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AGREEMENT

BETWEEN

THE GREATER ST. LOUIS  
FOOD EMPLOYERS' COUNCIL

48 pp

AND

UNITED FOOD AND COMMERCIAL WORKERS UNION  
LOCAL NO. 88, A.F.L.-C.I.O. AND C.L.C.

MEAT, DELICATESSAN AND SEAFOOD DEPARTMENTS

ST. LOUIS, MISSOURI

40/12/16

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EFFECTIVE

SEPTEMBER 29, 2003

THROUGH

SEPTEMBER 30, 2007

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## AGREEMENT

This Agreement has been entered into by and between The Greater St. Louis Food Employers' Council (Schnuck Markets, Inc., Dierbergs Markets, Inc. and Shop 'n Save Warehouse Foods, Inc.) hereinafter designated as the Company, and the United Food and Commercial Workers Union, Local No. 88, AFL-CIO-CLC, hereinafter designated as the Union.

The Company will not recognize any other collective bargaining agency nor enter into any other agreement setting forth hours, wages, and conditions of employment as herein defined during the life of this Agreement.

### ARTICLE 1

#### PREAMBLE

The Company and the Union each represent that the purpose and intent of this Agreement is to promote cooperation and harmony, to recognize mutual interests, to provide a channel through which information and problems may be transmitted from one to the other, to formulate rules to govern the relationship between the Union and the Company, to promote efficiency and service, and to set forth herein, the basic agreements covering rates of pay, hours of work and conditions of employment.

### ARTICLE 2

#### BARGAINING RIGHTS

Section 2.1 The Union shall be the sole and exclusive bargaining agent for all Meat, Seafood, Poultry, Barbecue, Cooked Meat and Delicatessen Department associates, including Meat Department Managers, Journeymen, Service Meat Department Journeymen, Apprentices, Meat Clerks and Cleanup associates employed in self-service and service markets. This Agreement shall be applicable to the Company's meat market, supermarket departments, multiple markets that are presently owned, leased, acquired, operated or supervised, by the Company located in the City of St. Louis and St. Louis County, St. Charles and St. Charles County, Jefferson County, Missouri and Madison County, Illinois (excluding associates presently under contract with other union locals and associates excluded by the National Labor Relations Act of 1947 as amended) during the term of this Agreement.

Section 2.2 For the purpose of this Agreement, departments are defined as any area occupied by refrigerated and non-refrigerated meat preparation areas, receiving and storage areas and service and/or self-service display cases.

## ARTICLE 3

### UNION SECURITY AND VISITATION

Section 3.1 The Company agrees that authorized representatives of the Union shall have full access to stores during hours when members of the bargaining unit are at work to satisfy the Union that the terms of this Agreement are complied with. Such representative shall not interfere with the business of the Company.

Section 3.2 It shall be a condition of employment that all associates of the Company covered by this Agreement, who are members of the Union in good standing on the date on which this Agreement is signed, shall remain members in good standing, and those who are not members on the date on which this Agreement is signed shall, on the thirty-first (31st) day following the date on which this Agreement is signed, become and remain members in good standing in the Union. It shall also be a condition of employment that all associates covered by this Agreement and hired on or after the date on which this Agreement is signed, shall, on the thirty-first (31st) day following the beginning date of such employment become and remain members in good standing in the Union.

Section 3.3 The Company agrees to deduct initiation fees, union dues, and uniform assessments where lawful, uniformly required as a condition of acquiring or retaining membership in the Union from the wages of each associate, present and future, as the same shall be due, provided each such associate executes written authorization therefore, in a form authorized by law, and such authorization is turned over to the Company.

The Company agrees to checkoff union dues and initiation fees on a weekly basis, beginning with the first (1st) week of employment, when operationally feasible.

The Company agrees to remit such dues and initiation fees as deducted to the Union.

The Union shall, on or before the tenth (10th) day of each month, furnish to the Company, a list of member-associates and the amounts due therefore, including dues owing for the succeeding month.

The Company shall, on or before the last day of the same month, deduct and remit such dues as authorized to the Union.

In the event no wages are then due the associate, or, are insufficient to cover the required deduction, it shall be the responsibility of the Union to resubmit the amount due on the next regular monthly billing.

Once each month the Company will submit to the Union a list of associates hired the previous month. The list will include the associate's name, social security number, store code, job code and date of hire.

If electronic data processing permits, the Company will furnish to the Secretary of the Union a monthly report of associate hours worked.

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

Section 3.4 No person other than those covered by this Agreement shall sell or perform any necessary cutting, weighing, wrapping or pricing of fresh or frozen meat, namely pork, beef, veal, lamb and mutton, and also all sausages, seafood, poultry, smoked meats, rabbits, soy bean and meat substitutes in the stores of the Company.

However, notwithstanding the above, members of the Company's management may perform bargaining unit work as it relates to new and remodeled stores' grand openings, training, product resets and emergencies; vendor sales persons may perform resets. UFCW Local 655 or Local 881 associates may operate the Delicatessen check-out terminal during busy, peak sales periods for lunch and dinner. It is not the Company's intent to reduce delicatessen associate's hours as a result of this new provision. UFCW Local 655 or Local 881 receivers may check in products electronically for direct store delivery products only. All other work currently done to receive products for the meat, delicatessen and seafood departments will continue to be done by Local 88 associates.

Section 3.5 The Company may designate four (4) training stores (locations subject to change quarterly) for the purpose of training non-bargaining unit trainees. The total number of trainees at any time shall not exceed four (4); however, no trainees shall be placed until the Union has been notified in writing. Trainees will be in addition to the normal complement of associates, as well as in addition to the normally scheduled hours in the department.

Section 3.6 The Company and the Union agree that there shall be no discrimination against any associate on account of Union activities or affiliation, or because of race, religion, color, creed, national origin, sex, age or disability. The Company and the Union agree that the Company may take all actions necessary to comply with the Americans With Disability Act of 1990.

Section 3.7 The Union shall have the right to elect or designate a shop steward in each store. The Union agrees to provide the Company with a current list of shop stewards.

Section 3.8 In all markets covered by this Agreement, the official Union Card shall be displayed where visible to all customers provided there are no violations of this Agreement.

Section 3.9 The Union agrees to print the contract. The Company agrees to provide a suitable place, preferably a bulletin board, for the posting of this Agreement.

The Union and the Company agree that within the Agreement shall be printed a clause reading as follows:

"Your attention is called to the following Agreement between your Company and your Local Union No. 88. This Agreement sets forth terms and conditions of employment, a mutual pledge of efficiency and cooperation, and recognition of mutual obligations."

#### ARTICLE 4

##### UNION COOPERATION

Section 4.1 The Union shall use its best effort as a labor organization to enhance the interests of the Company, as an employer of union labor.

Section 4.2 The Union agrees to uphold the rules and regulations of the Company with regard to punctual and steady attendance, proper and sufficient notification in case of necessary absence, conduct on the job, and all other reasonable rules and regulations established by the Company.

Section 4.3 The Union agrees to cooperate with the Company in maintaining and improving safe working conditions and practices, in improving the cleanliness and good housekeeping of the stores, and in caring for equipment and machinery.

Section 4.4 The Union recognizes the need for conservation and the elimination of waste, and agrees to cooperate with the Company in suggesting and practicing methods in the interest of conservation and waste elimination.

Section 4.5 The Union recognizes the need for improved methods and output in the interest of the associates and the business, and agrees to cooperate with the Company in the installation of such methods, in suggesting improved methods, and in the education of its members in the necessity for such changes and improvements.

#### ARTICLE 5

##### MANAGEMENT RIGHTS

Section 5.1 The management of the business and the direction of the working forces, including the right to plan; direct and control operations; determine and procure which products, in any form including by way of example, but not by way of limitation, tray-ready and case-ready products, are to be offered for sale to customers; hire, suspend or discharge for proper cause; transfer or relieve associates from duty because of lack of work, or for other legitimate reasons; shall be vested in the Company, provided, however, that it will not be used for the purpose of discrimination against any associate and provided it shall in no way conflict with any of the terms of this Agreement.

Section 5.2 No merchandise, fresh or frozen, handled in the Meat, Seafood, Delicatessen or Poultry Departments on November 2, 1955, shall thereafter be transferred out of the said Meat, Fish, Delicatessen or Poultry Departments to any other department in the store at any time.

Section 5.3 Regularly scheduled Meat Department associates on the seniority list of the Company on July 30, 1981, will not be laid off as a result of the deletion of Section (b) of Article 5 of the Labor Agreement which expired on July 16, 1986.

## ARTICLE 6

### GRIEVANCE AND ARBITRATION

Section 6.1 If any differences, disputes or complaints arise over the interpretation or application of the contents of this Agreement, there shall be an earnest effort on the part of the parties to settle such promptly through the following steps:

- STEP 1. By conference between the aggrieved associate, the shop steward, or both, and the manager of the store within five (5) working days of the occurrence of the grievance.
- STEP 2. By conference between the Union Representative, with or without the shop steward of the Union and the store manager or his/her supervisor within ten (10) working days of the occurrence of the grievance.
- STEP 3. By conference between an official or officials of the Union and the Company's designated representative within fifteen (15) working days of the occurrence of the grievance. At the conclusion of Step 3, the Company will give the Union their answer in writing within twenty (20) working days. Should a settlement be reached it will be reduced to writing within ten (10) calendar days.
- STEP 4. In the event the last step fails to settle the complaint, it may be referred to arbitration within five (5) days. A date for the arbitrator to hear said complaint must be set within one hundred twenty (120) days of the complaint being referred to arbitration or the complaint will be considered to be withdrawn and no further action will be allowed. The one hundred twenty (120) day period may be extended by mutual agreement between the parties. Both parties will act in good faith to comply with the aforementioned time limits.

Section 6.2 The Company and the Union shall mutually agree to an impartial arbitrator to hear said arbitration case; however, if said arbitrator cannot be chosen within three (3) days, then the Federal Mediation and Conciliation Service will be requested to furnish a panel of seven (7) names from which the arbitrator may be chosen. The arbitrator will be selected within seven (7) days after the receipt of the panel by alternately striking names. The party striking first will be determined by the flip of a coin. The decision of the arbitrator shall be binding on both parties. The expenses of the arbitrator shall be paid for jointly.

Such arbitrator shall not be empowered to add to, detract from, or alter the terms of this Agreement.

Section 6.3 No grievance may be presented later than ten (10) calendar days after the occurrence from which such grievance arose. Grievances which progress past Step 2 shall be reduced to writing.

It shall be acceptable to use facsimile transmission ("Fax") in lieu of certified mail for grievance notification. When "Fax" is used, it will be followed by a telephone call to the other party to inform them a "Fax" is being sent. The Company will provide the current "Fax" number to be used for notification purposes.

Section 6.4 At any step in this grievance procedure, the Executive Board of the Local Union shall have the final authority, in respect to any aggrieved associate covered by this Agreement, to decline to process a grievance, a complaint, difficulty or dispute further if, in the judgment of the Executive Board, such grievance or dispute lacks merit or lacks justification under the terms of this Agreement to the satisfaction of the Union Executive Board.

Section 6.5 Disciplinary action which may result in layoff or discharge, will, if requested by the associate, be in the presence of a Union Representative. If such Union Representative is not available, another member of the bargaining unit may be present.

Section 6.6 The Company shall have the right to call a conference with officials of the Union for the purpose of discussing its grievances, criticisms, or other problems.

Section 6.7 It is understood and agreed that all associates within the bargaining unit covered by this Agreement must exercise all their rights, privileges or necessary procedures under this Agreement, International and Local Union Constitution, in the settlement of any and all complaints or grievances filed by such associates, before taking any action outside of the scope of this Agreement for the settlement of such grievances.

Section 6.8 In case of a dispute as to wages, the Company agrees to submit, to an authorized representative of the Union, bona fide copies of the associate's payroll and social security records.

