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April 15, 2005

MEMORANDUM OF AGREEMENT

BY AND BETWEEN

**THOSE INDIVIDUAL EMPLOYERS TRADING UNDER THE NAME OF FOODTOWN,
(PATHMARK STORES, INC.),
THOSE INDIVIDUAL EMPLOYERS TRADING UNDER THE NAME OF SHOPRITE,
AND STOP & SHOP SUPERMARKET COMPANY LLC**

AND

UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL 1262

THE AUTHORIZED BARGAINING REPRESENTATIVES OF FOODTOWN, PATHMARK, SHOPRITE, AND STOP & SHOP AND THE AUTHORIZED BARGAINING REPRESENTATIVES OF UNITED FOOD AND COMMERCIAL WORKERS LOCAL 1262 AGREE TO THE TERMS OF THIS MEMORANDUM OF AGREEMENT IN FULL AND FINAL SETTLEMENT OF THE COLLECTIVE BARGAINING NEGOTIATIONS FOR SUCCESSOR COLLECTIVE BARGAINING AGREEMENTS BETWEEN THE EMPLOYERS AND THE UNION. UNLESS EXPRESSLY MODIFIED BELOW, THE TERMS OF THE CURRENT COLLECTIVE BARGAINING AGREEMENTS BETWEEN THE EMPLOYERS AND THE UNION WILL BE RENEWED FOR A PERIOD OF FOUR YEARS, WITH AN EXPIRATION DATE AND TIME OF MIDNIGHT APRIL 18, 2009.

Article 30 – Shop Stewards

- (b) Modify to provide that one (1) Shop Steward per store and members of the Executive Committee shall receive two (2) additional personal days per year to be used for educational purposes.

Article 34 – Health and Welfare

- (a) Modify to reflect the following schedule of plan eligibility for part-time employees hired after April 16, 2005:

1st Day of the Month following 6 Months of Continuous Service:

Life Insurance Plan, Accidental Death & Dismemberment Insurance Plan

1st Day of the Month following 12 Months of Continuous Service:

Vision Care Plan

4/15/05 - 4/18/09

1st Day of the Month following 18 Months of Continuous Service:

Legal Services Plan, Annual Physical Examination

1st Day of the Month following 24 Months of Continuous Service:

Dental Care Plan

1st Day of the Month following 36 Months of Continuous Service:

Prescription Drug Plan

1st Day of the Month following 40 Months of Continuous Service:

Medical Plan¹

Article 35 – Pension

- (a) Effective June 1, 2005, increase the monthly contribution for each eligible full-time employee to \$230. Effective June 1, 2006, increase the monthly contribution for each eligible full-time employee to \$240.
- (b) Effective June 1, 2005, increase the monthly contribution for each eligible part-time employee to \$76.67. Effective June 1, 2006, increase the monthly contribution for each eligible part-time employee to \$80.

Article 41 – Job Protection

Change date from April 9, 1989 to April 15, 2001.

Article 44 – Service Clerks

Service Clerks who on June 30th have completed four (4) or more years of service shall be eligible to receive an additional week of vacation with pay under the existing terms and conditions.

¹ Hospital coverage not available to part-time employees with less than 1,000 hours worked until after 120 days of hospitalization.

SCHEDULE "A" - WAGES**SECTION I****A. Across-the-Board Increases**

For those employees who, on the date of the across-the-board increases outlined below, are at or above the top of the applicable progression scale:

	Effective 4/17/2005	Effective 4/16/2006	Effective 4/15/2007	Effective 4/13/2008	Total
Full-Time Employees	\$25	\$20	\$20	\$20	\$85
Part-Time Employees	\$0.35	\$0.35	\$0.35	\$0.35	\$1.40
Service Clerks	\$0.20	\$0.15	\$0.15	\$0.15	\$.65

C. Wage Progression Scales and Minimum Rates of Pay for Part-Time Employees

Increase the \$8.50 top rate as follows:

- Effective April 17, 2005 - \$8.75
- Effective April 16, 2006 - \$9.00
- Effective April 15, 2007 - \$9.25
- Effective April 13, 2008 - \$9.50

SECTION II - DEPARTMENT MANAGERS AND CLASSIFIED EMPLOYEES

Increase the premium for the following Classified positions, where designated, by \$5 per week, effective April 17, 2005:

Foodtown

- (c) Full-Time Head Bookkeeper, from \$20 to \$25
- (d) Full-Time Head Cashier, from \$15 to \$20
- (e) Full-Time Front End Manager, from \$20 to \$25
- (f) Full-Time Head Courtesy Clerk, from \$15 to \$20
- (i) Full-Time Scanner Coordinator, from \$15 to \$20

Pathmark

- (c) Full-Time Head Cashier, from \$20 to \$25
- (d) Full-Time Assistant Head Cashier, from \$15 to \$20
- (e) Full-Time Head Frozen Food Clerk, from \$15 to \$20
- (g) Full-Time Price Integrity Coordinator, from \$15 to \$20

Shop Rite

- (c) Full-Time Head Bookkeeper, from \$20 to \$25
- (d) Full-Time Head Cashier, from \$15 to \$20
- (e) Full-Time Front End Manager, from \$20 to \$25
- (g) Full-Time Scanner Coordinator, from \$15 to \$20

Stop & Shop

- (c) Full-Time Head Bookkeeper, from \$20 to \$25
- (d) Full-Time CSDH, from \$15 to \$20
- (h) Full-Time Scanner Coordinator, from \$15 to \$20

SECTION III – NIGHT SHIFT PREMIUM

Increase the premium for the Night Crew Manager, where designated, from \$25 to \$30 per week, effective April 17, 2005.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals by their duly authorized officers and representatives on the day and year first written above.

FOR UFCW LOCAL 1262

FOR THE EMPLOYERS

Harvey Whille

For Those Individual Employers Trading
under the Name of Foodtown Supermarkets

Matthew Molinaro

Pathmark Stores, Inc.

For Those Individual Employers Trading
under the Name of ShopRite

Stop & Shop Supermarket Company LLC

Dated: April 15, 2005

**THE BARGAINING COMMITTEE OF UFCW LOCAL 1262 UNANIMOUSLY
RECOMMENDS THIS MEMORANDUM OF AGREEMENT FOR
APPROVAL BY THE MEMBERSHIP OF LOCAL 1262.**

**THE TERMS OF THIS MEMORANDUM OF AGREEMENT ARE SUBJECT TO THE
RATIFICATION OF THE MEMBERSHIP OF LOCAL 1262 EMPLOYED BY THE
EMPLOYERS LISTED ABOVE.**

**JOINT RECOMMENDATION OF THE BARGAINING COMMITTEES
FOR THE EMPLOYERS AND LOCAL 1262
TO
THE BOARD OF TRUSTEES
OF THE UFCW LOCAL 1262 AND EMPLOYERS WELFARE FUND**

The authorized bargaining representatives of the Employers (Foodtown, Pathmark, ShopRite, and Stop & Shop) and the authorized representatives of UFCW Local 1262 make the following joint recommendations to the Board of Trustees of the UFCW Local 1262 and Employers Welfare Fund for adoption at the next Trustee meeting. These joint recommendations apply to current employees, new hires, and post-December 31, 1993 retirees.

1. Effective July 1, 2005, modify the deductibles as follows:

Full-Time: \$300 Deductible / \$600 Family Maximum (In-Network)
 \$400 Deductible / \$800 Family Maximum (Out-of-Network)

Part-Time: \$400 Deductible

2. Effective July 1, 2005, modify the out-of-pocket maximums as follows:

Full-Time: \$1,500 Out-of-Pocket Maximum/\$3,000 Family Maximum (In-Network)
 \$2,000 Out-of-Pocket Maximum/\$3,500 Family Maximum (Out-of-Network)

Part-Time: \$2,000 Out-of-Pocket Maximum

3. Effective July 1, 2005, increase the emergency room copay to \$75 (in-network and out-of-network) for full-time and part-time employees.

4. Effective July 1, 2005, increase the office visit copay to \$20 for primary care physicians and to \$30 for specialists, for full-time and part-time employees.

5. Effective July 1, 2005, implement a mandatory generic design.

6. Effective July 1, 2005, implement a mandatory mail order maintenance drug design.

7. Effective July 1, 2005, contract the pharmacy network.

8. Effective July 1, 2005, implement a prescription plan coordination of benefits (COB) provision.

9. Effective July 1, 2005, implement an O.T.C. Prilosec and Claritin provision.

10. Effective July 1, 2005, implement a \$5 generic / \$15 formulary / \$30 non-formulary copay design.

11. Effective July 1, 2005, reduce dental plan individual, annual maximum from \$5,000 to \$2,500.

FOR UFCW LOCAL 1262

Harvey Whille

Matthew Molinaro

FOR THE EMPLOYERS

For Those Individual Employers Trading
under the Name of Foodtown Supermarkets

Pathmark Stores, Inc.

For Those Individual Employers Trading
under the Name of ShopRite

Stop & Shop Supermarket Company LLC

Dated: April 15, 2005

**JOINT RECOMMENDATION OF THE BARGAINING COMMITTEES
FOR THE EMPLOYERS AND LOCAL 1262
TO
THE BOARD OF TRUSTEES
OF THE UFCW LOCAL 1262 AND EMPLOYERS PENSION FUND**

The authorized bargaining representatives of the Employers (Foodtown, Pathmark, ShopRite, and Stop & Shop) and the authorized representatives of UFCW Local 1262 make the following joint recommendations to the Board of Trustees of the UFCW Local 1262 and Employers Pension Fund for adoption at the next Trustee meeting.

1. Eliminate the 30 and out provision of the Pension Plan for employees hired after April 16, 2005.
2. Provide that participants would receive no credit prior to attaining age 21 and completing one year of vesting service. Contributions would be required for such participants under the terms and conditions of Article 35.
3. Modify the benefit level for part-time employees hired after April 16, 2005 to be equal to 33.3% of the full-time level.

FOR UFCW LOCAL 1262

FOR THE EMPLOYERS

Harvey Whille

For Those Individual Employers Trading
under the Name of Foodtown Supermarkets

Matthew Molinaro

Pathmark Stores, Inc.

For Those Individual Employers Trading
under the Name of ShopRite

Stop & Shop Supermarket Company LLC

Dated: April 15, 2005

GRAND

Agreement

UFCW

AFL-CIO

and

PATH

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7/22/02

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ACKNOWLEDGEMENT

This collective bargaining agreement was proudly negotiated for you by the Officers of Local 1262 and the following rank-and-file members of the Contract Negotiating Committee from Pathmark Stores.

Brian Beeh

John By Boston

Robert Burwell, Jr.

Robert Creamer

Joseph DeStefano

William Flythe

Thomas Fuchs

Walter Garner

Edward Giordano

Thomas Glencamp

Frances Green

Susan Greenberg

Robert Grom

Darrell Leonard

Ed O'Hara

Julie Salwen

Antonio Spina

Ricky Stefanelli

Joseph Suchocki

Catherine Williams

We extend our sincere appreciation to every member of the rank-and-file Contract Negotiating Committee.



