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AGREEMENT

THIS AGREEMENT MADE BY AND BETWEEN

THE KROGER CO.

(Columbus Marketing Area)

HEREINAFTER REFERRED TO AS THE EMPLOYER

and



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7/30/02

LOCAL 23

Chartered by the

United Food & Commercial Workers
International Union, AFL-CIO-CLC

HEREINAFTER REFERRED TO AS THE UNION

Effective: 10-8-00

Termination: 11-6-04

Dear Member:

We are pleased to present you with this copy of the Collective Bargaining Agreement negotiated between The Kroger Co. and United Food and Commercial Workers (UFCW) Local 23.

I urge you to read this agreement and to become familiar with its terms and conditions as they apply to you as an employee of The Kroger Co. and member of Local 23. Questions about the intent and interpretation of the contract, its application, and various provisions should be directed to your Local 23 Steward or Union Representative.

I especially want you to direct your attention to the Grievance and Arbitration Procedures of this agreement which detail your rights for handling complaints or grievances and the time limits for filing are clearly spelled out in this section.

Since this contract is in effect until November, 2004, I suggest that you keep it in a safe place for easy future reference.

Please feel free to contact our office (1-800-562-2523) for answers to questions you may have pertaining to this Collective Bargaining Agreement or related matters.

In solidarity,



RONALD M. KEAN

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TERM	October 8, 2000 through November 6, 2004

AGREEMENT

THIS AGREEMENT dated October 8, 2000 is between The Kroger Co., Columbus Marketing Area, Columbus, Ohio, hereinafter designated as the "Employer" and the United Food and Commercial Workers International Union Local No. 23, hereinafter designated as the "Union".

ARTICLE 1 **INTENT AND PURPOSE**

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

ARTICLE 2 **RECOGNITION AND JURISDICTION**

2.1 The Union shall be the exclusive bargaining agency for all store employees, excluding store managers, co-managers, licensed pharmacists, and pharmacy interns in the Employers' stores currently operated by the Columbus Marketing Area in Belmont and Jefferson Counties in Ohio, and Brooke, Hancock, Marshall, Ohio and Wetzel Counties in West Virginia, or any location operated in the various counties of Pennsylvania, Ohio, and West Virginia within the jurisdiction of Local 23 as

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defined by the United Food and Commercial Workers International Union.

ARTICLE 3 **MANAGEMENT RIGHTS**

3.1 The management of the business and the direction of the working forces, including the right to hire or discharge for just cause, and the right to relieve employees from their work because of lack of work or for other legitimate reasons is vested solely in the Employer. Such right will not be used for the purpose of discrimination against any member of the Union.

3.2 Any employee shall perform whatever store work (in any department within the store) that the Store Manager or Zone Manager may assign to them on the store premises or in the store parking area (whether private or public parking area), with the understanding that when an employee is assigned to a job paying a lesser rate, they will be entitled to their regular rate of pay unless they have been permanently transferred to a lower rated job.

ARTICLE 4 **UNION SECURITY**

4.1 It shall be a condition of employment that all employees of the Employer covered by this Agreement who are members of the Union in good standing on the execution date of this Agreement shall remain members in good standing and those who are not members on the execution date of this Agreement shall on the thirty-first (31st) day following the execution date of this Agreement become and remain members in good standing in the

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Union. It shall also be a condition of employment that all employees covered by this Agreement and hired on or after its execution date shall on the thirty-first (31st) day following the beginning of such employment become and remain members in good standing in the Union. For the purpose of this Article, Union membership in good standing shall require only the payment of periodic dues and initiation fees uniformly required as a condition of acquiring or retaining membership.

4.2 When employees are hired, the Employer will notify the Union with their names, phone number and Social Security Number as currently handled at store level.

4.3 The Employer agrees that it will deduct Union initiation fees, uniform assessments and dues from the pay of employees who are members of the Union and who individually and voluntarily certify in writing authorization for such deductions. Such deductions shall be made each payroll period, and the total amount deducted each payroll period shall be forwarded to the President of the Union as soon as possible following each payroll period.

4.4 The Employer agrees to deduct an ABC contribution on a uniform basis from all employees who voluntarily authorize such deduction. This deduction will be made on the same deduction schedule as the Union dues and will be forwarded to the President of the Union on a separate report. The Employer will only make this deduction provided one hundred (100) or more employees sign voluntary authorizations for this deduction.

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ARTICLE 5

GRIEVANCE AND DISPUTE PROCEDURE

5.1 **Handling of Grievances and Disputes** - Any dispute or grievance over the interpretation or application of the terms of this Agreement must be filed within twenty (20) calendar days from its occurrence; otherwise, there shall be no grievance. Any dispute or grievance may become subject of conference as follows:

Step 1. Between the Store Steward and the Store Manager, and if mutually agreed upon, the aggrieved employee.

Step 2. In the event of failure to adjust the complaint in Step 1, the Union Business Agent and the Zone Manager must discuss and answer within thirty (30) days of filing the grievance.

Step 3. In the event of failure to adjust the complaint in Step 2, the Union Business Agent and an official of the Union and the Zone Manager and the Personnel Manager must discuss and answer within thirty (30) days after Step 2.

Step 4. In the event that this meeting fails to satisfactorily settle the complaint, either party may request arbitration within sixty (60) days.

5.11 No grievance shall be valid unless all the above procedures are followed.

5.12 In the event of a grievance arising out of a layoff or reduction of hours, the Employer will have no liability until the grievance is filed.

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5.2 Arbitration Procedure

5.21 The Arbitration request shall be sent to the Director of the Federal Mediation and Conciliation Service to furnish a panel of arbitrators from which an arbitrator shall be chosen following the normal FMCS procedures. The cost of the arbitrator shall be shared equally by the parties. The decision of the arbitrator shall be binding on all parties. The arbitrator is not vested with power to change, modify or alter this Agreement, but only to interpret the provisions of this Agreement.

5.3 Employee Discipline and Discharge

5.31 No employee shall be disciplined, suspended or discharged without just cause. The Union, if it wishes to contest the discharge, shall file a written complaint with the Employer not later than ten (10) calendar days after the Employer notifies the Union, either verbally or in writing, of the discharge, asserting that the discharge was improper. Such complaint must be taken up within two (2) weeks for adjustment, and if the Union and the Employer fail to agree within forty-eight (48) hours, it may be referred within twenty-four (24) hours to Arbitration. Should the arbitrator determine that it was an unfair discharge, the Employer shall reinstate the employee in accordance with the findings of the Arbitrator. The Union agrees to cooperate in correcting inefficiencies of members which might otherwise necessitate discharge. All such suspensions, discipline, or discharges will be subject to the grievance procedure.

Copies of constructive advice records will be given to the shop steward or alternate within 48 hours of the time they are presented to the employee. Union members shall

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not administer disciplinary write-ups to other Union members.

5.32 By mutual agreement, time limits may be expanded in Sections 5.1 and 5.31 above.

5.4 Grievance Interpretation and Appeal

5.41 At any step in the grievance procedure, the Executive Board of the Local Union shall have the final authority with 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 Board such grievance 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 Board.

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

5.5 Expedited Arbitration

5.51 The parties agree that in lieu of the procedures outlined above in this Article (Grievance and Arbitration Clause), by mutual agreement, a special expedited arbitration process may be utilized. It is not anticipated

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that such cases will involve substantial questions of contract interpretation.

5.52 A panel of nine (9) arbitrators shall be mutually designated by the parties from a panel of forty-five (45) names provided by the FMCS. Their expenses and fees shall be borne equally by the Employer and the Union. The panel of arbitrators shall be selected from FMCS provided that each one selected to serve as a member on the panel must agree to abide by all rules and time limits set forth in this arbitration procedure. The list of members of the panel shall be maintained alphabetically by the parties to be used on a rotating basis.

5.53 If the parties agree to use this method of arbitration, the hearing date shall be scheduled within fourteen (14) days following the Step 3 meeting. It is the intention of the parties that the hearing will be conducted within forty-five (45) days from the date the arbitrator is notified of their selection. This time limit may be extended by mutual agreement of the parties.

5.54 It is further agreed that an arbitrator mutually selected to hear such a case must agree in advance to render a short written decision within thirty (30) days of the date of hearing, but the arbitrator must announce his decision by telegram no later than forty-eight (48) hours following the close of the hearing. The telegram as well as copies of the decision shall be mailed to the Executive Officer of Local No. 23 and the Employer's Personnel Manager.

5.55 The decision of the arbitrator will have the same force and effect as an award rendered pursuant to the more formal arbitration procedure detailed in Article

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5.21. The arbitrator shall, in no event, have the power to disregard or modify any provision of the Agreement.

5.56 The parties agree, in such expedited cases, to present in advance of the hearing a written stipulated issue to the arbitrator. If the parties are unable to stipulate an issue for the expedited arbitration, there shall be no expedited arbitration.

ARTICLE 6 **SENIORITY AND JOB SECURITY**

6.1 Definition

6.11 Full-time employees presently on the payroll shall have their Beginning Date of Continuous Service as their seniority date on the full-time seniority list; employees promoted on the same date will use their date of hire for purposes of seniority with the earliest hire date having the highest seniority. Part-time employees presently employed shall have their hiring date as their seniority date on the part-time seniority list. Employees hired on the same date will use their last four numbers in their Social Security number for purposes of seniority, with the lowest number having highest seniority. Customer Service Clerks shall retain their original hire date for seniority purposes when promoted to part-time.

6.12 Full-time employees shall have seniority over part-time employees. Part-time employees shall have seniority over Customer Service Clerks.

6.13 Seniority for part-time employees shall be on a store basis, except as provided in Article 6.73 and applied in Article 6.43.

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6.14 Seniority shall be on a master area basis for full-time and part-time employees. Customer Service Clerks shall have seniority only within their own store except in instances where they exercise their rights as per Article 6.46.

6.15 When a part-time employee accepts a full-time job, they will be placed on the full-time seniority list by date of promotion (Beginning Date of Continuous Service).

6.16 Upon promotion from Apprentice Meat Cutter to Journeyman Meat Cutter, the employee will establish a classification seniority date for purposes of promotion, transfers and demotions as a Journeyman Meat Cutter. This language is effective for all promotions that occur after August 14, 1986.

6.2 Probation

6.21 All new employees shall be considered probationary employees for a period of thirty (30) calendar days, during which period they will have no seniority and may be discharged without further recourse to the grievance and arbitration procedure, otherwise they shall be covered by all other provisions of this Agreement. Any employees retained beyond the probationary period shall have their seniority date back to the original date of employment.

6.22 In the event the Employer requires additional time on the probationary period, an additional thirty (30) days will be granted, provided the Employer notifies the Union and the employee, in writing, in advance of the expiration of the original probationary period.

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6.23 Employees hired into new stores or stores that have undergone major remodeling, shall have sixty (60) calendar days for their probationary period.

6.3 Seniority List

6.31 The Employer shall maintain the seniority list by classification; full-time, part-time and Customer Service Clerk. These lists will be by store and by the master area. Full-time employees will be placed on the full-time list by date of promotion to full-time (Beginning Date of Continuous Service). Part-time and Customer Service Clerks will be placed on their list by date of hire. The Employer will furnish the Union copies of such list each six months.

