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Agreement
between
Area Retail Grocers Alliance
and
U.F.C.W. Local No. 1116
Grocery Unit

Effective date: May 1st, 2005
Expiration date: April 27th, 2008

**Collective Bargaining Agreement
Area Retail Grocers Alliance
and
UFCW Local 1116
Grocery Unit**

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THIS AGREEMENT is entered into and is effective on the **1st day of May, 2005**, between _____, hereinafter referred to as the Employer, and the United Food and Commercial Workers Union Local No. 1116, chartered by the United Food and Commercial Workers International Union and hereinafter referred to as the Union.

ARTICLE 1 INTENT AND PURPOSE

1.1 The Employer and the Union in recognition of the need of continuous service through cooperation, mutually agree to cooperate fully for harmonious relationship, efficient store operation, and maximum service **to store customers**.

1.2 All Employer rights, functions, responsibilities and authority, not specifically limited by the express terms of this Agreement, are retained by the Employer and remain exclusively within the rights of the Employer. These include but are not limited to the right to plan, determine, direct and control store operations and hours, the right to study and introduce new methods, facilities and products, the right to direct and control the work force including the determination of its size and composition, scheduling and assignment of work, and also including the right to hire, assign, demote, promote and transfer, to lay off or reduce the hours of work because of lack of work, to discipline, suspend or discharge for just cause, and to establish and maintain reasonable rules and regulations covering the operation of the store. **No alleged past practice or industry practice shall be binding upon any Employer signatory hereto unless memorialized in writing by the parties and signed by the Union and the Employer.**

1.3 The Employer recognizes the established rights, responsibilities and values of the Union and has no objection to its employees becoming members of the Union, responsible in conjunction with the Employer and for making and keeping this Agreement.

1.4 In consideration of the mutual promises herein contained and for the purposes of creating a working agreement by and between the Employer and its employees and the Union, the parties hereto mutually covenant and agree to and with each other as follows:

ARTICLE 2 RECOGNITION

2.1 The Employer recognizes said Union as the sole representative of the employees in the classifications set forth in this Agreement for the purpose of collective bargaining with respect to the hours of labor, rates of pay, and working conditions hereinafter specified, excluding the store manager, the full-time bookkeeper, watchmen, guards and supervisors as defined in the National Labor Relations Act as amended. The Store Manager may perform bargaining unit

work. Additionally, the employers may employ management trainees in each of their stores on a one-year basis. There may be an additional extension for up to one year by mutual agreement.

2.2 The Employer agrees not to enter into any other agreement with any other labor organization during the life of this Agreement with respect to employees covered by this Agreement.

2.3 This Agreement shall be binding upon the parties hereto, their successors, administrators, executors and assigns. The Employer shall give the Union and the employee affected one week's (7 calendar days) notice of termination of employment where the Employer is terminating or selling the business. Where the employee works less than his/her normal schedule after the notice shall receive his/her normal pay. The Employer shall give notice of intent to sell not later than seven (7) days prior to the close of the sale.

2.4 This Agreement shall apply to the Employer's operations as performed on the effective date of this Agreement and this contract and Union representation thereunder shall also extend to any extension, expansion, or relocation of such **existing stores** now represented by this Local Union in the geographical area of jurisdiction that is covered under the charter of this Local Union.

2.5 If any store space is leased out for the purpose of allowing a lease to operate a **store department**, which work was being performed by the Employer's employees in the store at the time the store was opened, said lease operation shall be covered by an appropriate collective bargaining agreement negotiated between the lessee and the Union.

ARTICLE 3 UNION SECURITY

3.1 It shall be a condition of employment that all employees of the Employer covered by this Agreement who are members of the Union and in good standing on the date of execution of this Agreement shall remain members in good standing, and those who are not members on the date of the execution of this Agreement shall, on or after the thirty-first (31st) day following the execution of this Agreement, become and remain members in good standing in the Union. It shall also be a condition of employment that all employees covered by this Agreement and hired on or after its date of execution shall on the thirty-first (31st) day following the beginning of such employment become and remain members in good standing in the Union.

3.2 The Employer agrees to deduct Union dues and initiation fees and/or reinstatement fees and uniform assessments from the wages of the employees in the bargaining unit who provide the Employer with a voluntary written authorization which shall not be revocable for a period of more than one year or beyond the termination date of this Agreement, whichever occurs sooner.

3.3 The deduction of the Union dues shall be made on a weekly basis and shall be deducted from employee's paycheck each pay period. Dues shall be forwarded to the union office within fourteen (14) days after the last deduction of each month. In the event no wages are due the employee, or if there are insufficient funds to cover the required deduction, the Employer will deduct whatever portion of the required amount that can be deducted. The Employer and the Union during the interim period of this contract shall by mutual agreement to be authorized to alter or amend the functional procedures of this section only if necessary. (The intent of this change is to allow dues to be taken out of the employee's paycheck each pay period. The Union will work with each Employer's payroll personnel to set up a uniform system of dues deduction and remittance.)

3.4 The Employer agrees, under the contract requirements of paragraphs 3.1 and 3.2 above, to have a new employee complete a union membership card and dues authorization at the time of hiring. The Union agrees that should the Employer take an initial deduction prior to the completion of the employee's probationary period, such amount shall be promptly refunded by the Union to the employee.

ARTICLE 4 HOURS OF LABOR

4.1 All **scheduled or approved** work performed in excess of eight (8) hours in any one day or forty (40) hours in any one week (Monday through Saturday) shall be paid at time and one half (1-1/2) the employee's regular rate of pay for all hours so worked. For payroll purposes, the workweek commences at 12:01 a.m. on Sunday. **Part-time employees shall not be scheduled six (6) days Monday through Saturday except by mutual agreement.**

4.2 All time worked shall be consecutive, except up to one (1) hour by mutual agreement shall be allowed for a meal each day if the employee works more than four (4) hours. The meal to be scheduled as near as possible to mid-shift. No employee shall be scheduled to work in excess of five (5) hours without a meal period.

4.3 There shall be no pyramiding or duplicating of overtime or premium pay, except that the PPIC premium shall be in addition to the Sunday premium.

4.4 When scheduled or called to work, full-time and part-time employees, if available, shall receive a minimum of four (4) hours work or pay; except in case of emergency, when call in shall be two (2) hours for all employees.

4.5 No employee shall be scheduled for less than fifteen (15) hours per week. No employee shall be scheduled for less than eighteen (18) hours per week after the employee has been employed for two (2) consecutive years. These minimums do not apply if the employee has restricted his/her availability to work.

4.6 It is agreed that each Employer shall keep a record of time showing the hours per day and the days per week worked, and the wages paid each employee. The payroll record for an individual employee shall be available to that employee or a representative of the Union. The Employer shall furnish the Union with copies of the requested payroll records. All such requests shall be reasonable and limited to two (2) requests per year for each employee. The payroll records will be available for a maximum period of **one (1) year**.

4.7 Work schedules for all employees shall be made up for a two week period. The schedule shall be posted for any two week period no later than Friday at 2:00 p.m. preceding the first week of the two week period. When posting the schedules, the Employer shall show the employee's first and last name on the schedule in ink. All employees shall have the opportunity prior to the posting of the schedule to request of the Company, in writing, a particular day or days off. If the requested day or days off are for a justifiable reason, the Employer will **grant the request based on the needs of the business so that the employee receives his / her** requested day or days off without loss of hours, based on seniority. Once the schedule for any period is posted, there shall be no change in the schedule for that period, except for emergencies. Where the Employer knows in advance that the scheduled hours will not be available, the store manager will make every effort to notify the employee. Employees will notify the Employer in advance when they will not be available for work.

4.8 Employees, if absent, shall call in daily, and shall report the length of time that they expect to be absent from work. If absent for more than three (3) days, the employee shall report his/her availability for work at least twenty-four (24) hours prior to the time that he/she expects to report for work or prior to the time the Employer makes up the schedule for the next week.

4.9 Each employee who works more than (4) hours shall receive a fifteen (15) minute paid rest period. Employees who work seven (7) hours per day or more shall receive two fifteen (15) minute paid rest periods, one before lunch and one after lunch.

4.10 Employees shall be paid in full for all time spent in the service of the Employer. All employees currently being paid on a weekly payroll basis shall continue to be paid on a weekly payroll basis. **Employer may implement a bi-weekly (every other week) payroll during the term of the agreement provided Employer's implementation of such a biweekly payroll includes providing not less than a 30 days advance notice and it starts in a month that has three pay periods.**

4.11 Required attendance at company meetings shall be paid at the employee's regular wage rate for the time actually spent at the meeting. Any meetings in excess of four per calendar year shall entitle the employee to no less than the guaranteed call in time at the proper hourly wage rate, inclusive of premium rates and overtime if applicable.

**ARTICLE 4A
SUNDAY OPERATIONS**

Sunday retail operations shall be permitted subject to the following provisions:

4A.1 Sunday operations shall be part of the regular workweek but shall be conducted according to the terms and conditions contained in this Article. Sunday hours will not be included in computing the weekly minimum scheduled hours.

4A.2 Regular union employees shall be given the first opportunity to volunteer for Sunday work. No regular union employee, however, shall be required to work on Sundays except as provided herein.

4A.3 A separate schedule shall be posted, for qualified full-time employees who have volunteered to work Sundays, at least two (2) weeks in advance of the Sunday to be worked. Sunday full-time work shall be rotated among qualified full-time employees who volunteer so as to distribute the Sunday work equally to full-time volunteer employees. No employer is required to use full-time employees on Sunday.

4A.4 A separate schedule shall be posted for qualified part-time employees who have volunteered to work Sundays, at least two (2) weeks in advance of the Sunday to be worked. If the list of volunteers exceeds the number of hours of work that is available, Sunday part-time work shall be scheduled by seniority among qualified part-time employees who volunteer.

4A.5 A separate schedule shall be posted, for qualified Non-food Handling employees who have volunteered to work Sundays, at least two (2) weeks in advance of the Sunday to be worked. If the list of volunteers exceeds the number of hours of work that is available, Sunday Non-food Handling work shall be scheduled by seniority among qualified Non-food Handling employees who volunteer.

4A.6 If the number of volunteer employees is insufficient to adequately staff the store for Sunday operations, Employer may hire new employees to work only on Sundays.