Agreement Between

UFCW Local 1262

AFL-CIO

and

**PATHMARK
STORES, INC.**



This Union contract, negotiated for you by UFCW Local 1262, carefully explains in detail all of the terms and conditions of your employment and your many rights and benefits as a Union member.

You should read this agreement carefully because it is important for you to be fully aware of all these protections and benefits and to understand how they help you on the job.

When all of the provisions of this contract are observed, you receive the full measure of protection you are entitled to in return for your hours of labor.

If you find this contract is not being followed to the fullest, notify your Shop Steward or Union Representative immediately.

In addition to providing job security, this contract has an efficient grievance procedure for the orderly and fair settlement of any problem you may encounter in the course of your employment.

If you have any questions regarding your rights or benefits under this agreement, please ask your Shop Steward or Union Representative for assistance.

Also feel free to call or visit the Union Office. Remember, help is always as close to you as your telephone.

Sincerely and Fraternaly,

Harvey Wille, President

THIS AGREEMENT made and entered into as of the 15th day of April, 2001, by and between PATHMARK STORES, INC., its successors and assigns, hereinafter referred to as "Employer", and the UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL 1262, chartered by the UNITED FOOD AND COMMERCIAL WORKERS UNION (UFCW), AFL-CIO (hereinafter referred to as "Union").

WITNESSETH:

In consideration of the mutual covenants hereinafter contained, the parties hereto agree as follows:

ARTICLE I - RECOGNITION

(a) The Union is hereby recognized as the exclusive bargaining representative of all the Employer's employees in the Employer's present and future stores located in the following counties in the State of New Jersey: Sussex, Bergen, Passaic, Warren, Morris, Essex, Hudson, Hunterdon, Somerset, Middlesex, Monmouth, Ocean and Union and in those portions of the following listed counties in the State of New York which are on the western side of the Hudson River: Warren, Washington, Saratoga, Fulton, Montgomery, Schoharie, Greene, Columbia, Albany, Rensselaer, Schenectady, Rockland, Orange and Ulster, excluding store managers, assistant store managers, meat department employees and other employees who are presently covered by other collective bargaining agreements, porters who perform cleaning work exclusively, pharmacists, cart persons, receivers who perform security work exclusively, and supervisors within the meaning of the National Labor Relations Act, as amended.

(b) There are recognized only four (4) job classifications in this contract.

1. Department managers and classified employees.
2. Full-time employees.
3. Part-time employees.
4. Service clerks.

(c) Store managers, assistant store managers and other persons excluded from the bargaining unit shall not perform work customarily performed by the Employer's employees covered by this Agreement except in the absence of a scheduled employee, to perform prompt customer service, or in the event of an emergency not attributable to the Employer.

(d) All work and services, other than that of managerial or supervisory employees connected with or incidental to the handling or selling of all merchandise except meat, seafood, delicatessen and other work and services performed by employees covered by other collective bargaining agreements, offered for sale to the public in the Employer's establishment covered by this Agreement shall be performed only by employees within the unit referred to above for which the Union is recognized as the collective bargaining agency by the Employer and except that this provision shall not apply to such work when performed in connection with the initial building of special displays, promotions or rotation of merchandise, nor shall this provision apply to bread and bakery products (such as cupcakes; that is, any and all products or items of merchandise which are the end result of the baking process), ice cream, drugs, perishable and semi-perishable items kept under refrigeration (except frozen foods), hospitality and gourmet items, pet foods and supplies, salted nuts, cigarettes, spices, produce department specialty items such as potted plants, etc. and non-food items other than old line household items such as brooms, waxes, etc. as well as beer and soda. The provisions of this paragraph shall not be applicable until sixty (60) days following a new store opening, reopening, remodeling or acquisition.

(e) For the purpose of establishing eligibility for full-time benefits set forth in this Agreement, a full-time employee is one who is hired to work thirty (30) hours or more per week, a part-time employee who is reclassified to full-time, or a part-time employee who is scheduled to work thirty (30) hours or more per week in excess of six (6) consecutive weeks, excluding hours worked on Sundays, during vacation periods, or in the temporary relief of an employee on authorized leave.

(f) All other bargaining unit employees shall be classified as part-time employees or service clerks and are to receive those benefits specifically provided for them in this Agreement.

(g) Employees enrolled in a bona-fide training program may be excluded from the bargaining unit, but the number of trainees is limited to one (1) per store. In the event a trainee fails to complete the program and remains with the Employer, the employee shall be placed in a non-bargaining unit job or is to be placed into the bargaining unit and covered by the terms and conditions of this Agreement. The Union has the right to verify the bona-fides of a training program.

ARTICLE 2 - UNION SHOP

(a) All present employees who are members of the Union on the effective date of this Agreement or the date of execution, whichever is later, shall remain members in good standing of the Union as a condition of employment. All present employees who are not members of the Union and all employees who are hired hereafter shall become and remain members in good standing of the Union on and after the thirty-first (31st) day following the beginning of their employment, or on and after the thirty-first (31st) day following the effective date of this Agreement or the date of execution of this Agreement, whichever is later. An employee who is not a member in good standing of the Union because of failure to tender initiation fees and dues shall be discharged within seven (7) working days after notification in writing to the Employer by the Union.

(b) The foregoing provisions, as well as the enforcement thereof, are operative when and to the extent permitted by the Labor Management Relations Act, as amended.

ARTICLE 3 - CHECKOFF

(a) The Employer shall weekly deduct dues and initiation fees from the wages of all employees who have filed with the Employer a proper deduction card to the extent authorized by the Labor Management Relations Act of 1947, as amended, or other applicable law, and to remit the amounts with the listing of names to the Union Office on or before the fifth (5th) day of each month. The Union will give the Employer signed dues and deduction cards from the employees authorizing the deduction of dues and initiation fees. The Employer's obligation to remit to the Union shall be limited to the amounts which it actually does deduct from the employees' wages.

(b) The Employer shall furnish the Union a list, quarterly, of all new hires in the bargaining unit. The list shall include the employee's name, address, social security number, store employed at and classification of full-time or part-time.

(c) The Employer agrees, on a once a year basis to deduct from pay and remit to the Union's Active Ballot club an authorized amount from employees who are union members and who have signed deduction authorization cards.

(d) 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 the above checkoff provision.

ARTICLE 4 - MANAGEMENT CLAUSE

(a) Subject to the provisions of this Agreement, the Employer has the exclusive right and authority to establish policies and manage stores covered by this Agreement and to direct the working forces employed therein including, but not limited to, the rights of hiring, suspending and discharging for proper cause, promoting, transferring and releasing employees from duties because of lack of work.

(b) The Employer will notify the Union when it places a cashier on an individual cash control program.

(c) There shall be no suspension because of work performance, absenteeism and/or tardiness, without prior written notice having been given to the Union and the employee involved.

(d) The trial period for newly engaged employees shall be the first thirty (30) days of employment and may be extended to sixty (60) days at the request of the Employer to the Union. When new or remodeled stores are opened by the Employer, the trial period shall be sixty (60) days for all employees newly employed at such time and may be extended to ninety (90) days at the request of the Employer to the Union. After the first sixty (60) days from the opening date of the store, the trial period shall be thirty (30) days.

(e) The discharge of probationary employees is not subject to the grievance and arbitration provisions contained in Article 14 of the Agreement.

ARTICLE 5 - REGULAR WORK WEEK AND MAXIMUM HOURS

(a) The work week for all full-time employees including department managers shall consist of five (5) eight (8) hour days (Monday through Saturday) forty (40) hours per week. All time worked before or after the aforementioned tour of duty or after eight (8) hours in any day or after forty (40) hours in any week shall be considered overtime and paid at the rate of time and one-half (1 1/2) the employee's regular hourly rate, but not both.

(b) (1) The Employer may schedule first shift full-time employees, other than bakery production employees, to start between 5:00 A.M. and 10:00 A.M. at their regular straight-time rate of pay. Except for bakery production employees, hours worked before 5:00 A.M. shall be considered premium time and paid at the rate of time and one-half (1 1/2). The Employer may not schedule any full-time employees later than 10:00 A.M. except those assigned to a second shift or as discussed below. Full-timers hired or appointed after April 8, 1984, or first shift full-timers appointed from the night crew, 2nd shift or part-time, in order to maximize customer service, may be scheduled to start no later than 3:30 P.M. two (2) days per week.

(b) (2) Where Saturday is available as a day off, it shall be made available to full-time employees, by seniority, on a rotating basis, excluding Department Managers and other classified employees.

(b) (3) Full-time employees, by seniority, have preference to select the schedule within their shift, department and job classification so long as they have the ability and are available.

(c) Any full-time employee called in to work on the employee's regularly scheduled day off shall be paid at the rate of time and one-half (1 1/2) and guaranteed a full day's work.

(d) (1) Full-time employees hired or appointed on or before April 8, 1984 shall continue to be paid at the rate of double (2) their straight-time hourly rate for all hours worked on Sunday. Effective May 8, 1994, such employees shall receive Sunday premium equal to their straight-time hourly rate in effect after the April 10, 1994 across-the-board wage increase. This Sunday premium shall continue to be paid for Sunday work in addition to the employee's applicable straight-time wage rate. Full-time

employees hired or appointed after April 8, 1984, shall be paid at the rate of one and one-half (1 1/2) the straight-time hourly rate for all hours worked on Sunday.

Any full-time employee reporting to work as scheduled on a Sunday shall be guaranteed a minimum of four (4) hours' work.

(d) (2) Full-time employees, excluding the night crew, shall be offered work on one (1) Sunday per month within the existing schedules provided they are capable of performing the work. Such employee shall be offered the number of hours, less lunch period, the employee's department is to be manned on that Sunday; however, not exceeding eight (8) hours provided the employee remains available for said hours. Any employee not available for the above hours must be available for a minimum of four (4) hours and shall be offered four (4) hours' work.

When night crew work is performed on Sunday (Saturday night, Sunday A.M.) on a regular basis, such work shall be offered to each full-time member of the regular night crew on the basis of one (1) Sunday per month in accordance with the terms set forth in this paragraph.

(e) Overtime shall be worked as required unless excused for good cause. Whenever full-time overtime work is made available by the Employer in a department, such full-time overtime work will be offered to the full-time employees who work in that department on a rotating basis, excluding the department manager and other classified employees.

(f) The Employer agrees to post work schedules and days off in each store for full-time and part-time employees by the end of the first shift on Friday of each week for the following week except in the case of the night crew where their schedule will be posted before their shift ends on Friday morning. In case of emergency or any condition beyond the control of the Employer, these schedules may be subject to change, but no schedule may be changed in order to deprive an employee of a holiday. There shall be no split shifts. Those full-time employees who regularly have the same day off shall be given a week's notice before it is changed.

(g) (1) The Employer shall not be restricted in using part-time employees in its stores as to their starting time or the number of hours they work within the provisions of this Agreement. However, part-time employees shall be paid at the rate of time and one-half (1 1/2) the employee's regular hourly rate for all hours in excess of eight (8) hours in any one (1) day.