Section 6.9 If the Arbitrator shall award back wages covering the period of the associate's separation from the payroll of the Company, the amount so awarded shall be less any unemployment compensation received or compensation which the associate would not have earned had the associate not been suspended or discharged.



## ARTICLE 7

### UNAUTHORIZED ACTIVITIES

Section 7.1 During the term hereof, the Union agrees that there shall be no strike or any interference with or interruption of the normal conditions of the Company's business. The Company agrees there shall be no lockout.

Section 7.2 The failure of any associate to cross or work behind a lawful primary labor picket line which has been officially recognized by the St. Louis Labor Council and/or the United Food and Commercial Workers International Union, AFL-CIO-CLC, shall not constitute a violation of this Agreement.

Section 7.3 The Company and the Union mutually agree that in the event of an unauthorized strike or slowdown by an associate or associates that the Company will not file or press suits for monetary damages against the Union. The Union agrees that it will immediately take every reasonable means to induce the associate or associates to return to their jobs or resume standard production. Should such associate or associates refuse to return to work or to resume normal production, they will be discharged.

## ARTICLE 8

### SENIORITY

Section 8.1 Full-time associates shall not acquire seniority for the first thirty (30) days of their employment and part-time associates shall not acquire seniority for the first forty-five (45) days of their employment. Probationary associates may be relieved of their employment by the Company without recourse to the grievance procedure of this Agreement. It is understood that by mutual agreement between the Company and this Union, an extension of the probationary period may be granted, not to exceed a total of sixty (60) days. Associates hired and retained after their probationary period shall have their seniority dated back to their original employment date.

Section 8.2 Seniority shall be considered broken if an associate is duly discharged by the Company; if he/she quits; if he/she has been laid off and has performed no work for a period of more than twelve (12) months; or if he/she is called back to work after a layoff and does not report for work within seven (7) days. In the matter of recalls, the Company shall be obligated to notify the associate by telephone and confirm by certified mail at his/her last known address.

Section 8.3 Laid off associates may exercise their seniority on the basis of replacement of the least senior associate working in the same classification in each Company's geographical zone. An associate who is displaced as a result of the above may have the opportunity to displace the least senior associate in the same classification based on Company-wide seniority. Laid off associates will be recalled to work in accordance with seniority and job classification.

In case of layoff a Journeyman shall have seniority over an Apprentice. Full time associates shall have seniority over part time associates for layoff purposes.

Meat Department Managers, Deli/Seafood Department Managers, Delicatessen Department Managers, Seafood Department Managers shall be full-time associates and shall have top seniority for purposes of layoffs and transfers. Full-time Assistant Department Managers [maximum four (4) per store] may be appointed in the Meat, Delicatessen, Seafood or Deli/Seafood Department. The Company will supply a list of Assistant Department Managers to the Union upon request. Assistant Department Managers do not have top seniority for layoff purposes.

Meat Department associates on the seniority list of the Company as of July 16, 1986, shall have seniority over all Meat Department associates, including Service Meat Department Journeymen, hired after July 16, 1986, for layoff purposes regardless of classification.

No full-time Journeyman Meat Cutter on the seniority list as of July 16, 1986, will be laid off as a result of the change in the Journeyman on duty provision, which had been written into the Labor Agreement effective July 17, 1986. This shall not restrict the Company from laying off these Journeymen for store closing or loss of sales or tonnage.

No full-time Journeyman Meat Cutter or Meat Manager hired before January 1, 1990, will be laid off as a result of the work rule change agreed to in the Labor Agreement which was effective June 6, 1993 (Dierbergs/Schnucks) and September 26, 1993 (Shop 'n Save).

Section 8.4 Geographic zones will be agreed upon between the Company and the Union and the Company shall provide to the Secretary of the Union a list of the zones in addition to a company wide seniority list.

Section 8.5 For the purpose of seniority, the following classifications shall be recognized:

Journeyman Meat Cutters	Meat Clerks
Service Meat Dept. Journeymen	Deli/Seafood Clerks
Apprentice Meat Cutters	Clean-up Associates

There shall be a full-time seniority list by each classification and a part-time seniority list by each classification.

Seniority shall be defined as the associate's length of continuous service with the Company, or date of entry into the bargaining unit or seniority classification, whichever is later.

A full-time seniority date shall be established after an associate has worked forty (40) hours for each week of a calendar quarter or payroll quarter as defined in the Letter of Understanding.

An associate who has averaged forty (40) hours or more per week for at least one (1) year and is reduced to less than forty (40) hours per week for four (4) consecutive weeks, may, seniority permitting, replace the least senior associate in the same job classification in the geographical

zone who has regularly been working at least forty (40) hours or more per week. Request to exercise seniority in this regard must be made in writing to the Labor Relations/Human Resources Department within ten (10) days following the four (4) week period.

Should a Department Manager or Assistant Department Manager be demoted and reduced in hours, they may exercise their seniority in accordance with the above.

Where an Assistant Department Manager is utilized, it is not the intent to reduce the hours of the Deli/Seafood Clerks averaging in excess of thirty-two (32) hours per week.

Any full-time associate reduced to part-time status will be put on the part-time seniority list using the associate's original seniority date in the bargaining unit.

Section 8.6 When a full-time job opening occurs, because of termination, excluding Department Managers, within the Company and within the jurisdiction of this Agreement, and if the job is to be filled, the Company shall award such opening to the senior qualified associate who has submitted a written request for the job. Replacement of any associate awarded a job vacancy under this section will be on the basis of qualifications with consideration of seniority. A new store opening shall be considered as no more than one (1) full-time job opening in the Meat Department and one (1) job opening in the Delicatessen Department.

Section 8.7 All associates shall be scheduled by seniority for the most weekly hours.

These associates may claim the entire weekly schedule of a less senior associate, if the less senior associate has a schedule with more weekly hours, in accordance with availability, job classification, and ability to perform the type of work within the department in which he/she works. Claims under this provision must be made by the associate no later than 5:00 p.m. Saturday or the associate forfeits any claim.

Associates hired before June 6, 1993 (Dierbergs/Schnucks) and September 26, 1993 (Shop 'n Save) will be scheduled at least thirty-two (32) hours if so requested.

An associate hired before June 6, 1993 (Dierbergs/Schnucks) and September 26, 1993 (Shop 'n Save) who has been reduced involuntarily from a regular forty (40) hour schedule, may claim the entire daily schedule of another associate, up to eight (8) hours in a day and up to forty (40) hours in a work week, in accordance with seniority, availability and qualifications to perform the type of work within his/her respective seniority classification in the store in which he/she works. An associate cannot claim hours that would cause a conflict with other provisions of this Agreement. Two (2) four (4) hour shifts will not be scheduled back to back.

Full-time (40 hour) Meat Clerks hired after July 16, 1986 and assigned to full-time as of June 6, 1993 (Dierbergs/Schnucks) and September 26, 1993 (Shop 'n Save) will not have their weekly scheduled hours reduced below forty (40) hours; however, a full-time Meat Clerk may be reduced each time the Company closes a store.

Section 8.8 Associates who at any time have voluntarily limited their availability to work may thereafter claim additional available hours, but may not claim previously scheduled hours of another associate until a vacancy occurs or additional hours become available. The associate shall notify the Company in writing of his/her intent to claim additional hours when his/her availability is again unlimited.

Associates may limit their availability as it regards total number of shifts they are available to work in a week and/or the total number of weekly hours they are available to work. This shall not be construed to mean preferential shifts.

The Store Manager and Shop Steward shall be advised of associates who have limited or unlimited their availability. All students on the seniority list shall be construed to be on limited availability.

Section 8.9 Transfers from one store to another will be made for justifiable reasons and will not be used for the purpose of discriminating against any associate. Transfers will be within each associate's geographical zone unless mutually agreed to between the associate and the Company.

Stewards will not be transferred for operational reasons unless the steward agrees to the transfer.

Section 8.10 Associates outside the jurisdiction of this Agreement and the bargaining unit shall establish their seniority date when they enter this bargaining unit, except for the date of vacations, and in these cases, company wide service, both inside and outside the jurisdiction of this Agreement, shall be recognized.

## ARTICLE 9

### HOURS AND WORKING CONDITIONS

Section 9.1 The basic guaranteed work week for Journeymen hired before January 1, 1990 and Meat Clerks hired before July 16, 1986 shall be forty (40) hours [thirty-two (32) hours in a holiday week] to be worked in five (5) eight (8) hour days or four (4) ten (10) hour days [thirty (30) hours in a holiday week] not necessarily consecutive.

The basic work week for all other full-time associates shall be forty (40) hours [thirty-two (32) hours in a holiday week] to be worked in five (5) eight (8) hour days or four (4) ten (10) hour days [thirty (30) hours in a holiday week] not necessarily consecutive. Four (4) ten (10) hour schedules shall be on a voluntary basis in accordance with seniority. The work week shall be each company's seven (7) day payroll period.

Full-time Journeyman Meat Cutters, Full-time Service Meat Department Journeymen, Full-time Meat Clerks, Full-time Delicatessen Department Associates and Full-time Seafood Department Associates as of June 6, 1993 (Dierbergs/Schnucks) and September 26, 1993 (Shop 'n Save) may continue to work Sundays and holidays outside of the basic work week (40 hours).

Section 9.2 Overtime will be paid at the rate of time and one-half (1 1/2) the associate's regular straight time rate of pay for hours worked in excess of eight (8) hours per day or ten (10) hours per day (for associates scheduled for four (4) ten (10) hour shifts) or forty (40) hours per week. There shall be no pyramiding of overtime or other premium pay. Overtime shall be rotated in the market among qualified associates who volunteer for the overtime. If there are not enough volunteers, necessary overtime, not to exceed two (2) hours daily, will be assigned among qualified associates on the basis of inverse seniority. Overtime shall be paid for all hours worked in excess of forty (40) hours per week in a holiday week.

Section 9.3 A work schedule showing the name, number of hours and days of employment for all full-time and part-time associates shall be posted in each store. The schedule shall be posted no later than 11:00 a.m. on Friday preceding the scheduled work week. There shall be no split shifts. All associates shall have a minimum of eight (8) hours off between shifts, except, at the associate's option the eight (8) hour minimum may be waived. All associates shall have at least one (1) day off, Monday through Saturday. All associates shall have a home store for Sunday rotation.

Full-time meat department associates may be scheduled to work in more than one (1) store weekly on a permanent basis. Associates so scheduled shall be done on a voluntary basis. If no one volunteers, then the Company shall assign such schedule to the least senior full-time Meat Department associate within their district or division.

Section 9.4 A regular associate instructed to report for a basic work week and who reports as instructed shall not have his/her hours of work reduced in such week except due to an Act of God such as fire, flood, or due to a labor dispute which interferes with the normal operation of the store.

Section 9.5 When an associate shall report to work at the time and place ordered or scheduled, then such associate shall be paid a minimum of four (4) hours pay at the regular rate.

Section 9.6 The meal period without pay shall not be less than thirty (30) minutes and not exceed one (1) hour per day. This meal period applies only to eight (8) hour and ten (10) hour shifts, and shall be taken no earlier than the ending of the third (3rd) hour and no later than the beginning of the sixth (6th) hour. The meal period for ten (10) hour shifts shall be taken no earlier than the end of the fourth (4th) hour and no later than the beginning of the seventh (7th) hour.

Any associate working six (6) or more hours shall be entitled to an unpaid thirty (30) minute lunch period, if requested.

All associates shall receive one (1) fifteen (15) minute rest period in each four (4) hour shift. Such rest periods shall not begin earlier than the beginning of the second (2nd) hour and no later than the end of the third (3rd) hour in each four (4) hour shift.

Section 9.7 A part-time associate is defined as an associate who works at least sixteen (16) hours, but less than forty (40) hours, in a calendar week. (By mutual agreement in writing between the

associate and the Company and submitted to the Union, the above minimum scheduled hours may be waived.)

Part-time Meat Clerks hired prior to July 16, 1986, will continue to be scheduled for at least twenty-four (24) hours per week.

