which shall be over and above the regular straight time rate of pay as provided.

For employees hired on or after October 28, 2004, work performed on any of the holidays specified above shall be compensated for at the following rates, which shall be in addition to the straight time pay provided for the holiday:

0 to 12 months of employment	\$1.00/hour premium for each hour worked
13 to 24 months of employment	\$1.50/hour premium for each hour worked
After 24 months of employment	\$2.00/hour premium for each hour worked

provided, however, that any such employee who works in excess of thirty-two (32) hours in a holiday week, (excluding the holiday hours) shall not be compensated for both holiday premium and weekly overtime.

Article 17 - For employees hired after November 26, 1996 and prior to October 28, 2004, contributions and benefit eligibility shall begin effective the 15th month of employment for Plan i non-food fund.

Part time employees eligible for Plan i non-food fund benefits will receive an Employer paid sick benefit of six (6) days per year.

For employees hired on or after October 28, 2004, employees will be covered in Plan XX of the FELRA and UFCW Health & Welfare Fund as in the main Agreement.

Article 19 - The provisions set forth in Article 18-B shall not apply to employees hired after January 1, 1984.

Appendix I - The provisions set forth in 6.11 and 12.1 shall not apply to Valley Stores.

SCHEDULE "V-1" WAGES

CLASSIFICATION	Effective <u>3/28/04</u>	Effective <u>3/27/05</u>	Effective <u>9/25/05</u>	Effective <u>3/26/06</u>	Effective <u>9/24/06</u>	Effective <u>3/25/07</u>	Effective <u>9/23/07</u>
Assistant Manager	\$15.10 \$.30/hr	\$15.30 \$.20/hr	\$15.40 \$.10/hr	\$15.60 \$.20/hr	\$15.75 \$.15/hr	\$15.95 \$.20/hr	\$16.05 \$.10/hr
Produce Manager	\$14.49 \$.30/hr	\$14.69 \$.20/hr	\$14.79 \$.10/hr	\$14.99 \$.20/hr	\$15.14 \$.15/hr	\$15.34 \$.20/hr	\$15.44 \$.10/hr
Grocery Manager	\$14.49 \$.30/hr	\$14.69 \$.20/hr	\$14.79 \$.10/hr	\$14.99 \$.20/hr	\$15.14 \$.15/hr	\$15.34 \$.20/hr	\$15.44 \$.10/hr
Meat Manager	\$16.95 \$.30/hr	\$17.15 \$.20/hr	\$17.25 \$.10/hr	\$17.45 \$.20/hr	\$17.60 \$.15/hr	\$17.80 \$.20/hr	\$17.90 \$.10/hr
Food Service Mgr.	\$13.97 \$.30/hr	\$14.17 \$.20/hr	\$14.27 \$.10/hr	\$14.47 \$.20/hr	\$14.62 \$.15/hr	\$14.82 \$.20/hr	\$14.92 \$.10/hr

SCHEDULE "V-1" WAGES (continued)

Employees Hired Prior to January 1, 1984:

CLASSIFICATION	Effective <u>3/28/04</u>	Effective <u>3/27/05</u>	Effective <u>9/25/05</u>	Effective <u>3/26/06</u>	Effective <u>9/24/06</u>	Effective <u>3/25/07</u>	Effective <u>9/23/07</u>
Clerks/Deli/Porter/ Seafood/Weigher/ Wrapper/Meat Cutter/ Apprentice	\$.30/hr	\$.20/hr	\$.10/hr	\$.20/hr	\$.15/hr	\$.20/hr	\$.10/hr

Effective October 1, 2000, employees with four (4) or more years of service shall receive an additional ten cents (\$.10) per hour increase.