6.4 Filling Vacancies, Transfers and Job Bids

6.41 Promotions, transfers from one type of work to the other, transfers from one store to another, apprentice training, or re-training for any jobs, shall be based on fitness and ability with seniority a factor when all other things are approximately equal.

Senior employees shall have the right to demonstrate their fitness and ability when requesting department head training, provided they have sent in a written request for training to the Zone Manager with a copy to the Union and have a good performance and attendance record on current job. Management may decide to train employees for more than one department. An updated list of employees in training and a list of all trained candidates will be posted every six (6) months and copies of each list forwarded to the Union. An employee refusing a transfer designated to train for that department head

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opening shall have waived consideration for such promotion by their refusal. Permanent promotions to department head shall be on the master area basis.

On temporary promotions, the Employer shall have the right to exercise their judgment after giving due regard to seniority and such temporary promotion shall be on the store rather than the area basis.

When a full-time employee or department head desires to move to another store in the area, they will request their transfer in writing to the Employer's Personnel Manager and the Union, specifying the store to which they desire to move. In the event a bona fide vacancy occurs in the store of their request, they will be considered based on ability and seniority.

6.42 The Union and the Employer agree that when situations arise, by mutual agreement, part-time employees can be transferred from one store to another.

6.43 All bids for part-time to full-time and promotions to department head positions shall be on a master area-wide basis.

6.44 All bids must be posted for ten (10) days, signed by the Manager and Steward, returned to the Personnel Department with a copy to the Union, after the ten (10) day posting.

6.45 Job bids to be filled as follows:

A part-time to full-time shall be based on seniority provided that the part-time employee has the experience,

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ability, availability, and physical qualifications necessary to fill the job.

6.46 (a) When opening a new store or when a part-time job opening occurs in a store without customer service employees, a notice of such part-time openings will be posted in the seniority area. Customer service employees shall be given preference by seniority, together with ability, practicability, and availability before new hires. Once a customer service clerk who has no restrictions reaches 18 months of continuous service, they may be promoted to a part-time clerk in up to four (4) stores of their choosing. The Employer and the Union agree to place the most senior customer service clerk requesting this promotion (in writing to the Zone Manager and the Union) to the store of their request that has a bona fide opening.

(b) On promotions to department head positions, promotions shall be based on fitness and ability with seniority a factor when all other things are approximately equal. In the event there are no trained candidates who bid, the most senior employee shall have the right to demonstrate their fitness and ability provided their present performance and attendance records are acceptable.

(c) Within fourteen (14) days after receipt of all bid sheets, the appropriate Zone Manager and Union Business Agent shall meet to determine the successful bidder.

(d) After the proper person receives the bid, a notice shall be sent to all stores and posted as to who received the bid.

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(e) Any employee accepting a full-time job bid must remain at the store where the bid is located for at least three (3) months before receiving consideration for transfer to another store.

6.5 Maintenance of Full-Time Jobs

6.51 The Employer will maintain the status of all full-time employees on the Employer's payroll as of July 1, 1980, who have completed their probationary period (excluding temporary full-time employees relieving for vacations, sickness, leave of absence, etc.). This maintenance of full-time status shall not apply to any full-time employees separated from the Employer's payroll after July 1, 1980, or in the event of a strike or strikes or emergency (including national emergency) which affects the normal operation of the Employer's stores. It also shall not apply in any week when an employee is late or absent because of personal reasons. However, in case of emergency, the Employer will make every effort to relocate the employees as quickly as possible. When full-time work is no longer available for any employee on such full-time status in their store, they may exercise their seniority as provided in Article 6.

However, the least senior full-time employee on the July 1, 1980 list of full-time employees shall be entitled to a full-time job in the area. If said employee does not take such full-time job offered and accepts part-time work as provided in Article 6.52 (c), they will have waived the maintenance of full-time status as provided in this paragraph.

6.52 The Employer and the Union mutually agree that it is their intent and purpose to maintain the status of

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present full-time employees. To effectuate this policy, when it becomes necessary to change the status of a full-time employee, either by layoff or reduction to part-time status, the following procedure shall be followed:

(a) The representatives of the Employer and the Union shall meet immediately to explore the possibilities for maintaining the full-time status of the employee by relocation in another store in their seniority area where there is a full-time job in their classification available.

(b) If no full-time job in their classification is available or the employee refuses an available job, they may exercise their seniority in accordance with Article 6.61.

(c) If the employee does not take the job offered under Article 6.61 or their seniority does not entitle them to a full-time job, the employee shall receive available hours in their store up to and including forty (40) hours per week, and their full-time benefits shall be maintained except that they shall be excluded from the provisions of Article 7.8 and vacations and holidays shall be pro-rated except where such employee works thirty-two (32) hours in a holiday week. In weeks when full-time work is available in their store, they shall be scheduled for forty (40) hours.

(d) By mutual agreement full-time employees may reduce their hours to 32 hours per week. These weeks will count as 40 hours towards vacation and all full-time wages and benefits will apply. This must be done in writing, including the duration of the reduction.

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6.6 Reduction of Full-Time Jobs

6.61 In case of a reduction or layoff of a full-time employee, said employee may replace the least senior full-time employee in the same classification or in any lower job classification within the employee's store, or the least senior full-time employee in the same or a lower job classification in the master area, providing the employee has the experience, ability and physical qualifications to fill the job.

6.62 The above applies, except that Meat Department Heads must bump as Journeymen or lower classification on step-downs and other Department Heads must bump as Clerks on step-downs.

6.63 When a reduced full-time employee is offered a full-time position within the master area and such employee refuses to accept such full-time position, the applicable part-time rate of pay and benefits shall apply. When a reduced full-time employee refuses to accept a full-time position, such employee's refusal shall be in writing and a copy of such written refusal shall be furnished to the Union.

6.7 Lay-off and Recalls

6.71 All layoffs and recalls shall be in seniority order.

6.72 The Union and the employee shall be notified at least one (1) week in advance of all promotions, demotions, layoffs and transfers of full-time employees.

6.73 If a part-time employee, including students,

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is laid off due to lack of work for four (4) consecutive weeks or would be laid off due to a store closing, that employee may replace the least senior part-time employee in the area, provided the employee has the seniority to do so and can work the schedule of that employee. Upon written request from a part-time employee who is laid off for two (2) consecutive weeks, the Employer and the Union agree to meet and attempt to mutually agree upon a transfer of said employee in an attempt to maintain hours.

6.74 Stewards of the Union, at all times, shall be employees and shall be the last to be laid off or reduced in classification. The Union will designate one Steward per store entitled to this protection.

6.8 Breaks in Seniority

6.81 Quit or resignation;

6.82 Discharge for just cause;

6.83 Failure to return from approved leave of absence;

6.84 Absence for two (2) consecutive working days without notification to the Employer, unless the employee is on authorized absence or is able to show proof that they were unable to notify the Employer.

6.85 If an employee is laid off continuously for a period of twelve (12) months or if an employee is called back to work after a lay-off and does not report for work within one (1) week, seniority shall be broken and the employee shall be separated. An employee on an

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approved leave of absence will retain their seniority for a maximum of two (2) years except employees on approved Workmen's Compensation leaves of absence.

6.86 When a Union member accepts a promotion or transfer outside of the bargaining unit, they may, upon written request to the Union by the employee or the Employer, be granted a leave of absence from the bargaining unit not to exceed six (6) months during which period they may return to the bargaining unit in their former classification without loss of seniority.

ARTICLE 7 **SCHEDULING OF HOURS AND WORK**

7.1 The hours for each employee must be scheduled on a master schedule by the Employer and the schedules must be posted in one location by Thursday noon for the following week and a copy must be furnished to the Store Steward. Such schedule must include all hours which the Employer expects, to the best of their ability, to work the following week. The schedule must include lunch hours. Any hours added to the schedule must be noted on the schedule and the steward must be notified. Replacement hours must be worked by the end of the third calendar day. Any full-time employee going on vacation shall be advised of the day and time they are to report for work following their vacation.

7.2 Any claims by employees about improper scheduling must be filed with the Store Manager within twenty-four (24) hours after the schedule is posted, if the employee is working that period, and if not, no later than the close of business Saturday of that week or the employee waives any right to file a grievance.

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7.3 If an employee is required to work outside of the regular schedule, the employee shall not be required to take time off from the schedule that week in order to avoid overtime.

7.4 No employee shall be required to work after 6:30 p.m. on Christmas Eve.

7.5 Full-Time Workweek

7.51 The workweek for full-time employees shall be forty (40) hours per week within the store and shall be worked in five (5) days, Monday through Saturday. For employees hired after October 11, 1991, the workweek shall be five (5) days, Sunday through Saturday. Work in excess of forty (40) hours in any one (1) workweek or eight (8) hours in any one (1) workday shall be paid for at the rate of time and one-half (1 1/2). Overtime pay shall be computed on the day or on the week, whichever is greater, but in no case on both. This paragraph shall not be considered as a daily or weekly guarantee.

7.52 At their own option, individual employees may elect to modify their workweek to forty (40) hours per week to be performed within the store and shall be worked in five (5) days or less, Monday through Sunday. Such election shall be made semi-annually during the weeks of January 1 and July 1.

7.53 It is recognized by the parties that the concept of a compressed workweek of four (4), ten (10) hour days is not practical for all stores; however, where it has been mutually agreed in writing between the Store Manager and individual employees, such individual employees may be scheduled to work four (4), ten (10) hour shifts within

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the normal workweek. Part-time employees assigned to night stocking crews may be scheduled for less than four (4) days at ten (10) hours per day.

7.54 The daily overtime provision herein shall not apply for the employees who have mutually agreed, in writing, with the Employer to work a weekly schedule of four (4), ten (10) hour shifts.

7.55 In such event, all time worked in excess of ten (10) hours per day shall be paid for at time and one-half (1 1/2) the employee's regular hourly rate of pay.

7.56 Full-time employees working four (4), ten (10) hour shifts in a workweek will be paid ten (10) hours pay at their straight-time hourly rate of pay for all holidays which occur during such scheduled workweek.

7.6 Part-Time Workweek

7.61 Part-time employees shall not be required to work more than five (5) days in any scheduled workweek, Monday through Saturday, (except that part-time employees may individually elect to modify their workweek as provided for in Article 7.51 above). For employees hired after October 11, 1991, the workweek shall be five (5) days, Sunday through Saturday. Part-time employees will not be required to work more than thirty (30) hours.

In the event that a part-time employee is scheduled for less than fifteen (15) hours per workweek, as defined above, (except when the part-time employee is unavailable for fifteen (15) hours work or if only called in on Saturday

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and fifteen (15) hours work is not available) and reports for work, they will be paid for fifteen (15) hours.

Where a forty (40) hour schedule is available after the beginning of the workweek because of sickness or absence, hours may be added to a part-time employee's schedule up to forty (40) hours foregoing the premium provided in Article 7.8 for nights worked over three (3). Where such additional hours are added, the store steward will be advised. It is understood that in such case where an employee is scheduled for such additional hours and does not work all of such hours, they will be paid for the hours worked.

