

6745

LOCAL 881 UFCW CONTRACT 2002-2005

JEWEL FOOD STORES, INC.



Dear Local 881 Members:

The following pages of this booklet contain the text of your 2002-2005 Union Contract between your Union and your Employer.

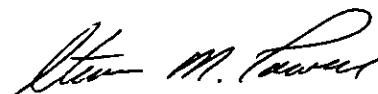
We recommend that you familiarize yourself thoroughly with the entire agreement, in particular any provisions that pertain to your wages, overtime and premiums, health care coverage and rules governing your working conditions.

In the event that you have a situation arise or would like to file a grievance as a result of a violation over any part of this contract, it is important that you contact your Union immediately either through your Union Steward or your Local 881 Union Representative.

You may contact your Union Representative at 630-954-1800.



Ronald E. Powell
881 UFCW President/
UFCW Intl. Vice President



Steven M. Powell
Secretary-Treasurer

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CONTRACT BETWEEN

**UNITED FOOD AND COMMERCIAL WORKERS
INTERNATIONAL UNION, LOCAL 881**

AND

JEWEL FOOD STORES , INC.

TERM: 10/06/02 - 10/02/05

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CONTRACT BETWEEN

**UNITED FOOD AND COMMERCIAL WORKERS
INTERNATIONAL UNION, LOCAL 881**

AND

JEWEL FOOD STORES , INC.

TERM: 10/06/02 - 10/02/05

ARTICLES OF AGREEMENT

THIS AGREEMENT entered into this ___ day of _____, 2002, by and between JEWEL FOOD STORES, INC., a corporation, hereinafter called the "Employer", and the UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION, LOCAL 881, a voluntary association, hereinafter referred to as the "Union".

ARTICLE I - RECOGNITION OF THE UNION

1.1 Recognition

The Employer recognizes the Union as the sole collective bargaining agency for all its employees employed in the retail food stores, family centers, or specialty stores operated by the Jewel Food Stores Division in and around northern Illinois and Indiana in the following counties:

In Indiana: Lake and Porter Counties;

In Illinois: Cook, DuPage, Will, DeKalb, McHenry and Lake Counties; those parts of Kane County lying east of Highway 47; and the City of Kankakee in Kankakee County.

Excluding, however, all store managers and other employees defined as supervisors by the National Labor Relations Act, security officers, meat department employees, independent contractors and craftsmen such as carpenters, millworkers, steamfitters, etc., performing work in the stores but paid from other than store payrolls.

ARTICLE II - GENERAL

2.1 Requirements for Certain Positions

Each store in the collective bargaining unit shall have:

- (A) Service Manager, who shall be responsible for the efficient operation of the following departments and operations:
- (1) The check-out department, including the training of checkers and parcelers, and the assignment and supervision of check-out personnel;
 - (2) The receipt, handling and remittance of cash;
 - (3) Such other bookkeeping as may be required including making the necessary reports to the office; and
 - (4) Such other work as may be assigned to the Service Manager by the Employer.
- (B) Assistant Service Manager, whose principal duty shall be assisting the Service Manager with book-

keeping and reporting duties, but who shall also assist in supervising all checking department operations, particularly when the Service Manager is absent or off duty.

- (C) An Assistant Manager, such Assistant Manager to have as his/her duties assisting the Store Manager in supervising the operation of the store, including being in charge of the store whenever the Manager is off, and particularly when the store is open for business at night.
- (D) A Farmstand Manager (Produce Manager), who shall be responsible for the preparation, display and sale of all fresh fruits and vegetables and such other duties as the Store Manager may assign to him/her.
- (E) Dairy/Frozen Food Manager, in each store where the gross sales volume exceeds two hundred thousand dollars (\$200,000) per week. The sales volume will be determined as of 2nd and 8th periods of the Company's audited sales reports. These individuals will be identified at the start of the 4th and 10th periods each year. The duties of the Dairy/Frozen Food Manager shall include but not be limited to: ordering, receiving, preparing, displaying, maintaining and selling all frozen/dairy food products. The Dairy/Frozen Food Manager shall also be responsible for the scheduling and work assignments of the people in those departments and such other duties as may be assigned to him/her. The Company has the exclusive right to select said manager.

An employee who has been designated as Dairy/Frozen Food Manager shall receive forty cents (\$0.40) per hour in addition to their applicable hourly rate of pay.

- (F) Store Supervisors, it was agreed that in stores where the average weekly sales volume exceeds \$165,000 per week, the Employer may appoint non-bargaining unit supervisory managers for front-end operations and perishable operations. In the event the Employer so elects to appoint such supervision, it is agreed that in the front end operations, two (2) assistant front-end managers would be designated.