Full-time Meat Clerks who voluntarily reduce their hours will be reduced to the appropriate part-time Meat Clerk rate based on the total hours they have worked. Full-time Meat Clerks who are involuntarily reduced below forty (40) hours per week will maintain their full-time rate of pay.

Section 9.8 No full-time Journeyman Meat Cutter on the seniority list as of July 16, 1986, will be laid off as a result of the change in the Journeyman on duty provision, which had been written into the Labor Agreement effective July 17, 1986. This shall not restrict the Company from laying off these Journeymen for store closing or loss of sales or tonnage.

Section 9.9

- A. Night work is defined as work between 6:00 p.m. and 5:00 a.m.
- B. Full-time associates assigned to full-time status prior to June 6, 1993 (Dierbergs/Schnucks) and September 26, 1993 (Shop 'n Save) will not be required to work more than two (2) nights per week except that:
  - 1. Full-time Meat Clerks hired after July 16, 1986, may be scheduled to work past 6:00 p.m. as needed.
  - 2. Full-time Service Meat Department Journeymen may be scheduled for as much night work as necessary for the efficient operation of the Department.
  - 3. The Company may assign full-time Journeyman Meat Cutters to work more than two (2) nights per week based on one (1) per the number of stores in the Company's district or division by inverse seniority among full-time Journeyman.
- C. Part-time associates will be scheduled for night work as needed.

Section 9.10 The Company will employ at least one (1) full-time (40 hours) Service Meat Department Journeyman per the number of Service Meat Departments. This provision only applies to Service Meat Department Journeymen on the seniority list as of June 6, 1993 (Dierbergs/Schnucks) and September 26, 1993 (Shop 'n Save).

Section 9.11 The Company agrees that for every two (2) full-time Meat Clerks who terminate for any reason, the Company will promote one (1) part-time Meat Clerk, hired before June 6, 1993 (Dierbergs/Schnucks) and September 26, 1993 (Shop 'n Save), to full-time status by companywide seniority who has submitted a list of stores on a Company provided form in which

he/she would accept a full-time position. Meat Clerks who have not submitted this request will not be considered for a full-time position. These written requests must be sent to the Labor Relations Department prior to February 1st and August 1st of each year for each succeeding six (6) month period.

Section 9.12 On Sundays and holidays when products under the jurisdiction of this local union are for sale, the Company shall allocate six (6) hours times the number of stores to Journeymen hired before June 6, 1993 (Dierbergs/Schnucks) and September 26, 1993 (Shop 'n Save) unless there are not enough volunteers. Such hours shall be allocated among the Company's stores based on the operational needs of the business. Should the Company not have enough Journeyman volunteer for the hours allocated to a particular store, the Company shall not be required to fill those hours.

Section 9.13 Associates shall be required to record their own time records immediately before beginning work or after stopping work. No associate shall have the authorization or be permitted to record or alter another associate's time record. Violation of the above or falsification of payroll records shall be cause for disciplinary action up to and including discharge. Upon reasonable notice, time records shall be made available to the Union Representative.

Section 9.14 Associates required to attend company meetings will be paid at the appropriate rate of pay.

Section 9.15 If an associate is required by the Company to travel from one store to another during the course of his/her work day, he/she shall receive payment at his/her regular rate of pay for the time of travel and reimbursement at the regular company mileage rate.

Section 9.16 Associates are required to be vaccinated/inoculated as required by law or the Company. Associates will not be required to pay for these vaccinations/inoculations.

## ARTICLE 10

### VACATIONS

Section 10.1 All associates hired before November 9, 2000, shall receive a vacation with pay prorated based on their weekly hours and their respective hourly rate in accordance with the following:

All associates who have been in the continuous employment of the Company for one (1) year or more shall be granted one (1) weeks vacation with pay.

All associates who have been in the continuous employment of the Company for three (3) years or more shall be granted two (2) weeks vacation with pay.

All associates who have been in the continuous employment of the Company for seven (7) years or more shall be granted three (3) weeks vacation with pay.

All associates who have been in the continuous employment of the Company for fifteen (15) years or more shall be granted four (4) weeks vacation with pay.

All associates who have been in the continuous employment of the Company for twenty (20) years or more shall be granted five (5) weeks vacation with pay.

All associates who were eligible for five (5) or six (6) weeks of vacation during 1993 shall continue to be granted those weeks of vacation.

Vacation eligibility for all associates shall be based on a calendar year after an associate has qualified for his/her first one (1) week of vacation. Eligibility for additional weeks vacation (per this Section) will be the associate's anniversary date.

Section 10.2 Associates hired after November 9, 2000, shall be entitled to vacation in accordance with the following:

1. Earned vacation shall be taken between January 1 and December 31. Associates earn vacation in the year prior to that which it is taken.
2. Associates shall be eligible for vacation with pay according to the following schedule:

Any associate who has completed one (1) year of continuous employment as of January 1 is entitled to one (1) week vacation with pay to be taken anytime during the following twelve (12) months.

Any associate who has completed three (3) years of continuous employment as of January 1 is entitled to two (2) weeks vacation with pay to be taken anytime during the following twelve (12) months.

Any associate who has completed seven (7) years of continuous employment as of January 1 is entitled to three (3) weeks vacation with pay to be taken anytime during the following twelve (12) months.

Any associate who has completed fifteen (15) years of continuous employment as of January 1 is entitled to four (4) weeks vacation with pay to be taken anytime during the following twelve (12) months.

Any associate who has completed twenty (20) years of continuous employment as of January 1 is entitled to five (5) weeks vacation with pay to be taken anytime during the following twelve (12) months.

3. Vacations cannot be carried over from year to year. They must be taken in the vacation period following the year in which they are earned.



4. Associates who have completed their probationary period and who have less than one (1) year of continuous service on January 1 following their employment date will be entitled to a pro rata vacation as follows:

1 month by January 1	1/12 vacation pay
2 months by January 1	2/12 vacation pay
3 months by January 1	3/12 vacation pay
4 months by January 1	4/12 vacation pay
5 months by January 1	5/12 vacation pay
6 months by January 1	6/12 vacation pay
7 months by January 1	7/12 vacation pay
8 months by January 1	8/12 vacation pay
9 months by January 1	9/12 vacation pay
10 months by January 1	10/12 vacation pay
11 months by January 1	11/12 vacation pay

This pro rata vacation must be taken in the calendar year following the year of hire, but not before the associate has been employed for at least six (6) months.

Section 10.3 The Company will determine the number of Journeymen and Service Meat Department Journeymen on vacation during each week of the year by job classification and by each Company's division or district. For all other associates, the Company will determine the number of associates on vacation during each week of the year by classification and by store. The Company may block out up to eight (8) weeks per year during which no vacations may be taken.

Vacations will be selected by date of hire. All vacations shall start at the beginning of a calendar week. Vacation schedules shall be posted by November 1 and all vacation weeks shall be selected by December 1. The completed vacation schedule will be posted by January 1. In the event an associate fails to make all their vacation selections as outlined above, he/she will go to the bottom of the vacation roster and must take whatever vacations are available.

Those associates eligible for more than one (1) week of vacation may take up to three (3) weeks in prime vacation time, May 15 to September 15, which may or may not be consecutive. More than three (3) weeks of vacation during this period for special circumstances must be agreed on by the Company and the associate. Only one (1) week of vacation may be selected by any associate during a week in which a holiday occurs.

Section 10.4 Vacation pay for all associates shall be based on the associate's rate of pay at the time vacation is taken and will be determined by averaging the hours worked per week in the anniversary year preceding the first vacation, and for subsequent years the twelve (12) month period commencing January 1 to December 31 in the year prior to taking vacation. However, in no event shall a week's vacation pay exceed the number of hours in the basic workweek times the associate's regular straight time hourly rate.

Associates may request, two (2) weeks in advance, to be paid for unscheduled vacation throughout the year in accordance with the following:

Associates with three (3) or four (4) weeks vacation – up to one (1) week will be paid.

Associates with five (5) or six (6) weeks vacation – up to two (2) weeks will be paid.

Unused vacation up to one (1) week will be paid no later than February 15 for the previous year.

Section 10.5 All associates who are eligible for vacation will be allowed to use two (2) weeks of their vacation, one (1) day at a time, for sickness or other personal reasons. Associates abusing this privilege shall be subject to corrective action. If these days are used for other than sickness, the rules of selecting personal holidays in Article 11, Section 11.2 will apply.

Section 10.6

A. Vacation Schedule for associates on Leaves of Absence for Illness and/or Injury

<u>Length of Leave</u>	<u>Amount of Vacation</u>
Less than 90 Days	Full
90 Days to 180 Days	Reduce 1/4
181 Days to 270 Days	Reduce 1/2
Over 270 Days	None

B. Vacation Schedule for associates on Leaves of Absence for Injury-On-The-Job

<u>Length of Leave</u>	<u>Amount of Vacation</u>
Less than 120 Days	Full
120 Days to 180 Days	Reduce 1/4
181 Days to 270 Days	Reduce 1/2
Over 270 Days	None

Section 10.7 Associates who take a vacation in any week in which a holiday occurs shall, at their option, receive one (1) additional day's pay or an additional day off.

Section 10.8 In case of a death of an associate, unpaid vacation benefits will be paid to the associate's beneficiary.

Section 10.9 Any associate who is laid off, discharged or quits shall be entitled to earned vacation due, but not taken. Any associate who is discharged for dishonesty or for selling or using controlled substances on Company premises shall forfeit all vacation rights.

In addition, any associate with three (3) years or more of service shall be entitled to pro-rata vacation pay based on one-twelfth (1/12) for each full month worked past their vacation anniversary date.

Section 10.10 Associates retiring under the United Food and Commercial Workers Union, Local 88 and Food Employer's and Allied Industry Pension Fund or Total and Permanent Disability under Social Security shall receive all vacation for which they were eligible as of January 1 of the calendar year in which they retire.

## ARTICLE 11

### SUNDAYS AND HOLIDAYS

Section 11.1 The following shall be recognized as holidays and shall apply to all associates who have completed six (6) months of service: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

Holiday pay for eligible part-time associates shall be computed based on the average hours paid during the four (4) weeks preceding the holiday week and paid in accordance with the following schedule:

Under 16 hours	3 hours
16 hours to 24 hours	4 hours
25 hours to 31 hours	6 hours
32 hours to 40 hours	8 hours

Effective April 1, 2004, the 2<sup>nd</sup> paragraph of this Section and the holiday pay schedule outlined above will become null and void and will be replaced with the following:

Holiday pay for eligible part-time associates shall be computed based on the hours paid during the prior calendar year and paid in accordance with the following schedule:

Under 833 hours . . . . .	3 hours pay
833 hours through 1,248 hours . . . . .	4 hours pay
1,249 hours through 1,456 hours . . . . .	5 hours pay
1,457 hours through 1,664 hours . . . . .	6 hours pay
1,665 hours through 1,872 hours . . . . .	7 hours pay
Over 1,872 hours . . . . .	8 hours pay

Associates hired before June 6, 1993 (Dierbergs/Schnucks) and September 26, 1993 (Shop 'n Save) as long as they work one thousand six hundred sixty-four (1664) hours in the prior calendar year, will receive eight (8) hours holiday pay.

Section 11.2 All associates hired before November 9, 2000, who regularly work twenty-five (25) or more hours per week and who have one (1) year of continuous service shall be granted three

(3) personal holidays, and associates hired after November 9, 2000, after they have attained full-time status and have one (1) year of continuous service shall be granted two (2) personal holidays. The days on which the holidays will be taken shall be mutually agreed upon by the Company and the associate, and the associate shall be paid in accordance with their average weekly hours in the prior calendar year in accordance with the schedules in Section 11.1. After one (1) year of employment future holidays will be awarded on January 1 of each year and based on the hours worked in the prior calendar year.

After having once qualified for a personal holiday an associate will not be denied subsequent personal holidays because of absence from work because of an approved medical or maternity leave of absence.