SCHEDULE "V-2" WAGES
Employees Hired Between January 1, 1984 and September 29, 1996

CLASSIFICATION	Effective <u>3/28/04</u>	Effective <u>3/27/05</u>	Effective <u>9/25/05</u>	Effective <u>3/26/06</u>	Effective <u>9/24/06</u>	Effective <u>3/25/07</u>	Effective <u>9/23/07</u>
Full-Time Clerk/ Weigher/Wrapper	\$10.95 \$.30/hr	\$11.15 \$.20/hr	\$11.25 \$.10/hr	\$11.45 \$.20/hr	\$11.60 \$.15/hr	\$11.80 \$.20/hr	\$11.90 \$.10/hr
Part-Time Clerk/ Weigher/Wrapper							
0 months - 6 months	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00
6 months - 12 months	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50
12 months - 18 months	\$6.90	\$6.90	\$6.90	\$6.90	\$6.90	\$6.90	\$6.90
Thereafter	\$9.60 \$.30/hr	\$9.80 \$.20/hr	\$9.90 \$.10/hr	\$10.10 \$.20/hr	\$10.25 \$.15/hr	\$10.45 \$.20/hr	\$10.55 \$.10/hr
Food Service Clerk/ Service Clerk							
0 months - 6 months	\$5.75	\$5.75	\$5.75	\$5.75	\$5.75	\$5.75	\$5.75
6 months - 12 months	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00
Thereafter	\$8.20 \$.25/hr	\$8.35 \$.15/hr	\$8.45 \$.10/hr	\$8.65 \$.20/hr	\$8.75 \$.10/hr	\$8.90 \$.15/hr	\$9.00 \$.10/hr

SCHEDULE "V-2" WAGES (continued)
Employees Hired Between January 1, 1984 and September 29, 1996

CLASSIFICATION	Effective <u>3/28/04</u>	Effective <u>3/27/05</u>	Effective <u>9/25/05</u>	Effective <u>3/26/06</u>	Effective <u>9/24/06</u>	Effective <u>3/25/07</u>	Effective <u>9/23/07</u>
Courtesy Clerk							
0 months - 3 months	\$5.50	\$5.50	\$5.50	\$5.50	\$5.50	\$5.50	\$5.50
Thereafter	\$7.10 \$.15/hr	\$7.20 \$.10/hr	\$7.25 \$.05/hr	\$7.35 \$.10/hr	\$7.45 \$.10/hr	\$7.55 \$.10/hr	\$7.60 \$.05/hr
First Cutter	\$13.00 \$.30/hr	\$13.20 \$.20/hr	\$13.30 \$.10/hr	\$13.50 \$.20/hr	\$13.65 \$.15/hr	\$13.85 \$.20/hr	\$13.95 \$.10/hr
Journeyman Meat Cutter	\$12.75 \$.30/hr	\$12.95 \$.20/hr	\$13.05 \$.10/hr	\$13.25 \$.20/hr	\$13.40 \$.15/hr	\$13.60 \$.20/hr	\$13.70 \$.10/hr
Apprentice Meat Cutter							
0 months - 6 months	\$6.10	\$6.10	\$6.10	\$6.10	\$6.10	\$6.10	\$6.10
6 months - 12 months	\$7.10	\$7.10	\$7.10	\$7.10	\$7.10	\$7.10	\$7.10
12 months - 18 months	\$7.50	\$7.50	\$7.50	\$7.50	\$7.50	\$7.50	\$7.50
18 months - 24 months	\$10.45 \$.30/hr	\$10.65 \$.20/hr	\$10.75 \$.10/hr	\$10.95 \$.20/hr	\$11.10 \$.15/hr	\$11.30 \$.20/hr	\$11.40 \$.10/hr

Effective October 1, 2000, employees with four (4) or more years of service shall receive an additional ten cents (\$.10) per hour increase.