In the perishable area it was agreed that one (1) head clerk, namely either head produce clerk or head perishable clerk, would be appointed and paid a premium of twenty-five cents (25¢) per hour over their applicable rate. The duties of the head perishable clerk could encompass all perishable operations, including produce, dependent on the needs of the particular store involved. As of

4/22/96, stores that currently are paying two (2) head clerks will, through attrition, reduce to one (1) head clerk.

The utilization of non union supervisors already permitted will not reduce the hours of full-time employees.

The Employer shall have thirty (30) days from the date such requirements become effective in which to fill any positions required above, except that when a permanent vacancy in any required classification occurs because of transfer, promotion, separation from service, etc., such vacancy shall be filled within thirty (30) days. The requirements for a new or remodeled store shall be determined on the basis of the average weekly total sales for the last three (3) accounting periods of the first four (4) accounting periods of operation following the date of opening or remodeling.

2.2 Notices

All notices required under this Agreement shall be deemed to be properly served if delivered in writing personally or sent by certified or registered mail to the general offices of the Union at 122 W. 22nd Street, Oak Brook, Illinois 60523-1575, or to the Employer at 1955 West North Avenue, Melrose Park, Illinois 60160, or to an employee at his/her home or residence address, or to any subsequent address which the Union, the Employer, or the employee may designate in writing for such purpose. Date of service of a notice served by mail shall be the date on which such notice is postmarked by a post office of the United States Post Office Department.

2.3 Partial Invalidity

Nothing contained in this Agreement is intended to violate any State or Federal Law, Rule or Regulation made pursuant thereto. If any part of this Agreement is construed by a Court or Board of competent jurisdiction to be in such violation, then that part shall be null and void, but the remainder of this Agreement shall continue in full force. The parties will immediately begin negotiations to replace the void part with a valid provision.

2.4 Marginal Headings

The captions of the several Articles and Sections of this Agreement are for convenience only and in no way limit, enlarge, define, or otherwise affect the scope or intent of any provision thereof.

2.5 Effective Date

Unless the context indicates otherwise, all provisions of this Agreement become effective on the date of execution hereof.

2.6 Amendments

This Agreement is subject to amendment, alteration or addi-

tion only by a subsequent written agreement between, and executed by, the Employer and the Union. The waiver of any breach, term or condition of this Agreement by either party shall not constitute a precedent in the future enforcement of all its terms and conditions.

2.7 Americans With Disabilities Act (ADA)

In the event the Employer intends to alter any terms or conditions of employment covered by the Collective Bargaining Agreement in order to meet its obligations under the Americans With Disabilities Act or the regulations promulgated thereunder, the Employer will notify the Union in advance of any such alterations, and agrees to discuss same with the Union prior to implementation if so requested.

If the Union cannot agree to the proposed alterations, the Union does not waive its rights to grieve the reasonableness of the Company's actions under the Agreement, or its rights, if any, under the National Labor Relations Act.

ARTICLE III - WORKING HOURS AND OTHER CONDITIONS OF EMPLOYMENT

3.1 Workday and Workweek

(A)

(1) The standard workweek for full-time employees hired on or before 3/29/93 shall be forty (40) hours to be worked in five (5) shifts of not less than eight (8) hours each Monday through Saturday, but not necessarily consecutive. The standard workday or shift for full-time employees may be scheduled at any time between the hours of 5:30a.m. and thirty (30) minutes after store closing.

(2) The standard workweek for full-time employees promoted or hired after 3/29/93 shall be forty (40) hours to be worked in five (5) shifts of not less than eight (8) hours each Sunday through Saturday, but not necessarily consecutive. The standard workday or shift for full-time employees may be scheduled at any time between the hours of 5:30 a.m. and thirty (30) minutes after store closing.

(B)

(1) Full-time employees hired on or before 3/29/93 may voluntarily work a thirty-five (35) hour workweek within five (5) days. Full-time employees exercising this option shall retain full-time status. By mutual agreement, full-time employees may work four (4) days or nights per week Monday through Saturday either eight (8) hours, eight and one-half (8-1/2) hours, nine (9)

hours, or ten (10) hours per shift as mutually agreed, in which case over time shall be paid after forty (40) hours work per week. Agreements for workweeks other than the standard workweek in paragraph (A)(1) above must be supported in writing pursuant to Section 3.2(A) below.

- (2) Full-time employees promoted or hired after 3/29/93 may voluntarily work a thirty-five (35) hour workweek within five (5) days. Full-time employees exercising this option shall retain full-time status. By mutual agreement, full-time employees may work four (4) days or nights per week Sunday through Saturday either eight (8) hours, eight and one-half (8-1/2) hours, nine (9) hours, or ten (10) hours per shift as mutually agreed, in which case overtime shall be paid after forty (40) hours work per week. Agreements for workweeks other than the standard workweek in paragraph (A)(2) above must be supported in writing pursuant to Section 3.2(A) below.