7.7 Part-Time Available Hours

7.71 Senior part-time employees can claim all available hours up to: (1) thirty (30) hours; (2) forty (40) hours; or (3) in between thirty (30) and forty (40) hours as provided in Article 7.6.

7.72 In stores of 27,000 square feet or larger, a bona fide full-time opening will occur only when the full-time hours ratio drops below 55% of total scheduled hours in the basic workweek, excluding customer service hours and including vacation and leave of absence (up to six (6) months) hours in any store for a Kroger four (4) week period. When full-time hours ratio drops below 55% for the Kroger period, the Employer agrees to post the full-time opening(s) as provided for in Article 6.43 to maintain the ratio. On the weekly schedule each store will post on that schedule the actual full-time/part-time ratio for that week's scheduled hours.

7.73 In stores of 27,000 square feet or smaller, a

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bona fide full-time opening will occur only when the full-time hours ratio drops below 30% of total scheduled hours in the basic workweek, excluding customer service hours and including vacation and leave of absence (up to six (6) months) hours in any store for a Kroger four (4) week period. When the full-time hours ratio drops below 30% for the Kroger period, the Employer agrees to post the full-time opening(s) as provided for in Article 6.43 to maintain the ratio. On the weekly schedule, each store will post on that schedule the actual full-time/part-time ratio for that week's scheduled hours.

7.74 Transfers shall not be made from store to store to achieve individual store ratios as provided for above, except where mutually agreeable to the Employer and employee, and upon written notice to the Union office prior to the effective date of transfer.

7.8 Night Work

7.81 Any full-time employee who works more than three (3) nights in any one (1) week past 6:00 p.m. shall be paid overtime at the rate of one and one-half (1 1/2) times the straight-time hourly rate for all hours worked past 6:00 p.m. on nights other than the first three (3) nights so worked. All efforts will be made to limit full-time employees to two (2) nights per week provided staffing requirements, based on customer needs, are met.

7.9 Reporting Pay

7.91 Employees who are scheduled or called in shall be guaranteed four (4) hours of work or shall be paid for four (4) hours.

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7.92 In case an employee would lose time from their schedule for a particular week due to an emergency caused by a riot or Act of God, any arrangement worked out between the Union and the Employer to make up all or part of such lost time shall be valid under this Agreement. When work is offered to an employee under such arrangement, they may accept such work or reject it and lose the time. However, in case of a riot, where a store must be closed and the police order the employees to vacate the store, any employee who has not completed their schedule for that day will be paid for the remainder of their schedule for that day.

7.10 Breaks and Lunches

7.101 All full-time employees shall receive a fifteen (15) minute rest period for each one-half (1/2) day worked. In stores where time clocks are available, employees must punch the time clock on rest periods. Part-time employees shall receive one (1) fifteen (15) minute rest period in each shift of less than seven (7) hours, and two (2) such rest periods in each shift of seven (7) or more hours.

7.102 The daily hours of work shall be consecutive for all employees except for an unpaid lunch period of thirty (30) minutes. In cases of emergency, if an employee is required to work more than two (2) hours beyond the regular eight (8) hour day, a twenty (20) minute paid lunch period shall be given. Employees assigned to night stocking shall have a thirty (30) minute non-paid lunch period. Lunches are to be scheduled as near the middle of a shift as possible based on the needs of the business. With at least thirty (30) days notice before the beginning of the quarter (January 1, April 1, July 1, and October 1),

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employees who so desire, may indicate their interest in writing, to waive their lunch period.

7.103 Work shifts will be separated by ten (10) hours between shifts. This may be waived by mutual agreement.

7.11 Night Crew Schedule

7.111 *Hours and Schedule*

In the event there is an opening on the night stocking crew, it will offered to the Clerks in the particular store based on seniority, experience and the ability to do the job. If the opening is not filled in this manner, the least senior employee in such store who has the experience and ability to do the job must take such night stocking job.

In the event a night stocker wishes to return to regular store hours schedules, they may do so provided: (1) there is a job that is being worked by a less senior employee in the store with the ability to do the night stocking work and provided further, the Employer is not obligated to make more than one (1) such transfer per month; (2) the Employer is given a week's notice and (3) the employee cannot return to a night stocking schedule until another opening occurs and that employee has seniority to bid for the job.

(a) Night Stockers are to be full-time or part-time employees and employees must be scheduled for a minimum of four (4) hour shifts.

(b) In the event Full-Time Night Stockers do not work five (5) nights in any week, they shall be granted

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a minimum of twenty-four (24) hours to be considered a day off.

(c) There shall be a period of ten (10) hours or more from the end of one shift and the beginning of the next shift, except in a holiday week and a ten (10) hour period cannot be scheduled.

(d) Night stocking schedules for full-time employees shall begin from 6:00 p.m. until 12:00 midnight, except on Sundays or Holidays.

(e) In the event a Full-Time Night Stocker works three (3) nights or less night stocking, those nights shall be considered as nights worked past 6:00 p.m. except in a holiday week, and provided this does not force the Employer into fourth (4th) night premium.

7.12 Regular Employees

7.121 Where an employee has worked full-time, forty (40) hours per week, for eight (8) consecutive weeks, except when filling a temporary vacancy due to vacation, sickness or leave of absence, a full-time job opening will be considered to exist and such job opening will be filled in accordance with the seniority provisions of this Agreement. However, if an employee works thirty-nine (39) consecutive weeks at forty (40) hours, while filling a vacancy as listed above, a full-time vacancy will be considered to exist and such job opening will be filled in accordance with the seniority provisions of this Agreement, provided however, if the replaced employee returns and there is no full-time work, the replacing employee will be returned to part-time.

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ARTICLE 8
HOLIDAYS AND SUNDAYS

Holidays

8.1 The following shall be considered holidays: New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, and Christmas Day, or days nationally celebrated in lieu thereof. When a holiday falls on Sunday, the Employer shall grant every eligible employee a full holiday on the following Monday.

8.21 Full-time employees, if eligible, shall receive eight (8) hours holiday pay for the above holidays.

8.31 Part-time employees, if eligible, shall be entitled to holiday pay for the above holidays. Part-time holiday pay shall be computed as four (4) hours pay or one-fifth (1/5) of vacation pay whichever is greater.

8.32 A part-time employee, if eligible, who works thirty-two (32) hours in a holiday week will receive eight (8) hours holiday pay.

8.4 **Holiday During Vacation and Jury Duty**

An employee on vacation or serving on jury duty during a holiday week will also receive the holiday pay.

8.5 **Eligibility for Holiday Pay**

During the week in which one of the above holidays occur, employees must work the scheduled workday before and the scheduled workday after the holiday to be eligible. However, any employee who works a part of

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the week and then is absent due to proven illness or any emergency beyond their control will also receive the holiday pay. Part-time employees must have completed six (6) months of employment from date of hire or last date of rehire to be eligible.

8.6 Holiday Workweek

During the week in which a holiday (as listed in Article 8.1) occurs, the basic workweek will be thirty-two (32) hours, Monday through Saturday. Overtime at the rate of time and one-half (1 1/2) will be paid on all hours worked in excess of thirty-two (32) hours. Part-time employees will not be scheduled or required to work seven (7) days in a holiday workweek.

8.7 Eligibility to Work Sunday and Holiday Hours

Sunday and holiday work shall be in addition to regular five (5) day workweek. Sunday and holiday work will be offered on a rotating basis from a volunteer list of full-time and part-time employees on an equal basis who have the experience and ability to perform the work. If no qualified volunteers are available to do the work, employees will be assigned to work by inverse seniority. For employees hired prior to October 11, 1991, Sunday/Holiday work will be in addition to their 5 day workweek. For employees hired after October 11, 1991, Sunday/Holiday work shall be part of their workweek as specified in Articles 7.51 and 7.61.

8.8 Sunday and Holiday work shall be scheduled in the following priority order:

First Priority - Employees hired prior to October 6,

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1991, who volunteer for Sunday and Holiday work will be scheduled for the number of hours available on a rotating basis and on an equal basis between full-time and part-time employees.

Second Priority - Employees hired after October 6, 1991.

Third Priority - If a combination of volunteers and employees hired after October 6, 1991, are insufficient to meet the Employer's scheduling needs, the Employer shall have the right to schedule those employees hired prior to October 6, 1991, using the inverse order of seniority.

8.9 During the last week of each Kroger calendar quarter, those employees hired prior to October 6, 1991, shall be given the opportunity to indicate their interest in working Sundays and Holidays by signing a volunteer list on a store by store basis. Should an employee be transferred to a new store, their original volunteer signing shall be applicable to a different store.

8.10 Personal Holidays

Effective January 1, 1987, there will be two (2) personal holidays per year. The first will be taken between January 1 and June 1, the second will be taken between June 1 and November 30. The personal holiday may be taken on any scheduled workday mutually agreed upon between the Employer and employee. The employee's selection shall be no later than the work schedule posting. Full-time employees shall work thirty-two (32) hours in such weeks and be paid for forty (40) hours. Part-time employees shall receive pay on scheduled hours with a

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six (6) hour minimum. Employees necessarily absent from work due to illness may be paid unused personal days to make up for lost time by mutual agreement with Store Management.

Effective 01/01/01, full-time and part-time employees will receive a third personal holiday when they become eligible for a third week of vacation. Full-time and part-time employees will receive a fourth personal holiday when they become eligible for a fourth week of vacation.

ARTICLE 9 **VACATIONS**

9.1 Selection of Vacation

The Employer will post the vacation schedule each year no later than December 1 and employees must exercise their vacation preference by January 15, meat cutter and apprentice vacation selection shall be on an individual store basis with it understood not more than one meat cutter or apprentice may be out of the store at the same time. Those employees who fail to select by January 15 must select from the remaining open weeks. A copy of the final schedule will be given to the Union Steward.

Employees will select vacation weeks by seniority on a fifty-two (52) week basis. However, the Employer reserves the right to specify the number of employees to be permitted on vacation each week. No changes will be permitted after selection, unless requested by an employee and granted by the Employer, and then the employee must pick any available open weeks remaining.

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9.2 Schedule of Benefits

All eligible employees will receive vacation benefits in accordance with the following schedule:

- 1 week after 1 year of continuous service
- 2 weeks after 3 years of continuous service
- 3 weeks after 8 years of continuous service
- 4 weeks after 15 years of continuous service
- 5 weeks after 20 years of continuous service
- 6 weeks after 25 years of continuous service (Effective 01/01/02)

This schedule will become effective January 1, 1987 and will supersede any previous vacation schedule.

9.3 Eligibility

Eligibility for an employee's first vacation (one (1) week) and for future increases in vacation, will be determined by the anniversary date of their employment. Arrangements must be made to allow employees to take such earned vacations between the actual employment anniversary date and the end of the year in which it occurs. Where necessary, vacations due in the 12th or 13th periods may be carried over to the first period of the next year. "Service" means continuous employment as a regular employee.

After an employee has qualified for vacation of one or more weeks in accordance with the provisions of this section, they shall be eligible for future vacations as of January 1 of each year.

If an employee qualifies for one (1) week's vacation as

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of January 1 and is due to complete the service necessary for an additional week's vacation later in the year, they may take the first week early or wait and take both weeks together.