4A.7 Sunday work shall be voluntary and shall be scheduled by seniority among those who volunteer for Sunday work depending upon the needs of the employer. Volunteers shall timely indicate their availability to be scheduled for Sunday work at least two weeks in advance of the Sunday to be worked.

4A.8 If the number of volunteer part-time employees is insufficient to adequately staff the store for Sunday operations, the employer shall first schedule, by inverse seniority, part-time employees hired after November 30,

1987. If additional part-time employees are required, the employer may schedule, by inverse seniority, up to fifty percent (50%) of the part-time employees hired prior to November 30, 1987, to achieve a sufficient number of employees to adequately staff the store on Sunday. The employer may use Non-food Handling employees for Sunday part-time but the employer shall not be required to train such employees.

4A.9 If the number of volunteer bakery/deli employees is insufficient to adequately staff the store for Sunday operations, the employer shall first schedule, by inverse seniority, bakery/deli employees hired after November 30, 1987. If additional bakery/deli employees are required, the employer may schedule, by inverse seniority, up to fifty percent (50%) of the bakery/deli employees hired prior to November 30, 1987, to achieve a sufficient number of employees to adequately staff the store on Sunday.

4A.10 If the number of volunteer Non-Food Handling employees is insufficient to adequately staff the store for Sunday operations, the employer shall first schedule, by inverse seniority, Non-food handling employees hired after November 30, 1987. If additional employees are required, the employer may schedule, by inverse seniority, up to fifty percent (50%) of the Non-Food Handling employees hired prior to November 30, 1987, to achieve a sufficient number of employees to adequately staff the store on Sunday.

No employee hired prior to November 30, 1987, however, shall be required to work more than three (3) Sundays in any two (2) month period. Any Sunday which an employee hired prior to November 30, 1987, has worked voluntarily shall be counted as one of the Sundays in the two month period.

All part-time employees hired before 5/1/05 who work on Sundays shall be paid premium of \$.50 per hour over their regular hourly wage rate. Full-time employees hired before 5/1/05 shall receive time and one-half (1-1/2) for all hours worked on Sunday. There shall be no Sunday premium pay for any employee hired after 4/30/05.

4A.11 Sunday operations shall be outside the regular work week for purposes of Health and Welfare contributions. Sunday hours of employment shall not be subject to minimum scheduled hours requirements nor shall Sunday hours be counted to determine full or part-time employee status. Sunday hours shall be included in all other appropriate employee benefit computations including wage progression, minimum call-in hours, vacations, holiday pay, and pension.

If the Employer schedules any 8 hour shift(s) on Sunday, an employee desiring to work that shift may select it based on seniority if available and qualified to do the work.

In the event new hires must be used because of the lack of volunteer employees, the new hires shall be paid at the union scale wage rate for Sunday work. No employee benefits shall accrue to any new hire working Sundays only. Employer

shall certify in writing to the union within 30 days of date of hire, the name of any Sunday only employee. Employer may revoke Sunday only status by providing written notice to the union.

If any new hire who is on the Sunday only schedule works any other day in addition to Sundays, the new hire shall be paid at the rate of one and one-half (1-1/2) times the union scale wage rate for all hours, including the Sunday hours, worked that week.

ARTICLE 5 MISCELLANEOUS PROVISIONS

5.1 A duly authorized representative of the Union shall be admitted to the Employer's premises during the hours employees covered by this Agreement are at work, for the purpose of ascertaining whether or not this Agreement is being observed and for collection of dues. Such activities shall be conducted in such manner as not to interfere with the orderly operation of the Employer's business.

5.2 The Employer shall have the right to adjust wages of its employees provided such adjustments are made over the contract wage rate range, and provided further that such adjustments are made within the contract period. When an adjustment is made, an employee shall be given credit for the hours and/or years of service and progress from that point, **for employees hired before 5/1/05. Overrate employees hired after April 30th, 2005 may be frozen at the higher starting rate and not progress on the wage scale until after 24 months of continuous service.**

5.3 Tools shall be furnished by the Employer and maintenance of tools shall be on the Employer's time. All tools and equipment shall be maintained in an operable condition.

5.4 All employees shall present themselves on time, ready for work, clean and neat in appearance, in accordance with written company policies, and shall not at any time conduct themselves in a way that will reflect unfavorably upon the Shop, the Employer and the Union. **Absence from work without a reasonable excuse (e.g. no-call / no-show) shall be grounds for immediate termination of employment.**

5.5 No employee shall make any written or verbal agreement that will conflict with this Agreement.

5.6 Any employee, at the date of entering into this Agreement, receiving a higher rate of pay than those herein specified, shall suffer no loss as a result of this Agreement.

5.7 No employee shall be required to make good any bad checks cashed or **any dishonored food stamp or WIC voucher**, unless said checks have been cashed or **such food stamp or WIC voucher has been accepted** in violation of

store rules and/or **state and federal** regulations that have been posted in a conspicuous place in the store for at least thirty (30) days and copied to the union. **An employee will receive one (1) warning notice of an infraction of these policies before being required to reimburse Employer for such a loss.**

5.8 Customers in the store at closing time shall be waited upon by the employees, provided the doors were closed at the store's regular closing time.

5.9 The Union shall use its best efforts as a labor organization to enhance the interests of the company as an employer of Union labor.

5.10 Members of the Union may wear a Union button when on duty.

5.11 The Company shall provide a bulletin board on which the Union may post notices pertaining to Union business.

5.12 Where time clocks are not provided, the Employer shall institute adequate payroll procedures to insure that all hours worked are properly recorded.

5.13 The Employer will comply with all legal requirements for the safety and health of their employees during the hours of employment, and shall provide a first aid kit containing bandages, etc. Employees will comply with all safety rules including the Employer's policy on drug testing.

5.14 If a physical examination or health permit is required by the Employer, the medical fee for such examination shall be borne by the Employer.

5.15 Any employee who serves in the National Guard military reserve units which require annual training shall be granted the necessary leave without pay to fulfill the annual training requirements of the unit which they serve. Such employee shall give the Employer two (2) weeks' prior notice. An employee shall not be required to take military training duties as earned vacation.

5.16 The Employer will comply with the applicable laws of the United States concerning the re-employment of persons leaving the military service of the United States.

5.17 The Employer shall not request the employee to take a lie detector test not in conformance with the law.

5.18 **Non-Discrimination Clause.** The Employer and the Union agree not to discriminate against any individual with respect to his/her hiring, compensation, terms of conditions of employment, nor will they limit, segregate or classify employees in any way to deprive any individual employee employment opportunities because of race, color, religion, sex, national origin, age or disability.

5.19 Food handling employees may stock and package meat products and there is no limitation on meat products which can be brought in and marketed in the store.

5.20 Active Ballot Club Checkoff. The Company agrees to deduct amounts designated by employees for the UFCW Active Ballot Club (ABC) when the Company has been furnished an individual written authorization for making such deductions. It is agreed that the ABC authorization is to be voluntary. The Company agrees to remit the ABC contributions to Local 1116 in the same manner as the Union dues.

ARTICLE 6 LAUNDRY-UNIFORMS

6.1 In the event the Employer requires its employees to wear smocks, aprons, jackets, caps, uniforms, or insignia, the Employer shall furnish and maintain same. In the event the Employer furnishes to the employees drip-dry uniforms, and the employees accept the same, the employees shall launder the uniforms. Jackets or rain gear for employees working outside will be available for inclement weather. Jackets for unloading trucks will be available. Where the Employer is presently furnishing and maintaining uniforms, it shall continue to do so. In the event of any change in uniforms or uniform policy, the employer will give the Union thirty day's notice prior to any change. During that 30-day period, the Union will be permitted to comment on uniform or policy changes.

ARTICLE 7 NO STRIKE NO LOCKOUT

7.1 The Employer agrees not to engage in any lockout of employees and the Union agrees that it will not engage in any strikes during the life of this Agreement. Participation in any strike, slowdown, sitdown or stoppage of work brought about either by action of the Union in violation of this Agreement, or by action of an individual or individual groups without Union authority shall be just cause for dismissal or discipline by the Employer of any and all employees participating therein.

7.2 Except as provided above, nothing herein shall affect the right of the Union to call, assist or support a strike officially authorized by the Union. It shall not be a violation of this Agreement, and it shall not be cause for discharge or disciplinary action in the event an employee refuses to enter upon any property involved in a primary legal picket line, including the primary legal picket line of Unions party to this Agreement, and including primary legal lines at the Employer's places of business.

ARTICLE 8 VACATIONS

8.1 Full-time employees who have been employed by the Employer for a period of one (1) year or more shall receive one (1) week's vacation with pay. Full-time employees who have been employed by the Employer for two (2) years or more shall receive two (2) weeks' vacation with pay. Full-time employees with seven (7) years of service or more with the Employer shall receive three (3) weeks' vacation with pay. Full-time employees with fifteen (15) years of service or more with the Employer shall receive four (4) weeks' vacation with pay.

8.2.1 Full-time employees with six (6) months or more of continuous service with an Employer who quit, are laid off or dismissed, except dismissed for cause, shall be entitled to pro-rated vacation. Such pro-rated vacation to be based on the length of time an employee served from the date of employment during the first year and thereafter the length of time an employee served since their last anniversary date of employment, pro-rated.

8.2.2 Part-time employees **hired before May 1st, 2005** with six (6) months or more of continuous service with an Employer who quit, are laid off or dismissed, except dismissed for cause, shall be entitled to pro-rated vacation. Such pro-rated vacation to be based on the length of time an employee served from the date of employment during the first year and thereafter the length of time an employee served since their last anniversary date of employment, pro-rated. **There shall be no accrued vacation proration paid prior to two (2) years of service for employees hired after April 30, 2005.**

8.3 Part-time food handling employees **hired before May 1, 2005** shall be entitled to vacation of one (1) week with pay after the first year, two (2) weeks after the second year, three (3) weeks after the seventh year, and four (4) weeks after the fifteenth (15th) year, with their pay to be based on the average number of hours worked on a weekly basis during the year. During the year means the fifty-two (52) weeks immediately preceding the employee's anniversary date. **Food handling employees hired after April 30th, 2005 shall be entitled to annual vacation of one (1) week after the second year, two (2) weeks after the fifth year, and three (3) weeks after the eighth year.**

8.4 Part-time non-food handling employees **hired before May 1st, 2005** who have completed at least one year of service shall be entitled to one week vacation with pay, and those who have completed at least two years of service shall be entitled to two weeks vacation with pay. Vacation pay shall be based on the average number of hours worked on a weekly basis during the year. During the year means the fifty-two (52) weeks immediately preceding the employee's anniversary date. **Part time non-food handling employees hired after April 30th, 2005 shall not be entitled to paid vacation.**

8.5 An employee **hired before May 1st, 2005** who at the date selected for their vacation has less than one (1) year, but six (6) months or more of

continuous service with the same employer, shall be entitled to a part of one (1) week's vacation pay equivalent to the part of the preceding twelve (12) months that such employee has been employed. In no event can employees borrow ahead on vacation time not yet earned.