- (C) During holiday weeks the workweek for full-time employees shall be thirty-two (32) hours to be worked in four (4) days of not less than eight (8) hours each. Full-time employees working forty (40) or less hours per week in accord with paragraph (B) above shall be scheduled to work a prorated holiday workweek in either three or four days as applicable.

- (D) Full-time employees specifically assigned or hired to perform the functions of night stocking and store maintenance and who work the majority of their straight-time hours between 9:00 p.m. and 8:00 a.m. shall be classified as night crew employees and paid the rate classification as their regular rate of pay including vacation and holiday pay. Night shift employees shall not be required to work without ten (10) hours rest between shifts. The Employer has the right to designate the night on which holidays are to be observed, it being understood that the Employer will post a two (2) week prior notice as to the night of observation. The designated night must be the night before or the night of the nationally observed holiday. Full-time night crew employees cannot be scheduled to work both the night of the designated holiday and the night of the nationally observed holiday. The rate of pay for shift starts on the night of the designated holiday shall be at a rate of time and one-half (1-1/2) the regular straight-time hourly rate for all hours worked on that shift even though completion of that shift may occur on the following day. Conversely, the

rate of pay for shift starts on the night prior to the designated holiday shall be at straight time for all hours worked on that shift even though completion of that shift may occur on the designated holiday. Shift starts during the holiday week shall not be altered to avoid the time and one-half (1-1/2) pay. Night crews consisting of four or more regularly assigned persons shall have a designated night crew chief who shall be paid in accordance with the wage schedule. A night crew chief need not be designated if the night crew is assigned to an Assistant Manager to oversee the night crew function, in which event the Assistant Manager shall be paid at the contract rate for the Assistant Manager classification. Night crews may be scheduled up to five (5) full shifts commencing 10:00 p.m. Sunday night through 9:59 p.m. Saturday night as their basic workweek. Hours worked outside the basic workweek shall be paid at time and one-half (1-1/2) the employees' regular straight-time hourly rate.

Full-time Night Crew employees hired on or before 3/29/93 may volunteer to have their Sunday included in the basic workweek. The workweek for full-time Night Crew employees promoted or hired after 3/29/93 is set forth in Section 3.1(A)(2).

- (E) Part-time employees specifically assigned or hired as night crew employees shall be paid at a rate of time and one-half (1-1/2) the regular straight-time hourly rate for all hours worked on the nationally observed holiday. However, part-time night crew employees can be scheduled on both the designated holiday and the nationally observed holiday.

3.2 Work Schedules

(A) No Split Shift - Variations

The Employer shall not schedule a "split" shift, i.e., any workday the continuity of which is broken by a period longer than a meal period, or a "spread" workweek, i.e., a standard workweek over six (6) days. Variations from the standard workday and workweek may be worked with the prior written consent of the individual employee and the Union, provided that no less than the minimum rates of pay provided herein are paid, and the agreement is in writing signed by employee, the Union and the Employer. Such agreements may be revoked at any time by any party thereto by giving seven (7) calendar days written notice to the other parties.

(B) Posted Work Schedules

The Employer shall post in ink or other perma-

ment means, in each store the current work schedule for all employees working in the store. The schedule shall be posted by no later than Friday, 4:00 p.m. of the week preceding covering the following Monday through Sunday work days. The schedule shall list the names of the employees in accordance with seniority and classification. Work schedules shall be maintained in the store for a three (3) month period of time and shall be made available to an authorized representative of the Union. Schedules must be accessible to employees. No employee who is called into work out of the posted schedule shall be required to take compensatory time off from the posted work schedule. Posted schedules may be changed when operating conditions or emergencies make changes necessary, provided that indiscriminate changes shall not be made and the employees affected shall be given reasonable notice.

(C) **Night and Sunday Rotation**

The Employer agrees to rotate night and Sunday work among its regular full-time employees, other than those specifically hired for such night or Sunday work, in each store open at night or on Sunday.

(D) **Christmas Eve and New Year's Eve**

No employee will be required to work after 6:00 p.m. on Christmas Eve and 9:00 p.m. on New Year's Eve. However, employees will be required to work until all customers leave the store and closing procedures are completed.

3.3 **Meal and Rest Periods**

(A) **Rest Periods**

Each employee shall be given one uninterrupted ten (10) minute rest period after three (3) hours of work, and a second rest period after seven (7) hours work with a maximum of two (2) rest periods per workday or shift. Breaks shall be taken as near as practicable in the middle of each half day. This provision is to be administered so as to assure each employee ten (10) minutes in the lunch room provided by the Employer.

(B) **Meal Periods**

No employee shall be required to work more than five (5) continuous hours without an unpaid lunch or dinner period, which shall be not less than one-half (1/2) hour nor more than one (1) hour, uninterrupted, as agreed with the employee. Lunch, dinner and rest periods shall be taken as scheduled by the store manager who shall schedule the meal period as near as practicable to the middle of the workday.