SCHEDULE "V-3" WAGES
Employees Hired After September 29, 1996 and prior to July 11, 2004

CLASSIFICATION	Effective <u>3/28/04</u>	Effective <u>3/27/05</u>	Effective <u>9/25/05</u>	Effective <u>3/26/06</u>	Effective <u>9/24/06</u>	Effective <u>3/25/07</u>	Effective <u>9/23/07</u>
Variety Manager	\$13.97 \$.30/hr	\$14.17 \$.20/hr	\$14.27 \$.10/hr	\$14.47 \$.20/hr	\$14.62 \$.15/hr	\$14.82 \$.20/hr	\$14.92 \$.10/hr
Full-Time Clerk/ Weigher/Wrapper							
0 months - 6 months	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50
6 months - 12 months	\$8.00	\$8.00	\$8.00	\$8.00	\$8.00	\$8.00	\$8.00
12 months - 18 months	\$8.25	\$8.25	\$8.25	\$8.25	\$8.25	\$8.25	\$8.25
Thereafter	\$10.60 \$.30/hr	\$10.80 \$.20/hr	\$10.90 \$.10/hr	\$11.10 \$.20/hr	\$11.25 \$.15/hr	\$11.45 \$.20/hr	\$11.55 \$.10/hr
Part-Time Clerk/ Weigher/Wrapper							
0 months - 6 months	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00
6 months - 12 months	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50
12 months - 18 months	\$6.90	\$6.90	\$6.90	\$6.90	\$6.90	\$6.90	\$6.90
Thereafter	\$8.90 \$.30/hr	\$9.10 \$.20/hr	\$9.20 \$.10/hr	\$9.40 \$.20/hr	\$9.55 \$.15/hr	\$9.75 \$.20/hr	\$9.85 \$.10/hr

SCHEDULE "V-3" WAGES (continued)
Employees Hired After September 29, 1996 and prior to July 11, 2004

CLASSIFICATION	Effective <u>3/28/04</u>	Effective <u>3/27/05</u>	Effective <u>9/25/05</u>	Effective <u>3/26/06</u>	Effective <u>9/24/06</u>	Effective <u>3/25/07</u>	Effective <u>9/23/07</u>
Food Service Clerk/ Service Clerk							
0 months - 6 months	\$5.75	\$5.75	\$5.75	\$5.75	\$5.75	\$5.75	\$5.75
6 months - 12 months	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00
Thereafter	\$7.95 \$.25/hr	\$8.10 \$.15/hr	\$8.20 \$.10/hr	\$8.40 \$.20/hr	\$8.50 \$.10/hr	\$8.65 \$.15/hr	\$8.75 \$.10/hr
Pharmacy Techs							
0 to 6 months	\$6.25	\$6.25	\$6.25	\$6.25	\$6.25	\$6.25	\$6.25
6 to 12 months	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50
Thereafter	\$8.50 \$.30/hr	\$8.70 \$.20/hr	\$8.80 \$.10/hr	\$9.00 \$.20/hr	\$9.15 \$.15/hr	\$9.35 \$.20/hr	\$9.45 \$.10/hr
Courtesy Clerk							
0 months - 3 months	\$5.50	\$5.50	\$5.50	\$5.50	\$5.50	\$5.50	\$5.50
Thereafter	\$7.10 \$.15/hr	\$7.20 \$.10/hr	\$7.25 \$.05/hr	\$7.35 \$.10/hr	\$7.45 \$.10/hr	\$7.55 \$.10/hr	\$7.60 \$.05/hr

Effective October 1, 2000, employees with four (4) or more years of service shall receive an additional ten cents (\$.10) per hour increase.