8.6 Full-time employees taking their vacation during a holiday week shall be given one (1) extra day of eight (8) hours' vacation or pay in lieu thereof.

8.7 Vacation pay for full-time employees shall be at the employee's straight time rate and shall be based upon the average number of hours worked for each week in the preceding year for each week of vacation to which the employee is entitled, inclusive of overtime not to exceed forty (40) hours per week.

8.8 Vacation shall, as far as possible, be granted for the period preferred by the employee, but should the granted time requested by the employee interfere with the operation of the business, the Employer and employee will mutually arrange a vacation time as near as possible to the time desired by the employee that will not interfere with the operation of the business. A vacation sign up schedule shall be posted the first banking day following January 1st of each year. Vacations shall be scheduled on a calendar year basis and shall be scheduled on the basis of seniority provided the more senior employee notified the employer of their requested vacation dates in writing prior to March 1st of each year. After March 1st, vacation dates shall be scheduled on a first come-first served basis without regard to seniority. **The Employer will approve the vacation sign-up by March 15th each year.** Each employee will be notified of his or her vacation period **within two (2) weeks of receiving the employee's written request.** The Employer reserves the right to make changes in vacation periods when considered advisable for efficient operation. Vacations for each year must be taken during the year or be forfeited. Vacation pay will be paid at the beginning of the vacation period, if requested. In those stores whose problems arise and/or in those stores where mutual agreement can be achieved, a procedure for vacation selection shall be adopted as a matter of company policy. In each store, the following may be gone on vacation at any one time: A minimum of one full-time grocery employee; one part-time grocery employee; In no instance may more than one department head be on vacation at the same time. If a vacation week becomes available after March 1st, that time shall be selected in order of seniority.

8.9 Part-time employees who move into a full-time position with the same employer shall receive credit for years of service on their vacation schedule for time spent as a part-time employee. Example: A part-time employee for six years receives two (2) weeks' pro-rated vacation and then moves to full-time for one year then has seven years with the Employer. That employee shall receive two (2) weeks' pro-rated vacation and one (1) week of forty (40) hours.

8.10 An employee absent from work because of workman's compensation injury will have the time absent from work counted as time worked for a period of up to two (2) months.

8.11 Employees with three (3) or more weeks of vacation may take one (1) week of vacation in single day increments.

Single vacation days will be scheduled on a mutually agreeable basis with a minimum notice of the week before the schedule is posted. Full weeks shall take precedence over single vacation days. Single days will be selected following full week vacation sign up and will be granted on a first come, first serve basis, based on the criteria set forth in Section 8.8 of this Agreement.

ARTICLE 9 HOLIDAYS

9.1 For purposes of this contract, the following days are holidays: New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. Employees shall not work on Christmas and after 4:00 p.m. Christmas Eve. Full-time employees **hired before May 1st, 2005** shall be entitled to two (2) hours off or two (2) hours additional pay for the Good Friday holiday. Part-time employees **hired before May 1st, 2005** normally scheduled to work between 12 noon and 3:00 p.m. on Friday shall be entitled to two (2) hours off or two (2) hours additional pay for the Good Friday holiday. The time off shall be determined by mutual agreement between the Employer and the employee affected. In addition to these holidays, one additional day off with pay shall be granted to individual employees **hired before May 1st, 2005** by mutual agreement between the Employer and the employee so that employees on an individual basis will have a three-day weekend counting their regular day off. Part-time food handling employees **hired before May 1st, 2005** shall be entitled to receive a personal holiday after 520 hours of employment. Employees **hired before May 1st, 2005** shall also be granted an additional holiday with pay to be taken on the employee's birthday after completing one (1) year of employment.

Food-handling employees hired after May 1st, 2005 will receive two (2) personal days after five (5) years of employment.

Employees can volunteer to work on holidays and such opportunities will be assigned by seniority consistent with efficient operation of the store. If there are insufficient volunteers in a seniority category, the Employer may schedule employees to work on holidays by inverse seniority. **In no event will an employee be required to work on two successive holidays.**

9.2 It is agreed that no employee shall work after 4:00 p.m., December 24th, Christmas Eve. No deduction shall be made for time not worked after 4:00 p.m., December 24th, Christmas Eve. All part-time food handling employees **hired before May 1st, 2005** normally scheduled to work after 2:00 p.m. on the day on which Christmas Eve falls, will receive three (3) hours of Christmas Eve pay.

9.3 Full-time employees **hired before May 1st, 2005** shall receive eight (8) hours straight time pay for any of the above- mentioned days, if the employees have worked during the holiday week their scheduled day before and their scheduled day after the holiday, except for bona fide illness.

9.4 Regularly scheduled part-time food handling employees **hired before May 1st, 2005** working in any holiday week, who have worked ninety (90) calendar days for the Employer]; **regularly scheduled full-time and part-time food handling employees hired after April 30th, 2005** working in any holiday week, who have worked for **two (2) consecutive years for the Employer**; part-time non-food handling employees **hired before May 1st, 2005** who have worked one (1) year for the employer, and who have worked their last scheduled work day before and their first scheduled work day after a holiday, except for bona fide illness, shall be entitled to holiday pay **based on the following schedule:**

Years of Service

| | |
|--------------------------|-------------------------------|
| 0 through 3 years | 4 hours of holiday pay |
| 4 through 7 years | 5 hours of holiday pay |
| 8 years and more | 6 hours of holiday pay |

Part time non food handling employees hired after April 30th, 2005 shall not be entitled to holiday pay. Holiday pay will not be included when calculating overtime, part-time / full-time status, or health plan part-time / full-time contribution rates.

9.5 In the event any of the above-mentioned holidays fall on Sunday, the following Monday shall be observed as a holiday for the purposes of this Article except that Christmas Day shall always be observed as a holiday on December 25th.

9.6 During the week in which Christmas Eve and Christmas Day occurs, the basic work week shall be twenty-nine (29) hours **for full time employees hired before May 1st, 2005 and the basic work week shall be 32 hours for full time employees hired on or after May 1st, 2005.** When Christmas Eve falls on Saturday, the preceding basic work week will be thirty-seven (37) hours **for full time employees hired before May 1st, 2005,** and the following basic work week will be thirty-two (32) hours **for full time employees hired before May 1st, 2005.** All time worked in excess of that adjusted basic work week hours for Christmas Eve and Christmas Day shall be paid for at one and one-half (1 ½) times the **full time** employee's regular rate of pay **for employees hired before May 1st, 2005.** When Christmas Eve falls on Sunday (the first day of the payroll period) the prior basic workweek is 40 hours. The week in which Christmas Eve and Christmas Day falls is a 29-hour work week **for full time employees hired before May 1st, 2005 and the basic work week shall be 32 hours for full time employees hired on or after May 1st, 2005.** Time and a half will be paid for all hours worked **by full time employees hired before May 1st, 2005** from Monday

through Saturday in excess of the 29 hours for that week. (Full-time employees **hired before May 1st, 2005** will receive 40 hours of pay for 29 hours work). Part-time employees **hired before May 1st, 2005** normally scheduled to work after 2:00 p.m. on Sundays will receive 3 hours of Christmas Eve pay.

9.7 For the purposes of Good Friday and Christmas Eve, no employee **hired before May 1st, 2005** shall be rescheduled during these weeks to avoid payment of holiday pay. Should a dispute arise with respect to an employee's being rescheduled, the employee's previous schedules for a period of up to seven (7) weeks shall be reviewed. Employees shall not be rescheduled to avoid payment of holiday pay. If an employee is on vacation during any of the seven (7) weeks to be reviewed under the provisions of this section, that vacation week shall be disregarded and the next previous week will be added for the purposes of this section.

9.8 All employees hired before May 1st, 2005 who work on New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, or Easter Sunday shall be paid at time and one-half their regular hourly wage rate for hours worked on those days. This wage shall be in addition to any other holiday benefits which may accrue under this agreement.

9.9 Holiday hours actually worked shall not be included in health plan contribution calculations or for pension contributions.

ARTICLE 10 SENIORITY

10.1 Definition. Seniority shall be defined as the length of continuous service with the Employer while working under the jurisdiction of this Agreement.

10.2 Seniority shall prevail in regard to laying off and recalling provided the employee is qualified to do the work available and works at the contract rate. Seniority may be exercised for layoff and rehire against the most junior employees in the following order:

1. Among the employees within each seniority group as provided for in Paragraph 10.6 within each store.

10.3 The Employer, may in its sole discretion select and place employees in classified positions without regard to seniority. All newly classified employees shall have a six-month probationary period during which time the Employer may remove them without recourse to the arbitration procedure. No Employer shall be required to establish all the classified positions described in this agreement. However, once an Employer establishes such a classified position, the Employer must maintain and keep that position filled unless otherwise agreed to in writing by the Union. Classified positions need not be maintained if there are reasonable grounds for eliminating the position or in cases of attrition, which shall include resignation, termination, retirement, transfer, or entire

department elimination. Under no circumstances will the Employer have less than the three (3) classified positions outlined in Section 21.10 B. All classified employees as provided for in this Agreement shall acquire super seniority in the store where they are employed. Removal of an employee from a classified position is subject to the grievance and arbitration provisions of this agreement. The Employer has the right to appoint employees from time to time as leads and pay a premium of fifty cents (50¢) per hour to such lead employees with no continuing obligation to continue their lead status or any premium pay.