3.4 **Overtime and Other Premium Pay**

All employees may be required and scheduled to work overtime. Overtime and other premium pay shall be paid as follows:

- (A) Time and one-half (1-1/2) the employee's regular hourly rate of pay shall be paid for all work:
- (1) After eight (8) hours on a work shift except where the workday is extended beyond eight (8) hours pursuant to Section 3.1(B)(1) and (2) by written variation;
 - (2) After forty (40) hours in a regular workweek, i.e., a workweek other than a workweek containing a holiday recognized under this Agreement;
 - (3) After thirty-two (32) hours in any week containing a holiday;
 - (4) On Sundays, for employees, excluding service clerks, hired before November 1, 1998. Employees hired on or after November 1, 1998 shall be paid the following Sunday premiums; 0-6 months, one dollar and twenty-five cents (\$1.25) per hour plus the regular hourly rate, beginning the seventh (7th) month, and thereafter time and one half (1-1/2) will be paid. The one dollar and twenty-five cent (\$1.25) per hour premium will not apply to service clerks who are receiving time and one half (1-1/2) at the time of promotion. They will receive time and one half (1-1/2) while in the 0-6 month bracket.
 - (5) On holidays plus any holiday pay due under Section 5.6;
 - (6) Performed by full-time employees after 7:00 p.m. on Saturdays, excluding employees specifically designated as night crew employees. This premium shall be applicable only to employees who were hired or promoted to full-time status prior to March 14, 1976;
 - (7) Night crews will be paid time and one-half (1-1/2) their regular straight-time rate of pay for all work performed in excess of eight (8) consecutive hours except where their standard workweek or workday has been modified in accordance with Section 3.1(B)(1) and (2) in which event time and one-half (1-1/2) the straight-time rate of pay will be paid for hours worked in excess of any regular standard shift.

(B) All employees, excluding night crew employees, shall receive fifty cents (\$0.50) per hour in addition to the regular straight-time hourly rate for work performed between 11:00 p.m. and 6:30 a.m., provided further that this premium shall not be payable for any hours worked for which the time and one-half overtime rate is payable.

(C) Service clerks will receive Sunday and holiday premiums as follows: 0 - 2 months of service - none; 3 - 12 months of service - \$1.00 plus their regular hourly rate; +12 months of service - time and one-half their regular hourly rate

Service clerks will receive time and one-half their regular hourly rate for Sunday and holiday work based on the above schedule or promotion to another classification whichever occurs first.

(D) Night crew clerks will receive a fifty cents (\$0.50) per hour premium added to their appropriate rate and night crew chiefs will receive a forty cents (\$0.40) per hour premium in addition to the night crew premium added to their appropriate rate.

3.5 Pyramiding of Overtime and Premium Pay Prohibited

Premiums paid for Sunday work, holiday work or for undesirable hours shall not be duplicated and only the higher of two available premiums will be paid. However, where a "third person" or a Dairy/Frozen Food Manager works on Sunday, they shall be paid time and one-half (1-1/2) their regular hourly rate plus the appropriate premium. Premium hours paid at time and one-half (1-1/2) straight-time rate or in excess shall not be counted in computing daily or weekly overtime. Overtime hours paid on a daily or shift basis shall not be included in calculating overtime on a weekly basis. Payment for hours not worked such as holiday pay, vacation pay, jury pay, funeral pay or similar pay shall not be counted as hours worked in calculating weekly overtime.

3.6 Call-In Pay

Any full-time employee who reports to work upon request shall be guaranteed a minimum of four (4) hours work or four (4) hours pay in lieu thereof at his/her regular hourly straight-time rate. Part-time clerks called in to work and who report shall receive a minimum of three (3) hours work or the equivalent pay in lieu thereof provided they are available to perform the work. Part-time employees shall be called in for additional hours in accordance with seniority and type of work within the store they work.

The call-in guarantees are subject to the employees availability to work the guaranteed hours, nor shall such guarantee be applicable due to disruption of normal store opera-

tions by conditions beyond the control of the Employer, such as Acts of God, civil commotion, fires, work stoppages due to strikes, or governmental intervention.

No employee shall have his/her scheduled hours reduced due to a call-in unless notice of schedule reduction is given at the time of the call-in.

3.7 Full-Time Employment Required When Practicable

It is the intent of the parties that two employees shall not be employed on a part-time basis when it is practicable to employ one employee on a full-time basis. Therefore, if two part-time employees in the same job classification are regularly working a combined total of forty (40) hours, or more, on a split week basis, then the Employer shall employ one person on a full-time basis. The selection of such employee shall be in accordance with Article VII, Section 7.5.

3.8 Out of Classification Work

In the event an employee is required to work temporarily in a lesser paying job, he/she shall not suffer a reduction in pay while on such temporary assignment.