(g) (2) Part-time employees are guaranteed a minimum of four (4) hours' work each day they report to work as scheduled. Part-time employees who are minors are guaranteed a minimum of three (3) hours' work each day they report to work as scheduled.

(g) (3) If any part-time employee is called into work on a day for which the employee is not scheduled, the Employer guarantees to offer any such employee a minimum of four (4) hours' work and the employee's schedule for the remainder of the week shall not be changed or reduced because of this.

(g) (4) Part-time employees who are scheduled for five (5) days in one (1) week, and who are called in to 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 works the remainder of the schedule for that week. Part-time employees who are scheduled to work four (4) days in one (1) week, and who are called in to work a fifth (5th) and a sixth (6th) day, shall receive time and one-half (1 1/2) for all hours worked on the sixth day which will be the second day called in.

(g) (5) Sunday work that is made available for part-time employees shall be rotated among all such employees who are capable of performing the work. Part-time employees hired before April 13, 1997 working on Sunday shall receive one and one-half (1 1/2) times their straight-time hourly rate for all time worked. Part-time employees hired on or after

April 13, 1997, shall receive their straight-time hourly rate plus a \$1.50/hour premium for all hours worked on Sunday for the first thirty (30) months of continuous service; after completing thirty (30) months of continuous service, such employees shall receive one and one-half (1 1/2) times their straight-time hourly rate for all hours worked on Sunday.

Part-time employees reporting to work on Sunday shall be offered a minimum of four (4) hours' work.

(g) (6) Part-time employees on the payroll prior to the vacation period are to receive initial preference for vacation period work over new hires and secondary preference for such work shall be given to former part-time employees over new hires provided the former part-time employees make written application to the Employer within one (1) week following Easter Sunday.

(h) (1) The Employer shall endeavor to combine existing part-time assignments on a seniority basis, providing they can do the work so as to provide the maximum part-time employment per individual within the definition of part-time employment providing the employee is available to work such hours on a regular and continuing basis. A part-time employee may claim the daily schedule of hours of a less senior part-time employee in order to maximize his/her schedule within the definition of straight-time employment for part-time employees. The Employer shall endeavor to create full-time positions providing such positions can be assigned to employees who are available to work such hours on a regular and continuous basis.

(h) (2) Part-time employees may claim hours that may become available to maximize their work hours as provided in (h) (1) above.

(h) (3) The Employer shall endeavor to provide that part-time employees by seniority shall have the preference to select the work schedule within their department provided they have the ability and are available on a continuing basis.

(h) (4) In the event the Employer suffers a decline in business due to competition, the parties shall meet on or after April 1, 1991, to review the facts to seek to mutually agree on how the store or stores will be staffed and how employees are to be scheduled with the objective of maintaining a more productive staff at a more competitive average hourly cost, notwithstanding the provisions contained in paragraphs (h)(1), (2) and (3) herein and in Article 13(g). This shall not affect any wages or benefits established by this Agreement.

(i) The Employer shall have the right to establish a second shift under the same rates and conditions as those employees who work under the provisions of Sections (a) and (b) of this Article. Employees working on the second shift will have a starting time between the hours of 11:00 A.M. and 5:00 P.M. Full-time employees on the second shift may be scheduled to start an eight (8) hour shift between the hours of 5:00 A.M. and 11:00 A.M. one (1) or more days per week.

(j) Employees hired prior to October 1, 1963, will not be obligated to work on the second shift unless they so choose. Employees hired after October 1, 1963, can exercise their seniority to avoid a transfer to the second shift by bumping the least senior employee by department on a district-wide basis and then on a company-wide basis if there is no employee with less seniority in the district. The employee bumped must take the second (2nd) shift position. The Employer must transfer from day to second shift in inverse order of seniority, except for employees with less than one (1) year of service.

(k) Those employees working on the second shift shall be entitled to a meal period of thirty (30) minutes to one (1) hour between 4:00 P.M. and 8:00 P.M. and shall be entitled to two (2) fifteen (15) minute rest periods within the eight (8) hour day.

(l) All full-time employees employed on the second shift shall be

offered, in accordance with seniority, opportunities to be scheduled to work the first shift before any new hires are scheduled to work that shift. Full-time employees on the night crew shall be offered opportunities to fill second shift openings or to fill first shift openings not filled from the second shift as above, provided they are capable and are continuously available before new hires are scheduled to work that shift.

ARTICLE 6 - GOVERNMENT ENACTMENT OF MAXIMUM HOURS AND MINIMUM WAGE

(a) Should any law be enacted by the United States Government or State Government which will fix a maximum hour work week for retail clerks in retail stores at a point lower than specified herein, then such work week shall become the maximum work week for the employees covered by this Agreement for the unexpired term of this Agreement.

(b) It is further understood and agreed by the Employer that the employees so affected by the work week law shall not suffer a reduction in their present gross earnings even though their work may be reduced other than specified herein.

(c) Should any law be enacted by any state or the federal government which increases the minimum wage, the parties will meet to discuss the effects on employees.

ARTICLE 7 - WAGE CLAUSE

(a) (1) The scale of wages shall be as appears in Schedule "A" attached and made part of this Agreement.

(a) (2) Any premium paid to a classified or night crew employee under the terms of this Agreement is to be included as part of the employee's regular hourly wage rate for all purposes.

(a) (3) When a full-time employee who has been classified as such for six (6) months, is involuntarily reduced to part-time status, the employee shall not suffer a reduction in the employee's straight-time hourly rate. Thereafter, said employee shall progress on the part-time wage scale and the employee shall receive any applicable part-time across-the-board increases provided they are at the top of the applicable progression scale on the date of the across-the-board increase.

A full-time employee who voluntarily reduces to part-time status shall be placed on the appropriate part-time progression scale based on the employee's length of service, up to a maximum of eight dollars and fifty cents (\$8.50) per hour, as well as any previously granted cost of living protection increases. Thereafter, said employee shall receive any applicable part-time across-the-board increases provided they are at the top of the applicable progression scale on the date of the across-the-board increase. Any such voluntary reduction to part-time status shall only be by mutual consent of the Employer and the Employee.

(a) (4) Should the Employer establish new classifications within the bargaining unit, the job content of which is substantially different from those then existing and for which rates of pay are not provided in this Agreement, the Employer and the Union shall negotiate rates of pay for such new classification.

(b) The rates of pay specified in this Agreement and presently paid to employees shall not be reduced during the period of this Agreement.

(c) Any full-time employee hired or presently employed at a rate in excess of the minimum rate to which that employee would be entitled pursuant to Schedule "A" shall be given credit for the continuous full-time service required for the progression rate equal to or next below the employee's actual rate. Any employee hired at a rate in excess of the starting rate shall progress successively to the next higher rate after six (6) months in any given bracket, but no employee shall receive more than the

maximum of the progression rate as a result of the operation of this clause.

(d) Part-time employees hired at a wage rate in excess of the minimum rate to which they would be entitled pursuant to the wage progression scale of Schedule "A" will be given credit for the continuous part-time service required for the progression rate equal to or next below their actual rate and shall advance thereafter in accordance with the terms of said wage progression scale.

(e) Part-time employees hired after April 10, 1993, shall receive an increase thirty (30) days after their date of hire and shall, so long as continuously employed, progress to the next higher rate on the applicable wage scale at six (6) month intervals following their date of hire or appointment.

(f) Part-time employees who receive advances in progression equal to a particular progression rate shall progress to the next higher rate in accordance with Section 7(e) above.

(g) Part-time employees who receive advances in progressions in an amount less than the next progression wage level shall, six (6) months from the date of the last progression wage increase, preceding the advances in progressions, receive only the difference necessary to bring them up to the next progression wage level.

(h) No part-time employee shall receive more than the maximum of the progression wage scale as a result of the operation of (d), (e), (f) and (g) above.

(i) Part-time employees who are on the part-time wage progression and who are converted to full-time shall be given credit for their service on a one (1) month for two (2) month basis to establish their beginning wage rate as full-time employees except that they shall not receive a rate higher than the next full-time progression step or a maximum increase of one dollar (\$1.00) per hour, whichever is less, but not less than the full-time starting rate. Thereafter, said employee shall progress on the full-time wage scale on an anniversary date basis, but shall be eligible for across-the-board wage increases pursuant to Schedule A. However, those employees on the payroll prior to April 9, 1984, shall continue to receive the previously granted cost-of-living protection increases.

Part-time employees who are on the full-time wage progression and who are converted to full-time status, shall continue to progress on the full-time wage scale as provided in Section 7(e) above and shall be eligible for across-the-board increases pursuant to Schedule A and previously granted cost-of-living protection wage increases.

(j) Except as otherwise provided in this Agreement, no employee shall suffer a reduction in the employee's earnings as a result of any of the provisions of this Agreement, nor shall present part-time employees' hours of work be reduced as a result of this contract except for economic reasons such as a reduction of business.

(k) No employee shall be deprived of the wage rate for length of service due to any increase granted under the terms of this contract.

(l) Any employee receiving wages above the rates specified herein shall, nevertheless, receive the increase as granted under the terms of this contract.

(m) All new full-time employees hired by the Employer who have had verified similar supermarket industry experience in the classification for which they were hired within two (2) years preceding their date of hire by the Employer, who claim such experience on the job application, shall be given credit for such experience after thirty (30) days' employment, and their rate of pay thenceforth shall be based on their so verified full-time experience within the preceding two (2) years according to the rate schedule of this contract.

(n) Rehired part-time employees shall be given credit for up to one (1) year's experience with the same Employer, preceding their new date of

hire by the Employer, to determine their rate of pay according to the part-time rate schedule of this contract.

(o) By mutual agreement with the Employee, the Employer may make available to each Employee the option of having his/her paychecks deposited directly into his/her specified bank account via electronic wire transfer.

ARTICLE 8 - HOLIDAYS

(a) The following days shall be recognized as paid holidays. When a holiday falls on Sunday, the following Monday shall be observed:

New Year's Day	Labor Day
Washington's Birthday	Presidential Election Day (if registered voter)
Memorial Day	Thanksgiving Day
Independence Day	Christmas Day

Work may be performed on any of the holidays and part-time employees hired prior to April 13, 1997 and full-time employees who are eligible for holiday pay, shall be compensated at the rate of time and one-half (1 1/2) the employee's regular hourly rate plus pay for the holiday as set forth below. Part-time employees hired on or after April 13, 1997 who are eligible for holiday pay will be compensated at the appropriate premium or appropriate rate of pay as per the terms of paragraph (b)(3). Work on Thanksgiving Day, Christmas Day and New Year's Day will be offered first on a voluntary basis. If the Employer is unable to properly staff the store, employees shall be scheduled and required to work in order of inverse seniority.

(b) (1) The work week during which one of the holidays occurs is a four (4) day week consisting of thirty-two (32) hours. Hours worked in excess of thirty-two are overtime and compensated at the rate of time and one-half (1 1/2). Full-time employees may work a fifth (5th) day in a holiday week at the straight-time hourly rate by mutual agreement.

(b) (2) Part-time employees may be scheduled to work a fifth day in a holiday week at their straight-time rate by mutual agreement.