10.4 A full-time employee reduced in hours to below forty (40) hours per week may elect to (1) displace a less senior full-time employee's hours in the same seniority category on a weekly basis within his store; or (2) displace a less senior full-time employee's hours in the same seniority category within the city on a weekly basis; or (3) displace the most senior part-time employee within the store in the same seniority category on a weekly basis. Such full-time employee must be qualified and available to perform such work in each instance.

10.5 No less senior part-time employee in a seniority category will be scheduled for more hours than a more senior part-time employee in that same category unless the employee has restricted his/her availability except that night stockers may be scheduled on a weekly basis for more or less hours than other part-time employees. **Restricted availability includes, by way of example and not limitation, requested days off (including school schedules), day care conflicts requiring scheduling limitations, and scheduling limitations relating to other employment.** Sunday hours shall not be included in determining whether a less senior employee is scheduled for more hours than a more senior employee.

10.5.A The employees' schedules prior to the 1999-2002 contract that were affected as a result of combined seniority lists, shall continue. In the event a dispute arises concerning employee scheduling, the affected employees' hours worked in the past 30 days shall be reviewed. If after excluding all hours attributable to vacation coverage or illness beyond one (1) day by the junior employee and unworked hours offered to but declined by the senior employee, the Employer will pay the complaining senior employee for the lost hours. Future openings within a seniority classification requiring special training because of the unique duties of the position will be based on employee qualifications and seniority.

10.6 A separate seniority list shall be prepared for full-time employees and one for part-time employees in the following seniority categories:

1. Stockers including frozen foods, dairy, grocery
2. Produce stockers
3. Cashiers, including service counter, scanning, and part-time bookkeepers
4. Bakery, including cake decorators
5. Deli

6. Non-food
7. Pharmacy Technician

It is understood that the above seniority categories define the principal duties of employees working in those categories. However, nothing herein prevents the Employer from assigning any employee to perform any and all available work in order to keep the employee fully occupied during his/her work day and to ensure store operations.

Any employee who voluntarily transfers from one seniority category to another shall retain seniority in the seniority category from which he/she transferred for 6 months and will not establish seniority in the new category until he/she has been continuously employed in the new category for at least 6 months. After being continuously employed in the new category for at least 6 months, the employee's seniority date shall then be established in the new seniority category only. Any employee who is involuntarily transferred from one seniority category to another shall continue to hold seniority in the category from which he/she was transferred. It is understood that the Employer may temporarily transfer employees from one seniority category to another without regard to seniority for purposes of efficient store operations and to provide necessary training to the particular employee. It is expected that no employee will be temporarily transferred to a new seniority category for purposes of training for in excess of 6 months.

If an employee holding seniority in a seniority category is unable with reasonable accommodation to perform the essential functions of his/her regular job due to a disability, a reasonable effort will be made to place the employee in another seniority category where he/she is able to perform the essential functions with reasonable accommodation, provided there is an opening in the seniority category. The effort will be made in a lateral or lower seniority category. Such transfers may be permanent when in the judgment of the Employer based on competent medical evidence the employee will not again be capable of performing the essential functions of the employee's regular job. In the event such a transfer is temporary, when in the judgment of the Employer based on competent medical evidence the employee is again capable of performing the essential functions of the employee's regular job, the employee will return to his/her regular job, seniority permitting.

10.7 When an opening occurs for full-time employees, part-time employees shall be given the first opportunity to fill such opening, provided they have the ability and are available to perform the work. All full-time openings (exclusive of classified positions) shall be posted. All postings must remain posted for a period of not less than one week. Interested and available employees shall acknowledge their interests in filling the position by signing the posting. Part-time employees within the seniority category who have signed the posting and have the qualifying abilities and are available will receive fifty percent (50%) of all full-time job openings in that particular seniority category based on seniority. If no such part-time employees in the category apply who are qualified and available,

the Employer is free to pick whoever it chooses to fill the vacancy. Seniority will not apply to the rescheduling of hours of work of part-time employees, except as provided herein. No part-time employee shall have his/her hours reduced in an effort to discriminate against said part-time employee. Part-time non-food handling employees will be given the opportunity for part-time food handling positions within their store provided they have the qualifying abilities and are available. The Employer shall give part-time non-food handling employees who have the qualifying abilities and are available, 50% of all part-time food handling job openings **regardless of seniority**. If no part-time non-food handling employee has the qualifying abilities or is not available, the Employer may hire a new part-time employee. If a new employee is hired, the next part-time food handling position must be offered to the part-time non-food handling employees, who are available and have the qualifying abilities to perform the work. Part-time non-food handling employees moving to part-time food handling positions shall receive the next higher food handling employee part-time rate above the rate last received by that employee as a part-time non-food handling employee.

10.8 Full-time employees shall be any employee who works **forty (40)** hours or more per week, Monday through Saturday, for four (4) consecutive weeks.

Part-time employees shall be any employee who works less than **forty (40)** hours per week **Monday through Saturday**.

Non-food handling employees shall be employees whose principal duties do not include handling food items.

10.9 The duties of non-food handling employees shall be limited to sorting, bagging and packaging sold merchandise; carrying and loading sold merchandise; floor maintenance anywhere in the store; cleaning the parking lot and other adjacent areas outside the store; returning shopping carts to the store; cleaning areas around the check out lanes; cleaning and refacing shelves; cleaning rest rooms; collecting and sorting bottles; disposing of trash and rubbish; hanging of window signs and washing of store windows; cleaning all areas in the store; repair or maintenance work in all store areas; pulling cardboard; returning unsold merchandise to shelves, removing merchandise from the shelf and replacing merchandise to the shelf in case of equipment breakdown and house cleaning, and stocking, pricing, marketing and selling non-food items such as by way of examples those listed in 16.6 (1), (2) and (9).

If a non-food handling employee performs duties at the specific direction of the employer other than as defined in Section 10.9 above, he/she shall receive the top part-time or full-time food handling rate for all hours worked that day by the non-food handling employee.

10.10 Full-time employees shall be paid the appropriate full-time rate for their length of service inclusive of the past comparable service. Part-time employees shall be paid the appropriate part-time rate for their length of service.

10.11 New employees or employees whose seniority has been terminated in accordance with Section 10.12 shall obtain seniority after thirty (30) days from the date of employment, at which time their seniority shall take effect and date back to their last date of hire. The date of employment or hire shall be the date when the employee first punched in for training. Where two or more employees have the same date of hire or employment, relative seniority shall be established by the order in which employees first punched in on that date with the earliest time being the most senior.

10.12 An employee shall cease to have seniority if the employee:

- A. Quits;
- B. Is discharged for cause;
- C. Fails to return to employment after layoff, and reasonable notice of recall;
- D. Is **unavailable for work** for any reason except military service for a period of one (1) year or more;
- E. No employee shall lose seniority because of sickness or accident subject to this one (1) year limitation, except as provided for in Article 19.1B as long as the employee complies with all medical restrictions and requirements,
- F. After six (6) months as a supervisory employee; or
- G. **Is absent from work without proper notice to the Employer and/or without a reasonable excuse.**

10.13 Seniority listings of all employees employed by the Company in each individual town shall be posted in a conspicuous place in each store and kept current.

ARTICLE 11 UNION LABEL CARDS

11.1 The Union label, card or decal is the property of the Local Union No. 1116 at all times and is loaned to the Employer while this contract is in effect and is to be displayed in a conspicuous place.

**ARTICLE 12
EMPLOYMENT TERMINATION**

12.1 The Employer shall be entitled to **two (2)** week's notice of an employee's intention to quit. Failure to give such notice shall result in a forfeiture of vacation pay for a period equal to the time deficiency in giving notice. **The effective date of the employee's voluntary termination is the last day the employee actually works unless otherwise specifically agreed to in writing by the Employer. Pension contributions, but not health insurance plan contributions, will be made on all accrued vacation and personal day hours paid at termination. Employees discharged for dishonesty or for willful destruction of property shall forfeit all vacation and holiday pay earned and accrued, but not taken, to date of discharge.**

12.2 Any new employee shall be subject to discharge at the option of the Employer during the first thirty (30) days of employment after the last date of hire. The probationary period may be extended an additional thirty (30) days upon written notice from the Employer to the Employee affected and the Union.

12.2A The parties understand that a large number of employees will be hired for the opening of a new store. For this reason, any employee who is hired before and within seven (7) days after the official opening of the store shall have a probationary period of ninety (90) days instead of the probationary period of thirty (30) days which would normally apply under the terms of this agreement. Further, it is understood that the provisions in paragraph 10.7 relating to promotions will not apply until employees have completed their probationary period.

12.3 The Employer shall not discharge nor suspend any employee without just cause. In respect to discharge, the Employer shall give at least one warning notice of the complaint against such employee to the employee in writing and a copy of the same to the Union. No warning notice need be given to an employee where he is discharged if the cause for such discharge is **dishonesty, possession on store premises (including employer's parking lot) of illegal drugs or drug paraphernalia, reporting for work intoxicated or drinking on the job, use of illegal drugs on the job, fighting or threatening violence, absence from work without a reasonable excuse, willful insubordination, violation of an established written work rule or willful destruction of property. Employer may delay up to 14 days to serve a disciplinary suspension when in the opinion of the employer the needs of the business would suffer if a disciplinary suspension was served immediately following the determination of a disciplinary suspension.** In addition, no warning notice need be given in the instance of a suspension which is defined as a removal from the payroll for a period of time with the right to be reinstated without loss of seniority at the end of said period of time. A warning notice as herein provided shall not remain in effect for a period of more than twelve (12) months from the date of the warning notice. However, all warning notices and other notification of discipline will remain in an employee's file even if no longer in effect. All

discharges must be by proper written notice to the employee and the Union affected. Any employee may request an investigation as to his/her discharge or suspension. Should such investigation prove that an injustice has been done an employee, he/she shall be reinstated and compensated at his/her usual rate of pay while he/she has been out of work. Appeal from discharge or suspension must be taken within ten (10) days by written notice. It shall comply with the grievance machinery set forth herein.

ARTICLE 13 AGREEMENT VIOLATIONS

13.1 All claims for back pay for loss of wages arising under this Agreement on account of any violations of the terms hereof must be made in writing within sixty (60) days from the pay day following the accrual of the claim, and if not made within such period a claim will be barred. The Employer shall not be required to pay back pay on grievance for more than a ninety (90) day period prior to the filing of the grievance.