3.9 Scheduling of Part-Time Employees

A. Part-Time Regular Clerks, Part-Time Bakery Clerks, and Part-Time General Merchandise Clerks

Part-time regular clerks, part-time Bakery clerks and part-time General Merchandise clerks will be scheduled for hours of work in accordance with seniority and the type of work they do within the store in which they work. More senior part-time employees will maintain a reasonable difference in the number of hours they are scheduled each week as compared to less senior part-time employees. To ensure an equitable spread of scheduled hours to acknowledge seniority within an employee's current classification, the following schedule will be followed:

| <u>Completed Years of Service in Current Classification</u> | <u>Minimum Scheduled Hours</u> |
|---|--------------------------------|
| 0 - 4, inclusive | 12 |
| 5 - 9, inclusive | 15 |
| 10 - 14, inclusive | 19 |
| Over 14 | 23 |

Any hours of work in addition to the above, whether occasionally, seasonally or permanently available, will be distributed to part-time employees by seniority in accordance with the type of work they do within the store.

The Employer expressly retains the right to determine the size and composition of the work force for the continued efficient operation of the store.

B. Service Clerks, Bulk Food Clerks and Salad Bar Clerks

(1) Service Clerks, Bulk Food Clerks and Salad Bar Clerks will be scheduled a minimum of twelve (12) hours per week in the store in which they work. However, this shall not apply to an employee called in to replace another employee or to an employee whose available hours are beyond the Employer's control, or to an employee called in to work when fewer than twelve (12) available hours remain in the week.

(2) Qualified Service Clerks, Bulk Food Clerks and Salad Bar Clerks shall be scheduled for available hours in accordance with seniority and type of work within the store they work. It is agreed that the Employer may employ such Service Clerks, Bulk Food Clerks and Salad Bar Clerks as may be required for the efficient operation of the store.

C. Part-time employees shall be scheduled for a minimum of four (4) hours in any one (1) day, provided they are available for work.

3.10 Dress and Appearance Code

The Employer after consultation with the Union may adopt and implement a dress and appearance code for store personnel in the interest of presenting a clean and neat appearance on behalf of store personnel. The Union shall be furnished copies of the code adopted and shall be consulted prior to any major changes in said code.

3.11 Office Work

An office premium shall be paid to the designated office "third person" in the amount of forty cents (\$0.40) per hour for all work performed in the office. With the exception of Service Managers, Assistant Service Managers, and third persons, all work performed by an employee in the office shall be on a voluntary basis.

ARTICLE IV - WAGES

4.1 Wage Rates

During the term of this Agreement, the Employer agrees to pay not less than the minimum wage rates set out in Appendix A attached hereto.

4.2 Manager Relief

Whenever an employee is assigned to and assumes the responsibility of the manager for a full calendar workweek,

he/she shall be paid the minimum drawing account paid to managers or the employee's rate, (including time and one-half (1-1/2) for hours worked in excess of eight (8) hours per day or for hours in excess of forty (40) per week), whichever is greater.

4.3 Receiving Clerk

Any employee, whether full-time or part-time, who has been designated as Receiving Clerk, shall receive forty cents (\$0.40) per hour in addition to their applicable hourly rate of pay. It is further understood and the parties hereby stipulate and agree that this is not a mandatory position.

4.4 Scan Coordinators and Personnel Coordinators

The Employer may designate an employee to fill a store position entitled Scan Coordinator and/or a store position entitled Personnel Coordinator. These positions shall be at the discretion of the Employer and such positions shall not be mandatory. The Employer shall provide to such designated employees a twenty-five cents (\$0.25) per hour premium effective March 2, 2003, a thirty-five cents (\$0.35) per hour premium effective February 29, 2004, and a forty cents (\$0.40) per hour premium effective February 27, 2005, for each hour primarily performing Scan Coordinator or Personnel Coordinator work.

4.5 Relief of Department Heads

(A) Relief Pay

Whenever a full-time employee is assigned to and assumes the responsibilities of a duly appointed department head, namely, Assistant Manager, Produce Manager, or Service Manager, for a full calendar week, he or she shall receive the minimum contract rate for that week's work including overtime, if any, or his or her regular rate of pay.

(B) Mandatory Relief

Whenever it is known in advance that an Assistant Manager, Produce Manager or Service Manager will be absent for a calendar week or more, a member of the bargaining unit shall be assigned the position and handled in accordance with paragraph (A) above.

4.6 Recording of Time Worked

Each employee shall accurately record the daily time worked by him or her using the Time and Attendance System provided by the Employer.

4.7 Employer Meetings - Required Attendance

When an employee is required to attend a meeting called by the Employer he/she shall be paid for all time in attendance at the meeting. Those employees who attend a required meeting and who are not scheduled to work on the day of the meeting or who have already completed their shift and left the premises shall be paid one (1) hour minimum pay.