Vacations must be taken during the calendar year unless due to emergency, the management finds it necessary to request postponement. Vacation pay will be paid in advance.

If any employee who has not taken his vacation earned by their service leaves (regardless of whether they give notice) or is separated for any reason other than dishonesty, or destruction of Employer property or inventory, they will receive their vacation pay at the time of leaving.

Time lost due to an industrial accident shall be credited as time worked for vacation benefits provided the employee works part of the calendar year.

9.4 Effect of Leaves of Absence on Vacation Pay

Leaves totaling less than ninety (90) days in any calendar year shall not affect vacation. Any type of leaves totaling more than ninety (90) days in a calendar year shall have the following effect upon vacation earned in that year.

Leaves of more than 90 days, but not over 180 days shall reduce vacation and vacation pay by 1/4; leave of more than 180 days but not over 270 days shall reduce vacation and vacation pay by 1/2; leave of more than 270 days shall disqualify for vacation.

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9.5 Full-Time Vacation Pay

9.51 Hourly paid regular employees who worked on a full-time basis in at least forty (40) weeks during the anniversary or calendar year in which their vacations were earned will be paid their current straight earnings for their regularly scheduled workweek. In determining whether an employee has worked forty (40) or more weeks on a full-time basis, count weeks not worked because of paid vacations or excused absence (including sick leave or other approved leave of absence) as weeks so worked.

9.52 The weekly vacation pay of a regular employee who worked on a full-time basis in fewer than forty (40) weeks will be computed at their current hourly rate for the average number of hours per week they worked during the anniversary or calendar year in which the vacation was earned.

9.53 To determine the average number of hours worked per week, divide the total hours worked during their anniversary or calendar year by the number of weeks in the year; exclude from this divisor weeks off the job because of paid vacations, sick leave, or other authorized leave of absence.

9.6 Part-Time Vacation Pay

9.61 Part-time vacation pay shall be based on the total straight-time hours worked in the previous calendar year divided by the number of weeks worked except the first year's vacation eligibility which will be based on the first full year of employment.

9.62 Part-time employees who attain full-time

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status will receive vacation based on two (2) months part-time service equals one (1) months full-time service.

Effective 01/01/2002, part-time employees who have attained full-time status, will receive vacation and vacation pay on the same basis as other full-time employees, based on the anniversary date of their employment.

9.7 Split Vacation Weeks

9.71 Full-time employees eligible for three (3) weeks or more vacation may elect to split one (1) week into single days, which may be scheduled by mutual agreement between the employee and the Store Manager, Monday through Saturday, with two (2) weeks advance notice.

9.8 Night Crew Vacation Pay

9.81 Full-time employees working as Night Stockers shall receive the Night Stockers premium pay on vacation pay prorated on the number of nights worked.

ARTICLE 10 **NO STRIKE, NO LOCKOUT**

10.1 There shall be no strikes, lockouts, or stoppage of work of any kind pending the handling of such differences or complaints in accordance with the arbitration procedure. The Union agrees that it will not refuse to cross a picket line until same has been duly sanctioned by the International President of the United Food and Commercial Workers International Union and

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until the Employer has been officially notified by the Union.

ARTICLE 11
UNION ACTIVITY AND STEWARDS

11.1 Union Store Card

The Union agrees to furnish to the Employer at least one (1) Union store card for each of the Employer's stores. Such card shall remain the property of the Union and shall be surrendered to the Union upon demand.

11.2 Union Activity and Stewards

There shall be no discrimination against any employee because of membership in Local 23. Union activities and duties will not be carried on during hours of store employment. Union officials will be allowed to enter stores in order to ascertain that this Agreement is being observed.

11.3 Stewards of the Union shall, at all times, be employees of the Employer.

11.4 With two (2) weeks prior notice, the Employer will schedule one (1) Steward per store for a day off with pay for a contract education day each year.

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

11.6 Store managers or co-managers will introduce new employees to a shop steward during the first week of employment.

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ARTICLE 12
MILITARY SERVICE

12.1 Any employee who enlisted or was inducted into military service under the provisions of the Federal Selective Service Training Act of 1940, as amended, shall be returned to their job and retain their seniority in accordance with that act.

12.2 An employee shall be granted a leave of absence for the necessary time off without pay for military training in the organized reserves or National Guard.

ARTICLE 13
LEAVE OF ABSENCE

13.1 An employee may, upon written application, to the Employer's Personnel Manager, be granted a personal leave of absence (except for the purpose of seeking employment or continuing education) without pay of up to ninety (90) days. An extension of up to ninety (90) days may also be approved upon written application stating the need for such extension.

13.2 An employee's absence due to documented non-occupational sickness or injury will be granted a leave of absence for up to one (1) year. An additional time of up to twelve (12) months leave shall be granted provided, the employee makes application and submits satisfactory medical evidence that they will be able to return to regular duties within said additional period, prior to the expiration of their original leave.

13.3 Any member of the Union who is elected to a permanent office or who must take a temporary leave of

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absence because of being appointed a delegate of any Union activity, shall be granted a leave of absence and shall accumulate and retain their seniority on the job for which they were employed at such time of leave.

13.4 Any employee elected or appointed to public office shall be granted a leave of absence corresponding to the elected or appointed term of office, without pay. Upon proper notice any employee elected or appointed to public office not requiring full-time service shall be granted the necessary time off, without pay, to perform the duties of the office.

13.5 Employee Returning From Sick Leave

Any employee returning to work after a short term illness shall notify the Store Manager one (1) full working day before they desire to return to work. Any employee returning to work from an illness of one (1) week or more shall notify the Store Manager prior to noon on the Wednesday preceding the week in which they desire to return to work.

ARTICLE 14 **DEATH IN FAMILY**

14.1 If any employee's spouse, child, stepchild, or parent shall die, said employee shall be allowed a maximum of five (5) calendar days leave of absence with pay, but in no case will they receive more pay than the normal workweek.

14.2 If an employee's step-parent, brother, sister, mother-in-law, father-in-law, grandfather, grandmother, grandchild, step-brother, step-sister, and any relative

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residing with them shall die, the employee will be allowed a maximum of three (3) calendar days leave of absence with pay.

14.3 In case of a death in the immediate family of a part-time employee, the part-time employee shall be paid only for the number of hours they would normally have been scheduled to work, up to a maximum of five (5) days or three (3) days as provided for under 14.1 or 14.2 above.

14.4 The leave of absence will commence at the beginning of the employee's next scheduled work shift following the death. In the event a death of a covered relationship results in or necessitates an employee leaving work prior to the end of their work shift, the employee will be paid for the entire shift.

14.5 If a death covered by this Article occurs during an employee's vacation, the employee may reschedule their effected vacation on a daily basis later that calendar year on a mutually agreed basis.

ARTICLE 15 **JURY SERVICE**

All employees serving on jury duty or subpoenaed as a witness, shall upon presentation of proof, be paid for the time lost as a result of such duty. Such pay shall not exceed the pay for the normal workweek. On any day that an employee reports for jury duty, they will not be required to return to their store. During their jury term, they will not be scheduled for Saturday work except during holiday weeks. On any day not scheduled to report

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for jury duty during the jury term, the employee shall report for work.

ARTICLE 16
HEALTH AND WELFARE

16.1 The Employer shall contribute on behalf of each employee who has completed their probationary period the amount shown below to the Tri-State UFCW and Employers Benefit Fund. Such Health and Welfare Trust Fund is a jointly administered Employer and Union Trust Fund. The Fund shall be used for such health and welfare benefits as the Trustees therein duly appointed and acting thereunder shall determine in their discretion and within the terms of the Trust.

16.2 Contributions

The Employer will administer the prescription drug plan as described in Schedule "C" of the Agreement.

Classification "A" - For full-time as of 8-14-86 benefits include:

Life Insurance

Non-Occupational Disability Benefits

Hospital/Medical Benefits
(Dependent Coverage)

Dental Benefits
(Dependent Coverage)

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Vision Benefits
(Dependent Coverage)

Prescription Benefits
(Dependent Coverage Employer Administered)

Retiree Life Insurance Benefits

Classification "D" - For all full-time promoted after 8-14-86, benefits include:

Life Insurance

Non-Occupational Disability Benefits

Hospital/Medical Benefits
(Dependent Coverage)

Dental Benefits
(Dependent Coverage)

Vision Benefits
(Dependent Coverage)

Prescription Benefits
(Dependent Coverage Employer Administered)

Classification "B" - For part-time hired prior to 9-28-80 benefits include:

Life Insurance

Non-Occupational Disability Benefits

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Hospital/Medical Benefits
(Employee Coverage)

Dental Benefits
(Employee Coverage)

Vision Benefits
(Employee Coverage)

Prescription Benefits
(Employee Coverage Employer Administered)

Classification "F" - For part-time hired after 9-29-80
benefits include:

Life Insurance

Non-Occupational Disability Benefits

Hospital/Medical Benefits
(Employee Coverage)

Dental Benefits
(After four (4) years continuous service)
(Employee Coverage)

Vision Benefits
(Employee Coverage)

Prescription Benefits
(Employee Coverage Employer Administered)

The amount of monthly contributions for each eligible
employee shall be:

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**Full-Time Hired Or Promoted
To Full-Time Prior To 8/14/86**

Effective 10/08/2000 \$ 419.75

**Full-Time Hire Or Promoted
To Full-Time On/After 8/14/86**

Effective 10/08/2000 \$ 407.75

**Part-Time Hired Prior To
9/28/80**

Effective 10/08/2000 \$ 186.00

**Part-Time Hired On And After
9/28/80 With More Than
Four (4) Years Of Service**

Effective 10/08/2000 \$ 184.50

**Part-Time Hired On And After
09/28/80 With Less Than
Four (4) Years Of Service**

Effective 10/08/2000 \$ 162.25

Effective April 1 during each year of the Agreement, contributions for the classifications provided for above shall be adjusted by the amount necessary as determined by the Trustees of the Trust Fund to maintain current benefits levels, but in no event shall such change exceed a 12% increase.

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16.3 Eligibility

16.31 Part-time employees hired prior to August 14, 1986 will have a contribution made on their behalf beginning with the first full month following six (6) months of continuous service.

16.32 Part-time clerks promoted to full-time after August 14, 1986 will have increases in contributions as follows:

(a) Part-time clerks covered by Class "B" contribution rate that are promoted to full-time after August 14, 1986 will have contributions on their behalf made at the Class "D" level beginning with the first full month following six (6) months from their BDCS date.

(b) Part-time clerks covered by Class "F" level that are promoted to full-time after August 14, 1986 will have contributions on their behalf made at the Class "D" level beginning with the first full month following six (6) months from their BDCS date.

16.33 Part-time clerks hired prior to August 15, 1999 will have a contribution made on their behalf with the first full month following twelve (12) months of continuous service. Part-time clerks hired on or after August 15, 1999, will have a contribution made on their behalf with the first full month following twenty-four (24) months of continuous service.

16.34 Full-time clerks or full-time Meat Cutters hired after August 14, 1986 will have a Class "D" contribution made beginning with the first full month following six (6) months of continuous service.