13.2 If the employer willfully fails to grant wage increases in accordance with the contract or willfully fails to pay non-food handling employees the proper rate of pay when they do work outside the limitations as provided in Article 11, Section 11.9 herein, the penalty assessed shall be in an amount double that provided for, but shall not exceed one hundred eighty (180) days.

ARTICLE 14 GRIEVANCE AND ARBITRATION PROCEDURE

14.1 Should a difference arise between the Employer and the Union or employees as to the meaning and application of the provisions of this Agreement or as to the compliance of either party with any of its obligations under this Agreement, an earnest effort shall be made to settle such differences immediately under the following procedure by negotiations:

- A. Between the employee affected and his/her department head.
- B. By a representative of the Union and an executive of the Employer, at which time either party may call in an outside representative.
- C. Any dispute, difference, or grievance relative to the interpretation of or adherence to the terms of the Agreement which has not been resolved in Steps A or B above, will be reduced to writing within ten (10) days of the meeting in Steps A or B above. Once reduced to writing, representatives of the Union and the Company will meet in an effort to resolve the grievance.
- D. Should the dispute, difference or grievance not be resolved in Step C, by mutual agreement either party may submit the matter to non-binding mediation. The services of the Federal Mediation and Conciliation Services (FMCS), Bureau of Mediation (BMS), or Wisconsin Employment Relations Commission (WERC)

will be used for this mediation. Mediation must be requested within ten (10) days of the Step C meeting.

E. If the dispute, difference or grievance is not settled in Step D (or Step C, if mediation is not mutually agreed upon) the matter may be referred to binding arbitration. Such request for arbitration must be within ten (10) days of the Step D meeting (or Step C meeting if Step D is not used).

F. If a dispute, difference or grievance is arbitrated, the moving party will submit a request for an arbitration panel to the Federal Mediation and Conciliation Services. The list will consist of seven (7) names. **Either party may request a second panel of arbitrators but the party requesting the second panel shall pay for the list.** The arbitrators will be selected by the parties alternately striking names until one (1) arbitrator is left. The order of strikes will be determined by lot.

G. The decision of the arbitrator shall be final and binding upon all parties. However, the arbitrator shall not have the power to add to, subtract from, or modify the terms or conditions of the agreement. Either party may request a review of an arbitrator's decision, if either party believes the arbitrator exceeded their authority, made a mistake of law, or otherwise disregarded the clear and unambiguous language of the Agreement.

H. The expense of the arbitrator, transcription, and hearing room shall be the responsibility of the party not prevailing in arbitration.

I. At any step in this grievance procedure the Executive Committee of the Local Union shall have the final authority, in respect to any aggrieved employee covered by this Agreement, to decline to process a grievance, complaint, difficulty or dispute further if in the judgment of the Executive Committee such grievance or dispute lacks merit or lacks justification under the terms of this Agreement, or has been adjusted or justified under the terms of this Agreement, to the satisfaction of the Union Executive Committee.

J. Except in cases of termination, all disputes, differences, or grievances must be brought to Steps A and/or B in 14.1 within thirty (30) days of the alleged violation. In cases of wage disputes in which sixty (60) days will be the time limit. These time limits, and the time limits in 14.1, C, D, & E are binding and all disputes, differences, or grievances will be barred if not adhered to. Time limits may be extended by mutual agreement of the parties.

14.2 In the event either party refuses to arbitrate on demand of the other party, and an order compelling arbitration is obtained in Federal Court on the basis contended by the moving party, the refusing party will pay to the moving party reasonable attorneys' fees as awarded by the court. Similarly, if the moving party fails to prevail in such an issue, the moving party will pay reasonable legal fees as awarded by the court to the refusing party.

**ARTICLE 15
HEALTH AND WELFARE AND PENSION**

15.1 All Employers who are or become signatory or bound by this Agreement agree to be bound by the Agreements had Declarations of Trust, as amended, establishing the Northern Minnesota-Wisconsin Area Retail Food Health and Welfare Fund (Health and Welfare Fund) and the Northern Minnesota-Wisconsin Retail Clerks Pension Fund (Pension Fund), copies of which all parties agree have been furnished to and read by all Employers bound hereby prior to the execution of this Agreement. It is mutually agreed that the provisions of said Agreements and Declarations of Trust and any rules, regulations, or plans adopted by the Trustees pursuant thereto shall overcome a part of this Agreement as though fully written herein. All Employers bound hereby irrevocably designate the employer Trustees of said Funds and their successors as their representatives for the purposes set forth in said Agreements and Declarations of Trust. The parties agree that in the event UFCW Local 1116 is merged, consolidated, affiliated, or otherwise combined with any other local union and/or in the event the Health and Welfare Fund is merged, consolidated, affiliated, or otherwise combined with any other union health plan, the Employer may elect to terminate participation in the Health and Welfare Fund so long as the Employer provides replacement medical coverage.

15.2 FULL-TIME HEALTH & WELFARE CONTRIBUTION RATES:

The Employer agrees to continue to pay monthly contribution of Eight Hundred and Dollars (\$800.00) per month for each full time employee to the Health and Welfare Fund. The Employer will pay monthly contributions to the Health and Welfare Fund for each full-time food handling employee according to the following schedule:

Deleted:

| <u>Effective Date</u> | <u>Amount</u> |
|------------------------|---------------|
| <u>January 1, 2006</u> | <u>860.00</u> |
| <u>January 1, 2007</u> | <u>950.00</u> |
| <u>January 1, 2008</u> | <u>975.00</u> |

Except as otherwise required by applicable law, in the event a full-time employee's compensated time (e.g. hours actually worked, vacation hours, holiday hours, etc.) in any month does not equal or exceed 120 hours of work for the month, but more than 40 hours, the Employer will make a part-time Health and Welfare Fund contribution on the employee's behalf for the ensuing month.

For full-time employees hired after April 30, 2005, the Employer will pay 75% of the contribution for the established full-time rate (not the full-time buy-up rate) upon the employee's request for family coverage. The Employer is obligated to make the full contribution for single coverage for full-time employees hired on or after April 30, 2005.

15.3 PART-TIME HEALTH & WELFARE CONTRIBUTION RATES:

The Employer agrees to continue to pay monthly contribution of Three Hundred and Forty-Five Dollars (\$345.00) per month for each part-time food handling employee to the Health and Welfare Fund. The Employer will pay monthly contributions to the Health and Welfare Fund for each part-time food handling employee according to the following schedule:

| <u>Effective Date</u> | <u>Amount</u> |
|------------------------|---------------|
| <u>January 1, 2006</u> | <u>360.00</u> |
| <u>January 1, 2007</u> | <u>375.00</u> |
| <u>January 1, 2008</u> | <u>390.00</u> |

Except as otherwise required by applicable law, in the event a part-time employee's compensated time (e.g. hours actually worked, vacation hours, holiday hours, etc.) in any month does not equal or exceed 40 hours of work for the month, the Employer is not required to make any Health and Welfare Fund contribution on the employee's behalf for the ensuing month.

The Employer agrees to make Health Insurance contributions on behalf of each full-time and part-time employee on the 1st of the month following six months of employment. (Exclusive of part-time non-food handling employees) Employees hired before May 1, 2005 shall be eligible for health plan benefits commencing with the first day of the month following the date on which the Employer has made three (3) monthly contributions on behalf of the employee and part-time employees hired after April 30, 2005 shall be eligible for health plan benefits commencing with the first day of the month following the date on which the Employer has made six (6) monthly contributions on behalf of the employee. Also, Employees who return to work or are reinstated following an absence from work, where their seniority has not been interrupted, shall have payments made on their behalf on the 1st of the month following their return to work. In addition, employees that have not had a break in coverage with the health fund, or are still eligible for their COBRA election, shall have payments made on their behalf on the 1st of the month following their return to work. Utility employees promoted to part time during the first six (6) months of employment as a utility will begin the six month waiting period for medical fund contributions commencing on the 1st day of the month following date of promotion. Utility employees promoted to part time after six months as a utility employee will have contributions made on them commencing with the first month following date of promotion. Utility employees moved to part-time during the summer months pursuant to Article 21.9 of the Contract shall accrue time towards the six (6) month waiting period for regular part-time employees. However, the employee shall not accrue time towards the six (6) month waiting period for regular part-time employees and the time spent as summer part-time shall be disregarded for purposes of completion of the six (6) month waiting period applicable to regular part-time employees provided the employee returns to utility status on or before

the end of the summer waiver period. In the event the utility employee is retained as a part-time employee beyond the summer waiver period, all time spent as a summer part-time employee by that employee shall be counted as part-time employment for purposes of applying the Contract provisions relating to the six (6) month waiting period for health fund contributions by the Employer and health fund contributions shall commence as of October 1.

Full-time contributions shall be made on full-time employees as defined in paragraph 10.8.

Part-time contributions shall be made on part-time employees as defined in paragraph 10.8.

15.4 In the event of absence of an employee from work because of injury, illness or sickness, the Employer shall continue to make the required contributions for a period of three (3) months from the date on which the employee leaves active employment due to injury, illness, or sickness. The forgoing shall be applied consistent with and in conjunction with, any FMLA leave granted by the Employer, including a rolling 12 month eligibility period for additional FMLA and coverage under this paragraph. In the event of leave of absence or military leave or in the event of employees who are laid off or are off because of illness, sickness, or injury beyond the said three (3) month period they shall be permitted to continue coverage as a member of the group by paying in advance the regular monthly premium as paid by their employers after the respective date that contributions by the employers cease pursuant to the provisions hereof, provided that such coverage may be continued only to the maximum period allowed under the rules established by the Trustees.

15.5 During the times that the employees covered hereunder are on scheduled vacation, the Employer shall continue to pay the necessary contributions to secure coverage for the employees.