(b) (3) Part-time employees hired on or after April 13, 1997, shall receive straight-time for all hours worked on Holidays for the first eighteen (18) months of continuous service; for the next eighteen (18) months of continuous service, such employees shall receive straight-time plus a one dollar (\$1.00) premium for all hours worked on Holidays; and after completing thirty-six (36) months of continuous service, such employees shall receive one and one-half (1 1/2) times their straight-time hourly rate for all hours worked on Holidays.

(c) The Employer shall have full discretion in determining the number of employees who shall work on a given holiday but shall draw said employees from the normal complement of employees who would work in the store on that particular day of the week.

(d) An employee shall be required to work the scheduled day before and after a holiday to be eligible for holiday pay unless excused for good and just cause. The part-time employees must also work all the hours scheduled for the week unless excused in advance for cause.

(e) Full-time employees shall receive eight (8) hours' pay for the holiday at their straight-time hourly rate, after three (3) months of service.

(f) After six (6) months' service, the part-time employee hired prior to April 9, 1984 shall be paid for the holidays and receive four (4) hours' pay unless the day falls on a day he or she would normally be scheduled to work. The employee will receive up to six (6) hours' pay for the holiday if he or she was scheduled to normally work more than four (4) hours on that day. For employees hired on or after April 9, 1984, up to four (4) hours pay maximum for the holiday.

(g) Night crew employees shall not be required to work on the eve of Thanksgiving, Christmas and New Year's. However, they will work the following night at their regular straight-time rate. It shall not be a violation of this provision for the scheduled night crew to continue the practice of working one or the other evenings at straight-time at the employees' option.

(h) No employee's schedule shall be changed during a holiday week to avoid granting an entitled holiday.

(i) Personal Days

(1) Full-time employees hired or appointed on or before April 10, 1993 shall receive one (1) personal day off with pay for each three (3) months of service, up to a maximum of four (4) days per year. After completing one (1) year of service, these employees shall receive five (5) personal days off with pay in each ensuing year. Full-time employees hired or appointed after April 10, 1993, shall receive two (2) personal days off with pay after one (1) year of service and four (4) personal days off with pay after two (2) years of service.

(2) Part-time employees hired on or before April 10, 1993, shall receive personal days off with pay according to the following schedule:

After 6 months of service - 1 day

After 9 months of service - 1 day

After 12 months of service - 3 days per year maximum.

Part-time employees hired after April 10, 1993, shall receive personal days off with pay according to the following schedule:

After 18 months of service - 1 day

After 24 months of service - 1 day

After 30 months of service - 1 day

After 36 months of service - 2 days per year maximum.

(3) Personal days may be used for the purpose of mini-vacations, that is, consecutive work days off. Employees with two (2) or more years of service shall be entitled to such days off at a time of their choice, subject to department seniority in the event of conflict of employee choice. An employee shall notify the store manager at least two (2) weeks in advance of his or her intention to use personal days for a minivacation, which shall be taken with due regard to business needs and not in conjunction with a regular vacation.

(4) Employees shall notify the store manager at least two (2) weeks in advance of schedule posting of intention to take a personal day off and the employee shall receive such day or a mutually agreed upon day off. Employees shall be allowed to select Martin Luther King Jr.'s Birthday as a personal day subject to the provisions contained herein. In the event of a conflict of employee choice, department seniority shall prevail. In the event the Employer refuses to permit an employee to take a previously scheduled personal day, the Employer will pay the employee in lieu of that day.

(5) Full-time employees shall be paid eight (8) hours pay at their straight-time hourly rate for each personal day. Part-time employees shall be paid up to six (6) hours (but not less than four (4) hours) pay at their straight-time hourly rate for each personal day if said employee normally would have been scheduled to work more than four (4) hours on that day. For employees hired after April 8, 1984, up to four (4) hours pay, maximum, for the holiday.

ARTICLE 9 - SUCCESSORS AND ASSIGNS

(a) This Agreement shall be binding upon the successors, assignees, heirs, purchasers or lessees of the Employer or of any store or part thereof of the Employer.

(b) Employees of acquired supermarkets who are hired and

retained after the completion of their probationary period shall have seniority for layoff purposes only, among themselves in the acquired supermarkets, but not over other employees employed by the Employer prior to any such acquisition.

ARTICLE 10 - SAFETY AND SANITARY CONDITIONS

(a) The Employer shall comply with all applicable laws concerning safety and sanitary conditions.

(b) The Employer and the Union shall make every effort to see that the safety rules are obeyed.

(c) The Employer shall provide stress pads at the checkout stands.

(d) The Employer agrees to post in the break room, where applicable, an exit diagram of the store.

(e) The Employer agrees to provide a first aid kit in all stores.

ARTICLE 11 - VACATIONS

(a) Regular full-time employees hired on or before April 10, 1993, shall receive vacations with pay as follows:

One (1) week's vacation after one (1) year of service.

Two (2) weeks' vacation after two (2) years of service.

Three (3) weeks' vacation after six (6) years of service.

Four (4) weeks' vacation after twelve (12) years of service.

Five (5) weeks' vacation after twenty (20) years of service.

Regular full-time employees hired after April 10, 1993, shall receive vacations with pay as follows:

One (1) week's vacation after one (1) year of service.

Two (2) week's vacation after three (3) years of service.

Three (3) week's vacation after eight (8) years of service.

Four (4) week's vacation after fourteen (14) years of service.

The vacation period is May 1 through September 30, except that those employees who are entitled to more than three (3) weeks' vacation may be required to take the additional vacation weeks outside the vacation period. Employees who are entitled to five (5) weeks' vacation may be required to take one (1) vacation week after September 30.

Eligibility for full-time employees shall be determined as of their anniversary date and the length of service which falls prior to or within the vacation period. Part-time employees who are converted to full-time shall be given credit for their service on a one (1) month for two (2) month basis to establish their vacation entitlement as full-time employees.

Those employees who desire to take their vacation at a time other than the vacation period (May 1 through September 30) or to split their vacation period between that time and another time may do so provided it is not taken during a peak business week period.

(b) By mutual consent, full-time employees' vacations may be taken in two (2) separate periods or by consecutive periods in accordance with seniority on a store-wide basis.

(c) Full-time night crew employees shall receive their night pay differential in their vacation pay.

(d) Full-time employees who work forty-five (45) or more hours per week for a period of twenty-six (26) weeks or more during a year shall receive forty-five (45) hours' straight-time pay for each week of vacation to which they are entitled.

(e) Part-time employees hired on or before April 10, 1993, with one or more years of service as of June 30 in any year shall be granted vacation with pay pro-rated on the basis of average weekly straight-time hours worked in the preceding calendar year as follows:

One (1) week for one (1) year of continuous service prior to June 30.

Two (2) weeks for three (3) years of continuous service prior to June 30.

Three (3) weeks for six (6) years of continuous service prior to June 30.

Four (4) weeks for twelve (12) years of continuous service prior to June 30.

Five (5) weeks for twenty (20) years of continuous service prior to June 30.

Part-time employees hired after April 10, 1993, with one (1) or more years of service as of June 30 in any year shall be granted vacation with pay pro-rated on the basis of average weekly straight-time hours worked in the preceding calendar year as follows:

One (1) week for one (1) year of continuous service prior to June 30.

Two (2) weeks for three (3) years of continuous service prior to June 30.

Three (3) weeks for eight (8) years of continuous service prior to June 30.

Four (4) weeks for fourteen (14) years of continuous service prior to June 30.

(f) Employees joining the Armed Forces shall receive one-twelfth (1/12) of the vacation pay to which they are entitled for each month of employment during the employee's anniversary year.

(g) In the event a holiday occurs during a full-time employee's vacation, said employee shall, at the option of the Employer, be given an additional day's vacation or an additional day's pay. The additional day may be taken either the last work day before, or the first work day after, the employee's vacation, said choice to be at the employee's option.

No employee shall be required to work beyond 6:00 P.M. the evening prior to the commencement of the employee's vacation.

(h) Full-time employees with more than one (1) year's service who are laid off or who voluntarily terminate their employment shall receive a pro-rata vacation and payment for fifty (50%) percent of unused sick leave up to a maximum of twenty (20) hours. In the case of voluntary termination, the employees must give two (2) weeks' advance written notice to the Employer. Pro-rata vacation is vacation time earned since last anniversary date and not already taken. Part-time employees with two (2) years or more of service who are laid off shall receive their pro-rated vacation pay which has been earned but not taken.

(i) Payment for amounts due an employee under this Article shall be in a separate check or by separate computation not included with other remuneration.

ARTICLE 12 - STORE LINEN

The Employer agrees to furnish and launder (except drip dry garments) the customary store coats, aprons and gowns required by the Employer to be worn by the employee. Employees who normally are not required to work in the sales area, during their working day, will not be

required to wear white shirts, but will, nevertheless, be expected at all times to be neat and tidy in their dress and appearance.

ARTICLE 13 - SENIORITY

(a) Seniority shall be defined as continuous length of service within the bargaining unit of this Agreement.

(b) (1) The Employer shall maintain four (4) separate seniority lists for these groups of employees:

- (i) Department managers and other classified employees;
- (ii) Full-time employees other than the above;
- (iii) Part-time employees;
- (iv) Service clerks.

(2) Part-time employees shall not accumulate seniority over full-time employees. Service clerks will have and accumulate seniority only in their classification and only in their own store.

(3) Full-time employees involuntarily reduced to part-time shall have their full-time seniority frozen and shall pick it up when returned to full-time employment. Seniority as part-time employees shall be measured from original dates of hire and shall include all service with the Employer in the bargaining unit.

(4) When full-time employees voluntarily reduce themselves to part-time employment, their original dates of hire shall be their seniority dates.

(5) When part-time employees are reclassified to full-time, their seniority as full-time employees shall begin with the date of reclassification to full-time. Their service as part-time employees shall be frozen for them.

(c) No employee can exercise seniority to claim a classified job.

(d) All employees working less than forty (40) hours per week who are interested in obtaining full-time positions shall place their names on a bid sheet. When a full-time job opportunity becomes available within the bargaining unit, the most senior capable employee within the department or skill level on the bid sheet shall be assigned to the job, provided, the employee is available to work such hours on a continuing basis. Bid sheets shall be posted for six (6) month periods. Employees may place their names on them in the months of March and September of each year on a form approved by and made available to the Union.

(e) All employees interested in promotion to department manager and other classified positions shall place their names upon a classified job opportunity sheet. The Employer shall make promotions from such sheet provided the employees on such sheet are capable to perform the work. Classified job opportunity sheets shall be posted for six (6) month periods. Employees may place their names on them in the months of March and September of each year on a form approved by and made available to the Union.

(f) Employees promoted to classified jobs shall retain previously acquired seniority, and new seniority in the classified job shall commence as of the time of promotion. In the event of layoff or the reduction of hours or replacement of classified employees, such employees shall be permitted to reclaim positions they previously held, or whatever equivalent jobs the employees are entitled to by the combined seniority in the employees' classified and unclassified jobs.