SCHEDULE "V-4" WAGES
Employees Hired After July 11, 2004

CLASSIFICATION	Effective 7/11/04	Effective 3/27/05	Effective 9/25/05	Effective 3/26/06	Effective 9/24/06	Effective 3/25/07	Effective 9/23/07
Variety Manager	\$13.97 \$.30/hr	\$14.17 \$.20/hr	\$14.27 \$.10/hr	\$14.47 \$.20/hr	\$14.62 \$.15/hr	\$14.82 \$.20/hr	\$14.92 \$.10/hr
Full-Time Clerk/ Weigher/Wrapper							
Start	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50
After 1040 hours	\$8.00	\$8.00	\$8.00	\$8.00	\$8.00	\$8.00	\$8.00
After 2080 hours	\$8.25	\$8.25	\$8.25	\$8.25	\$8.25	\$8.25	\$8.25
After 3120 hours	\$10.60 \$.30/hr	\$10.80 \$.20/hr	\$10.90 \$.10/hr	\$11.10 \$.20/hr	\$11.25 \$.15/hr	\$11.45 \$.20/hr	\$11.55 \$.10/hr
Part-Time Clerk/ Weigher/Wrapper							
Start	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00
After 1040 hours	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50
After 2080 hours	\$6.90	\$6.90	\$6.90	\$6.90	\$6.90	\$6.90	\$6.90
After 3120 hours	\$8.90 \$.30/hr	\$9.10 \$.20/hr	\$9.20 \$.10/hr	\$9.40 \$.20/hr	\$9.55 \$.15/hr	\$9.75 \$.20/hr	\$9.85 \$.10/hr

SCHEDULE "V-4" WAGES (continued)
Employees Hired After July 11, 2004

CLASSIFICATION	Effective <u>7/11/04</u>	Effective <u>3/27/05</u>	Effective <u>9/25/05</u>	Effective <u>3/26/06</u>	Effective <u>9/24/06</u>	Effective <u>3/25/07</u>	Effective <u>9/23/07</u>
Food Service Clerk/ Service Clerk							
Start	\$5.75	\$5.75	\$5.75	\$5.75	\$5.75	\$5.75	\$5.75
After 1040 hours	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00
After 2080 hours	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50
After 3120 hours	\$7.95 \$.25/hr	\$8.10 \$.15/hr	\$8.20 \$.10/hr	\$8.40 \$.20/hr	\$8.50 \$.10/hr	\$8.65 \$.15/hr	\$8.75 \$.10/hr
Pharmacy Techs							
Start	\$6.25	\$6.25	\$6.25	\$6.25	\$6.25	\$6.25	\$6.25
After 1040 hours	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50
After 2080 hours	\$7.50	\$7.50	\$7.50	\$7.50	\$7.50	\$7.50	\$7.50
After 3120 hours	\$8.50 \$.30/hr	\$8.70 \$.20/hr	\$8.80 \$.10/hr	\$9.00 \$.20/hr	\$9.15 \$.15/hr	\$9.35 \$.20/hr	\$9.45 \$.10/hr
Courtesy Clerk							
Start	\$5.50	\$5.50	\$5.50	\$5.50	\$5.50	\$5.50	\$5.50
After 1040 hours	\$5.75	\$5.75	\$5.75	\$5.75	\$5.75	\$5.75	\$5.75
After 2080 hours	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00
After 3120 hours	\$7.10 \$.15/hr	\$7.20 \$.10/hr	\$7.25 \$.05/hr	\$7.35 \$.10/hr	\$7.45 \$.10/hr	\$7.55 \$.10/hr	\$7.60 \$.05/hr

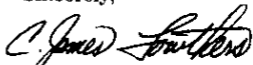
March 28, 2004

Mr. Michael R. Bull
Director of Labor Relations
Safeway, Inc.
4551 Forbes Blvd.
Lanham, MD 20706

Dear Mr. Bull:

The Company recognizes that given the individual lifestyle of each employee, certain work schedules are preferable. In this regard, the Company will make its best effort to consider seniority in the preparation and assignment of work schedules. The Union recognizes that the needs of the business take first priority.

Sincerely,



C. James Lowthers
President

CJL/fam

FOR THE COMPANY:

Michael R. Bull

12/20/04

Michael R. Bull
Director of Labor Relations

Date

March 28, 2004

Mr. Michael R. Bull
Director of Labor Relations
Safeway, Inc.
4551 Forbes Blvd.
Lanham, MD 20706

Dear Mr. Bull:

This is to confirm our agreement regarding the terms and conditions under which Safeway will hire employees to work in its fuel stations located in or adjacent to the parking lots of Safeway stores covered under the Collective Bargaining agreement with UFCW Local 400.