15.6 Pension. Effective the date of this Agreement, the Employer agrees to continue its present Ninety Cents (\$.90) per hour contribution to said Pension Fund for each hour worked by each full-time and part-time employee hired before May 1, 2005 (exclusive of part-time non-food handling employees). Effective the date of this Agreement, the Employer agrees to contribute Sixty Cents (\$.60) per hour to said Pension Fund for each hour worked by each full-time and part-time employee (exclusive of part-time non-food handling employees) hired after April 30, 2005. Effective January 1, 2006 the employer agrees to contribute One Dollar(\$1.00) per hour for each hour worked by each full-time and part-time employee (exclusive of part-time non-food handling employees) with more than five (5) years of service to the Employer. Effective January 1, 2007, the employer agrees to contribute One Dollar and Ten Cents(\$1.10) per hour for each hour worked by each full-time and part-time employee (exclusive of part-time non-food handling employees) with more than five (5) years of service to the Employer. For the purpose of this section, "hours worked" shall mean all hours worked not in excess of forty

(40) hours in any one week by any full-time or part-time employee, and shall include, pursuant to said 40 hour limitation, any holiday or vacation pay (for time not actually worked) for which any said employee of the Employer is entitled to straight time pay under the terms of this Agreement. It is understood and agreed that the said Pension Trust and benefits to be provided from the Pension Trust shall conform in all respects to the requirements of the Treasury Department, Bureau of Internal Revenue, and to any other applicable state and federal laws and regulations.

15.7 Contributions to the Trust Fund shall be due and payable fifteen (15) days following the end of the preceding month for all employees covered under the collective bargaining agreement, or for whom contributions are required. The failure of an employer to pay all amounts due within thirty (30) days following the due date, whether willful or otherwise, shall subject the delinquent employer to a payment of liquidated damages of an additional ten percent (10%) of the amount due plus all costs and reasonable attorneys' fees incurred in connection therewith. Payments and liquidated damages unpaid by the first day of the following month shall be subject to an interest charge on the payments and liquidated damages equal to the interest as provided by law to be charged by the IRS on delinquent or deficient tax returns.

If legal action is taken to recover the amount due the Trust Fund, the delinquent employer shall also be required to pay all court costs including reasonable attorney fees. In addition to the other provisions as herein set forth, any employer who is delinquent in its payments to the Trust Fund shall make such employer primarily liable and responsible to its employees or employees' estates for any claim for benefits accruing to such employees or employees' estates which would otherwise be due such employees or employees' estates under the administration of this Trust Fund. The payment of any and all claims shall not operate to relieve such employer from its liability to make the payments due the Trust Fund, including the liquidated damage payment.

Any Employer who on more than one occasion during any one year becomes delinquent in its payment to the Trust Fund shall be required to post a bond with the Trustees in an amount equivalent to the total contributions which it was obligated to make during the preceding calendar year.

Non-payment, by any Employer, of any contribution or other monies owed to the Fund shall not relieve any other Employer from its obligation to make required payments to the Trust Fund.

15.8 In no event shall the provisions relating to Health and Welfare and Pension set forth herein be subject to or suitable for grievance and arbitration under the terms of this Agreement.

The above paragraphs shall not be applicable when, in the judgment of the Trustees, the delinquency results from a clerical error or a bona fide difference or dispute concerning eligibility.

The Employer agrees that applicable payroll records shall be made available for audit to employees of the Health and Welfare Fund and/or Pension Fund as directed by action of the Board of Trustees of these funds.

15.9 If the Employer fails to make prompt and timely payments of monthly contributions required by this Article and such delinquency results in an employee or beneficiary or dependent being denied or being rendered ineligible for benefits otherwise payable under the plans provided by the Trustees, then in such event, the Employer shall be fully and personally responsible to (and hereby agrees to pay) such employee or beneficiary or dependent for all such losses of benefits.

15.10 If the Employer is required by federal or state law to make any payment for health care costs other than those specified here, the Employer may reopen Article 15 insofar as it pertains to Health and Welfare for modification. As long as the Employer on the date of the Reopening Notice to the Union also notifies the Federal Mediation and Conciliation Service in accordance with 29 U.S. Code (d)(3) and 158(d) it shall have all rights afforded by the NLRA.

In the event of such a reopening and the parties fail to reach agreement, the provisions of Article 7, No Strike, No Lockout, shall be inapplicable until agreement is reached on these issues.

ARTICLE 16 SHELF STOCKING

16.1 Except as hereinafter provided, outside salesmen shall not mark merchandise in the store, nor place merchandise on shelves, nor build displays. The stocking of shelves, building of displays and marking of merchandise shall be reserved exclusively for bargaining unit employees of the store. The salesmen may examine merchandise to determine whether or not it is properly marked or is being properly rotated.

16.2 A letter of agreement from each party shall be attached stating: "A penalty of \$50.00 per violation shall be paid to the local Salvation Army serving the town in which the violation occurs, when an Employer is found to have violated the shelf stocking provisions of the Agreement." A copy of the check or other proof of such payment shall be transmitted to the Union.

16.3 When salesmen are checking merchandise to determine whether or not it is being properly rotated, or is properly marked, they shall be permitted to remove the merchandise from the shelves, remark, dust and replace it. They shall not be permitted to put any additional merchandise on the shelves or bring new merchandise from the back room.

16.4 There shall be no stocking by Driver-Salesmen of drop shipments except as provided under 16.6. That shall be the bargaining unit employees' work.

16.5 Ice cream driver-salesmen can stock merchandise in display case at any time.

16.6 Outside vendors including drivers/salesmen may stock the following items:

1. All general merchandise items including but not limited to pet food and supplies, books, magazines, cards, candies, photo supplies and all household goods.
2. All health, beauty and cosmetic products.
3. All dairy products including but not limited to milk, cream, butter, cottage cheese.
4. All soda, water and beer products.
5. All commercial bread including fresh bakery goods.
6. All cookies and crackers.
7. All spices.
8. All types of chips (potato chips, cheese chips, Doritos, etc.) in both box and bag form.
9. All tobacco products.
10. All Kool-Aid products.
11. All gourmet specialty type foods.
12. All institutional sized packages of foods.

It is further understood that all displays of outside vendor products may be built and modified by outside vendor personnel.

16.7 The shelf stocking limitation as set forth above, shall not be enforced prior to a new store opening, nor during major store remodeling or major resetting, nor for a period of two weeks following such re-opening or major remodeling. (For example, remodeling of any individual department in the store would not be considered a major remodeling.) **In addition, the shelf stocking limitation shall not be enforced for 60 days after the opening / grand opening date of any large non-union competitor within 30 miles of the effected store location.**

16.8 With respect to those items which are handled by the supplier, the supplier will be permitted to handle the merchandise by himself in such a manner as he feels serves his best interest. Included in this general type of supplier, but not

limited to these, are the Archway Cookie supplier, the individual who supplies toys to the store, the supplier of pet food and pet accessories to the store, and the L'Eggs distributor. This provision shall not be applied to leased out space. **Regularly scheduled floor maintenance is not bargaining unit work covered by this agreement.**

ARTICLE 17 JURY DUTY

17.1 An employee who is called to serve on jury duty shall be paid for actual hours worked for the company. If this pay together with his/her jury duty pay does not equal his/her regular weekly pay, the Employer will make up the difference, provided the employee works such hours as he/she is available during the hours when court is not in session. The above shall apply to petit jury duty only. An employee receiving full pay from his/her Employer while serving on jury will be required to turn in to his/her Employer the jury duty pay for the period he/she served on the jury.

ARTICLE 18 FUNERAL LEAVE

18.1 The Employer agrees to pay employees 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 not to exceed eight (8) hours per day, provided the employee attends the funeral, and provided the compensable day or days off fall on the employee's normally scheduled work days. The term "immediate family" shall mean spouse, parents, child, brother, sister, father-in-law, mother-in-law, grandparents, legal guardian or any relative residing with the employee or with whom the employee is residing. A maximum of four (4) days funeral leave shall be granted in the event of the death of a spouse. The last day of the leave shall be the day of the funeral, except if the funeral is more than 200 miles from the employee's place of residence. In the event an employee would be entitled to funeral leave during the period they are on vacation one (1) day of funeral leave shall be allowed.

ARTICLE 19 LEAVES OF ABSENCE

19.1 Employees shall be entitled to written leaves of absence, for the following reasons:

- A. Illness or injury of the employee which requires absence from work. Such absence shall be for a period of up to six (6) months, renewable upon request for a maximum of one (1) year, provided that once each month after six (6) months the employee notifies the Union and the Employer of his / her whereabouts and status.

- B. In cases of compensable injury, employees shall be granted a leave of absence for a period of one (1) year. Where required, two (2) six (6) month extensions shall be granted provided the employee notifies the Personnel Department in writing that such an extension is needed. In no event shall such a compensable leave of absence exceed a total of two (2) years.

19.2 Employees injured on the job shall not be docked for any part of the day in which the injury occurs, providing a call to the Employer is made from the doctor's office, by doctor's personnel, notifying them of the extent of the injury. If the injury is not serious, the employee must return to work at once upon leaving the doctor's office. In no instance will the Employer be obligated to pay an employee for more than eight (8) hours.

19.3 Disability due to pregnancy shall be treated the same as other disabilities for leave purposes.

19.4 A leave of absence for military service by the employee shall be granted as required by the provisions of the Veterans Re-employment Act.

19.5 Election or appointment to office in/or as a delegate representing the Union requiring either temporary or full time leave shall be granted by the Employer. Such leave shall not exceed the term of office to which he is elected.

19.6 Leaves of absence may be granted for any other reason acceptable to the Employer. The Employer will use reasonable and fair judgment in determining whether or not an employee shall be granted a leave of absence. Such leave will not exceed one (1) year and can be renewed by the employer for one (1) additional year. If a leave of absence shall exceed three (3) months, the Employer shall provide written notice of such leave of absence, and any extensions thereof, to the Union. The Employer is not required to grant leaves in excess of three (3) months.

19.7 Other leaves as per item 19.6 shall run to a maximum of three (3) months for employees, to be renewed for such length of time as the employer and the employee may agree.

19.8 Any employee who is granted a leave of absence and while on such leave of absence accepts employment with another employer, or who goes into business for himself or herself, is subject to discharge.

19.9 Upon return to work from a leave of absence, the employee will be restored to the job previously held, or to a job comparable with regard to work and rate of pay. Upon notice to the Employer of availability for work prior to Thursday noon of any week, the Employee shall be restored to work to begin not later than Monday following the giving of such notice. If the notice of availability for work is given after Thursday noon of any week, the Employer is required to

schedule the employee on the schedule prepared for the following week, and the employee will begin the Monday thereafter. **Employees need be available for work without any restrictions (excluding workers' compensation injuries) when returning from a leave of absence.**

19.10 Employees on leave of absence shall not be entitled to holiday pay or any other benefits of this contract unless specifically provided for herein.