(g) When there is a reduction of hours or layoff, employees shall be treated in the following manner:

(1) No employee shall have hours reduced until there has been a

reduction of hours among less senior employees as long as customer service is maintained.

(2) Full-time employees who have worked for the Employer for six (6) consecutive months or more, and are laid off due to a reduction in the work force, shall be given five (5) days' written notice or forty (40) hours' pay in lieu of such notice of layoff by the Employer.

(3) Part-time employees who have worked for the Employer for twelve (12) consecutive months or more, and are laid off due to a reduction in the work force, shall be given one (1) week's written notice or one (1) week's pay (normal scheduled hours) in lieu of such notice of layoff by the Employer.

(4) Layoffs shall be in reverse order of seniority, first in the store of employment, then by bumping the least senior employee in another store of the Employer on a district-wide basis or in a mutually agreed upon geographical area, and finally on a bargaining unit-wide basis, provided the employee is capable to perform the work of the displaced employee and is available for the hours required to be worked.

(5) In the event of a layoff or reduction of hours among part-time employees, they will have the right to be reclassified as service clerks at the applicable service clerk rates, conditions and benefits in order to claim the hours of service clerks who have less seniority.

(6) In the event of a store closing or a major layoff, the Employer shall notify the Union and meet two weeks prior to the layoff to resolve the bumping rights of all the affected employees.

(h) Recall of employees from layoff shall be made in order of seniority so long as the most senior employee is capable and available to perform the work.

(i) An employee on layoff shall retain seniority for a period of six (6) months provided the employee has been employed in the bargaining unit for six (6) months or more prior to the date of layoff.

(j) An employee on a leave of absence shall retain seniority accumulated prior to the leave, for the period of the leave of absence, in accordance with the terms of Article 40.

(k) The shop steward or stewards shall, in any event, have top seniority in the stores for purpose of layoff.

(l) Seniority shall be terminated for any one or more of the following reasons:

(1) Any employee recalled after layoff who fails to report for work within a period of forty-eight (48) hours, not including Saturday or Sunday, after the required date to report shall forfeit the right to re-employment.

(2) Seniority may be broken only by quit, justifiable discharge or failure to return to work in accordance with the terms of Leaves of Absence.

(m) It is expressly understood that this Article shall be applied in accordance with Article 21 of this Agreement.

ARTICLE 14 - GRIEVANCE PROCEDURE AND ARBITRATION

(a) All disputes, differences or grievances as to the interpretation or application of the provisions of this Agreement shall be settled in the following manner:

(1) The Union shall give written notice of the nature of the dispute, difference or grievance to the duly designated representative of the Employer.

(2) After receipt of such notice by the Employer, the duly authorized officials of the Union and a duly designated representative of the Employer shall confer to adjust such dispute, difference or grievance.

The Employer agrees to supply the Union with the relevant information necessary to process the grievance.

(3) In the event such dispute, difference or grievance shall not have been satisfactorily adjusted between the parties in the manner provided above, then such dispute, difference or grievance shall be referred to arbitration by either party by notice in writing. Upon the giving of such notice in writing by one party to the other, the parties shall mutually agree upon an impartial arbitrator who, in cases involving discharge will hold hearings within approximately thirty (30) days after accepting appointment. If this does not occur in such case, the expedited arbitration procedure of the American Arbitration Association may be utilized by the submitting party. If no agreement upon an impartial arbitrator is reached within five (5) days after the giving of such notice of intention to arbitrate, either party may apply to the American Arbitration Association for the appointment of such impartial arbitrator.

(4) In order to comply with the Union's internal appeal procedure, the Union shall have ninety (90) days from the date of initial filing of grievance to notify the Employer that it may go forward to arbitration.

(b) The decision of said arbitrator shall be final and binding upon the parties. The parties further agree that there shall be no suspension of work when any such dispute, difference or grievance arises and while it is in the process of adjustment or arbitration. The parties agree that the expenses of arbitration shall be borne equally between them.

(c) Any member of the Union who shall, at the direction of the arbitrator, be required to testify at any arbitration procedure shall not suffer any loss in wages by reason thereof.

(d) A dispute, difference or grievance concerning the discharge of an employee shall be deemed waived unless, within ten (10) calendar days after the date of discharge, the Union gives written notice of such dispute, difference or grievance to the duly designated representative of the Employer.

(e) Neither party shall utilize any coercive or retaliatory measure to compel the other party to accede to its demands.

(f) The arbitrator shall not have the power to arbitrate provisions of a new agreement, to arbitrate away, in whole or in part, any provision of this Agreement and shall not have the power to add to, delete from or modify the provisions of this Agreement.

(g) The shop steward or Union representative has the right to be present during any corrective interview between an official of the Employer and a member of the bargaining unit concerning discipline or the application of the interpretation of this Agreement. An employee has the right to request the presence of a Union representative or shop steward at any investigatory interview which the employee reasonably believes might result in disciplinary action.

ARTICLE 15 - NO STRIKE CLAUSE

There shall be no strikes, sitdowns, slowdowns or stoppages of work authorized or sanctioned by the Union, nor shall there be any lockout on the part of the Employer during the term of this Agreement. This clause shall not bind a party to this Agreement if the other refuses to arbitrate or abide by the arbitrator's award.

ARTICLE 16 - SUBSTITUTE DEPARTMENT MANAGER

An employee designated by the Employer to substitute for a department manager shall be paid the premium of the job for which the employee is substituting.

ARTICLE 17 - LUNCH PERIOD

Where applicable, full-time employees shall receive from thirty (30) minutes to one (1) full hour for lunch as close to noon as possible between

the hours of 10:30 A.M. and 2:00 P.M. When an employee works in excess of five (5) hours or more, the employee shall be entitled to a lunch period during the shift. If employees are required to work overtime, one-half (1/2) hour for supper shall be granted which shall not be deemed hours worked providing the overtime shall be of at least two (2) hours' duration.

ARTICLE 18 - REST PERIODS

(a) All full-time employees shall be granted a fifteen (15) minute rest period twice a day, which must be punched in and out on the time card, once in the morning and once in the afternoon, and shall be at their work station immediately after the rest period ends. Employees on a second shift shall be granted rest periods as set forth in Article 5, Section (k). Time off for rest periods shall be included as time worked.

(b) Part-time employees shall be entitled to a rest period when they work a four (4) hour shift during the middle two (2) hours of such shift.

ARTICLE 19 - REPLACEMENT OF FULL-TIME EMPLOYEES

(a) The Employer agrees that whenever a full-time job becomes vacant, the Employer will replace the full-time employee with a new full-time employee taken from the bid sheet, unless the vacancy occurs because of a reduction for economic reasons or a transfer under Article 13.

(b) The above paragraph shall not be applicable to newly hired or appointed full-time positions created after April 4, 1987. However, the above paragraph shall be applicable to newly hired or appointed permanent full-time positions created within the first ninety (90) days of a new store opening.

(c) Any part-time employee promoted to a new full-time position under the provisions of paragraph (b) above, who is reduced voluntarily to part-time status, shall be placed on the appropriate part-time progression scale based on the employee's length of service, up to a maximum of eight dollars and fifty cents (\$8.50) per hour as well as any previously granted cost of living increase. Thereafter, said employee shall receive any applicable part-time across-the-board increases provided they are at the top of the applicable progression scale on the date of the across-the-board increase. Any such voluntary reduction to part-time status shall only be by mutual consent of the Employer and the Employee. Any part-time employee promoted to a new full-time position under the provisions of paragraph (b) above, who is involuntarily reduced to part-time status shall revert to their prior part-time rate, plus any applicable progression or across-the-board increases, which they would have received had they not converted to full-time. Thereafter, said employee shall receive any applicable part-time across-the-board increases provided they are at the top of the applicable progression scale on the date of the across-the-board increase.

(d) Any full-time employee with one (1) or more years of continuous service who is discharged or laid off, providing such discharge was not for dishonesty, shall be paid a pro-rata vacation and the pay for fifty (50%) percent of unused sick days up to a maximum of twenty (20) hours. Pro-rata vacation is vacation time earned since the employee's last anniversary date and not already taken.

ARTICLE 20 - ENFORCEABILITY OF ANY PART OF AGREEMENT

The parties hereto agree that should any section, part or paragraph of this Agreement be or become unlawful, invalid, ineffective or unenforceable by virtue of the National Labor Relations Act, as amended, any other act, law or decision of any established administrative agency or court, then said section, part or paragraph so declared shall not affect the validity and enforceability of any other section, part or paragraph thereof, and the remainder of this Agreement shall continue to remain in full force and effect.

ARTICLE 21 - NO DISCRIMINATION

There shall be no discrimination against any employee concerning any condition of employment because of the employee's race, color, sex, religion, creed or national origin.

ARTICLE 22 - EFFECT OF STRIKE AND PICKETS

The Union agrees that it will not refuse to cross a picket line unless such picket line is directed against the Employer in its capacity as an Employer and unless such picket line is authorized by the International Union of the picketing Union, and unless the Employer has been notified by the Union by registered mail at least three (3) working days in advance of its intention to honor the picketing Union's line.

ARTICLE 23 - JURY DUTY

(a) Any full-time employee who has worked for the Employer for ninety (90) days or more and who is called to jury duty shall be paid by the Employer the difference in pay between the employee's base wages and the amount received for the jury service, limited to not more than fourteen (14) days' pay in any one (1) year. Employees on jury duty shall report to work on Saturday if not serving on the jury, unless they have served on the jury five (5) days during the week, in which event they will not be required to work on Saturday and shall be paid the differential on a five (5) day basis as if the employee had been scheduled Monday through Friday. An employee who is dismissed from jury service sufficiently early to enable the employee to work four (4) hours or more of a scheduled shift shall report to the store to complete the employee's shift.

(b) Any part-time employee who has worked for the Employer twelve (12) months or more and who is called to jury duty will be paid for scheduled hours by the Employer the difference in pay between the employee's base wages and the amount received for jury service limited to not more than fourteen (14) scheduled days' adjusted pay in any one (1) year. Part-time employees shall receive such differential only for those hours they are normally scheduled and unable to work because of serving on the jury. However, there will be no coverage for part-time employees who receive jury duty pay from another Employer. An employee who is dismissed from jury service sufficiently early to enable the employee to work four (4) hours or more of a scheduled shift shall report to the store to complete the employee's shift.

(c) Night crew employees called and serving on jury duty, will be excused from their work schedules without any loss of base wages.

ARTICLE 24 - FUNERAL LEAVE

(a) All full-time employees, after thirty (30) days of employment, will be entitled up to five (5) days' pay for a funeral leave in the event of death of a spouse or a child. For all other deaths in the immediate family, all full-time employees will be entitled up to three (3) days' pay for a funeral leave. Payment shall be for the scheduled days missed as a result of funeral leave in the amount of wages normally paid for said days. Immediate family is defined to mean: parent, sister, brother, mother-in-law and father-in-law. One (1) day's paid leave will be granted in the event of the death of a grandparent or grandchild of said employee.