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16.4 Payment to Fund

16.41 Payment shall be made by the tenth (10th) day of the month for which payment is due based on the status of the employee as of the first day of such month as determined by their previous work record and in accordance with other terms of this Agreement.

16.5 Contributions to the Trust Fund shall be continued under the following conditions:

16.51 In case of occupational injury, non-work accident or illness, twelve (12) months contribution following the month in which the accident was incurred or in which the sickness began for a full-time employee. Under the same circumstances, three (3) months contribution for a part-time employee.

16.52 In case a personal leave of absence is granted, one (1) month's contribution following the month in which the leave is granted.

16.53 In case of lay-off, three (3) months contribution following the month in which the lay-off is made.

16.54 An employee's status shall not change for the purpose of Health and Welfare until the first contribution following the reduction or advancement of the employee except as provided in Article 16.3.

16.6 Legal Benefits

16.61 The Employer shall participate in and

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contribute to the UFCW, Local 23 and Employers Legal Fund.

16.62 The Employer shall be bound by and assents to all terms of the Agreement and Declaration of Trust of the UFCW, Local 23 and Employers Legal Fund first created November 1, 1973, last restated and effective January 1, 1976, and any amendments thereto.

~~16.63 The Employer shall contribute six (\$.06) cents per hour for all hours worked on behalf of each employee with twelve (12) months or more of continuous service from date of hire, except for employees who are classified students, moonlighters, and Customer Service.~~

16.64 When an employee is reclassified to an eligible employee classification, contributions and benefits shall commence effective the date of reclassification provided the employee has completed the service requirements from date of hire for contributions and benefits as specified herein.

16.65 The Employer shall forward such contributions to the UFCW, Local 23 and Employers Legal Fund indicating the hours paid for on behalf of each employee no later than the tenth (10th) day following the last payroll period of each month.

16.7 Retiree Health and Welfare

16.71 The parties as well as the persons who may hereafter become eligible for retiree health benefits mentioned in the Letter of Understanding attached to the current contract understand that such benefits shall not extend beyond the expiration of this Agreement or at such

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time as the Employer ceases to do business under the jurisdiction of this Agreement.

16.8 Scholarship Fund

The Employer shall participate in and contribute to the Anthony J. "Bud" Luty Scholarship Fund.

The Employer shall be bound by and assents to all terms of the Agreement and Declaration of Trust of the Anthony J. "Bud" Luty Scholarship Fund and any amendments thereto.

The Employer shall contribute one (\$.01) cent per hour for all hours worked (up to forty (40) hours per week) for each bargaining unit employee having more than one (1) year of service.

Contributions for employees shall commence effective the first (1st) day of the month following completion of one (1) year of service from date of hire.

The Employer shall forward such contributions to the Anthony J. "Bud" Luty Scholarship Fund indicating the hours worked on behalf of each employee, no later than the fifteenth (15th) day following the last payroll period of each month.

16.9 Part-Time employees hired on or after August 15, 1999, who have less than twenty-four (24) months continuous service.

The Employer shall be participant in and contribute to the UFCW, Local 23 and Employers Health Fund.

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The Employer shall be bound by and assents to all terms of the Agreement and Declaration of Trust of the UFCW, Local 23 and Employers Health Fund, first created October 1, 1968, last restated and effective October 10, 1985, and any amendments hereto.

Eligible part-time employees hired on and after August 15, 1999, shall be eligible for applicable contributions and benefits effective the first (1st) day of the month following the completion of twelve (12) months continuous service from the date of hire. Contributions and benefits cease effective the first (1st) day of the month following the completion of twenty-four (24) months continuous service from date of hire.

Benefits Include:

Life Insurance

Non-Occupational Disability Benefits

Vision Benefits

(Employee Coverage)

Prescription Benefits

(Employee Coverage Employer Administered)

The amount of monthly contributions for each eligible employee shall be:

Part-Time Hired On After 8/15/1999

Effective 10/08/2000

\$ 5.75

Effective 10/01/2001

See (A) Below

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Effective 10/01/2002	See (A) Below
Effective 10/01/2003	See (A) Below
Effective 10/01/2004	See (A) Below

(A) The Employer shall make increased or decreased contributions for each year of the agreement, if necessary as determined by the Trustees, to maintain the current level of benefits of all employees.

Payments to the UFCW, Local 23 and Employers Health Fund will be made on the same basis as 16.4 and 16.5 of this Agreement.

ARTICLE 17
PENSION

By Agreement with the Employer, the International Union with which this Local Union is affiliated has created and established a Pension Fund designated as the United Food and Commercial Workers International Union-Industry Pension Fund (hereinafter referred to as the "Pension Fund").

The Kroger Co. shall pay to the Pension Fund the following contributions each calendar month for each eligible employee who has worked in the calendar month preceding the month in which the payment is due. Vacations shall be considered as time worked. In no case will hourly contributions exceed forty (40) hours per week.

For eligible full-time employees the contributions remain in effect as follows:

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(a) For full-time employees on the payroll prior to October 31, 1980 - \$78.32 per month; effective 01/01/01, \$88.65 per month.

(b) For eligible full-time employees hired and/or promoted on or after October 31, 1980, the contribution shall be \$.306 cents per hour. Effective 01/01/01, the contribution shall be increased to \$.36 cents per hour.

(c) Part-time employees - \$.15 per hour.

For eligible part-time employees; excluding Students, Customer Service Clerks and those part-time employees with other regular jobs, contributions shall remain in effect as follows:

Effective July 1, 1987 and/or at such future date, the Trustees of the Pension Fund determine a different contribution rate is acceptable to maintain current benefit levels, the Union and the Employer will meet to discuss such.

An eligible employee for full-time contributions contained herein is a full-time employee who has completed the probationary period and who has worked forty (40) hours per week for eight (8) consecutive weeks as stated in Article 7.121. Any employee is considered a full-time employee who has worked forty (40) hours per week for eight (8) consecutive weeks, except when filling a temporary vacancy due to vacations, sickness, or leave of absence and further:

(a) Employees hired on or after October 31, 1980 and prior to August 14, 1986 are eligible for contributions

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after completion of six (6) months of continuous service from date of hire.

(b) Employees hired on or after August 14, 1986 are eligible for contributions after completion of twelve (12) months of continuous service from date of hire.

(c) Employees hired after October 11, 2000, will have contributions made on their behalf on the 1st of the month after attaining age 21 and meeting eligibility requirements.

Contributions shall also be paid for periods of absence from work due to illness, injuries, however, not to exceed one (1) month after the month in which the illness or injury occurred. In case of compensable injuries, the Employer will make contributions for three (3) months including the month in which the injury occurred.

The obligation to pay contributions to the Pension Fund shall in no way affect any rights to discharge an employee granted the Employer under this Collective Bargaining Agreement. If any inconsistency exists between the terms of this Pension Article and any other provision in this Collective Bargaining Agreement, the terms of this Pension Article shall prevail.

Employer contributions to the Pension Fund shall be used to provide retirement benefits for eligible employees in accordance with the Pension Plan adopted from time to time by the Trustees of said Pension Fund (the Trustees). Eligible employees shall, pursuant to said Pension Plan, receive retirement benefits at Benefit Level as defined in Article III, Section 2 of the Pension Plan, a copy of which Pension Plan the Employer has received.

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The Employer's obligation hereunder to contribute to the Pension Fund shall not be subject to any expressed or implied Bargaining Agreement, notwithstanding any provision to the contrary herein contained. In addition to any other remedy which may otherwise be available to any of them, the Union, the Trustees of the Pension Fund, or both, shall have the right to sue in any court of competent jurisdiction to secure the payment of any monies due hereunder without the necessity of first utilizing any other remedy.

The Employer adopts and agrees to be bound by all of the terms and provisions of the United Food and Commercial Workers International Union-Industry Pension Fund Agreement and Declaration of Trust, as amended from time to time, (the "Trust Agreement") as if the Employer was an original party thereto, a copy of which Trust Agreement the Employer has received. The Employer designates its representatives on the Board of Trustees of the Fund, the Employer Trustees named in said Trust Agreement, together with their successors selected in the manner provided herein. The Employer agrees to be bound by all actions taken by said Trustees pursuant to the powers granted them by the Trust Agreement.

Nothing in this Collective Bargaining Agreement shall authorize the Board of Trustees to increase the amount of contributions required to be paid by the Employer pursuant hereto, to extend the period for which the contributions shall be made or to authorize the Board of Trustees to bind the Employer in any manner inconsistent with the terms of this Collective Bargaining Agreement or the Trust Agreement.

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The Employer shall contribute to the Pension Fund, as provided herein, only if said contributions are deductible by the Employer for Federal Income purposes. The Employer shall participate in the Pension Fund only if such participation or the continuation thereof shall not impair the Pension Fund's qualification under applicable Internal Revenue Code provisions and Internal Revenue Service rulings and regulations.

ARTICLE 18 **NON-DISCRIMINATION**

18.1 The Employer and the Union agree that in hiring employees, the Employer will not discriminate against any applicant for employment because of sex, race, creed, color, age or national origin.

18.2 No employee shall be required to take a polygraph (lie detector) test for any reason.

ARTICLE 19 **WAGES, PREMIUMS AND CLASSIFICATIONS**

19.1 Overtime

Overtime where necessary and premium pay jobs will be offered to employees by seniority, availability (on the premises) and classification, however, Sunday and Holiday work shall be scheduled as provided in Article 8.7.

19.2 Relief of Department Head

An employee, acting as relief for and filling the job of Head Meat Cutter, Head Clerk, Head Produce, Head

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19.8 Classifications

19.8(1) MEAT DEPARTMENT HEAD - is in charge of the Meat and Seafood Departments in the store, and has the knowledge and ability to operate the department to the satisfaction of the management. Duties include supervision of the department personnel, ordering of merchandise, service to customers and the operation of the department in accordance with the Employer's merchandising policy.

19.8(2) FULL-TIME FIRST CUTTER - shall be deemed and construed to mean any Journeyman Meat Cutter who acts as a Meat Department Head in the absence of the regular Meat Department Head for a period of less than one (1) week.

19.8(3) JOURNEYMAN - a skilled Meat Cutter who has either served a complete apprenticeship in the trade or has developed equivalent ability by practical experience and is capable of cutting and preparing meat in forms acceptable to the retail trade and in a manner that will yield the maximum of profitable cuts from a carcass and must also be proficient in waiting on customers and have the knowledge and ability to perform the general detailed tasks in the Meat Department.

19.8(4) APPRENTICE - An individual employed for the purpose of learning all the details and developing manual skill for performing after two (2) years of training all the duties of a Meat Cutter as commonly accepted in the trade.

Skilled Apprentices will receive the following progression:

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(a) Hired at third, six (6) month Apprentice rate.

(b) When successfully completing sixty (60) day probation, the rate will be the fourth, six (6) month Apprentice rate.

(c) At the end of the first six (6) months, the Skilled Apprentice will be given a block test to test if they can do all the functions Kroger requires of a Journeyman Meat Cutter.

(d) If the Skilled Apprentice passes the test, the Apprentice would be promoted to a Journeyman Meat Cutter. If they do not pass the block test, they will remain on the Apprentice program and be given the block test six (6) months later.