4.8 **Previous Comparable Experience**

Former Jewel Food Store employees who were Local 881 members who are re-hired within twenty-four (24) months of their date of separation will be given up to a maximum of thirty-six (36) months credit for previous experience. This Section applies only for the purpose of determining such employees wage rate. Former Jewel Food Store employees, who were never effected by a part-time wage cap during their previous employment, will not be placed at the capped rate upon re-employment if they are re-employed under the terms and conditions of this section.

It is further understood and the parties hereby stipulate and agree that employees who change from full-time status to part-time status within one (1) year of becoming a full-time employee shall go the appropriate part-time wage rate equal to their length of service and qualify under the part-time benefit rules, except Department Heads who will go to the clerk rate equal to their length of employment. This applies only where there is no break in service. A break in service must be in good faith, i.e., more than a few days or weeks.

ARTICLE V - VACATIONS, HOLIDAYS & ABSENCE LEAVES

5.1 **Length of Vacation**

All employees who meet the qualifications shall be entitled to a vacation with pay in accordance with the following schedule:

| | | |
|------------|--|---|
| (A) | <u>Number of Completed Years of Continuous Service</u> | <u>Number of Weeks of Vacation with Pay</u> |
| | 1 year | 1 week |
| | 2 through 4 years, inclusive | 2 weeks |
| | 5 through 11 years, inclusive | 3 weeks |
| | 12 through 19 years, inclusive | 4 weeks |
| | 20 through 24 years, inclusive | 5 weeks |
| | 25 or more years | 6 weeks |

(B) Effective January 1, 1987-All New Hire Employees /Effective 1/3/99 Service Clerks

| | | |
|--|--|---|
| | <u>Number of Completed Years of Continuous Service</u> | <u>Number of Weeks of Vacation with Pay</u> |
| | 1 year | 1 week |
| | 2 through 6 years, inclusive | 2 weeks |
| | 7 through 11 years, inclusive | 3 weeks |
| | 12 through 19 years, inclusive | 4 weeks |
| | 20 through 24 years, inclusive | 5 weeks |
| | 25 or more years | 6 weeks |

5.2 **Vacation Qualifications**

(A) Full-Time Employees

(1) First Vacation

Full-time employees hired in the preceding year may take their first vacation in th current year ahead of their service anniversary

date subject to their refunding all vacation payments in the event they do not complete a full anniversary year of employment.

(2) Second and Succeeding Vacations

Once a full-time employee has qualified for his/her first vacation, he/she shall thereafter qualify for all succeeding vacations as of January 1 of the current year for a vacation based on his/her length of service to be completed during the current year subject to the adjustment set out in Section 5.5 in the event the employee does not complete his/her anniversary year of service.

(B) Part-Time Employees

Part-time employees shall qualify for all vacations after completion of an anniversary year.

5.3 **Vacation Pay**

(A) Full-Time Employees

A week's vacation pay for full-time employees shall be in the amount of the employee's standard scheduled workweek.

(B) Part-Time Employees

A week's vacation pay for part-time employees shall be calculated by multiplying 1/52 times the employee's hours worked during the preceding anniversary year times the rate in effect on his/her anniversary date. For the year in which an employee is transferred from part-time to full-time, he/she shall be paid for his/her vacation as a part-time employee.

5.4 **Vacation Administration**

(A) Vacation Schedules

All vacations shall be subject to the necessary scheduling of replacements by the Employer which may limit the number of employees who may be on vacation at any one time. Preference in the choice of earned vacation dates shall be given on the basis of seniority within each store, first choice going to the employee with the greatest length of continuous full-time service and so on.

(B) Calendar Weeks

All vacations shall be for calendar weeks. Vacation of three (3) or more weeks may be split by mutual agreement between the employee and the Employer but not into any period of less than one (1) week. Vacations of less than three (3) weeks duration may not be split except in unusual cases, and then only where the individual's

application is approved by the Employer as consistent with efficient operation of the store. Choice of vacation dates shall be on the basis of seniority within the store.

(C) Holidays Within Vacations

Whenever a holiday recognized under this Agreement falls within an employee's vacation period the employee shall receive an extra day's pay or subsequent day off at the Employer's option.

5.5 Adjustment of Vacation Pay in the Event of Layoff or Separation from Service

Any full-time employee who is laid off or who leaves service prior to his/her first service anniversary shall forfeit all vacation pay with respect to that year of service and shall refund any vacation pay received by him/her with respect to such year.

Any full-time employee who is laid off or leaves service after his/her service anniversary shall, unless he/she was discharged for gross misconduct in connection with his/her work (namely, stealing, malicious vandalism, or other serious misconduct), be entitled to vacation pay at the rate of one-twelfth (1/12th) of the vacation pay to which he/she was entitled at his/her last anniversary date for each full month of service completed since his/her last anniversary date plus any earned vacation not taken. If a full-time employee is laid off or is separated from service and is entitled to vacation pay as set out above, he/she shall be paid such vacation pay within two (2) weeks following the lay-off or separation from service.