(b) All part-time employees with six (6) months or more service will be entitled up to five (5) days' paid funeral leave in the event of death of a spouse or a child. In the event of death in the immediate family of someone other than spouse or child, up to three (3) days' leave shall be granted. Payments shall be for the scheduled days missed as a result of funeral leave in the amount of the wages normally paid for the number of hours scheduled on said days. Immediate family is defined to mean: parent, sister, brother, mother-in-law and father-in-law. One (1) day's paid

leave at the rate of pay indicated herein for other funeral leave will be granted in the event of the death of a grandparent or grandchild of said employee for the employee's scheduled day only.

ARTICLE 25 - UNION VISITATION

Representatives of the Union shall have the right to visit any of the Employer's places of business at any reasonable time during normal working hours for the purpose of ascertaining whether this Agreement is being properly observed provided that there shall be no interruption of or interference with the Employer's business. In the event of a dispute involving a cashier, the Union shall have the right to have said employee relieved of duty, provided a suitable substitute is available, to converse with the Union Representative.

ARTICLE 26 - TRANSFERS

(a) The Union recognizes the Employer's right to make permanent transfers for business reasons. Such transfers shall be made from the bargaining unit seniority list in reverse order of seniority, and with employees who are able and available to work, to stores within a reasonable distance.

(b) The Union, at the request of the full-time employee, shall have the right to petition the Employer for reimbursement of the added expense to such transferred employee in the event such transfer causes the employee to expend an excessive amount of carfare in reporting to the new location. The Employer agrees, to the best of its ability, to limit permanent transfers within a reasonable radius of the employee's home. The Employer agrees to notify the Union one (1) week in advance of the contemplated permanent transfer.

(c) In a case of temporary transfer, notification to the Union is not required. Further, the Employer agrees that temporary transfers of full-time employees shall not exceed three (3) times a year. Temporary transfer shall not exceed three (3) weeks, except by mutual consent between the Employer and the Union.

(d) Should the Union consider any transfer to be an abuse of this transfer clause, it shall have the right to raise such transfer as a grievance to be handled in accordance with the grievance procedure contained within this contract.

(e) An employee transferred from one store to another shall have in the store to which the employee is transferred the seniority which the employee accumulated up to the time of transfer.

ARTICLE 27 - WAGE INFORMATION

In the event of a dispute between the parties to this Agreement as to whether an employee is being paid the wages under this Agreement, the Employer shall, at the request of the Union, furnish the Union information regarding the wages paid to and hours worked by the particular employee involved.

ARTICLE 28 - INDIVIDUAL AGREEMENT

No agreement between the Employer and any employee which is in conflict with the terms of this Agreement shall be entered into nor shall any such agreement be binding upon the parties hereto or the employee involved.

ARTICLE 29 - DISCRIMINATION OR DISCHARGE OF EMPLOYEES

No employee shall be discharged or discriminated against because of Union activities nor shall any such activity by an employee be considered a violation of this Agreement. It is agreed that employees shall not engage in Union activities during working hours.

ARTICLE 30 - SHOP STEWARDS

(a) The Employer agrees that Union Shop Stewards shall have top seniority and shall be the last person to be transferred in the event of a lay-off.

(b) One (1) Shop Steward per store is to receive one (1) personal day with pay a year to be used for attending a Local 1262 Shop Steward Seminar.

(c) The Employer agrees to provide each newly appointed shop steward with four (4) hours unpaid time off for the purpose of attending a one-time shop steward training session to be provided by the Union.

ARTICLE 31 - COMPENSATION INSURANCE

The Employer agrees to cover employees under Worker's Compensation Insurance in accordance with the state laws.

ARTICLE 32 - MILITARY SERVICE

It is agreed that the Employer shall adhere to the re-employment provisions of the Military Selective Service Act and any amendments thereto.

ARTICLE 33 - SICK LEAVE

(a) Full-time employees are eligible for ten (10) sick leave days with pay at the beginning of each sick leave year, after completing one (1) sick leave year of service. Full-time employees hired or appointed prior to April 11, 1993 are eligible for sick leave on the basis of one (1) day for each month of service, after their first three (3) months of employment up to a maximum of nine (9) days, for the first sick leave year. Full-time employees hired or appointed after April 10, 1993, are eligible for sick leave on the basis of one (1) day for each month of service after their first three (3) months of service up to a maximum of three (3) days for the first year, and after one (1) year of service, they shall receive seven (7) sick days.

(b) Sick leave for full-time employees with less than one (1) year of service shall not be paid for the first day of sick leave. Full-time employees with more than one (1) year of service are paid for the first day and for each day of sick leave.

(c) Full-time employees eligible for sick leave will receive a bonus of all unused sick leave within sixty (60) days after the end of the sick leave year provided they have one (1) or more years of service. Such bonus is to be paid in a separate check or by separate computation not included with other remuneration.

(d) The Employer may require a doctor's certificate after two (2) consecutive days of absence. Sick leave pay is to be paid promptly.

(e) Part-time employees hired on or before April 10, 1993, shall be entitled to the following sick leave benefits:

LENGTH OF SERVICE

After one (1) year
After two (2) years
After three (3) years

SICK LEAVE

Up to three (3) scheduled days
Up to four (4) scheduled days
Up to five (5) scheduled days

Part-time employees hired after April 10, 1993, shall be entitled to the following sick leave benefits:

LENGTH OF SERVICE

After one (1) year
After two (2) years
After three (3) years

SICK LEAVE

Two (2) scheduled days
Three (3) scheduled days
Four (4) scheduled days

Sick leave pay shall be for the hours scheduled to a maximum of six (6) hours' pay per day. Part-time employees hired after April 8, 1984, shall be paid sick leave for the hours scheduled to a maximum of four (4) hours' pay per day. Part-time employees, after one (1) year of service, shall be paid for unused sick days within sixty (60) days after the end of the sick leave year, on the basis of four (4) hours' straight-time pay for each unused day. Such bonus is to be paid in a separate check or by separate computation not included with other remuneration. There shall be no sick leave pay for the first scheduled day not worked because of illness during the first year of employment.

(f) Employees injured on the job and unable to complete his/her day's work shall be paid for all hours scheduled for that day.

(g) The Employer will pay full-time employees with two (2) or more years of service, who are out of work because of illness or injury, a payment of fifty (\$50.00) dollars per week after the fourth (4th) full week of absence up to a maximum of thirteen (13) weeks. This payment shall be in addition to any state disability or Workers' Compensation benefit the employee may receive.

ARTICLE 34 - HEALTH AND WELFARE

(a) The parties have negotiated a plan of benefits for those employees who have met the eligibility requirements including those noted below:

Full-Time Employees (Excluding Full-Time Porters and Service Clerks) - These employees and their eligible dependents are eligible to participate in the medical, dental care, vision care, physical examination, prescription drug and life and dismemberment insurance plans the first of the month following three months of service — assuming all other eligibility criteria are satisfied.

Part-Time Employees (Excluding Part-Time Porters and Service Clerks) are eligible — for single coverage only — to participate in the vision care, physical exam and life and dismemberment plans as of the first of the month following six months of service; a prescription drug plan as of the first of the month following twelve months of service; a dental care plan as of the first of the month following twenty-four months of service; and a medical plan (a reimbursement plan only, all other plans paying primary) as of the first of the month following twenty-four months of service if the 1,000 hour work criteria (during the 12 month period commencing on October 1 and ending on September 30) is met. The employee is also covered, if s/he satisfies the twenty four month criteria, but works less than 1,000 hours but more than 750 hours in the applicable period, with his/her ratio of hours worked divided by the number of months worked equaling at least 85. Otherwise, the first 120 (one hundred and twenty) days of hospitalization will not be covered.

The specific terms of these benefits and eligibility for coverage are set forth in the Plan Document adopted by the Trustees, incorporated herein by reference and made a part hereof. Copies of the Plan Document are available at the Fund Office, 1389 Broad Street, Clifton, New Jersey 07013.

(b) The Funding Policy Agreement negotiated by the parties hereto and adopted by the Trustees, affixed hereto and made part hereof, shall be determinative of each participating Employer's obligation to fund the benefits provided through the UFCW Local 1262 and Employers Welfare Fund. Copies of the Funding Policy Agreement are available at the Fund Office, 1389 Broad Street, Clifton, New Jersey 07013.

(c) Contributions

1. The Fixed Contribution is made for full-time employees eligible for benefits as of the first of the month following three (3) months of employment and for part-time employees as of the first of the month following one (1) year of employment.
2. The Variable Contribution shall be made for all employees eligible for benefits. The Fixed Contribution will be made monthly for all eligible full-time and part-time employees who are active as of the first (1st) of the month or for those inactive as provided for in the Eligibility and Coverage sections of this Article, Section (d), subsection (1) through (12).
3. To the extent that any Employer Health and Welfare contributions lose their status as fully tax deductible for the Employer (or other tax law changes), the Employer and the Union will meet and implement changes that will allow the Employer to continue to pay for benefits at the same after tax cost (after the tax law change is taken into consideration) as before the tax changes. This is not intended to create a windfall to the Employer, but is intended to prevent any additional cost to the Employer. It is intended to allow the parties, with no additional after tax cost to the Employer, to utilize the funds available in order to maintain Employer benefits as close to the level that existed prior to the new tax structure. The specific eligibility and coverage provisions are set forth in the Plan Document, referred to above which is controlling. A summary of some points of eligibility and coverage are set forth in Section (d) below.
4. During the term of this Agreement, if the Trustees determine that the fixed contributions to the Welfare Fund may be reduced prudently, then such amounts shall be contributed to the Pension Fund.