Section 11.3 No eligible associate shall be denied holiday pay for the following approved absences provided he/she has worked the scheduled day before and after the holiday:

- A. Any approved absence
- B. Verified illness
- C. Injury on the job
- D. Meeting with management as a representative of the Union
- E. Funeral leave
- F. Wife giving birth

Section 11.4 For all full-time associates before June 6, 1993 (Dierbergs/Schnucks) and September 26, 1993 (Shop 'n Save), as well as part-time associates hired prior to July 16, 1986 (excluding clean-up associates), payment for work performed on Sundays and/or on holidays as listed in Section 11.1 of this Article shall be compensated for at the rate of one and one-half (1-1/2) times the associate's regular straight time hourly rate of pay.

Part-time Meat Clerks, Delicatessen, Deli/Seafood and Seafood Clerks hired after July 16, 1986, but prior to December 14, 1989, and all Clean-up Associates hired prior to December 14, 1989, shall receive a premium for work on Sundays and holidays of two dollars (\$2.00) per hour in addition to their regular straight time rate of pay.

Part-time Meat Clerks, Delicatessen, Deli/Seafood and Seafood Clerks hired after December 14, 1989 but prior to June 6, 1993 (Dierbergs/Schnucks) and September 26, 1993 (Shop 'n Save) and all Clean-up Associates hired after December 14, 1989, but prior to June 6, 1993 (Dierbergs/Schnucks) and September 26, 1993 (Shop 'n Save) shall receive a premium for work on Sundays and holidays of one dollar (\$1.00) per hour in addition to their regular straight time rate of pay.

All associates hired after June 6, 1993 (Dierbergs/Schnucks) and September 26, 1993 (Shop 'n Save) shall be paid straight time for work performed on Sundays and holidays.

Payment for work on holidays shall be in addition to any earned holiday pay.

Section 11.5 Any work which is required on Sunday and holidays shall be voluntary and rotated within the appropriate classifications, except that associates hired after July 30, 1981 may be assigned on the basis of inverse seniority if there are not enough qualified volunteers. If the Company is unable to obtain the necessary associates to staff the operation on Sundays and holidays, the Company may obtain qualified help from whatever sources are available.

A Sunday and holiday volunteer list will be posted by seniority classification in each store in order to determine those associates who desire Sunday and holiday work. Associates may add their names to the list at any time or delete their names from the Sunday and holiday volunteer list at any time. If an associate elects to delete their name from the volunteer list, they will be passed over on that particular Sunday or holiday until such time as they volunteer again. When said associate again places their name on the volunteer list, they will be placed on the bottom of the volunteer list and begin to work their way up through the rotation process.

Section 11.6 There shall be no work on Easter Sunday, Thanksgiving Day and Christmas Day. No meat or meat products covered by this Agreement shall be offered for sale on these days.

Section 11.7 There shall be no work after 6 p.m. on Christmas Eve. No meat or meat products covered by this Agreement shall be offered for sale after 6 p.m. on that day. Work after 6 p.m. on New Year's Eve shall be voluntary; however, should an insufficient number of associates volunteer, the Company may assign Meat Clerks, part-time Deli/Seafood, and Clean-up associates to work after 6 p.m. by inverse seniority. No associate shall suffer a reduction in their weekly pay due to this provision.

## ARTICLE 12

### LEAVES OF ABSENCE

Section 12.1 A leave of absence shall be defined as a period during which an associate must, for legitimate reasons, be absent from work. Leaves under this Article shall be limited to:

- A. Military
- B. Medical/Maternity
- C. Union
- D. Personal
- E. Political (State and Federal)
- F. Management
- G. Casual College Store Associate

They shall be for a specified length of time and without pay.

Section 12.2 In the event an associate covered by this Agreement enters into the Armed Forces of the United States, he/she shall be eligible for reinstatement in accordance with the provisions of the applicable federal legislation.

Section 12.3 A leave of absence for reasons of extended personal illness, injury or maternity shall be granted to all associates with six (6) or more months of seniority for an initial period not to exceed thirty (30) days provided such request is supported by satisfactory medical evidence. If, at the end of thirty (30) days, the associate is unable to return to work, the leave may be extended for an additional thirty (30) days and each thirty (30) days thereafter up to a maximum of twelve (12) months, provided such request for an extension is supported by satisfactory medical evidence.

Notwithstanding the above, associates with three (3) or more years of service shall be granted an additional six (6) month extension, not to exceed a total of eighteen (18) months, provided such request is supported by satisfactory medical evidence.

Section 12.4 Following compliance with the terms of Section 12.3 above, an associate upon returning to work with a doctor's release indicating physical fitness to return to work, shall be placed in the same job classification, seniority permitting, and shall receive the rate of pay then established for the job. The associate will be scheduled for work on the next posted schedule in accordance with seniority, provided that the necessary notification and/or release was presented to the Company at least twenty-four (24) hours prior to the time called for in this Agreement for the posting of the written schedule.

Section 12.5 Any associate with one (1) or more years of seniority with the company, elected or appointed to a union position, or delegated to attend a labor conference necessitating a leave of absence, shall be granted a leave of absence without pay and be guaranteed reemployment at the end of such period, if the associate's seniority permits, the same seniority rating as when the leave of absence was granted.

Leave of absence shall be granted for a period not to exceed three (3) years and shall be certified by the union. Such leave of absence will be renewed for one (1) additional period up to three (3) years.

Section 12.6 A personal leave of absence may be granted to associates having one (1) or more years of continuous service subject to the written approval of the Company.

Section 12.7 An associate, elected to political office, (state or federal), having one (1) year or more of continuous service, will be granted a leave of absence not to exceed one (1) term of office.

Section 12.8 A management leave of absence may be granted to an associate accepting a management position with the same Company subject to the written approval of the Company for a period of time not to exceed three (3) years. Seniority will not be interrupted during this period.

Section 12.9 Except in cases of emergencies, a written request to the Human Resources Department for a leave shall be made at least five (5) working days prior to the requested starting date of the leave.

It shall be the responsibility of an associate who is on leave to notify the Company if he/she is unable to return to work at the expiration of the leave and to request an extension in accordance with proper procedure.

Section 12.10 The following is the procedure for classifying associates with six (6) months or more of service who attend college to remain as an active associate while continuing to perform work on an irregular basis:

Work on an irregular basis is defined as:

1. Some weekends only
2. During holiday breaks
3. During the summer

Associates wishing to be so classified must complete a Company-authorized form and return to their Store manager no later than two (2) weeks prior to their last day of work before leaving for college. The Store Manager will forward the form to the Human Resources Department and the associate will then be classified as a "Casual College Store Associate". The Human Resources Department will notify the Union of each associate so classified.

These associates, as long as they have performed work during the past 12 months, will continue to be treated as "active" associates and will not be required to complete any employment forms when they perform work on an irregular basis as defined above. Should they not work during any consecutive 12 month period they will be terminated and treated as newly hired associates should they re-apply for employment in the future.

These associates will retain their original date of hire only for the purposes of vacation and eligibility for holiday pay (except if they terminate under the provisions of this Section), but will not retain their original seniority within the bargaining unit. They will be entitled to the privileges of seniority and other provisions of the labor agreement based on their then current continuous length of employment in accordance with the labor agreement. Hours worked will continue to accumulate for purposes of wage increases in accordance with the provisions outlined in Schedule "A" - Wages. "Casual College Store Associates" may be so classified for a period of time not to exceed five (5) years. After five (5) years these associates, if not again working on a regular basis, will be terminated.

## ARTICLE 13

### INJURY ON THE JOB

Section 13.1 Associates hired before June 6, 1993 (Dierbergs/Schnucks) and September 26, 1993 (Shop 'n Save) and associates hired after June 6, 1993 (Dierbergs/Schnucks) and September 26, 1993 (Shop 'n Save) who have completed one (1) year of service and who have averaged twenty-five (25) hours or more per week in the prior calendar year, who are unable to work because of injuries received during the scheduled work week and whose injuries resulted

out of or during the course of employment on the store premises, shall be entitled to full pay not to exceed eight (8) hours for each day lost because of such injuries, but not to exceed three (3) days in Illinois and three (3) days in Missouri, provided, however, that the associate shall report upon receipt of the injury to the store manager who shall refer the associate to the Company's physician. The physician's decision with respect to the length of time required off from the job shall be the controlling factor, provided further that nothing in this provision shall affect any rights accruing to either party under the Workers' Compensation Act of the State of Missouri or Illinois, and that the Company shall receive credit for any payment made under this Article, should any compensation be awarded in accordance with the State Workers' Compensation Act.

When an associate hired after June 6, 1993 (Dierbergs/Schnucks) and September 26, 1993 (Shop 'n Save) who has completed one (1) year of service and who averages less than twenty-five (25) hours per week in the prior calendar year is injured on the job, he/she will be paid for the balance of that day's work schedule provided that he/she conforms with the procedures set forth above.

Section 13.2 The above payment is meant to compensate the associate for scheduled days lost prior to the date Worker's Compensation benefits become effective.

#### ARTICLE 14

##### FUNERAL LEAVE

The Company agrees to pay all regularly scheduled associates who have been employed for at least six (6) months for necessary absence on account of death in the immediate family up to and including a maximum of three (3) scheduled work days, at straight time, provided the associate attends the funeral. The term "immediate family" shall mean spouse, parent, child, grandchild, brother, sister, father-in-law, mother-in-law, brother-in-law, sister-in-law, present stepmother, stepfather or any relative residing with the associate or with whom the associate is residing. Funeral leave may include the day following the day of burial if the service takes place two hundred fifty (250) miles or more from the residence of the associate.

In the case of the death of a grandparent, son-in-law or daughter-in-law not residing with the associate or with whom the associate is not residing, such pay shall be limited to one (1) scheduled work day, said day being the day of the funeral provided the associate attends same.

#### ARTICLE 15

##### JURY SERVICE

Section 15.1 Regularly scheduled associates who have been employed for at least six (6) months who are subpoenaed and report for jury service shall be compensated for time lost for regularly scheduled hours at their regular rate of pay at straight time up to and not to exceed forty (40) hours in any one (1) week, nor to exceed two (2) weeks in any one (1) calendar year.



Section 15.2 All compensation shall be less sums paid for jury service.

Section 15.3 If an associate is relieved for a day or the greater part of the day, he/she shall report to the store for work.

## ARTICLE 16

### HEALTH AND WELFARE

Section 16.1 The Company shall continue to pay three dollars and thirty-nine cents (\$3.39) per hour for all hours paid with a maximum of forty (40) hours per week for all associates covered by this Agreement, into the United Food and Commercial Workers Union, Local No. 655 Welfare Fund.

Section 16.2 The Company shall not be required to make contributions on behalf of all associates for the first twelve (12) months of employment.

Section 16.3 If the Local 655 Health & Welfare Trust Fund reaches eight (8) months or more in reserves, then the Company will be allowed to cease Health and Welfare contributions without interruption of benefits for those associates covered under the Trust Fund until such time as the reserves return to a six (6) month level.

Section 16.4 A copy of the Trust Agreement and any amendment thereto shall be made a part hereof as fully as in herein at length set forth.

Section 16.5 If the Company fails to make monthly Health and Welfare contributions as set forth herein, the Company shall be notified by certified or registered mail of the Company's delinquency by the Health and Welfare Administrator if said remittance is not paid within ten (10) days; notwithstanding any provision of this Agreement the Union, without the necessity of giving any other further notice, shall have the right to strike or to take such action as it shall deem necessary until such delinquency payments are made. It is further agreed that in the event such action is taken, the Company shall be responsible to the associates for any losses resulting there from. The Company hereby waives the requirement of any other notice or notices being given by the Health and Welfare Administrator or by the Union to the Company or anyone else other than such notice or notices expressly provided for in this Article.

Section 16.6 The Company agrees, upon reasonable notice, to allow records to be checked where necessary for Health and Welfare contributions.