ARTICLE 20 NIGHT STOCKERS

20.1 The employer may use a night stock crew to stock the store.

"Night stockers" are employees whose duties are limited to filling store displays and shelves and operations related thereto. Night stockers are generally scheduled to work between the hours of 6:00 p.m. and 9:00 a.m., generally do not operate cash registers, or normally service store customers.

"Night stock crew" is an organized group of stockers generally scheduled to work between the hours of 6:00 p.m. and 9:00 a.m. The primary purpose of a night stock crew is to stock the store with merchandise for retail sale and prepare the store for retail operations.

ARTICLE 21 RATE OF PAY

21.1 Previous comparable experience shall be considered for the purposes of wage rate determination. All claims by employees for prior food handling experience must be disclosed during the application process. Employers that employ employees with previous comparable experience shall negotiate a wage rate that is mutually agreeable with the Employee(s) affected and the Union.

21.2 Part-time Employee in Charge (PPIC)

- A. The Employer may, in its discretion, schedule a PPIC when the store is open for business and no regular full-time management is on duty or there are insufficient full-time personnel available to staff the store. PPICs shall normally be scheduled on Sundays, holidays, and shifts ending no earlier than 8:00 p.m. Monday through Saturday on the days the employee is designated as the PPIC, except in the event the PPIC is covering for a supervisor off work due to such causes as illness, injury, personal holiday, or vacation. No more than one (1) designated PPIC may be on duty in the store at any one time.
- B. A person filling the supervisory position of PPIC shall be selected at the discretion of the Employer. PPIC duties shall include, by way of example and not limitation, supervising other employees, customer

relations, access to the store safe, enforcing established work rules, and other supervisory duties consistent with general overall store management involving the use of discretion and decision making during the times when the PPIC is on duty.

- C. In recognition of the responsibility assumed by PPICs it is agreed that an individual appointed by the Employer as a PPIC shall receive a premium of \$1.00 per hour for all hours worked during any shift in which the employee is designated as the PPIC.
- D. The Employer is not required to schedule a PPIC and may appoint or remove a PPIC at any time. Employees shall not be required to be a PPIC.

21.3 All employees **hired before May 1st, 2005** doing night work shall receive a \$.35 per hour premium over and above the regular hourly rate. The night premium of \$.35 per hour will be paid to all employees **hired before May 1st, 2005** working between the hours of 10:00 p.m. and 8:00 a.m., provided such employees are scheduled to start work prior to 5:00 a.m. The night premium of \$.35 per hour also will be paid to any employee **hired before May 1st, 2005** who has the majority of his/her scheduled work hours between 10:00 p.m. and 6:00 a.m.

21.4 Night Manager

- A. The parties agree that any store that uses a night stock crew shall have a Night Manager position. The Night Manager position may be either a full-time or part-time position depending on the needs of the business. The person filling the supervisory position of Night Manager shall be selected at the discretion of the employer.
- B. To qualify as the supervisory position of Night Manager, the majority of the selected employee's regular workweek hours must fall between 8 p.m. and 6 a.m. except for special circumstances such as vacation replacement and similar temporary assignments.
- C. In recognition of the responsibility assumed by this person it is agreed that the individual employed in the supervisory position of Night Manager shall receive the compensation that their length of employment with the Employer entitles them to plus an additional amount of \$1.50 per hour actually worked.

21.5 For the purpose of computing wage rates, a full-time employee shall be as defined in **Paragraph 10.8**.

21.6 Time for part-time progression to be computed by counting each week in which an employee works. Employees shall be paid in full for all time spent in the service of the Employer.

21.7 A transfer from department to department or to one store from another by the same Employer covered by this bargaining unit within the same town shall not be made on a discriminatory basis.

21.8 If an employee is required to work in more than one store during his/her regular eight (8) hour shift, he/she will be paid his/her regular straight time rate of pay for time spent in transit, one way.

21.9 Summer Help

- A. The "summer period" shall extend from May 1 until September 30.
- B. Employees hired for **the summer period only** shall not receive benefits under the terms of the contract, **including** pension payments, holidays, vacations or seniority.
- C. The Employer shall notify the Union, in writing, of any **part-time non-food handling** employee placed on summer waiver and any additional part time employees hired during the summer period. The employer will notify the union within one week after an employee has been hired as a summer part time employee.
- D. There shall be no reduction in the hours of work available to other employees in the store as a result of the hiring of summer part time employees or because of the increase in the number of summer full time employees during the summer months. **Non food handling employees shall not have seniority rights over regular, part-time food handling employees. During the summer waiver period 25% of the regular part time employees in each classification where summer waiver employees are utilized will be scheduled at least 24 hours. This language will not apply to classifications with less than 4 employees scheduled.**
- E. Employees hired during the summer months shall be required to belong to the Union on the same basis as other part time employees and shall receive the regular part time beginning rate.
- F. If a summer part time employee is retained beyond the summer waiver period, that employee shall be treated as a regular part time employee for all purposes and that employee's seniority shall date back to the date of original hire with the Employer. **Also, all time spent as a summer part time employee shall be counted towards the six (6) month waiting period for health fund contributions by the employer.**
- G. **Non-food handling employees** may be moved from utility to part-time during the summer months, and may perform all of the

functions of regular part-time employees. Those employees so moved shall be paid the next higher part-time rate; and receive only benefits as specified for utility employees.

21.10 Classified Employees.

A. The following shall be considered classified employees:

1. Produce Manager
2. Frozen / Dairy Manager
3. Customer Service Manager or Head Cashier
4. Grocery Manager
5. Bakery Manager
6. Deli Manager
7. General Merchandise Manager

B. Under no circumstances will the Employer have less than three classified positions. Examples are:

**Produce Manager
Frozen / Dairy Manager
Customer Service Manager
Head Cashier
Grocery Manager
Bakery Manager
Deli Manager
General Merchandise Manager**

21.11 Attached to and made a part of this contract, wage rates appear under Appendix "A". For the purposes of determining wage progression for employees under Appendix A, all hours paid by the Employer (including by way of example and not limitation, vacation, holidays, jury duty, and funeral leave) shall be included as "hours worked" when calculating wage progressions.

21.12 It shall not be a violation of this agreement for the Employer to enlist employees hired on and after the date of ratification of this agreement to enroll in direct deposit if such benefit is available to the employee.

**ARTICLE 22
COLLECTIVE BARGAINING**

22.1 This Agreement is executed in full satisfaction of each and every demand of each party against the other for the duration of this Agreement. For the duration only of this Agreement, each party waives its right to require the other to bargain collectively within the meaning of the National Labor Relations Act as amended, or the Minnesota Labor Relations Act, as amended, with respect to any matter whatsoever, except:

1. As to grievances;
2. If any new classifications or jobs are created, the Employer shall negotiate a new wage schedule to apply, if requested to do so by the Union;
3. If the Union becomes a representative of a new unit of employees of the Employer, the Employer shall bargain with the Union on such new unit.
4. As expressly provided for herein.

**ARTICLE 23
SEPARABILITY**

23.1 It is hereby declared to be the intention of the parties to this Agreement that the sections, paragraphs, sentences, clauses and phrases of this Agreement are separable, and if any phrase, clause, sentence, paragraph or section of this Agreement shall be declared invalid by the valid judgment or decree of a court of competent jurisdiction because of any conflict with any federal or Minnesota or Wisconsin state law, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this agreement.

23.2 The Employer and the Union agree that they will meet within a thirty (30) day period following the declaration of invalidity to begin negotiations upon a substitute clause to replace the provisions found to be invalid. This places no time limitations on the parties during which they may negotiate.

**ARTICLE 24
TERM OF AGREEMENT**

This Agreement shall take effect the 1st day of May, 2005, and continue to the 27th day of April, 2008, and thereafter from year to year unless written notice of desire to change, modify or terminate the Agreement is given by either party to the other party sixty (60) days prior to the annual date of expiration.

Dated this 12th day of July, 2005.

FOR THE EMPLOYER:

FOR THE UNION:

By: _____

By: _____

Steve Gilbertson,
President

Individual signed copies are on-file at the UFCW Local 1116 office.

ADDENDUM "B" RED CIRCLED CLASSIFIED EMPLOYEES

All union members who were employed in a classified position ("red circled employees") under the Area Grocery contract on April 16, 1994 will remain members of the bargaining unit for the term of the contract. With respect to these red circled employees, paragraph 10.3 of the contract shall be modified to state as follows:

"All red circled classified employees as provided for in this agreement shall acquire super seniority in the store where they are employed. Removal of an employee from a classified position is subject to the grievance and the arbitration provisions of this agreement."

In the event a red circled employee voluntarily leaves his/her classified position during the term of the contract, that employee shall no longer be subject to the provisions of this addendum and the employer shall not be required to fill that vacant classified position with another employee except as otherwise provided in paragraphs 10.3 and 21.10 of the collective bargaining agreement.

LETTER OF AGREEMENT
BY AND BETWEEN
ARROWHEAD RETAIL GROCERS ALLIANCE
AND

THE UFCW LOCAL UNION NO. 1116

(Understanding regarding the application of seniority in employee scheduling)

Whereas, Arrowhead Retail Grocers Alliance, as the representative of its member employers (the "Employer"), and UFCW Local 1116 (the "Union"), recognize the need for continuous mutual cooperation to promote a fully harmonious workplace relationship.

Whereas, the union membership desires that employee seniority to be the basis for determining the employee work schedule.

Whereas, the Employer desires that qualified employees be available at all appropriate times to service the Employer's customers and perform the required work.

Whereas, the Employer is legitimately concerned that at times, a senior employee wanting a particular schedule would place the Employer in a position of not having sufficient properly trained, skilled, experienced employees available to accomplish the desired service and scheduled work in a competent and efficient manner.

Whereas, the union membership understands and concurs that many times, seniority cannot be the prevailing consideration for the scheduling employee work.