If a full-time employee has received his/her vacation with pay and is laid off or separated from service prior to his/her anniversary date, he/she shall refund the difference, if any, between the vacation pay received and the vacation pay to which he/she was entitled under the above schedule within two (2) weeks following the date of the layoff or separation from service.

Part-time employees with one (1) or more years of service, who have completed six (6) months service since their last anniversary date shall, unless he or she was discharged for gross misconduct in connection with his or her work (namely, stealing, malicious vandalism, or other serious misconduct), be entitled to a prorated vacation at the rate of 1/12th of their vacation pay for each month's entitlement based on their length of service and rate of pay as of their last anniversary date.

5.6 Holidays Recognized

(A) The following shall be paid holidays. There shall be no work on Christmas Day and work on all other recognized nationally observed holidays (except as modified by Article III, Section

3.1(D)) in addition to Easter Sunday shall be on a voluntary basis for all employees, except that if an insufficient number of employees volunteer the Employer may require employees to work in accordance with job classification in inverse seniority order to maintain a qualified staff for operations:

| | |
|----------------|------------------|
| New Year's Day | Labor Day |
| Memorial Day | Thanksgiving Day |
| Fourth of July | Christmas Day |

(B) Holiday Qualifications

To qualify for holiday pay all employees must work both the regularly scheduled workdays before and after the holiday, except that this requirement shall be deemed to be met if the employee's failure to work said workdays is due to his/her personal illness, injury or other excused cause provided that he/she works at least one (1) day in the workweek in which the holiday falls. Part-time employees who have completed their probationary period shall be entitled to holiday pay.

(C) Holiday Pay, Birthday and Personal Day Pay

Full-time employees working a normal basic workweek who qualify shall receive holiday pay in an amount equal to one-fifth (1/5th) their regularly scheduled standard straight-time workweek.

Full-time employees who work a standard workweek of less than five (5) days shall receive holiday pay for their normal scheduled workday in the event such workday is observed as a holiday. For example, a night crew employee working four (4) ten (10) hour shifts who is scheduled off on a regular shift as his/her holiday shall receive ten (10) hours holiday pay for his/her scheduled off shift in addition to his/her normal thirty (30) hours of performed work. However, in the event this same employee is scheduled his/her normal (40) hours in a holiday week he/she shall receive a maximum of eight (8) hours holiday pay in addition to his/her pay for work performed.

Part-time employees who qualify shall receive holiday, birthday, and personal day pay equal to the product of five percent (5%) for all hours worked during the four week accounting period preceding the period in which the holiday falls times his/her straight-time hourly rate in effect in the week in which the holiday falls.

Hours paid for national holidays, birthday and personal days will not be used to reduce a part-time employee's regular weekly schedule. In no

case, unless requested by the employee, will non work paid hours be used to meet the regular weekly schedule hours entitlement of the Employee.

(D) Personal Days Off

- (1) All employees in service on or before 1/23/83 shall be eligible for four (4) personal days off per calendar year.

The entitlement to the four (4) personal days shall be on the basis of one (1) per quarter.

Such personal days off shall not be construed as holidays with respect to the holiday workweeks.

- (2) Employees hired on or after 1/23/83 shall be eligible for three (3) personal days off per calendar year.

The entitlement to the three (3) days shall be on the basis of one (1) per each four (4) month period.

Such personal days off shall not be construed as holidays with respect to the holiday workweeks.

- (3) Employees hired on or after 1/5/87 shall receive personal holidays as follows:

One (1) personal holiday after the completion of twelve (12) months of employment; one (1) additional personal holiday for a total of two (2) personal holidays after the completion of twenty-four (24) months of employment; such entitlement to be on the basis of one (1) each six (6) month period.

It is further understood and the parties hereby stipulate and agree that any personal holiday taken pursuant to the above must be taken on a date mutually agreeable to the Employer and the employee.

- (E) All employees shall be entitled to a Birthday holiday during their second (2nd) calendar year of employment and each year thereafter.

Employees hired on or after November 26, 2002, shall be entitled to their birthday holiday when the employee's birthday occurs after completion of one (1) year of continuous employment.

The day off shall be on the Monday of the birthday week or any subsequent Monday as mutual-

ly agreed upon by the Employer and the employee. The personal day off in celebration of the employee's birthday shall not be treated as a holiday for purposes of the holiday pay provisions covering national holidays.

5.7 Leave of Absence

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

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

- (B) Any other reason acceptable to the Employer.

- (C) Family Leave - an employee shall, upon written request, be provided an unpaid leave of absence not to exceed ninety (90) days in connection with the birth of, or adoption of a child, or to provide care for a family member due to illness requiring full-time care.

The employee shall make such request as soon as possible but at least ten (10) days before the proposed leave of absence, except in the case of an emergency. A "family member" is limited to an employee's legal spouse, mother, father, son, daughter, (including step-parents, step-children, mother-in-law and father-in-law).