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Effective April 1, 2004, the aforementioned Sections 16.1 through 16.6 shall become null and void and eligible associates covered under this labor agreement will be provided health and welfare benefits in accordance with the following:

Section 16.1 Effective April 2004, for hours paid in March 2004, the Company shall pay three dollars and forty cents (\$3.40) per hour for all hours paid with a maximum of forty (40) hours

per week for all associates covered by this Agreement, into the United Food and Commercial Workers Union Local 88 and Employers Health and Welfare Fund.

Effective April 1, 2005, the Company will pay the same contribution as the UFCW Local 655 Health and Welfare Trust Fund contribution that was effective October 1, 2004.

Effective April 1, 2006, the Company will pay the same contribution as the UFCW Local 655 Health and Welfare Trust Fund contribution that was effective October 1, 2005.

Effective April 1, 2007, the Company will pay the same contribution as the UFCW Local 655 Health and Welfare Trust Fund contribution that was effective October 1, 2006.

The hourly wage increases effective February 20, 2005 (Shop 'n Save) and February 21, 2005 (Dierbergs/Schnucks) or any part thereof, may be diverted to increase the Health and Welfare contribution rate, for the purpose of maintaining the level of benefits at or near as possible to the level in effect on May 1, 2004.

The hourly wage increases effective February 19, 2006 (Shop 'n Save) and February 20, 2006 (Dierbergs/Schnucks) or any part thereof, may be diverted to increase the Health and Welfare contribution rate, for the purpose of maintaining the level of benefits at or near as possible to the level in effect on May 1, 2005.

The appropriate increase(s) diverted to the Health and Welfare contribution will be calculated and agreed to between the Company and the Union.

Effective April 2004, for hours paid in March 2004, the Company shall make a special contribution of one dollar and sixteen cents (\$1.16) per hour for all hours paid with a maximum of forty (40) hours per week to the UFCW Local 655 Health and Welfare Trust Fund that represents a restoration of reserves to the incurred but not reported (IBNR) level. This special contribution will be paid in six (6) payments. This contribution will be offset by any amount prepaid by the Company.

Section 16.2 The Company shall not be required to make contributions on behalf of all associates for the first twelve (12) months of employment.

Section 16.3 A copy of the Trust Agreement and any amendment thereto shall be made a part hereof as fully as in herein at length set forth.

Section 16.4 If the Company fails to make monthly Health and Welfare contributions as set forth herein, the Company shall be notified by certified or registered mail of the Company's delinquency by the Health and Welfare Administrator if said remittance is not paid within ten (10) days; notwithstanding any provision of this Agreement the Union, without the necessity of giving any other further notice, shall have the right to strike or to take such action as it shall deem necessary until such delinquency payments are made. It is further agreed that in the event such action is taken, the Company shall be responsible to the associates for any losses resulting there from. The Company hereby waives the requirement of any other notice or notices being

given by the Health and Welfare Administrator or by the Union to the Company or anyone else other than such notice or notices expressly provided for in this Article.

Section 16.5 The Company agrees, upon reasonable notice, to allow records to be checked where necessary for Health and Welfare contributions.

Section 16.6 The Company agrees that effective on January 1, 2004, an Early Retirement Incentive Program shall be offered to all bargaining unit members who are vested with at least ten (10) full pension credits and eligible for a pension and are age sixty (60) through age sixty-four (64). Said program shall consist of a three (3) month "window" from January 1, 2004 to March 31, 2004, wherein each participant of the program shall have their Retiree Health Care coverage paid jointly by the Local 655 Welfare Fund (1/3), the participant's respective Company (1/3), and the respective associate (1/3) until such time as the participant attains the age of sixty-five (65).

Effective January 1, 2005, January 1, 2006 and January 1, 2007, an Early Retirement Incentive Program shall be offered to all bargaining unit members who are vested with at least twenty (20) full pension credits and eligible for a pension from the UFCW Local No. 88 Pension Fund and are age sixty (60) through age sixty-four (64) or have at least forty (40) full pension credits. Said program shall consist of a two (2) month "window" from January 1 to February 28 wherein each participant of the program shall pay one-half (1/2) of their monthly retiree health care coverage until such time as the participant attains the age of sixty-five (65).

## ARTICLE 17

### PENSION

Section 17.1 The Company shall continue to pay one hundred four dollars (\$104.00) [effective April 1, 2004, for hours paid in March 2004, one hundred twelve dollars and sixty-five cents (\$112.65)] per payment period for each Meat Department Manager, Journeymen Meat Cutter, Service Meat Department Journeyman, Apprentice Meat Cutter, Deli/Seafood Department Manager, Delicatessen Department Manager, Seafood Department Manager and Assistant Department Manager who is paid at least eighty (80) hours per payment period into the United Food and Commercial Workers' Local No. 88 and Food Employers' and Allied Industry Pension Fund.

Meat Clerks, Delicatessen Clerks, Seafood Clerks and Deli/Seafood Clerks who had contributions made on their behalf in accordance with Article 17, Section 17.1 of the labor agreement expiring September 23, 2000, for six (6) out of the twelve (12) months prior to November 9, 2000, will also have the one hundred four dollars (\$104.00) [effective April 1, 2004, for hours paid in March 2004, one hundred twelve dollars and sixty-five cents (\$112.65)] per payment period contribution as outlined above apply to them for each payment period that they are paid at least eighty (80) hours per payment period.

Also, Meat Department Managers, Journeymen Meat Cutters, Service Meat Department Journeymen, Apprentice Meat Cutters, Deli/Seafood Department Managers, Delicatessen Department Managers, Seafood Department Managers and Assistant Department Managers on the seniority list as of November 9, 2000, and, Meat Clerks, Deli Clerks, Seafood Clerks and Deli/Seafood Clerks on the seniority list as of November 9, 2000, who had contributions made on their behalf in accordance with Article 17, Section 17.1 of the labor agreement expiring September 23, 2000, for six (6) out of the twelve (12) months prior to November 9, 2000, will have an additional sixty-five dollars (\$65.00) per payment period contributed on their behalf for each payment period that they are paid at least eighty (80) hours per payment period effective December 1, 2000, for hours paid in the previous payment period, until such time as the Local 88 Pension Trust Fund is totally funded.

The Company shall make contributions to the Pension Fund for three (3) consecutive months during which an associate is off work due to verified illness or verified injury.

Section 17.2 For associates not covered under Section 17.1 above, the Company shall pay thirty cents (30¢) per hour [effective April 1, 2004, for hours paid in March 2004, thirty-five cents (35¢)] for all hours paid at straight time and Sundays, with a maximum of forty (40) hours per week, into the Company – Union Pension Fund for each Meat, Deli, Seafood, Deli/Seafood and Clean-up associate hired before June 6, 1993.

The Company shall pay thirty cents (30¢) [effective April 1, 2004, for hours paid in March 2004, thirty-five cents (35¢)] per hour for all hours paid with a maximum of forty (40) hours per week for all Meat Clerks, Deli Clerks, Seafood Clerks, Deli/Seafood Clerks and Clean-up associates hired after June 6, 1993, who have attained the age of 21 years, into the Company-Union Pension Fund.

Section 17.3 The Company shall not be required to make contributions on behalf of all associates for the first twelve (12) months of employment.

Section 17.4 The Company – Union Pension Fund shall be jointly administered by the Union and the Company as provided in an agreement establishing such Pension Fund.

Section 17.5 The payment period shall be defined as the number of the Company's payroll week endings in a given calendar month.

Section 17.6 If the Company fails to make monthly Pension contributions as set forth herein, they shall be notified by certified or registered mail of their delinquency, by the Pension Plan Administrator, if said remittance is not paid within ten (10) days; notwithstanding any provision of this Agreement, the Union, without the necessity of giving any other further notice, shall have the right to strike or to take such action as it shall deem necessary until such delinquency payments are made. It is further agreed that in the event such action is taken, the Company shall be responsible to the associates for any losses resulting therefrom. The Company hereby waives the requirement of any other notice or notices being given by the Pension Plan Administrator or by the Union to the Company or anyone else other than such notice or notices expressly provided for in this Article.

## ARTICLE 18

### SAVINGS PLAN

The Company agrees to provide a Savings Plan 401(k) to all eligible associates. The Company agrees to institute a provision that would allow associates to borrow 401(k) funds in accordance with Company policy.

## ARTICLE 19

### SUBSTANCE ABUSE

Section 19.1 The Company and the Union recognize the seriousness of substance abuse in our society and in the workplace and the need to approach this problem in a humane and progressive manner and in a manner which recognizes the legitimate privacy rights of the associates.

Section 19.2 In addition, the **use of drugs** or the consumption of alcohol during breaks or meal periods is strictly prohibited **and subjects** the associate to disciplinary action up to and including discharge.

Any associate found to be consuming alcoholic beverages, or using drugs, while on duty or while on Company property, will be subject to disciplinary action up to and including discharge.

Section 19.3 Where there is a reasonable basis for believing that an associate is having a problem on the job that may be drug or alcohol related, the Company may request the associate to submit to a testing procedure consistent with the steps set forth below. At the time that such a request is made, both the associate and the Union Representative (or in the event of the unavailability of the Union Representative, the steward or another member of the bargaining unit) shall be specifically advised of all of the facts forming the basis of the Company's belief that the associate may be having a problem that may be drug or alcohol related. The manager requiring the test will complete a report supporting the reason for having the associate tested.

Section 19.4 In our continued effort to provide a safe, drug free and alcohol free work environment, the Company will require a breathalyzer and/or blood test for alcohol and an urinalysis test for drugs as a routine part of the investigation of the circumstances present at the time of an "on-the-job accident" which results in medical treatment away from the store. A drug and alcohol screen will be required of all associates involved in or contributing to the incident giving rise to the injury.

Section 19.5 Any test performed under this Article shall be performed at a doctor's office, clinic or hospital at the Company's expense. The associate shall be compensated for all time involved with the testing and for travel to and from the test site.

Furthermore, the Company agrees that the testing lab(s) selected shall be certified by the Department of Health and Human Services (DHHS) and will meet any future governmental

guidelines that may be developed for the purpose of controlling laboratories involved in alcohol and drug screen testing. Testing facilities used by the Company follow the Department of Health and Human Services (DHHS) chain of custody requirements.

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

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

Section 19.6 If an associate, after one (1) year of employment except for injury-on-the-job, is tested and the tests prove positive for drugs or alcohol the associate will be placed on a leave of absence and/or a disciplinary suspension for the first incident of a positive test. Subsequent positive tests will result in disciplinary action, up to and including discharge. Should an associate test positive for drugs and/or alcohol in conjunction with the aforementioned 2nd or 3rd paragraphs, the associate will be subject to disciplinary action up to and including discharge.

Should the associate not be discharged the associate will be given the opportunity to be referred to the Company's Associate Assistance Program (AAP) and, after an evaluation, the associate may be urged to consider participation in an alcohol and/or drug treatment program. To the extent required to enable the associate to participate in such a program, the associate shall be allowed to take an unpaid leave of absence in accordance with the Leave of Absence provisions of the collective bargaining agreement. Cost of any rehabilitation program shall be the responsibility of the associate or their medical program if applicable.

It shall be a condition of continued employment for associates at the completion of the aforementioned Leave of Absence and/or disciplinary suspension to submit to a follow-up drug and/or alcohol screen prior to returning to work. Should the results of the follow-up drug and/or alcohol screen also show a positive finding, and the results have been verified by a second test, the associate will be terminated.

As a further condition of returning to work after the aforementioned Leave of Absence and/or a disciplinary suspension an associate will be subject to random tests during the first (1st) year after returning to work. In the event the random test proves positive for drugs or alcohol, the associate will be discharged.

Section 19.7 If the associate refuses to take any of the aforementioned drug and/or alcohol tests the associate will be discharged.

Section 19.8 Test results are sent to the AAP representative at the Company's corporate offices.