(d) Coverage and Eligibility

1. Coverage for all benefit plans begins on the first of the month following the applicable eligibility period, as long as the employee is actively at work on that date and has been actively employed during this period. An employee will be considered actively at work if s/he is performing in the customary manner all the regular duties of employment. Active employment shall also include time for which an employee is not performing regular duties but is paid, such as vacation days, sick days, jury duty and bereavement time. If an employee is not actively at work on the date the employee's coverage would become effective, provided the requisite eligibility period had been satisfied, then the employee becomes eligible on the first day following his/her return to active employment.
2. For full-time employees only, (excluding Full-Time Service Clerks and Porters) coverage is provided for eligible dependents. Eligible dependents include: a legally married spouse; unmarried children under age 19; unmarried children who are full-time students under the age of 23; and, an unmarried child over age 19 who may be mentally or physically handicapped and dependent upon the employee for support, so long as the incapacity commenced prior to age 19 (or 23 if a full-time student). Eligible dependents (where applicable) become eligible on the same date the employee becomes eligible provided that they are not hospitalized or otherwise not in active service on that date. Dependents must also be in "active service" in order for their coverage to begin. This means that they must engage in all of the normal activities of people in good health of similar age and

- gender. If dependents are hospitalized or not in active service on the date the employee's coverage becomes effective, they would then become eligible on the first day following their discharge from the hospital or return to active service.
3. In the event of an intra-Company transfer of an employee covered under a collective bargaining agreement with another United Food and Commercial Workers local and eligible for welfare benefits under that agreement, the employee shall be covered for welfare benefits hereunder.
 4. The waiting period shall be waived when hiring employees currently eligible and covered by ShopRite, Foodtown, Stop & Shop or Grand Union contracts with Local 1262 providing this employment takes place within thirty (30) days. Fixed contributions will commence on the first of the month following hire.
 5. Coverage for all employees shall continue for up to three months during absence from work due to compensable or non-compensable injury or illness.
 6. Full-time employees with five (5) or more years of service who are laid-off shall continue to be covered for Health and Welfare for three (3) calendar months following the date of layoff, unless they are otherwise employed and eligible for benefits.
 7. For part-time employees reclassified to full-time, full-time Fixed Contributions will commence on the first of the month following reclassification. For employees reclassified to full-time who were not eligible for part-time coverage, 50% credit will be given for part-time service toward the full-time waiting period. Full credit will be given to employees converting from full-time to part-time who were not eligible for full-time coverage.
 8. Full-time employees (with full-time coverage) involuntarily reduced to part-time shall continue full-time coverage for three months following the reduction. The first of the month thereafter, applicable part-time coverage will commence. The applicable part-time fixed contributions and coverage will commence on the first of the month following voluntary change from full-time to part-time for employees eligible for full-time coverage.
 9. Coverage will commence following re-employment of an eligible employee who leaves employment to enter the military service of the United States and who is entitled to re-employment under the applicable laws of the United States.
 10. Coverage shall be resumed on the first of the month following the return to work on the Employer's active payroll after illness, injury, leave of absence or recall from layoff providing the person is otherwise eligible for coverage and the coverage had been previously discontinued.
 11. Coverage will cease as of the last day of work for employees who quit, are terminated for cause or who are otherwise not actively at work and who do not have extended coverage as otherwise provided for herein. Coverage will cease as of the last day coincident with the extension of coverage provided for an approved leave of absence, layoff or absence due to compensable or non-compensable injury or illness.
 12. Those full-time employees who retire on or after April 10, 1993 and on or before December 31, 1993 will be covered as Group IV Retirees. Full-time employees who retire on or after January 1, 1994 are considered Group V Retirees. Specific eligibility and coverage provisions for each class of retirees are set forth in the Plan Document.

ARTICLE 35 - PENSION

(a) The Employer agrees to make contributions for each eligible full-time employee at the rate of seventy-eight dollars (\$78.00) per month, on the first (1st) day of each month, to the U.F.C.W., Local 1262 and Employers Pension Plan. Effective May 1, 2001, the monthly contribution shall be one hundred and six dollars (\$106). Effective May 1, 2002, the monthly contribution shall be one hundred and twenty-six dollars (\$126). Effective May 1, 2003, the monthly contribution shall be one hundred and forty-six dollars (\$146).

(b) The Employer agrees to make contributions for each eligible part-time employee at the rate of twenty-six dollars (\$26.00) per month, on the first (1st) day of each month, to the U.F.C.W., Local 1262 and Employer Pension Plan. Effective May 1, 2001, the monthly contribution shall be thirty-five dollars and thirty-three cents (\$35.33). Effective May 1, 2002, the monthly contribution shall be forty-two dollars (\$42.00). Effective May 1, 2003, the monthly contribution shall be forty-eight dollars and sixty-seven cents (\$48.67).

(c) The monthly contribution by the Employer for full-time employees will commence with the first (1st) full payroll month following the completion of the employee's probationary period with the Employer. The monthly contribution by the Employer for part-time employees will commence the first (1st) full payroll month following six (6) months of continuous part-time employment with the Employer.

(d) The Pension Plan is administered jointly by the Union and various Employers under agreement with the Union and is governed by an Agreement and Declaration of Trust and a Pension Plan adopted thereunder. The Employer agrees to be bound by the terms of the Agreement and Declaration of Trust and the rules established by the Trustees governing contributions and delinquencies.

(e) The Pension Plan, as adopted, must have a continuing approval of the IRS as an exempt plan and shall be in compliance with the Employees' Retirement Income Security Act (ERISA) and any amendments thereto.

(f) The Employer agrees to grant those employees age 55 or older with at least nine (9) years of vesting service as defined in Local 1262's Pension Plan, sixteen (16) hours of pay for the purpose of attending a two-day (eight (8) hours each) seminar on pre retirement counseling. This benefit shall be granted once every seven (7) years. Further, the Employer agrees to grant these employees time off if the seminar falls on a day they are normally scheduled to work.

(g) If during the term of this Agreement, the Trustees determine that contributions to the Fund may be reduced prudently, then such amounts will be contributed to the Welfare Fund.

(h) The parties agree that the contributions to the Pension Fund shall be deductible in full for the Employer's taxable year with respect to which the contribution is made. The determination as to the deductibility shall be based upon the information furnished by the Fund Actuary concerning the funding status of the Pension Fund at the time the contribution would be due. If the contributions required by this Article are not deductible, the parties agree that the said contributions will cease until the funding status is at a level where contributions become tax deductible thereafter.

ARTICLE 36 - PRE-PAID LEGAL BENEFIT

(a) The Employer shall make a contribution of up to seven dollars and fifty cents (\$7.50) per month, if necessary to support the benefits existing as of April 15, 2001, for every full-time employee to U.F.C.W., Local 1262 and Employers Legal Services Fund for the purpose of providing a prepaid legal benefit for such employees and their dependents.

(b) The Employer shall make a contribution of up to seven dollars and fifty cents (\$7.50) per month, if necessary to support the benefits existing as of April 15, 2001, for every part-time employee to provide them with a prepaid legal benefit.

(c) The monthly contribution by the Employer for new full-time employees will commence on the first (1st) of the month following three (3) months' service for full-time employees and on the first (1st) of the month following twelve (12) months' service for part-time employees.

(d) If an eligible part-time employee is reclassified to full-time, the Employer shall begin making contributions for said employee the first (1st) of the month following reclassification. If an employee is reclassified to full-time and was not eligible for part-time participation, fifty percent (50%) credit will be given for the employee's part-time service toward the waiting period for full-time participation. Full credit shall be given for an employee who is reclassified from full-time to part-time and who had not reached eligibility.

(e) The Legal Services Plan shall be administered jointly by the Union and various Employers whose employees are represented by the Union. Said Plan shall be governed by an Agreement and Declaration of Trust and a Legal Services Plan adopted thereunder.

(f) If the monthly contribution shall be insufficient to provide the benefits established as of this Agreement, then the Employer's monthly contribution shall be increased so that the established level of benefits will be maintained for the duration of this Agreement.

(g) If during the term of this Agreement, the Trustees determine that contributions to the Fund may be reduced prudently, then such amounts will be contributed to the Welfare Fund.

ARTICLE 37 - EXAMINATION OF PAYROLL RECORDS

In order to facilitate the proper functioning of any employee benefit plan, and to insure that contributions are being made for all employees covered by this Agreement in accordance with the provisions of the bargaining agreement, the Employer hereby agrees to the examination of those payroll records deemed necessary by a certified public accountant or by an authorized representative of the Funds.

ARTICLE 38 - RESPONSIBILITY FOR CASH

Where the Employer does not have a cash control system, the cashiers will not be financially responsible for shortages.

ARTICLE 39 - REPRIMANDS

The Employer agrees that no employee will be reprimanded in public. Company policy manuals shall be furnished to the Union upon request.

ARTICLE 40 - LEAVE OF ABSENCE

(a) The Employer agrees to grant a leave of absence without pay to those employees with one (1) or more years of continuous service for the following reasons and periods of time:

(1) Recuperation from illness or injury of the employee which requires absence from work for a period up to one (1) year.

(2) Maternity shall be treated as an illness or injury for the purpose of this Article.

(3) Serious illness, injury or death in the employee's immediate family for a period up to forty-five (45) days.

(4) Military service, as required.

(5) Other reasons acceptable to Employer for a period up to thirty (30) days.

(b) During any leave of absence granted for the reasons as above described, seniority shall be restored upon employee's return to work, giv-

ing credit up to the date on which said leave of absence commenced and excluding only the period of such leave of absence.

(c) Leaves of absence of sixty (60) days or less shall not adversely affect wage progressions.

(d) Leaves of absence of ninety (90) days or less shall not adversely affect vacation entitlement, sick leave and/or personal holidays entitlement.

(e) Employees who are out on a bona fide Workers' Compensation leave may be granted an additional three (3) months leave, provided they require the additional time to continue their bona fide Workers' Compensation leave.

(f) The Employer agrees to develop a mutually satisfactory unpaid leave of absence for employees for purposes of Union business. Such leave shall be for a maximum of twelve (12) months. To the extent permitted by law, seniority shall not be affected by such leave and shall continue to accrue during any such period.

ARTICLE 41 - JOB PROTECTION

The Employer reserves its rights to study and introduce new and improved methods of production and facilities. By this, it is not the intention of the Employer to replace or displace employees on the payroll as of April 9, 1989, and the Employer agrees to retrain or place any such affected employees in new jobs.

ARTICLE 42 - AFFIRMATIVE ACTION PROGRAM FOR EQUALIZATION OF EMPLOYMENT OPPORTUNITY

The Employer and Union agree to encourage women and minority employees, irrespective of race, religion, or national origin, in their advancement to higher rated positions covered by this Agreement, including department managers.

ARTICLE 43 - POLYGRAPH TEST

No employee will be required to take a polygraph test.

ARTICLE 44 - SERVICE CLERKS

(a) Employees Covered - Employees classified as Service Clerks who have been employed for sixty (60) days or more shall be eligible to receive only those benefits and working conditions as herein set forth or which are specifically incorporated herein by reference.

Provided such employees' functions are limited to personal service to customers and related counter duties, exclusive of production and preparation, the Employer agrees to include employees of the following sections and departments under this Article 44:

- Snack Bars
- Quick Food Sections
- Salad Bar
- Pizza Departments
- Warm Beer Departments
- Electronic (TV) Departments
- Candy and Ice Cream Counter Personnel
- Bakery Counter Personnel

In addition, the Employer will include employees of any similar such departments or sections, which the Union and the Employer agree to have covered under this Article 44. Any full-time employee in charge of these sections or departments will be a clerk covered by the clerk rates and employment conditions under this Agreement. Initial manning and/or experimentation will not set the precedent for the final rate structure and employment conditions in any of these newly covered departments or sections.

(b) Trial Period - The trial period for Service Clerks shall be the first thirty (30) days of employment.

(c) Union Shop - The Union Shop provisions of Article 2 shall apply after a Service Clerk's sixtieth (60th) day of employment, or sixty (60) days after the execution date of this Agreement, whichever is later.

(d) Hours

(1) Service Clerks shall be offered no less than three (3) hours work each day they are scheduled to report. The Employer may offer less hours to minor children in conformance with child labor laws governing the employment of 14 and 15 year olds during days that school is in session, and senior citizens on a voluntary basis.