(e) The Company will make a good faith effort to fill future Journeyman Meat Cutter jobs through clerks being trained in the apprentice program.

19.8(5) MEAT CLERK - shall normally take meat or fish, cut or dressed by a Journeyman Meat Cutter, tray it, weigh it and wrap it and all jobs associated with placing the product in the case and rotating same. Shall perform all jobs associated with the production of ground meat products, including the actual grinding. May also use a slicing machine or knife to prepare boneless meat for sale. The Meat Clerk shall not operate the power saw. However, a Meat Clerk may perform any tasks required to satisfy a customer's request when no Journeyman is available.

19.8(6) CHECKER - a Checker is an employee whose primary duties are performed at the check-out counter and cash register. When not so engaged, such employee

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will perform any other duties as assigned by the store management within the employee's capabilities.

19.8(7) CLERK - a Clerk is an employee whose primary duties are performed in the store wareroom, unloading trucks, stocking the sales area. When not so engaged, such employee will perform any other duties as assigned by the store management, within the employee's capabilities.

19.8(8) HEAD GROCERY CLERK - a Head Grocery Clerk is in charge of the Grocery Department in a store and has the knowledge and ability to operate the department to the satisfaction of the Manager. The duties include the supervision of the department personnel, ordering of merchandise, service to customers and the operation of the department in accordance with the Employer's merchandising policies and any other duties that may be assigned.

19.8(9) HEAD PRODUCE CLERK - (In stores 27,000 square feet and larger only) a Head Produce Clerk is in charge of the produce department in a store and has the knowledge and ability to operate the department to the satisfaction of the manager. The duties include the supervision of the department personnel, ordering of merchandise, service to customers and the operation of the department in accordance with the Employer's merchandising policies and any other duties that may be assigned.

19.8(10) HEAD CASHIER - (In stores 27,000 square feet and larger only) a Head Cashier is in charge of the front-end operation and has the knowledge and ability to supervise the operation to the satisfaction of the

Article 19

management of the store. Duties include supervision of Checkers, bookkeeping and money handling procedures in accordance with the Employer's policy and any other duties that may be assigned.

19.8(11) **HEAD DAIRY CLERK** - (In stores 27,000 square feet and larger only) a Head Dairy Clerk is in charge of the Dairy Department in a store and has the knowledge and ability to operate the department to the satisfaction of management. The duties include the supervision of the department personnel, ordering, service to the customers and the operation of the department in accordance with the Employer's merchandising policies and any other duties that may be assigned.

19.8(12) **LEAD SEAFOOD CLERK** - (In stores with Seafood Departments only) a Lead Seafood Clerk is in charge of the Seafood Department in the store and has the knowledge and ability to operate the department to the satisfaction of the management. The duties include the supervision of the department personnel, ordering, service to the customers and operation of the department in accordance with the Employer's merchandising policies and any other duties that may be assigned.

19.8(13) **LEAD FROZEN FOOD CLERK** - (In stores 27,000 square feet and larger only) a Lead Frozen Food Clerk is in charge of the Frozen Food Department in the store and has the knowledge and ability to operate the department to the satisfaction of management. The duties include the supervision of the department personnel, ordering, service to the customers and operation of the department in accordance with the Employer's merchandising policies and any other duties that may be assigned.

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19.8(14) LEAD PRODUCE CLERK - (In stores 27,000 square feet and smaller) a Lead Produce Clerk is in charge of the Produce Department in a store and has the knowledge and ability to operate the department to the satisfaction of the manager. The duties include the supervision of the department personnel, ordering of merchandise, service to customers and the operation of the department in accordance with the Employer's merchandising policies and any other duties that may be assigned.

19.8(15) LEAD FRONT END CLERK - (In stores 27,000 square feet and smaller) a Lead Front End Clerk is in charge of the Front End operation and has the knowledge and ability to supervise the operation to the satisfaction of the management of the store. Duties include supervision of Checkers, bookkeeping and money handling procedures in accordance with the Employer's policy and any other duties that may be assigned.

19.8(16) HEAD DRUG/GM CLERK - (In stores 42,000 square feet and larger only) A Head Drug/GM Clerk is in charge of the Drug/GM department in a store and has the knowledge and ability to operate the department to the satisfaction of the manager. The duties include the supervision of the department personnel, ordering of merchandise, service to customers and the operation of the department in accordance with the Employer's merchandising policies and any other duties that may be assigned.

19.8(17) LEAD DRUG/GM CLERK - (In stores 27,000 square feet or larger and less than 42,000 square feet) A Lead Drug/GM Clerk is in charge of the Drug/GM department in the store and has the knowledge and

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ability to operate the department to the satisfaction of the manager. The duties include the supervision of the department personnel, ordering of merchandise, service to customers and the operation of the department in accordance with the Employer's merchandising policies and any other duties that may be assigned.

19.8(18) **LEAD DSD RECEIVING CLERK** - A Lead DSD Receiving Clerk is in charge of the DSD receiving in the store and has the knowledge and ability to supervise and perform the operation to the satisfaction of the management of the store. Duties include receiving DSD deliveries in accordance with the Employer's policy and any other duties that may be assigned.

19.8(19) **LEAD T&A CLERK** - (In stores 42,000 square feet and larger only) A Lead T&A Clerk is in charge of the T&A functions in the store and has the knowledge and ability to perform the functions to the satisfaction of the manager. The duties include performing T&A functions in accordance with the Employer's policy and any other duties that may be assigned.

19.8(20) **LEAD COFFEE SHOPPE CLERK** - (In stores 27,000 square feet and larger with a Gourmet Coffee Shoppe) A Lead Coffee Shoppe Clerk is in charge of the Gourmet Coffee Shoppe in the store and has the knowledge and ability to operate the shoppe to the satisfaction of the manager. The duties include the supervision of the shoppe personnel, ordering of merchandise, service to customers and the operation of the shoppe in accordance with the Employer's merchandising policies and any other duties that may be assigned.

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19.8(21) **LEAD WISHBONE CHICKEN SHOPPE CLERK** – (In stores 27,000 square feet and larger with a Wishbone Chicken Shoppe) A Lead Wishbone Chicken Shoppe Clerk is in charge of the Wishbone Chicken Shoppe in the store and has the knowledge and ability to operate the shoppe to the satisfaction of the manager. The duties include the supervision of the shoppe personnel, ordering of merchandise, service to customers and the operation of the shoppe in accordance with the Employer's merchandising policies and any other duties that may be assigned.

19.8(22) **LEAD BAKERY CLERK** – (In stores which have a separate Bakery Department) A Lead Bakery Clerk is in charge of the Bakery department in the store and has the knowledge and ability to operate the department to the satisfaction of the manager. The duties include the supervision of the department personnel, ordering, service to customers and operation of the department in accordance with the Employer's merchandising policies and any other duties that may be assigned.

19.8(23) **LEAD FLORAL CLERK** – (In stores which have a Floral Department) A Lead Floral Clerk is in charge of the Floral Department in the store and has the knowledge and ability to operate the department to the satisfaction of the manager. The duties include the supervision of the department personnel, ordering, service to customers and operation of the department in accordance with the Employer's merchandising policies and any other duties that may be assigned.

19.8(24) **LEAD NUTRITION CLERK** – (In stores which have a Nutrition Department) A Lead Nutrition

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Clerk is in charge of the Nutrition Department in the store and has the knowledge and ability to operate the department to the satisfaction of the manager. The duties include the supervision of the department personnel, ordering, service to customers and operation of the department in accordance with the Employer's merchandising policies and any other duties that may be assigned.

19.8(25) **LEAD PEPE PLAYHOUSE CLERK** – (In stores which have a Pepe Playhouse) A Lead Pepe Playhouse Clerk is in charge of the Playhouse in the store and has the knowledge and ability to operate the Playhouse to the satisfaction of the manager. The duties include supervision of the playhouse personnel, service to customers, and operation of the playhouse in accordance with the Employer's policies and any other duties that may be assigned.

19.9 **Reduced Full-Time and Temporary Full-Time Wages**

Full-time employees reduced to part-time will retain the hourly rate which they were receiving as full-time employees for such period of time as they remain part-time. Part-time employees working forty (40) hours or more will be paid the appropriate full-time rate based on the employee's hire date or their own rate whichever is greater for all hours worked. When a full-time employee voluntarily requests reduction to part-time, the employee shall be paid the part-time rate which corresponds to length of service. When a part-time employee is made full-time, they will be paid the appropriate full-time rate based on their hire date.

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19.10 If the Employer establishes a new job classification, the rate for such work will be negotiated with the Union.

19.11 In the event of an increase in the minimum wage, start rates will be at least fifteen (\$.15) cents above the new minimum wage. The Company and Union will meet to discuss and adjust remaining progression rates accordingly.

ARTICLE 20 **CLERKS WORK CLAUSE**

20.1 Salesmen for outside companies shall not be permitted to do work in the store normally done by store employees except that Bread Salesmen, DSD beverages vendors, (except those excluded by law), and salty snacks will be allowed to stock their product. Any vendor service available to the trade without additional cost shall be permitted in the Cosmetic and Fragrance Center. When opening a new store, the first sentence shall not apply prior to and including the opening week. The Employer may utilize any vendor services available for all resets and pop display work with the further understanding that no present employees will have their hours reduced as a direct result of the implementation of this language.

20.2 The Housewares Rack Jobber may stock their merchandise, but only if an employee in the bargaining unit works with them.

ARTICLE 21 **UNION COOPERATION**

21.1 The Union recognizes the need for improved

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methods and output in the interest of the employees and the business and agrees to cooperate with the Employer in the installation of such methods, in suggesting improved methods, and in the education of its members in the necessity for such changes and improvements. The Employer agrees to notify the Union in advance.

ARTICLE 22
MEAT DEPARTMENT AND
MEAT TECHNOLOGICAL CHANGES

22.1 The handling, processing and offering for sale of fresh and frozen meats, poultry, fish, rabbits, sausage and smoked meat which has customarily been performed by bargaining unit employees in the store shall continue to be within the work and collective bargaining jurisdiction of the Union, regardless of place of performance, (1) to the extent that such work continues to be performed by the Employer, (2) to the extent that such work is performed by the Employer within the Union's geographical area of representation as set forth in Article 2 of this Agreement and (3) to the extent such work is not currently represented by the Union, provided that:

22.2 The Employer shall retain managerial discretion in the areas of work methods and/or processes and merchandising policies and/or techniques, including, but not limited to, the rights to introduce new or change existing work methods and/or processes (centralized or decentralized), to introduce new equipment, and/or technological processes and to obtain and sell pre-cut, pre-packaged, pre-processed, pre-priced, etc., products from outside sources;

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22.3 The Employer will notify the Union before making any major technological change that would affect a substantial number of employees;

22.4 No full-time employees will be displaced (i.e. deprived of a job), reduced in rate of pay and/or reduced below full-time status (i.e. forty (40) hours per week) because of the exercise of such managerial discretion described in sub-paragraph 22.2 above. For the purpose of this Article only, a full-time employee is one who, at the time of the change, has completed their probationary period and is actively working, is on an approved leave of absence, or is absent because of illness or injury;

22.5 If, after the exercise of such managerial discretion described in Article 22.2 above, there are any unresolved questions concerning displacement, reduction in rate of pay and/or reductions below full-time status, the Union may submit such questions to arbitration under the grievance procedure in this Agreement.