- 1) Employees hired to work in these fuel stations will be in separate classifications and will have separate seniority from other store employees.
- 2) In the event of an emergency or unforeseen circumstances, properly trained store employees will be permitted to work in the fuel station on a temporary basis. Such employees will continue to receive their regular rate of pay for all such hours worked.
- 3) All other terms and conditions of the Agreement between Safeway and Local 400 will apply to fuel station employees.
- 4) Hourly wages for fuel station employees shall be as follows:

	3/28/04	3/27/05	3/26/06	3/25/07
Fuel Station Mgr.	\$13.85	\$14.15	\$14.50	\$14.80
	\$.30/hr	\$.30/hr	\$.35/hr	\$.30/hr

Employees hired prior to March 30, 2004

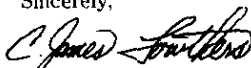
	3/28/04	3/27/05	3/26/06	3/25/07
Fuel Station Attendant				
0 to 3 months	6.35	6.35	6.35	6.35
3 to 6 months	6.50	6.50	6.50	6.50
6 to 9 months	6.65	6.65	6.65	6.65
9 to 12 months	6.80	6.80	6.80	6.80
12 to 15 months	6.95	6.95	6.95	6.95
15 to 18 months	7.10	7.10	7.10	7.10
18 to 21 months	7.25	7.25	7.25	7.25
21 to 24 months	7.40	7.40	7.40	7.40
24 to 27 months	7.55	7.55	7.55	7.55
27 to 30 months	7.75	7.75	7.75	7.75
30 to 33 months	8.00	8.00	8.00	8.00
After 33 months	\$10.75	\$11.00	\$11.30	\$11.55
	\$.25/hr	\$.25/hr	\$.30/hr	\$.25/hr

Employees hired on or after March 30, 2004

	3/28/04	3/27/05	3/26/06	3/25/07
0 to 520 hours	\$ 6.35	\$ 6.35	\$ 6.35	\$ 6.35
520 to 1040 hours	\$ 6.50	\$ 6.50	\$ 6.50	\$ 6.50
1040 to 1560 hours	\$ 6.65	\$ 6.65	\$ 6.65	\$ 6.65
1560 to 2080 hours	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80
2080 to 2600 hours	\$ 6.95	\$ 6.95	\$ 6.95	\$ 6.95
2600 to 3120 hours	\$ 7.10	\$ 7.10	\$ 7.10	\$ 7.10
3120 to 3640 hours	\$ 7.25	\$ 7.25	\$ 7.25	\$ 7.25
3640 to 4160 hours	\$ 7.40	\$ 7.40	\$ 7.40	\$ 7.40
4160 to 4680 hours	\$ 7.55	\$ 7.55	\$ 7.55	\$ 7.55
4680 to 5200 hours	\$ 7.75	\$ 7.75	\$ 7.75	\$ 7.75
5200 to 5720 hours	\$ 8.00	\$ 8.00	\$ 8.00	\$ 8.00
After 5720 hours	\$10.75	\$10.75	\$11.00	\$11.55
	\$.25/hr	\$.25/hr	\$.25/hr	\$.25/hr

If the foregoing meets understanding and approval, please sign in the space indicated below.

Sincerely,



E. James Lowthers
President

CJL/fam

FOR THE COMPANY:

Michael R. Bull 12/20/04

Michael R. Bull
Director of Labor Relations

Date



**UNION
SHOP**

Shop Union

UNITED FOOD & COMMERCIAL WORKERS UNION, AFL-CIO

LOCAL 400

C. JAMES LOWTHERS
PRESIDENT

THOMAS P. MCNUTT
SECRETARY-TREASURER

LOCAL 400

**UNITED FOOD AND COMMERCIAL WORKERS UNION
AFL-CIO**

**4301 GARDEN CITY DRIVE
LANDOVER, MARYLAND 20785
301-459-3400**