(2) Service Clerks hired before April 13, 1997 shall receive one and one-half (1 1/2) times their straight-time hourly rate of pay for all hours worked on Sunday. Service clerks hired on or after April 13, 1997, shall receive straight-time for all hours worked on Sunday for the first eighteen (18) months of continuous service; for the next eighteen (18) months of continuous service, such employees shall receive straight-time plus a one dollar (\$1.00) premium for all hours worked on Sunday; and, after completing thirty-six (36) months of continuous service, such employees shall receive one and one-half (1 1/2) times their straight-time hourly rate of pay for all hours worked on Sunday.

(3) The Employer agrees to post work schedules and days off in each store for full-time and part-time employees by the end of the first shift on Friday of each week for the following week.

(e) Holidays

(1) Service Clerks with at least six (6) months but less than one (1) year of service shall receive the following holidays with three (3) hours' straight-time pay per holiday provided that the holiday occurs on the day the employee is normally scheduled to work:

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

(2) Service Clerks with more than one (1) year of service shall receive the above holidays, with three (3) hours straight-time pay per holiday, regardless of the day of the week on which the holiday occurs.

(3) To be eligible for holiday pay, Service Clerks must work all scheduled hours in the holiday week.

(4) Service Clerks hired before April 13, 1997, shall receive one and one-half (1 1/2) times their straight-time hourly rate of pay for all hours worked on the above holidays if otherwise eligible. Service clerks hired on or after April 13, 1997, shall receive straight-time for all hours worked on Holidays for the first eighteen (18) months of continuous service; for the next eighteen (18) months of continuous service, such employees shall receive straight-time plus a one dollar (\$1.00) premium for all hours worked on Holidays; and after completing thirty-six (36) months of continuous service, such employees shall receive one and one-half (1 1/2) times their straight-time hourly rate of pay for all hours worked on Holidays.

(f) Vacations - Service Clerks who on June 30th have completed one (1) or more years of service shall be eligible to receive vacation with pay, at straight-time, based upon their average hours worked in the preceding fifty-two (52) weeks, but in any event they shall receive at least ten (10) hours' vacation with pay at their straight-time rate.

(g) A service clerk on layoff shall retain seniority for a period of three (3) months provided the employee has been employed in the bargaining unit for one (1) year or more prior to the date of layoff.

(h) Health and Welfare - Service Clerks shall receive individual Vision Care and the Physical Examination Plan on the first of the month following 12 months of service; and shall receive Individual Dental Coverage

on the first of the month following 24 months of service assuming all other eligibility criteria are met. The specific terms of these benefits and eligibility for coverage are set forth in the Plan Document adopted by the Trustees, incorporated herein by reference and made a part hereof.

(i) When a Service Clerk is reclassified, his original date of hire shall be used for the purpose of establishing eligibility for all Funds' benefits as well as Sunday and Holiday premiums. Service Clerks shall be given one (1) month credit for each two (2) months of service in the event they are reclassified for the purpose of determining eligibility for holidays, vacations, personal days, and sick days.

(j) Pension - Effective January 1 of each year the Employer shall make pension contributions retroactively to January 1 of the prior year respectively, to the U.F.C.W., Local 1262 and Employers Pension Plan on behalf of those Service Clerks with one (1) or more year's of service who have attained age 21 and who have worked 1,000 or more hours during the prior year.

Full-Time	\$78.00 per month
Part-Time	\$26.00 per month

Effective May 1, 2001, the monthly contribution for full-time Service Clerks shall be one hundred and six dollars (\$106) and for part-time Service Clerks shall be thirty-five dollars and thirty-three cents (\$35.33). Effective May 1, 2002, the monthly contribution for full-time Service Clerks shall be one hundred and twenty-six dollars (\$126) and for part-time Service Clerks shall be forty-two dollars (\$42.00). Effective May 1, 2003, the monthly contribution for full-time Service Clerks shall be one hundred and forty-six dollars (\$146) and for part-time Service Clerks shall be forty-eight dollars and sixty-seven cents (\$48.67).

(k) Duties - The duties of Service Clerks are limited to bagging, carrying out orders, shop backs, handling empty bottles and bottle refunds, picking up carts, cleaning store, sidewalks and parking lots, replenishing front-end supplies, performing parcel pickups and other work historically performed by Service Clerks in a particular store. Additional service duties, excluding preparation and production, will be consistent with the type of service and entry level functions covered by this Article 44.

(l) Additional Terms and Conditions Included by Reference - The following Articles of this Agreement are hereby incorporated by reference:

Recognition, Union Shop, modified by (c) above, Check-off, Management, Government Enactment of Maximum Hours and Minimum Wages, Successors and Assigns, Safety & Sanitary Conditions, Store Linen, Grievance Procedure and Arbitration, No Strike, Lunch Period, Rest Period, Enforceability, No Discrimination, Effect of Strike and Pickets, Union Visitation, Wage Information, Individual Agreement, Discrimination or Discharge, Shop Stewards, Compensation Insurance, Military Service, Examination of Payroll Records, Reprimands, Leaves of Absence, Polygraph Tests, Schedule "A", Wages Section I.

(m) Excluded Terms and Conditions - All of the other Articles of this Agreement, which are not specifically mentioned hereinabove, shall not apply to Service Clerks.

ARTICLE 45 - TERMINATION CLAUSE

This Agreement shall take effect April 15, 2001, and shall remain in full force and effect until midnight, April 16, 2005, and thereafter from year to year unless either party, at least sixty (60) days prior to expiration date, shall serve upon the other written notice of any changes or demands to be made.

IN WITNESS WHEREOF, the undersigned have affixed their signatures as the duly authorized legal representatives of the Employer and the Union.

UNITED FOOD AND COMMERCIAL
WORKERS UNION, LOCAL 1262

Harvey Wille

Harvey Wille, President

Matthew Molinaro

Matthew Molinaro, Secretary-Treasurer

Michael Kantor

Michael Kantor, Executive Vice President

FOR PATHMARK STORES, INC.

Gerald P. Campbell

Gerald P. Campbell
Labor Relations

SCHEDULE "A"

WAGES

SECTION I FULL-TIME, PART-TIME AND SERVICE CLERKS

A. ACROSS-THE-BOARD INCREASES

Only those employees who on the date of the across-the-board increase are at the top of the applicable progression scale shall be eligible to receive the increases outlined below. Full-time employees who were at the top of the wage progression scale prior to its increase to \$575.00 effective April 15, 2001 shall receive the greater of the April 15, 2001 across-the-board increase or the wage progression increase to \$575.00.

	4/15/2001	4/14/2002	4/13/2003	4/11/2004
Full-Time Employees	\$30.00	\$25.00	\$25.00	\$25.00
Part-Time Employees	\$0.50	\$0.40	\$0.45	\$0.45
Service Clerks	\$0.25	\$0.25	\$0.25	\$0.25

B. WAGE PROGRESSION SCALES AND MINIMUM RATES OF PAY FOR FULL-TIME EMPLOYEES

The following wage progression scale shall apply to employees who are hired or appointed to full-time status after April 10, 1993:

Start	\$300.00
6 Months	\$310.00
12 Months	\$325.00
18 Months	\$350.00
24 Months	\$375.00
30 Months	\$410.00
36 Months	\$440.00
42 Months	\$475.00
48 Months	\$575.00

C. WAGE PROGRESSION SCALES AND MINIMUM RATES OF PAY FOR PART-TIME EMPLOYEES

The progression scale for all part-time employees hired on or after April 13, 1997 shall be: \$0.25 after 30 continuous days of service, then \$0.20 on the six (6) month anniversary of their start date; thereafter, \$0.20 every six (6) months through their thirty (30) month anniversary date; on their thirty-six (36) month anniversary date and thereafter, they will receive \$0.25 every six (6) months until they reach a maximum of \$8.50 per hour but no later than the forty-eight (48) month anniversary of their start date. After reaching the top of the scale, part-time employees shall become eligible for any remaining across-the-board increases.

D. WAGE PROGRESSION SCALES FOR SERVICE CLERKS

The following wage progression scales shall apply to all Service Clerks provided they are continuously employed:

60 Days	-	15¢ per hour above applicable minimum wage
6 Months	-	15¢ additional
12 Months	-	15¢ additional
18 Months	-	15¢ additional
24 Months	-	15¢ additional
30 Months	-	15¢ additional
36 Months	-	15¢ additional

SECTION II

DEPARTMENT MANAGERS AND CLASSIFIED EMPLOYEES

(a) At each step in the wage progression scale, the Department Managers shall receive, effective April 15, 2001, a premium of fifty (\$50.00) dollars per forty (40) hour week above the progression rate applicable. Effective April 13, 2003, this premium shall increase to sixty (\$60.00) dollars. Effective April 11, 2004, this premium shall increase to seventy-five (\$75.00) dollars.

(b) It is hereby agreed that the Employer shall have complete discretion to reclassify Department Managers and classified employees to clerk status, and in such case, the employee shall receive the rate of a clerk based on length of service and any step-up or general increases which would have been received had the employee been a clerk during the period and retain any increases received while a clerk.

(c) Where designated, full-time Head Cashiers shall receive, effective April 15, 2001, a premium of twenty (\$20.00) dollars per week for a forty (40) hour week.

(d) Where designated, full-time Assistant Head Cashiers shall receive, effective April 15, 2001, a premium of fifteen (\$15.00) dollars per week for a forty (40) hour week.

(e) Where designated, full-time head frozen food clerks shall receive, effective April 15, 2001, a premium of fifteen (\$15.00) dollars per week for a forty (40) hour week.

(f) Where designated, full-time head horticulture clerks shall receive, effective April 15, 2001, a premium of ten (\$10.00) dollars per week for a forty (40) hour week.

(g) Where designated, full-time price integrity coordinators shall receive, effective April 15, 2001, a premium of fifteen (\$15.00) dollars per week for a forty (40) hour week.

(h) Where designated, full-time Lead Service Center Clerks shall receive, effective April 15, 2001, a premium of ten (\$10.00) dollars per week for a forty (40) hour week.

(i) Where designated, full-time Second Person Produce Clerk, Non-Food Clerk, and Assistant Customer Service Manager shall receive, effective April 15, 2001, a premium of fifteen (\$15.00) dollars per week for a forty (40) hour week. Selection will be in accordance with Article 13(e) and past practice under this provision.

(j) The above premiums shall not be duplicated.

SECTION III

A. NIGHT SHIFT PREMIUM

Night crew employees who have been employed as such on or before April 9, 1978 shall receive a premium of ten (10%) percent of their April 7, 1990 base rate. Employees newly assigned to the night crew on or after April 10, 1978 shall receive a premium of seventy-five (\$.75) cents per hour.

B. NIGHT CREW MANAGER

1. When a night crew consists of three (3) or more employees, one (1) said employee shall be classified as Night Crew manager and will receive a premium of twenty-five (\$25.00) dollars per week over and above the employee's rate and night premium.

2. In stores open twenty-four (24) hours, when the Night Crew Chief also is designated Night Store Manager, said employee shall be paid a Department Manager premium of fifty (\$50.00) dollars per week, effective April 15, 2001. Effective April 13, 2003, this premium shall increase to sixty (\$60.00) dollars. Effective April 11, 2004, this premium shall increase to seventy-five (\$75.00) dollars.

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