Company records shall be kept in strict confidence, and neither said records nor the contents thereof shall be disseminated to any third party except upon written authorization by the associate, or to the extent required by law, or to the extent required by the Company for use in any proceeding involving the associate.

Section 19.9 In the event any test results do not establish that the associate tested positive for alcohol or drugs, then the Company shall expunge from its records all references to the testing.

## ARTICLE 20

### SAFETY AND SANITATION

Section 20.1 If the Company or municipal ordinance requires a health examination of an associate, such examination shall be paid for by the Company.

Section 20.2 The Company agrees to place a suitable covering over a floor in a market where concrete or concrete substitute has been used.

Section 20.3 The Company agrees to provide and maintain a complete first aid kit in each store.

Section 20.4 No associate shall use a grinder, cube machine, power saw or any equipment without safety guards.

Section 20.5 The Company will have the responsibility for the heavy duty cleaning of walls, floors, ceilings, cases (after the product is removed), coolers and removing trash for the delicatessen and seafood departments. The Company may elect to use bargaining unit "clean up associates" for cleaning of the department.

Section 20.6 All special wearing apparel and linens required by the Company shall be furnished and laundered by the Company. All uniforms required by the Company shall be furnished by the Company and laundered by the associates. All tools, including saws, knives, cleavers, etc., shall be furnished by the Company.

Section 20.7 Mesh or protective gloves and aprons will be made available to associates.

Section 20.8 Rubber boots and cloth gloves will be made available to associates as needed.

Section 20.9 Associates refusing to cooperate and wear protective equipment and not adhering to posted safety and sanitation procedures shall be subject to disciplinary action.

ARTICLE 21

TECHNOLOGICAL CHANGE

The Company recognizes that there is a desire to protect and preserve work opportunities. At the same time, the Union recognizes that the Company has a right to avail itself of modern technology. With this common objective, the parties agree as follows:

In the event the Company introduces major technological changes not previously agreed to, which for the purpose of this Article is defined as new equipment or machinery, which would have a direct material impact affecting bargaining unit work, thirty (30) days advance notice of such change will be given to the Union.

In addition, the Company agrees:

1. No regularly scheduled associate on the seniority list on July 30, 1981, will be laid off as a direct result of such technological change.
2. Any retraining necessary will be furnished by the Company at **no expense to the associates.**
3. In the event an associate is not retrained or transferred and is permanently displaced as a direct result of major technological changes, the associate will be eligible for severance pay in accordance with the following provisions:
  - A. Such associate with two (2) or more years of continuous service will be eligible for one (1) weeks severance pay for each year of continuous service. Maximum severance pay of eight (8) weeks pay to be paid on a weekly basis. Weekly severance pay shall be determined by the average number of hours worked for the four (4) weeks preceding displacement, not to exceed forty (40) hours straight time.
  - B. An associate shall be disqualified for severance pay in the event the associate:
    1. Refuses retraining
    2. Refuses a transfer
    3. Voluntarily terminates employment

Use of the fully automatic wrapping machine (as distinguished from the present type semi-automatic wrapping machine now in operation) shall not be a violation of this Agreement. Full-time Meat Clerks employed as of January 27, 1979, will not be displaced as a result of utilizing this equipment.



## ARTICLE 22

### SEPARABILITY

The provisions of this Agreement are deemed to be separable to the extent that if and when a court of last resort adjudges any provision of this Agreement in its application between the Union and the undersigned Company to be in conflict with any law, such decision shall not affect the validity of the remaining provisions of this Agreement, but such remaining provisions shall constitute in full force and effect, provided further that in the event any provision or provisions are so declared to be in conflict with a law, both parties shall meet within thirty (30) days for the purpose of renegotiation and agreement on provisions so invalidated.

## ARTICLE 23

### STORE DELIVERIES

It is agreed that Journeymen may enter into vehicles for the purpose of unloading; however, during holiday weeks when the physical store cooler space is inadequate to handle a specific product volume, it is understood that a continuously refrigerated drop trailer will be considered during this specific period as a part of the store Meat Department cooler.

## ARTICLE 24

### WAGE RATES AND JOB DESCRIPTIONS

Section 24.1 Hourly wage rates as set forth in Schedule "A" Wages attached hereto shall remain in effect for the life of this Agreement and shall constitute the basis for determination of wages for time worked.

Section 24.2 When an associate relieves a Department Manager for a period of one (1) week or longer, he/she shall be paid the Department Manager's contract rate of pay.

#### Section 24.3

- A. Meat Department Manager - The Meat Department Manager shall be able to perform any or all of the duties of a Journeyman and, in addition, shall be qualified to direct the work of other associates in the Meat and Poultry Department.
- B. Journeyman - A Journeyman is a skilled meat cutter who has either served as apprentice or is qualified as a skilled meat cutter. He/she shall be able to perform all of the following duties: prepare all cuts of meat, including blocking out side of beef, weigh, price, wrap, cut and slice any meat, order and receive merchandise, serve trade, grind meat, cube steaks and patty steaks, prepare merchandise for

meat clerks, use all tools including power tools (saws, hand or power), grinder, cubing machine, patty machine, sealer, barbecue equipment, wrapper machine, conveyor equipment, train other associates and clean all equipment and tools. The Journeyman may perform work in the Service Meat Department.

- C. Service Meat Department Journeyman - Service Meat Department Journeymen shall perform all duties necessary for the efficient operation of the Service Meat Department, including all necessary cutting, processing and preparation of products to be displayed, selling, displaying, weighing, wrapping all products offered for sale in the department, and using a knife, slicer or small grinder for individual customer service. Service Meat Department Journeymen may also perform any Meat Clerk duties. Service Meat Department Journeymen may perform Journeyman Meat Cutter duties except for production cutting with the band saw for self-service cases. Service Meat Department Journeymen will be allowed to cut for customer requests and outages in the self-service cases.
- D. Apprentice Meat Cutter - An Apprentice Meat Cutter is a person learning all the details and developing manual skill for performing, after two (2) years training, the duties of a Journeyman Meat Cutter. A Journeyman Meat Cutter will be assigned to train an Apprentice Meat Cutter on the bandsaw until the Apprentice Meat Cutter is adequately trained on the bandsaw.
- E. Meat Clerks - Meat Clerks duties shall include all duties of a Journeyman or Service Meat Department Journeyman except for using the band saw.
- F. Delicatessen Department Manager or Deli/Seafood Department Manager The Delicatessen Department Manager or Deli/Seafood Department Manager shall be able to perform any and all of the duties of a Delicatessen Clerk or Deli/Seafood Clerk and, in addition, shall be qualified to direct the work of other associates in the Delicatessen Department or Deli/Seafood Department.
- G. Deli/Seafood Clerk - A Deli/Seafood Clerk shall perform all duties necessary for the efficient operation of the department, including, but not limited to, ordering and receiving merchandise, train other associates, preparing, displaying, selling, cutting, slicing, weighing, and wrapping all products offered for sale in the department.
- H. Seafood Department Manager - The Seafood Department Manager shall be able to perform any or all of the duties of a Seafood Clerk, and in addition, shall be qualified to direct the work of other associates of the Seafood Department.

- I. Assistant Department Manager – An Assistant Department Manager shall be able to perform any and all the duties in their respective departments (with the exception of Meat Clerks because they do not use the bandsaw), and in addition, shall assist the Department Manager with his/her duties
- J. Associates working in Service Departments, i.e., Delicatessen, Delicatessen/Seafood, Seafood or Service Meat shall be allowed to work in any service department for the purpose of relieving lunches and breaks only.

## ARTICLE 25

### STORE CLOSING

Section 25.1 In the event the Company closes or sells a store and associates are terminated as a result thereof, pay equal to one week's pay for each year of continuous service after completion of the third (3rd) year of continuous service for associates averaging twenty-five (25) hours or more per week and the fifth (5th) year for associates averaging less than twenty-five (25) hours per week, but not to exceed eight (8) weeks pay at their regular rate. However, those **associates** who have an incomplete year of continuous service as an associate, will receive pro rata severance pay for that year as follows:

0-3 months equals twenty-five percent (25%) of a week's pay;

3-6 months equals fifty percent (50%) of a week's pay;

6-9 months equals seventy-five percent (75%) of a week's pay;

Over nine (9) months equals one (1) week's pay.

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

Section 25.2 The Company shall continue contributions to the Pension and Health and Welfare Trust Fund for three (3) full months following termination for those associates who receive severance pay, except those associates who secure employment with a contributing company in the Pension and Health and Welfare Trust Fund.

Section 25.3 Holidays that fall within thirty (30) days after termination and associates who are eligible for severance pay shall be entitled to holiday pay.

Section 25.4 All monies due associates shall be paid in a lump sum upon termination.

Section 25.5 Any associate who is terminated and who is eligible for severance pay, and accepts severance pay, forfeits their seniority and has no recall rights. However, an **associate may elect** to accept a voluntary layoff not to exceed ninety (90) days. **At the end of the ninety (90) day**

period, if they have not been recalled, they will be paid severance pay and forfeit their seniority. Any extensions of this ninety (90) day period must be agreed in writing and signed by the associate, a representative of the Union, and the Company. In no case will such extension exceed a total of six (6) months from the date the associate accepts the layoff.

Section 25.6 If an associate is offered a transfer within forty (40) miles of the store in which he/she were last working and he/she refuses to accept the transfer, he/she forfeits his/her rights to severance pay, holiday pay and Pension and Health and Welfare contribution.

Section 25.7 If a store is sold and the successor company offers employment to an associate who is otherwise eligible for severance pay under the terms of this Article and the new job is comparable, then no provisions of this Article shall apply.

Section 25.8 The Company agrees to give to the associate and the Union adequate notice required by Federal Law, but in no case less than two (2) weeks notice in advance of a store closing or sale. When such notice is given, an associate shall remain with the Company or forfeit their rights under this Article unless mutually agreed to by the associate, Company and Union.

Section 25.9 No benefits shall accrue under the terms of this Article unless the Company makes a business decision to close or sell a store. If a store closing is caused by fire, flood, storm or land condemnation, then this Article shall not apply.

Section 25.10 An associate who is terminated under the terms of this Article prior to his/her anniversary date in that calendar year shall receive all vacation for which he/she was eligible as of January 1 of that calendar year.

Any associate who is terminated under the terms of this Article after his/her anniversary date in that calendar year shall receive any earned vacation due, but not taken and, in addition, shall receive pro rata vacation to be computed based on one twelfth (1/12) of vacation pay for each full month worked past such anniversary date.

## ARTICLE 26

### SUCCESSORS AND ASSIGNS

This Agreement and the conditions and covenants contained herein shall be binding upon the successors and assigns of the parties hereto and none of the provisions, terms, and conditions, covenants or obligations herein contained shall be affected, modified, altered or changed in any respect whatsoever by the consolidation, merger, sale, transfer or assignment of either party hereto, or be affected, modified, altered or changed in any respect whatsoever by a change of any kind in the legal status, ownership, management or affiliation of either party hereto.

The Company will inform such successors of the terms of this Agreement.

ARTICLE 27

EXPIRATION

Section 27.1 This Agreement shall continue in full force and effect until September 30, 2007, at midnight, and shall continue year to year from expiration date unless either party serves notice in writing sixty (60) days prior to the expiration date of the desire for termination of or for changes in this Agreement. To satisfy the terms of this Article with respect to notice, it is agreed that the Union need only serve written notice upon the Company or organization whose name appears in the first paragraph of this Agreement.

Section 27.2 All terms, conditions and benefits that are part of or that are provided by this Agreement shall expire with the termination of this Agreement unless specifically extended by the Parties hereto.

FOR THE UNION:

United Food and Commercial  
Workers Union, Local No. 88

Joe Lengyel 4/22/04  
Joe Lengyel Date  
President

FOR THE GREATER ST. LOUIS FOOD  
EMPLOYERS' COUNCIL:

Dierbergs Markets, Inc.

Linda C. Ryan 4/22/04  
Linda C. Ryan Date  
Vice President, Human Resources

Schnuck Markets, Inc.