22.6 Temperature in cutting rooms and wrapping rooms to be no lower than fifty-five degrees (55) Fahrenheit.

22.7 Each Meat Department may employ at least one (1) Apprentice and in addition, another Apprentice may be employed for each three (3) Journeymen employed in the zone. In no case will the number of Apprentices in a particular store exceed the number of Journeymen in a particular store, except in cases where a Journeyman is absent due to a temporary circumstance, no Journeyman hired prior to August 14, 1986 will be adversely affected by this change. A Head Meat Cutter is considered a Journeyman for the purpose of this Article. Wrappers

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are not considered as Apprentices for the purpose of this Article.

22.8 In all markets, a meat employee shall be present from 7:00 a.m. to 9:00 p.m. (except for breaks and lunches) provided the store is open for business during those hours. Markets averaging \$25,000 or less per week in meat sales shall have a meat employee present from 7:00 a.m. to 6:00 p.m. provided the store is open for business during those hours. The Employer agrees that no one will suffer a reduction in hours as a direct result of the change of the hours for market coverage.

22.9 The First Cutter classification shall be maintained in all Meat Departments with a minimum of three (3) or more Meat Cutters and the classification and rate of pay included in the wage schedule. The Employer agrees to maintain the twelve (12) First Cutters in that classification at the time of ratification (August 14, 1986) and any Head Meat Cutters forced to bump down to First Cutter as a result of store closing.

The Employer will maintain a minimum number of Meat Cutters equal to two times (2x) the number of large stores, (27,000 square feet or larger) and one time (1x) the number of conventional stores (less than 27,000 square feet) of open stores covered by this Agreement, except that the Employer further agrees to maintain all Meat Cutters at the ratification (August 14, 1986) in their current classification (as a Journeyman Meat Cutter.)

22.10 This Article, in its entirety, shall apply only to the Meat Department.

Article 23

ARTICLE 23

FEDERAL OR STATE LEGISLATION

23.1 Nothing contained in this Agreement is intended to violate any Federal or State Laws, rules or regulations made pursuant thereto. If any part of said Agreement is construed to be in such violations, then that part shall be null and void and the parties agree that they will, within thirty (30) days, begin negotiations to replace said void part with a valid provision.

ARTICLE 24

HEALTH, SAFETY AND INJURY ON THE JOB

24.1 Where machines such as meat grinders, saws, cubing machines, etc. are equipped with guards for the protection of the employees, such guards must be used. At the request of either party, bona fide unsafe conditions in a store will be discussed between the Personnel Manager and the Business Representative.

24.2 If an employee is injured on the store premises during the course of their employment, and as a result loses time, they shall be paid for such lost time on the day of the injury but not to exceed eight (8) hours.

24.3 The Employer and the Union agree to establish a joint Safety Committee composed of an equal number of Union Officials and Employer Officials.

ARTICLE 25

SUCCESSORS AND ASSIGNS

25.1 This Agreement shall be binding upon the parties hereto, their successors and assigns. It is the intent

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of the parties that this Agreement shall remain in effect for the full term of the Agreement and shall bind the successors of the respective parties hereto.

ARTICLE 26
MISCELLANEOUS

26.1 Any employee who enters into a business competing with the Employer will be subject to discharge.

26.2 The Employer and the Union agree that a proven violation of established time clock rules including working before punching in or after punching out may subject such an employee to disciplinary action up to and including discharge.

26.3 The Union and Employer, by mutual agreement, may establish zone contracts, providing competitive wages, restrictive language and benefit rates, applying to outer area stores operating in areas where the major competition is non-union and/or low rate Union stores.

26.4 A high school student or full-time college student's status shall not be changed until after April 1 or October 1 of any year. A student is defined as any part-time employee who restricts their availability to attend an accredited course. A part-time student employee who breaks their seniority to attend school or school activities and later returns to work within twelve (12) months, will be credited with their previous service for wages under this Agreement in full month increments only.

26.5 Absences for which an employee is excused

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by a doctor where he/she can prove they were seen by the doctor in no way will be counted against an employee.

ARTICLE 27
EQUIPMENT AND LINEN

27.1 The Employer agrees to furnish without charge all coats, aprons and equipment necessary during the hours of employment. Full-time eligible employees will be furnished three (3) Dacron or similar type uniforms. Part-time eligible employees will be furnished two (2) Dacron or similar type uniforms. Uniforms will be replaced when necessary. The old uniform must be returned to the Employer in exchange for a new uniform. All employees may wear slacks. Parkas and galoshes will be furnished for carry-out employees and employees unloading trucks.

ARTICLE 28
STORE CLOSING

28.1 In the event the Employer sells or closes a store and employees are terminated as a result, employees with three (3) years of full-time service shall be paid three (3) weeks of severance pay and one (1) additional week of severance pay for each additional year of full-time service up to a maximum of six (6) weeks of severance pay.

28.2 All monies due employees shall be paid upon termination in accordance with the Agreement, but not later than two (2) weeks after separation. An employee who does not accept severance pay shall retain recall rights as provided in the Agreement for a period of one (1) year, and if still not recalled to work by the Employer, shall receive their severance pay and has no further recall rights.

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28.3 Employees voluntarily terminating their employment shall not be eligible for severance pay.

28.4 Employees who accept severance pay shall not retain seniority or recall rights.

28.5 Employees who refuse a transfer as outlined in the Agreement shall not receive severance pay.

28.6 If an employee is offered a transfer within the jurisdiction of this Agreement in which they were last working and they refuse to accept the transfer, they forfeit their rights provided for in this Article.

28.7 If a store is sold and the successor Employer offers employment to an employee who is otherwise eligible for severance pay under the terms of this Article and the new job is comparable, then no provision of this Article shall apply.

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

ARTICLE 29 **CUSTOMER SERVICE CLERKS**

29.1 It is agreed that a Customer Service employee is an employee whose duties are limited as described herein. Employees classified as Customer Service Clerks shall bag sold merchandise, stock grocery bags and supplies at the check-outs, do general custodial work, clean restrooms, do outside maintenance, clean up broken

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merchandise, collection of bascart, perform price checks, weighing produce when scales are in the front end, return all orphans to the shelves, obtain change for cashiers, and handle returnable containers. A Customer Service Clerk may be promoted to a part-time Cashier or Stock Clerk position on a temporary basis (during all or part of the period of the week in which May 1st occurs through the week in which September 30th occurs) at the appropriate Cashier, Stock Clerk rate of pay.

29.2 A Customer Service employee shall keep the check stands stocked with supplies, such supplies not to include merchandise offered for sale. A Customer Service employee may also handle merchandise when the customer brings it to the checkout stand and may assist the customer in removing merchandise from the bascart, package the merchandise, and assist the customer out of the store.

29.3 A Customer Service employee shall be scheduled to work a minimum of sixteen (16) hours per week if available and up to twenty-nine (29) hours per week.

29.4 Present full-time and part-time employees hours shall not be reduced as a result of this clause. No layoff of full-time or part-time employees may occur within the store until all Customer Service employees in the store have been laid off.

29.5 The terms of the Collective Bargaining Agreement such as Union Security and Seniority shall apply, but Customer Service employees shall not receive benefits of a monetary nature, except for wages as specified herein. It is understood that benefits such as

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holidays, vacation, sick leave, health and welfare, pension, etc., are of a monetary nature and are not to be provided to the Customer Service employees. Seniority within job classification and within the store shall prevail.

29.6 When a Customer Service employee is promoted to regular part-time or full-time status, his seniority shall prevail from the date of hire for benefits and wages under the contract.

29.7 It is further understood that Customer Service employees shall be given preference by seniority, together with ability, practicability and availability, should an opening occur for a part-time employee and shall further be given preference in the same way for full-time positions after they have been offered to the part-time employees.

29.8 Any proven violation of these provisions which occur after notice from the Union shall result in the immediate revocation of the same in that store and Customer Service employees in that store shall then be classified as part-time employees and all applicable benefits shall apply.

ARTICLE 30 **TERM OF AGREEMENT**

30.1 This Agreement shall be in full force and effect from October 8, 2000 through November 6, 2004 and shall continue in full force and effect from year to year thereafter unless written notice of a desire to change or modify this Agreement is served by either party upon the other sixty (60) days prior to the date of expiration. Within ten (10) days of receipt of such notice, the parties shall

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meet in conference for the consideration of such changes or modifications.

30.2 All changes from the previous Agreement shall take effect on the Sunday immediately following execution of this Agreement unless otherwise specified in this Agreement.

30.3 If during the term of this Agreement wage control legislation is enacted which has the effect of preventing or limiting the institution of any wage increase or Health and Welfare or Pension increases required under this Agreement, the parties shall meet within thirty (30) days to attempt to re-negotiate a lawful alternative to the invalidated wage or other increases.

Article 30

IN WITNESS WHEREOF, the said parties have caused duplicate copies hereof to be executed by their duly authorized officers this 11th day of December, 2000 .

**UNITED FOOD AND COMMERCIAL
WORKERS UNION LOCAL 23**

Ronald M. Kean

**FOR THE EMPLOYER:
The Kroger Co.
Columbus Marketing Area**

Bradley Tomich

SCHEDULE "A" WAGES

	<u>10-8-00</u>	<u>10-7-01</u>	<u>10-6-02</u>	<u>10-5-03</u>
<u>Head Meat Cutter:</u>	\$14.01	\$14.41	\$14.81	\$15.21
<u>Head Grocery Clerk</u>				
<u>Head Produce Clerk:</u>	\$13.13	\$13.53	\$13.93	\$14.33
⁷⁴ <u>Head Cashier</u>				
<u>Head Deli Clerk:</u>	\$12.85	\$13.25	\$13.65	\$14.05
<u>Head Dairy Clerk:</u>	\$12.40	\$12.80	\$13.20	\$13.60
<u>Head G/M Clerk:</u>	\$12.40	\$12.80	\$13.20	\$13.60
<u>First Cutter (Meat):</u>	\$12.94	\$13.34	\$13.74	\$14.14
<u>Journeyman Meat Cutter:</u>	\$12.14	\$12.54	\$12.94	\$13.34

Schedule "A"

Apprentice Meat Cutter:

1 st 6 months	\$7.56	\$7.96	\$8.36	\$8.76
7 - 12 months	8.09	8.49	8.89	9.29
13 - 18 months	8.58	8.98	9.38	9.78
19 - 24 months	9.21	9.61	10.01	10.41

Full-Time Clerks Hired Or
Promoted Before 9-29-80:

Receive Minimum General Increase \$0.50 \$0.40 \$0.40 \$0.40

Full-Time Clerk:

Hired On or Promoted After 9-29-80 \$8.80 \$9.20 \$9.60 \$10.00

Full-Time Clerk Hired or
Promoted On or after 9-29-80
Above \$8.30 per hour at ratification
Receive Minimum General Increase: \$0.50 \$0.40 \$0.40 \$0.40

Schedule "A"

Temp Full Time

SCHEDULE "A" WAGES

	<u>10-8-00</u>	<u>10-7-01</u>	<u>10-6-02</u>	<u>10-5-03</u>
Part-Time Clerks <u>Hired Before 10-21-83:</u>	\$10.21	\$10.61	\$11.01	\$11.41
Part-Time Employees at or Above \$7.05 Per Hour Prior To 76 <u>10-07-00 Receive General Increases:</u>	\$0.50	\$0.40	\$0.40	\$0.40
Part-Time Clerks <u>Hired After 10-21-83:</u>				
0 - 3 months	\$6.00	\$6.00	\$6.00	\$6.00
4 - 6 months	6.10	6.10	6.10	6.10
7 - 12 months	6.20	6.20	6.20	6.20
13 - 18 months	6.30	6.30	6.30	6.30
19 - 24 months	6.40	6.40	6.40	6.40
25 - 36 months	6.50	6.50	6.50	6.50

Schedule "A"

37 - 42 months	6.70	6.70	6.70	6.70
42 - 48 months	6.80	6.80	6.80	6.80
Over 48 months	7.30	7.60	7.85	8.30

Customer Service Clerks:

0 - 3 months	\$ 6.00	\$6.00	\$6.00	\$6.00
4 - 6 months	6.05	6.05	6.05	6.05
7 - 12 months	6.10	6.10	6.10	6.10
13 - 18 months	6.15	6.15	6.15	6.15
⌈ Over 18 months	6.20	6.20	6.25	6.25

Schedule "A"

Employees assigned lead person responsibility for Cheese Shoppes of more than thirty-five hundred dollars (\$3,500.00) per week in sales shall receive a twenty-five (\$.25) cents per hour premium.