Now therefore, in consideration of the mutual promises contained herein, the parties agree as follows:

1. The Employer shall give an employee's scheduling preference consideration, based on seniority, when scheduling employee work, so long as the employee's preferences are consistent with the reasonable needs of the business.
2. Nothing in this agreement shall be deemed as limiting in any way the rights of the Employer as set forth in paragraph 1.2 of the collective bargaining agreement between the Union and the Employer's members effective April 30, 1999 including, but not limited to the Employer's right to determine when, where, or how many employees are scheduled at any one time or what work may be assigned within a specific seniority category.
3. The purpose of the letter of agreement is merely to affirm past Employer custom and is not intended to change or modify any current Employer scheduling practices.
4. **This letter of agreement shall not apply to any employee hired after April 30, 2005**

In witness whereof the parties have **extended** this agreement effective the **1st** day of **May**, 2005.

THE UFCW LOCAL UNION NO. 1116

ARROWHEAD RETAIL GROCERS ALLIANCE

By: _____
Steve Gilbertson, President

By: _____
Bruce M. Anderson, Chairman

Addendum "A"

| | | | |
|--|-----------------|------------------|------------------|
| Food Handling Department Handlers | 5/1/2005 | 4/30/2006 | 4/29/2007 |
| | \$19.80 | \$19.80 | \$20.20 |

| | | | |
|---|-----------------|------------------|------------------|
| Full-time Food Handling Employees, hired before 5/1/05 | 5/1/2005 | 4/30/2006 | 4/29/2007 |
| Start | \$12.50 | \$12.50 | \$12.50 |
| 1 Year | 12.75 | 12.75 | 12.75 |
| 2 Years | 13.15 | 13.15 | 13.15 |
| 3 Years | 13.58 | 13.58 | 13.58 |
| 4 Years | 14.14 | 14.14 | 14.14 |
| 5 Years | 15.75 | 15.75 | 15.75 |
| 6 Years | 17.25 | 17.25 | 17.60 |

| | | | |
|---|-----------------|------------------|------------------|
| Full-Time Food Handling Employees hired on or after 5/1/05 | 5/1/2005 | 4/30/2006 | 4/29/2007 |
| Start | 12.50 | 12.50 | 12.50 |
| 1 year | 12.75 | 12.75 | 12.75 |
| 2 years | 13.15 | 13.15 | 13.15 |
| 3 years | 13.58 | 13.58 | 13.58 |
| 4 years | 14.14 | 14.14 | 14.14 |
| 5 years | 15.75 | 15.75 | 16.07 |

| | | | |
|--|------------------------------------|------------------|------------------|
| Part-time Food Handling Employees | hired on or before 11/30/87 | | |
| (stockers, cashiers, pricing clerks, produce clerks) | 5/1/2005 | 4/30/2006 | 4/29/2007 |
| | \$13.46 | \$13.46 | \$13.73 |

| | | | |
|--|-----------------------------|------------------|------------------|
| Part-time Food Handling Employees | hired after 11/30/87 | | |
| (stockers, cashiers, pricing clerks, produce clerks) | 5/1/2005 | 4/30/2006 | 4/29/2007 |
| 2080 hours | 8.36 | 8.36 | 8.36 |
| 2600 hours | 9.17 | 9.17 | 9.17 |
| 3120 hours | 9.90 | 9.90 | 9.90 |
| 3640 hours | 10.66 | 10.66 | 10.66 |
| 4160 hours | 11.35 | 11.35 | 11.35 |
| 4680 hours | 12.01 | 12.01 | 12.01 |
| 6760 hours | 12.60 | 12.60 | 12.86 |

| | | | |
|--|--|------------------|------------------|
| Part-time Food Handling Employees | hired after 4/30/02 and before 5/1/05 | | |
| (stockers, cashiers, pricing clerks, produce clerks bakery/deli) | 5/1/2005 | 4/30/2006 | 4/29/2007 |
| Start | \$7.20 | \$7.20 | \$7.20 |
| 1040 hours | 7.60 | 7.60 | 7.60 |
| 2080 hours | 8.20 | 8.20 | 8.20 |
| 3120 hours | 8.50 | 8.50 | 8.50 |
| 4160 hours | 8.80 | 8.80 | 8.80 |
| 5200 hours | 9.25 | 9.25 | 9.44 |

| | | | |
|-------------|-------|-------|-------|
| 6240 hours | 9.80 | 9.80 | 9.80 |
| 7280 hours | 10.40 | 10.40 | 10.40 |
| 8320 hours | 11.00 | 11.00 | 11.00 |
| 9360 hours | 11.60 | 11.60 | 11.60 |
| 10400 hours | 12.20 | 12.20 | 12.45 |

| Part-Time Food Handling Employees hired on or after 5/1/05 | 5/1/2005 | 4/30/2006 | 4/29/2007 |
|---|-----------------|------------------|------------------|
| Start | 7.00 | 7.00 | 7.00 |
| 520 | 7.20 | 7.20 | 7.20 |
| 1040 | 7.60 | 7.60 | 7.60 |
| 2080 | 8.20 | 8.20 | 8.20 |
| 3120 | 8.50 | 8.50 | 8.50 |
| 4160 | 8.80 | 8.80 | 8.80 |
| 5200 | 9.25 | 9.25 | 9.44 |

| Part-time Non-Food Handling Employees | 5/1/2005 | 4/30/2006 | 4/29/2007 |
|--|-----------------|------------------|------------------|
| Start | \$6.55 | \$6.55 | \$6.55 |
| 1040 hours | 6.75 | 6.75 | 6.75 |
| 1560 hours | 7.20 | 7.20 | 7.20 |
| 2080 hours | 8.20 | 8.20 | 8.20 |
| 3120 hours | 8.35 | 8.35 | 8.35 |
| 4160 hours | 8.50 | 8.50 | 8.67 |

| Deli and Bakery Managers | 5/1/2005 | 4/30/2006 | 4/29/2007 |
|---------------------------------|-----------------|------------------|------------------|
| Start | \$13.23 | \$13.23 | \$13.23 |
| 1 Year | 13.78 | 13.78 | 13.78 |
| 2 Years | 14.33 | 14.33 | 14.33 |
| 3 Years | 15.82 | 15.82 | 15.82 |
| 4 Years | 17.60 | 17.60 | 17.60 |
| 5 Years | 18.13 | 18.13 | 18.13 |
| 6 Years | 18.67 | 18.67 | 18.67 |
| 7 Years | 19.23 | 19.23 | 19.62 |

| Decorators | 5/1/2005 | 4/30/2006 | 4/29/2007 |
|-------------------|-----------------|------------------|------------------|
| Start | \$7.19 | \$7.19 | \$7.19 |
| 6 Months | 7.38 | 7.38 | 7.38 |
| 12 Months | 7.97 | 7.97 | 7.97 |
| 18 Months | 8.58 | 8.58 | 8.58 |
| 24 Months | 9.18 | 9.18 | 9.18 |
| 30 Months | 9.78 | 9.78 | 9.78 |
| 36 Months | 11.60 | 11.60 | 11.60 |
| 42 Months | 12.80 | 12.80 | 12.80 |
| 48 Months | 13.01 | 13.01 | 13.01 |
| 54 Months | 13.11 | 13.11 | 13.11 |
| 60 Months | 13.21 | 13.21 | 13.48 |

| P.T. Donut Fryer, fryer helper, packer wrapper, clean-up, floral department and general bakery/deli help (pre-5/1/02) | 5/1/2005 | 4/30/2006 | 4/29/2007 |
|--|-----------------|------------------|------------------|
| 2080 hours | 8.31 | 8.31 | 8.31 |
| 2600 hours | 8.92 | 8.92 | 8.92 |
| 3120 hours | 10.08 | 10.08 | 10.08 |
| 3640 hours | 11.01 | 11.01 | 11.01 |
| 4680 hours | 11.35 | 11.35 | 11.35 |
| 5720 hours | 11.95 | 11.95 | 11.95 |
| 6760 hours | 12.20 | 12.20 | 12.45 |
| Part-time dough mixer, bence hand, baker, oven person, baker's helper (pre-5/1/02) | 5/1/2005 | 4/30/2006 | 4/29/2007 |
| 4680 hours | 12.00 | 12.00 | 12.00 |
| 6760 hours | 12.20 | 12.20 | 12.45 |
| Full-time Bakery, Deli | 5/1/2005 | 4/30/2006 | 4/29/2007 |
| Start | \$7.08 | \$7.08 | \$7.08 |
| 6 months | 7.38 | 7.38 | 7.38 |
| 12 months | 7.97 | 7.97 | 7.97 |
| 18 months | 8.58 | 8.58 | 8.58 |
| 24 months | 9.18 | 9.18 | 9.18 |
| 30 months | 9.78 | 9.78 | 9.78 |
| 36 months | 11.17 | 11.17 | 11.17 |
| 42 months | 12.48 | 12.48 | 12.48 |
| 48 months | 12.75 | 12.75 | 12.75 |
| 54 months | 13.00 | 13.00 | 13.00 |
| 60 months | 13.21 | 13.21 | 13.48 |

Bonuses

Employees (exclusive of utility employees) hired on or before April 30, 2005 who continue to be actively employed on May 1st, 2006 and who have reached the top of the scale on or before May 1st, 2006 will receive the following lump sum payment on May 1st, 2006:

| | |
|----------------------------|--------------|
| Part-time Employees | \$200 |
| Full-time Employees | \$400 |

**AREA GROCERY AGREEMENT
May 1, 2005 to April 27, 2008**

Jubilee Foods East, Superior, WI

Jubilee Foods Midtown, Superior, WI

Jubilee Foods Belknap, Superior, WI

Jubilee Foods Kenwood, Duluth, MN

Jubilee Foods Lakeside, Duluth, MN

Jubilee Foods Plaza, Duluth, MN

Festival Foods, Virginia, MN

Super One Miller Hill, Duluth, MN

Super One West Duluth, Duluth, MN

Super One, Superior, WI

Super One, Hibbing, MN

Super One, Virginia, MN

Super One, Two Harbors, MN

Super One, Cloquet, MN

Ogle's Family Foods, Grand Rapids, MN

Miner's Inc. / Cub Foods, Grand Rapids, MN

Paulson's Super Valu, Duluth, MN

Mt. Royal Fine Foods, Duluth, MN