Robert J. Flacke 4/22/04  
Robert J. Flacke Date  
Director, Labor Relations

Shop 'n Save Warehouse Foods, Inc.

John T. Dougherty 4/22/04  
John T. Dougherty Date  
Vice President, Labor and Employee Relations-  
Retail  
Supervalu, Inc.

SCHEDULE "A" WAGES

	<u>9/29/03</u>	<u>2/21/05</u>	<u>2/20/06</u>	<u>2/19/07</u>
Dierbergs/Schnucks				
Shop 'n Save	<u>9/29/03</u>	<u>2/20/05</u>	<u>2/19/06</u>	<u>2/18/07</u>
<u>Meat Department Manager</u>	19.05	19.30	19.55	19.80
Over Scale		+25¢	+25¢	+25¢
<u>Journeyman</u> [hired before June 6, 1993 (D/S) and September 26, 1993 (SnS)]	17.89	18.14	18.39	18.64
<u>Journeyman</u> [hired after June 6, 1993 (D/S) and September 26, 1993 (SnS)]	14.80	15.05	15.30	15.55
Over Scale		+25¢	+25¢	+25¢
Schnucks/Dierbergs Full-time Meat Clerks [hired and promoted before June 6, 1993]	14.79	15.04	15.29	15.54
<u>Shop 'n Save Full-time Meat Clerks</u> [hired before November 1, 1989]	14.79	15.04	15.29	15.54
<u>Schnucks/Dierbergs Full-time Meat Clerks</u> [hired before June 6, 1993 and promoted after June 6, 1993]	11.45	11.70	11.95	12.20
<u>Shop 'n Save Full-time Meat Clerks</u> [hired before September 26, 1993 and at top rate only]	11.45	11.70	11.95	12.20
<u>Full-time Meat Clerks</u> [hired after June 6, 1993 (D/S) and September 26, 1993 (SnS)]				
1st 1040 hours	10.20	10.20	10.20	10.20
Next 1040 hours	10.45	10.45	10.45	10.45
Next 1040 hours	10.95	10.95	10.95	10.95
Thereafter	11.45	11.70	11.95	12.20
Over Scale		+25¢	+25¢	+25¢

Over scale clerks will receive not less than the current "Thereafter" rate in effect at any given time.

Dierbergs/Schnucks	<u>9/29/03</u>	<u>2/21/05</u>	<u>2/20/06</u>	<u>2/19/07</u>
Shop 'n Save	<u>9/29/03</u>	<u>2/20/05</u>	<u>2/19/06</u>	<u>2/18/07</u>

Service Meat Department

Journeyman

[hired before June 6, 1993 (D/S) and September 26, 1993 (SnS)]

14.80	15.05	15.30	15.55
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Service Meat Department

Journeyman

[hired after June 6, 1993 (D/S) and September 26, 1993 (SnS)]

1st 1040 hours	10.00	10.25	10.50	10.75
Next 1040 hours	10.25	10.50	10.75	11.00
Next 1040 hours	10.50	10.75	11.00	11.25
Next 1040 hours	10.75	11.00	11.25	11.50
Next 1040 hours	11.00	11.25	11.50	11.75
Thereafter	11.75	12.00	12.25	12.50

Dierbergs/Schnucks	<u>9/29/03</u>	<u>2/21/05</u>	<u>2/20/06</u>	<u>2/19/07</u>
Shop 'n Save	<u>9/29/03</u>	<u>2/20/05</u>	<u>2/19/06</u>	<u>2/18/07</u>

Apprentice Meat Cutter

1st 6 months	9.00	9.25	9.50	9.75
2nd 6 months	10.00	10.25	10.50	10.75
3rd 6 months	11.00	11.25	11.50	11.75
4th 6 months	12.00	12.25	12.50	12.75
Thereafter	14.80	15.05	15.30	15.55

Dierbergs/Schnucks	<u>9/29/03</u>	<u>2/21/05</u>	<u>2/20/06</u>	<u>2/19/07</u>
Shop 'n Save	<u>9/29/03</u>	<u>2/20/05</u>	<u>2/19/06</u>	<u>2/18/07</u>

Part-time Meat Clerks  
[hired before March 9, 2004]

1st 520 hours	7.00	7.00	7.00	7.00
Next 520 hours	7.45	7.45	7.45	7.45
Next 520 hours	7.70	7.70	7.70	7.70
Next 520 hours	7.95	7.95	7.95	7.95
Next 520 hours	8.20	8.20	8.20	8.20
Next 520 hours	8.45	8.45	8.45	8.45
Next 520 hours	8.70	8.70	8.70	8.70
Thereafter	9.25	9.25	9.25	9.25

Associates at the rate of nine dollars and twenty-five cents (\$9.25) or higher as of March 9, 2004, will receive a twenty-five cent (25¢) increase on February 21, 2005 (Dierbergs and Schnucks) February 20, 2005 (Shop 'n Save); February 20, 2006 (Dierbergs and Schnucks) February 19, 2006 (Shop 'n Save); and February 19, 2007 (Dierbergs and Schnucks) February 18, 2007 (Shop 'n Save).

Associates who subsequently attain the rate of nine dollars and twenty-five cents (\$9.25) or higher as of February 21, 2005 (Dierbergs and Schnucks) February 20, 2005 (Shop 'n Save); February 20, 2006 (Dierbergs and Schnucks) February 19, 2006 (Shop 'n Save); and February 19, 2007 (Dierbergs and Schnucks) February 18, 2007 (Shop 'n Save); will receive a twenty-five cent (25¢) increase on that date(s).

Dierbergs/Schnucks	<u>3/9/04</u>	<u>2/21/05</u>	<u>2/20/06</u>	<u>2/19/07</u>
Shop 'n Save	<u>3/9/04</u>	<u>2/20/05</u>	<u>2/19/06</u>	<u>2/18/07</u>

Part-time Meat Clerks  
[hired on or after March 9, 2004]

1st 520 hours	7.00	7.00	7.00	7.00
Next 1040 hours	7.45	7.45	7.45	7.45
Next 1040 hours	7.70	7.70	7.70	7.70
Next 1040 hours	7.95	7.95	7.95	7.95
Next 1040 hours	8.20	8.20	8.20	8.20
Next 1040 hours	8.45	8.45	8.45	8.45
Next 1040 hours	8.70	8.70	8.70	8.70
Thereafter	9.25	9.25	9.25	9.25

Associates who attain the rate of nine dollars and twenty-five cents (\$9.25) or higher as of February 21, 2005 (Dierbergs and Schnucks) February 20, 2005 (Shop 'n Save); February 20,



2006 (Dierbergs and Schnucks) February 19, 2006 (Shop 'n Save); and February 19, 2007 (Dierbergs and Schnucks) February 18, 2007 (Shop 'n Save); will receive a twenty-five cent (25¢) increase on that date(s).

Dierbergs/Schnucks	<u>9/29/03</u>	<u>2/21/05</u>	<u>2/20/06</u>	<u>2/19/07</u>
Shop 'n Save	<u>9/29/03</u>	<u>2/20/05</u>	<u>2/19/06</u>	<u>2/18/07</u>
<u>Delicatessen</u>				
<u>Department Manager</u>	14.55	14.80	15.05	15.30
Over Scale		+25¢	+25¢	+25¢
<u>Deli/Seafood</u>				
<u>Department Manager</u>	14.55	14.80	15.05	15.30
Over Scale		+25¢	+25¢	+25¢
<u>Seafood Department Manager</u>	14.55	14.80	15.05	15.30
Over Scale		+25¢	+25¢	+25¢

At the Company's option, and with the associate's consent, and in accordance with applicable law, an associate may be appointed to a salaried position in addition or in lieu of the above-mentioned Deli, Deli/Seafood or Seafood Department Manager classifications.

Dierbergs/Schnucks	<u>9/29/03</u>	<u>3/15/04</u>	<u>2/21/05</u>	<u>2/20/06</u>	<u>2/19/07</u>
Shop 'n Save	<u>9/29/03</u>	<u>3/14/04</u>	<u>2/20/05</u>	<u>2/19/06</u>	<u>2/18/07</u>
<u>Full-time Deli/Seafood Clerks</u>					
(1st 520 hours)	9.00				
1st 520 hours	9.20	9.25	9.25	9.25	9.25
Next 520 hours	9.40	9.40	9.40	9.40	9.40
Next 520 hours	9.80	9.80	9.80	9.80	9.80
Next 520 hours	10.40	10.40	10.40	10.40	10.40
Thereafter	11.45	11.45	11.70	11.95	12.20
Over Scale			+25¢	+25¢	+25¢

Over scale clerks will receive not less than the current "Thereafter" rate in effect at any given time.

Dierbergs/Schnucks	<u>9/29/03</u>	<u>2/21/05</u>	<u>2/20/06</u>	<u>2/19/07</u>
Shop 'n Save	<u>9/29/03</u>	<u>2/20/05</u>	<u>2/19/06</u>	<u>2/18/07</u>

Part-time Deli/Seafood Clerks  
[hired before March 9, 2004]

1st 520 hours	7.00	7.00	7.00	7.00
Next 520 hours	7.45	7.45	7.45	7.45
Next 520 hours	7.70	7.70	7.70	7.70
Next 520 hours	7.95	7.95	7.95	7.95
Next 520 hours	8.20	8.20	8.20	8.20
Next 520 hours	8.45	8.45	8.45	8.45
Next 520 hours	8.70	8.70	8.70	8.70
Thereafter	9.25	9.25	9.25	9.25

Associates at the rate of nine dollars and twenty-five cents (\$9.25) or higher as of March 9, 2004, will receive a twenty-five cent (25¢) increase on February 21, 2005 (Dierbergs and Schnucks) February 20, 2005 (Shop 'n Save); February 20, 2006 (Dierbergs and Schnucks) February 19, 2006 (Shop 'n Save); and February 19, 2007 (Dierbergs and Schnucks) February 18, 2007 (Shop 'n Save).

Associates who subsequently attain the rate of nine dollars and twenty-five cents (\$9.25) or higher as of February 21, 2005 (Dierbergs and Schnucks) February 20, 2005 (Shop 'n Save); February 20, 2006 (Dierbergs and Schnucks) February 19, 2006 (Shop 'n Save); and February 19, 2007 (Dierbergs and Schnucks) February 18, 2007 (Shop 'n Save); will receive a twenty-five cent (25¢) increase on that date(s).

Dierbergs/Schnucks	<u>3/9/04</u>	<u>2/21/05</u>	<u>2/20/06</u>	<u>2/19/07</u>
Shop 'n Save	<u>3/9/04</u>	<u>2/20/05</u>	<u>2/19/06</u>	<u>2/18/07</u>

Part-time Deli/Seafood Clerks  
[hired on or after March 9, 2004]

1st 520 hours	7.00	7.00	7.00	7.00
Next 1040 hours	7.45	7.45	7.45	7.45
Next 1040 hours	7.70	7.70	7.70	7.70
Next 1040 hours	7.95	7.95	7.95	7.95
Next 1040 hours	8.20	8.20	8.20	8.20
Next 1040 hours	8.45	8.45	8.45	8.45
Next 1040 hours	8.70	8.70	8.70	8.70
Thereafter	9.25	9.25	9.25	9.25

Associates who attain the rate of nine dollars and twenty-five cents (\$9.25) or higher as of February 21, 2005 (Dierbergs and Schnucks) February 20, 2005 (Shop 'n Save); February 20, 2006 (Dierbergs and Schnucks) February 19, 2006 (Shop 'n Save); and February 19, 2007

(Dierbergs and Schnucks) February 18, 2007 (Shop 'n Save); will receive a twenty-five cent (25¢) increase on that date(s).