Schedule "B"
SCHEDULE "B" INCENTIVE PLAN

Eligible employees will participate in the success of the stores covered by this Agreement.

An eligible employee is one who is on the top rate of pay in his/her classification and has four (4) years of continuous service at the end of an incentive period.

There will be three (3) incentive periods, the fiscal years of 2001, 2002, and 2003. Financial results of all stores combined (Store EBITDA) will determine the amount of money to be divided among eligible employees.

Each eligible employee's share of the incentive plan pool will be based on a ratio of his/her W-2 earnings for the financial period of a payment to the combined W-2 earnings of all eligible employees. Payments, if so due, will be made the sixth (6th) week following the close of each performance period if all results are available at that time and will be less deductions required by law.

The incentive performance pool shall be equal to 50% of total combined Store EBITDA results for stores covered by this agreement which exceed the base of:

- 6.70% for fiscal year 2001
- 7.40% for fiscal year 2002
- 8.15% for fiscal year 2003

Schedule "C"
SCHEDULE "C" PRESCRIPTION PLAN

All employees who qualify for a prescription drug benefit will be qualified for a prescription drug plan valid at Kroger pharmacies.

Full-time employees will have family coverage of eligible dependents and eligible part-time employees will have employee coverage only.

There will be a deductible charge of \$5.00 for each prescription. Generic medicines are mandatory unless Doctor dispense as written (DAW) for name brand on the following basis:

- * That all generic drugs which the Company considers to be generic have been approved by the Food and Drug Administration.

- * If no generic substitute for a brand name drug is available, the Company will continue to provide full reimbursement, minus the deductible.

- * If individual's doctor has a medical reason why he or she does not wish to use a generic drug, such as a reaction to the coloring or there is a question as to the quality, and the doctor prepares a letter stating his or her specific objections, the Company will consider making full reimbursement of the wholesale cost of the brand name drug, minus the deductible.

Employees not now eligible for the prescription plan will become eligible when they qualify for benefits as outlined in Article 16 of the Agreement. This plan will cover the same eligible drugs and same dependents as

Schedule "C"

the current prescription benefit plan covering present eligible employees.

For employees needing prescriptions when a Kroger pharmacy is not readily available, provisions will be made for mail order pharmacy and emergency claim procedures.

Effective 10/11/2000, the Employer agrees to parallel their Prescription Summary Plan Description with the Tri-State UFCW and Employers Benefit Fund Summary Plan Description that is in effect currently and as may be changed in the future. Formal notice of any changes will be provided immediately, following the Trustees making any improvements or deletions, by the Tri-State UFCW and Employers Benefit Funds Administrator to Kroger's Personnel and Labor Relations and Benefits Department unless otherwise amended by the collective bargaining agreement.

SCHEDULE "D" TEMPORARY FULL-TIME RATE

<u>Effective October 8, 2000</u>		<u>Effective October 7, 2001</u>	
<u>Part-Time</u>	<u>Full-Time</u>	<u>Part-Time</u>	<u>Full-Time</u>
\$10.21	\$11.29	\$10.61	\$11.69
9.99	11.29	10.39	11.69
9.76	11.06	10.16	11.46
9.54	10.96	9.94	11.36
9.53	10.96	9.93	11.36
9.17	10.60	9.57	11.00
8.80	10.23	9.20	10.63
8.46	9.89	8.86	10.29
8.30	8.80	8.70	9.20
8.12	8.80	8.52	9.20
8.05	8.80	8.45	9.20
7.80	8.80	8.20	9.20
7.55	8.80	7.95	9.20

SCHEDULE "D" TEMPORARY FULL-TIME RATE

Effective October 6, 2002

Effective October 5, 2003

<u>Part-Time</u>	<u>Full-Time</u>	<u>Part-Time</u>	<u>Full-Time</u>
\$11.01	\$12.09	\$11.41	\$12.49
10.79	12.09	11.19	12.49
10.56	11.86	10.96	12.26
10.34	11.76	10.74	12.16
10.33	11.76	10.73	12.16
9.97	11.40	10.37	11.80
9.60	11.03	10.00	11.43
9.26	10.69	9.66	11.09
9.10	9.60	9.50	10.00
8.92	9.60	9.32	10.00
8.85	9.60	9.25	10.00
8.60	9.60	9.00	10.00
8.35	9.60	8.75	10.00

Schedule "D"

Letters of Understanding/Agreement
LETTER OF UNDERSTANDING
THE KROGER CO., AND UFCW, LOCAL 23
VALLEY STORES

The following summarizes our understanding of the agreement reached regarding health care for Kroger retirees in our recent collective bargaining.

For employees age 62 to 65 retiring after October 26, 1995, the Employer shall reimburse the retiree the amount required to extend medical coverage under COBRA provisions, beginning no earlier than age 62 and continuing to age 65, if the retiree elects such COBRA continuation option.

FOR THE UNION

Ronald M. Kean, President

Date: 12/11/00

FOR THE COMPANY

Bradley Tomich

Date: 12/20/00

Letters of Understanding/Agreement
LETTER OF UNDERSTANDING
THE KROGER CO., AND UFCW, LOCAL 23
VALLEY STORES

The following summarizes or understanding of the agreement reached regarding the use of outside floor care service:

Effective January 1, 1996, it is understood and agreed that all present and future stores which are 27,000 square feet or larger will be allowed to use outside floor care. Additionally, all stores may utilize outside floor care service for the purpose of stripping and waxing the store, at the discretion of the Employer.

This Agreement shall not be used to reduce clerk hours which are presently spent in floor care duties.

FOR THE UNION

Ronald M. Kean, President
Date: 12/11/00

FOR THE COMPANY

Bradley Tomich
Date: 12/20/00

LETTER OF UNDERSTANDING
THE KROGER COMPANY AND UFCW LOCAL 23
VALLEY STORES

The following summarizes our Understanding of the

Letters of Understanding/Agreement

Agreement reached with regard to establishing the new employee classification of "Fuel Center Clerk".

A Fuel Center Clerk's responsibilities will be to perform all tasks associated with the operation of the Fuel Center as directed by store management.

The terms of the Collective Bargaining Agreement such as Union Security and Seniority shall apply but Fuel Center Clerks shall not receive benefits as a monetary nature, except for wages, vacation and holidays as specified. It is understood that benefits such as sick leave, health and welfare, pension, legal fund and Bud Luty, etc., are of a monetary nature and are not to be provided to the Fuel Center Clerk. Seniority within the Fuel Center shall prevail.

Vacations shall be granted per Article 9 of the Contract. Holidays will include Christmas and five (5) floating holidays which will be earned after 6 months of employment. Three (3) of these holidays may be taken between January 1 and June 30 and the remaining two (2) holidays between July 1 and November 15. Full-time employees will receive eight (8) hours holiday pay and part-time will receive four (4) hours of holiday pay. Floating holidays will be scheduled by mutual agreement between the employer and employee.

The Employer may utilize any vendor services available to the trade at no additional cost. Management may perform any tasks necessary to ensure the efficient operation of this Center.

A Fuel Center Clerk after one year of service, shall be given preference by seniority, together with ability,

Letters of Understanding/Agreement

practicability and availability, should an opening occur for a part-time store employee and shall further be given preference in the same way for full-time positions after they have been offered to the part-time employees.

Store Clerks interested in transferring to the Fuel Center Clerk classification, shall put their interest in writing to the Store Manager with a copy to the Union.

Should the Employer designate a "Lead Fuel Center Clerk", such person shall receive a seventy-five (\$.75) cents per hour premium.

Wages shall be as provided below:

	<u>Effective</u> <u>10/08/00</u>	<u>Effective</u> <u>10/07/01</u>	<u>Effective</u> <u>10/06/02</u>	<u>Effective</u> <u>10/05/03</u>
<u>Fuel Center Clerks</u>				
0 - 3 months	\$ 6.25	\$ 6.25	\$ 6.25	\$ 6.25
4 - 6 months	6.50	6.50	6.50	6.50
7 - 12 months	6.75	6.75	6.75	6.75
13 - 18 months	7.00	7.00	7.00	7.00
19 - 24 months	7.25	7.25	7.25	7.25
over 24 months	7.85	7.95	8.05	8.15

Prior experience may be recognized in determining an employee's rate of pay.

FOR THE UNION

Ronald M. Kean, President

Date: 12/11/00

Letters of Understanding/Agreement
FOR THE COMPANY

Bradley Tomich

Date: 12/20/00

**LETTER OF AGREEMENT
THE KROGER CO., AND UFCW, LOCAL 23
VALLEY STORES**

The following summarizes our understanding reached, regarding the Medicare Supplement for Kroger retirees, during our negotiations of the 1995-2000 Collective Bargaining Agreement:

1. For employees retired prior to October 8, 1995, the Employer shall continue to reimburse retirees, age 65 or over, the retiree amount required to provide AARP's Extended Medicare Supplement (M3) if the retiree enrolls in that plan. A retired employee's spouse and/or eligible dependents shall not be entitled to coverage after the retired employee reaches age 65.
2. There will be no additions to this group of retirees and employees retiring on or after October 8, 1995 are not eligible.
3. The Union and the Employer agree that the Employer may change retiree health insurance carriers at any time during the life of this Agreement provided that the benefit coverages as provided for are not decreased.

Letters of Understanding/Agreement
FOR THE UNION

Ronald M. Kean, President

Date: 12/11/00

FOR THE COMPANY

Bradley Tomich

Date: 12/20/00

UNION OFFICE

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

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**RONALD M. KEAN
President**

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