Dierbergs/Schnucks	<u>9/29/03</u>	<u>2/21/05</u>	<u>2/20/06</u>	<u>2/19/07</u>
Shop 'n Save	<u>9/29/03</u>	<u>2/20/05</u>	<u>2/19/06</u>	<u>2/18/07</u>
<u>Red Circled Delicatessen and Deli/Seafood Clerks</u>	12.90	13.15	13.40	13.65

Dierbergs/Schnucks	<u>9/29/03</u>	<u>3/15/04</u>	<u>2/21/05</u>	<u>2/20/06</u>	<u>2/19/07</u>
Shop 'n Save	<u>9/29/03</u>	<u>3/14/04</u>	<u>2/20/05</u>	<u>2/19/06</u>	<u>2/18/07</u>

Clean-up Associates

1st 520 hours	7.00	7.00	7.00	7.00	7.00
Next 520 hours	---	7.35	7.35	7.35	7.35
Next 520 hours	7.75	7.75	7.75	7.75	7.75
Next 520 hours	---	8.10	8.25	8.25	8.25
Thereafter	8.50	8.50	8.75	9.00	9.25

Clean-up associates at the rate of eight dollars and fifty cents (\$8.50) or higher as of March 9, 2004, will receive a twenty-five cent (25¢) increase on February 21, 2005 (Dierbergs and Schnucks) February 20, 2005 (Shop 'n Save); February 20, 2006 (Dierbergs and Schnucks) February 19, 2006 (Shop 'n Save); and February 19, 2007 (Dierbergs and Schnucks) February 18, 2007 (Shop 'n Save).

Associates who work between the hours of 12 midnight and 5 a.m. will be compensated for at a premium of fifty cents (50¢) per hour.

Associates who are paid over the above top rates shall not have their pay reduced as a result of this Agreement.

At the Company's option, newly hired part-time associates may be paid an accelerated part-time rate depending on the employment needs of the business.

Assistant Department Managers shall be paid twenty-five cents (25¢) over their base hourly rate of pay.

The hourly wage increases effective February 20, 2005 (Shop 'n Save) and February 21, 2005 (Dierbergs/Schnucks) or any part thereof, may be diverted to increase the Health and Welfare contribution rate, for the purpose of maintaining the level of benefits at or near as possible to the level in effect on May 1, 2004.

The hourly wage increases effective February 19, 2006 (Shop 'n Save) and February 20, 2006 (Dierbergs/Schnucks) or any part thereof, may be diverted to increase the Health and Welfare contribution rate, for the purpose of maintaining the level of benefits at or near as possible to the level in effect on May 1, 2005.

The appropriate increase(s) diverted to the Health and Welfare contribution will be calculated and agreed to between the Company and the Union.

## LETTER OF UNDERSTANDING

1. A. Those Schnucks and Dierbergs Delicatessen Department, Deli/Seafood Department and Seafood Department associates who were eligible for benefits under the Local 88 Health and Welfare program as of January 27, 1979, and who were paid more than 92 hours per month, will continue to be eligible for family medical coverage under the UFCW Local 655 Health and Welfare Plan (effective April 1, 2004, the Local 88 Health and Welfare Plan), provided they continue to be paid at least 92 hours per month. Also, associates, as of July 16, 1986, who were paid sixty-four (64) hours per month will be eligible for individual medical coverage provided they continue to be paid at least sixty-four (64) hours per month. A listing of such currently eligible associates will be provided to the Union.
  
- B. Schnucks and Dierbergs Meat Department associates and Extra help who were eligible for benefits under the Local 88 Health and Welfare program as of July 16, 1986, and who are presently paid ninety-two (92) or more hours per month will continue to be eligible for family medical coverage under the UFCW Local 655 Health and Welfare Plan (effective April 1, 2004, the Local 88 Health and Welfare Plan), provided they continue to be paid at least ninety-two (92) hours per month. Also, associates who were paid sixty-four (64) hours per month will be eligible for individual medical coverage provided they continue to be paid at least sixty-four (64) hours per month. A listing of such eligible associates will be provided to the Union.

The Health and Welfare Trust Fund gave each Company a listing of each Extra help person who was eligible under this provision.

- C. Shop 'n Save associates covered by this bargaining agreement who were eligible for and were covered under the Health and Welfare Plan on March 31, 1990, will continue to be eligible for medical coverage under the UFCW Local 655 Health and Welfare Plan (effective April 1, 2004, the Local 88 Health and Welfare Plan), as long as they meet the following requirements:
  1. Meat and Deli/Seafood associates who continue to work an average of at least twenty-one (21) hours per week will be eligible for Family Medical coverage under the UFCW Local 655 Health and Welfare Plan (effective April 1, 2004, the Local 88 Health and Welfare Plan).
  2. Part-time Meat and Deli/Seafood associates who continue to work an average of at least fifteen (15) hours per week will be eligible for individual only coverage under the UFCW Local 655 Health and Welfare Plan (effective April 1, 2004, the Local 88 Health and Welfare Plan).

Lists of the Meat and Deli/Seafood associates who are considered to be "red circled" for purposes of being eligible to receive benefits as outlined above, will be provided to the Union.

2. Dierbergs and Schnucks Meat Department associates on the seniority list of the Company as of July 16, 1986, shall have seniority over all Meat Department associates, including Service Meat Department Journeymen, hired after July 16, 1986, for layoff purposes regardless of classification.
3. No full-time Journeyman Meat Cutter or Meat Manager hired before January 1, 1990, will be laid off as a result of the work rule change agreed to in the Labor Agreement which was effective June 6, 1993 (Dierbergs/Schnucks) and September 26, 1993 (Shop 'n Save).
4. Full-time (40 hour) Meat Clerks, as of June 6, 1993 (Dierbergs/Schnucks) and September 26, 1993 (Shop 'n Save), will not have their weekly scheduled hours reduced below forty (40) hours; however, a full-time Meat Clerk may be reduced each time the Company closes a store.
5. Full-time Journeyman Meat Cutters, Full-time Service Meat Department Journeymen, Full-time Meat Clerks, Full-time Delicatessen Department Associates and Full-time Seafood Department Associates as of June 6, 1993 (Dierbergs/Schnucks) and September 26, 1993 (Shop 'n Save) may continue to work Sundays and holidays outside of the basic work week (40 hours).
6. The Company, at its discretion, may institute motivational incentive programs with monetary or other rewards. The programs may be for any group of associates and may commence or be discontinued at any time.
7. As it regards Article 11, Section 11.4, the following provision shall apply for any Company operating under this Agreement whose pay period is from Sunday through Saturday:

Associates who are paid a premium which is less than time and one-half (1½) for working holidays and/or Sundays shall receive time and one-half (1½) their hourly rate for those hours worked on Sunday and holidays when the total of all other hours worked that week exceed forty (40) hours.
8. The Company, at their discretion, may offer additional voluntary monetary buyouts for any group of associates at any time during the term of this Agreement.
9. Should a Journeyman Meat Cutter, hired on or after January 1, 1990, but before June 6, 1993 (Dierbergs/Schnucks) and September 26, 1993 (Shop 'n Save) be involuntarily reduced below forty (40) hours for four (4) consecutive weeks, or be involuntarily laid off, except for termination for cause, and has performed no work for the Company for thirty (30) days, he/she shall be entitled to a severance package of thirty (30) weeks of pay at the Journeyman rate of pay. Those Journeyman Meat Cutters who have been reduced below forty (40) hours for four (4) consecutive weeks, or who have not been recalled for any work within the aforementioned thirty (30) day period, will have another thirty (30) days to accept the severance package.

Any Journeyman Meat Cutter accepting this severance package will forfeit all recall rights as indicated in Article 8, Section 8.2.

In lieu of the severance package for layoff purposes, the above-referenced Journeyman Meat Cutters will be placed on layoff status and be subject to recall as indicated in Article 8, Section 8.2.

10. The Company agrees that it will continue its past practice regarding adjusting schedules of part-time associates downward. Normally, when adjusting schedules of part-time associates downward, the Company asks for volunteers first to work fewer hours. On those rare occasions when no one volunteers, the Company may adjust the schedule by inverse seniority.
11. Journeyman hours that become available after the schedule is posted will be offered to Journeymen hired after January 1, 1990, and before June 6, 1993 (Dierbergs/Schnucks) and September 26, 1993 (Shop 'n Save) who are not working forty (40) hours that week and are available to work the hours. **This provision** shall not cause the payment of overtime.

The Company cannot hire part-time Journeymen if a Journeyman hired after January 1 1990, and before June 6, 1993 (Dierbergs/Schnucks) and September 26, 1993 (Shop 'n Save) is on layoff (i.e., performing no work).

12. Shop 'n Save will continue its current practice to employ a minimum of one (1) full-time Meat Clerk per store. Shop 'n Save will fill full-time Meat Clerk positions by promoting the most senior Meat Clerk in the bargaining unit.
13. Shop 'n Save Journeymen with a seniority date prior to January 1, 1990, shall have seniority over all Meat Clerks on the seniority list hired after September 26, 1992.
14. Regarding Section 8.3, Shop 'n Save will continue to operate with one geographic zone which includes all stores within the jurisdiction of this labor agreement.
15. Deli, Deli/Seafood and Seafood Clerks hired after February 1, 1987, and before June 6, 1993 (Dierbergs/Schnucks) and September 26, 1993 (Shop 'n Save) will be allowed to progress through the Full-time Deli/Seafood Clerks wage brackets, however may not exceed the "Thereafter" rate in effect at that time.
16. Dierbergs and Schnucks associates classified as Lead persons as of November 9, 2000, will receive an increase of one dollar (\$1.00) per hour effective September 25, 2000. They will also receive the twenty-five cents (25¢) per hour premium for Assistant Department Managers effective September 25, 2000. A list of these associates will be provided to the Union.

17. Regarding Section 17.2, Meat, Deli, Seafood, Deli/Seafood and Clean-up associate hired before June 6, 1993 (Dierbergs/Schnucks) and September 26, 1993 (Shop 'n Save), who were not eligible for a full-time benefit (covered under Section 17.1 of the labor agreement expiring September 23, 2000), are being maintained in a separate fund with the UFCW International Pension Fund. They will have thirty cents (30¢) [effective April 1, 2004, for hours paid in March 2004, thirty-five cents (35¢)] per hour for all hours paid at straight time and Sundays, with a maximum of forty (40) hours per week, contributed on their behalf into the Local 88 Pension Trust Fund.
18. Regarding Section 8.4, 4<sup>th</sup> paragraph, a "calendar quarter" for Dierbergs and Schnucks is defined as the first payroll week ending in January through last payroll week ending in March; first payroll week ending in April through last payroll week ending in June; first payroll week ending in July through last payroll week ending in September; first payroll week ending in October through last payroll week ending in December. Shop 'n Save's calendar quarters are outlined below:

2003

4<sup>th</sup> Quarter Week ending 09/27/03 – 12/27/03

2004

1<sup>st</sup> Quarter Week ending 01-03-04 - 03-27-04

2<sup>nd</sup> Quarter Week ending 04-03-04 - 06-26-04

3<sup>rd</sup> Quarter Week ending 07-03-04 - 09-25-04

4<sup>th</sup> Quarter Week ending 10-02-04 - 12-25-04

2005

1<sup>st</sup> Quarter Week ending 01-01-05 - 03-26-05

2<sup>nd</sup> Quarter Week ending 04-02-05 - 06-25-05

3<sup>rd</sup> Quarter Week ending 07-02-05 - 09-24-05

4<sup>th</sup> Quarter Week ending 10-01-05 - 12-24-05

2006

1<sup>st</sup> Quarter Week ending 12-31-05 - 03-25-06

2<sup>nd</sup> Quarter Week ending 04-01-06 - 06-24-06

3<sup>rd</sup> Quarter Week ending 07-01-06 - 09-23-06

4<sup>th</sup> Quarter Week ending 09-30-06 - 12-23-06

2007

1<sup>st</sup> Quarter Week ending 12-30-06 - 03-24-07

2<sup>nd</sup> Quarter Week ending 03-31-07 - 06-23-07

3<sup>rd</sup> Quarter Week ending 06-30-07 - 09-22-07