The employee shall provide documentation satisfactory to the Employer as to the birth or adoption, or existence and nature of the illness, and the need for such leave.

Such leave of absence shall not constitute a break in the employee's length of continuous service and the period of such leave shall be included in their length of continuous service. Upon expiration of such leave, the employee shall be reinstated to their previous position.

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

- (E) Any employee on leave of absence or layoff shall not be entitled to holiday or vacation pay or to any other employee benefit not accrued at the time of the beginning of the leave of absence or layoff. Leaves of absence or layoffs which total

less than thirty (30) calendar days in a year of service shall be considered as time served for the purpose of progression in the wage schedules, while leaves of absences, including medical and/or injury leaves of absence or layoffs which equal or exceed thirty (30) calendar days in a year of service shall operate to defer the effective dates of each ensuing wage progression or vacation entitlement by the length of such absence.

(F) Return From Leave of Absence - Employees returning from a leave of absence shall give the Employer seven (7) days notice in writing indicating their intention to return to work on the date the leave expires. In such case, if notified prior to the schedule being posted, the Employer shall schedule the employee on the schedule for the week following the expiration of the leave. The employee shall be returned to his/her former job classification, but not necessarily in the same store.

5.8 Military and Pregnancy Leaves

Leaves of absence shall be granted for military and pregnancy leaves in accord with applicable laws. Certification in writing of pregnancy or military duty call shall be made in the written request for leave prior to termination of active work. The Employer shall apply the Company's policy which exists at the time of a Federally mandated military call-up of military personnel to bargaining unit employees in regard to pay or health care benefits. It is understood that the company's policy may vary from time to time and be changed by the Employer without a duty to bargain.

5.9 Union Leave of Absence

An Unpaid Union leave of absence may be granted to bargaining unit employees. Such Union business leave requests shall be made by the President of Local 881 and directed solely to the Employer's Labor Relations Department at least thirty (30) days in advance of the requested leave. The Employer may withhold approval based upon the Employer's judgment of business needs. Such leave shall not be available to Department Head positions listed in Appendix A.

5.10 Jury Pay

When any full-time employee who is covered by this Agreement is summoned for jury service, he/she shall be excused from work for the days in which he/she reports for jury service and/or serves. He/she shall receive for each such day on which he/she so reports and/or serves on which he/she otherwise would have worked the difference between his/her regular pay for that day and the payment he/she receives for jury service, if any; provided, however, that no payment shall be made under the provisions of this Section to any employee summoned for jury service unless he/she shall have advised the Employer of the receipt by him/her of such jury summons not later than the next regu-

larly scheduled workday after receipt of said summons. Before any payment shall be made to any employee hereunder, he/she shall present to the Employer proof of his/her summons for service, and of the time served and the amount of pay received therefor, if he/she shall have served as juror. The provisions of this Section shall apply only when an employee is summoned for jury duty and shall not apply if an employee volunteers to serve as a juror. When an employee is released for a day or part of a day during any period of jury service, he/she shall report to his/her store for work.

5.11 Funeral Leave

The Employer agrees to pay full-time employees for necessary absence from scheduled work on account of death in the immediate family up to and including a maximum of three (3) scheduled workdays, provided the employee attends the funeral. For purposes of full-time employees the term "immediate family" shall mean spouse, parent, step-parent, child, step-child, grandparent, grandchild, brother, step-brother, sister, step-sister, brother-in-law, sister-in-law, father-in-law, mother-in-law, or any relative residing with the employee or with whom the employee is residing. All part-time employees and Service Clerks shall receive three (3) days off to attend the funeral of a member of the immediate family, and shall be paid at straight-time for the hours scheduled to work on those days, provided that they attend the funeral. For the purposes of part-time employees and Service Clerks, the term "immediate family" shall mean spouse, parent, step-parent, brother, step-brother, sister, step-sister, child, step-child, grandchild, or grandparent.

5.12 Compensable Injuries on the Job

Employees injured on the job shall be paid for the hours scheduled on the day of injury at their normal rate of pay.

ARTICLE VI - OTHER BENEFITS

6.1 Retirement Benefits

During the term of this Contract, but without commitment thereafter, the Employer agrees to provide, maintain and administer in full force and effect the Employer's profit sharing retirement plan known as Albertson's Savings and Retirement Estates covering full and part-time employees substantially in the form existing on the effective date of this Agreement, as the same may be changed, altered or amended in accordance with the Trust provisions.

6.2 Health Care Plan

(A) Albertson's ASC Employees' Health and Welfare Plan

For the term of this Agreement, but without commitment thereafter, the Employer agrees to provide and administer the Albertson's ASC Employees Health and Welfare Plan and maintain a Point of Service Network subject to the terms and conditions stated therein, as the same may be

amended from time to time, for each member in the bargaining unit who qualifies for coverage as hereinafter provided. Effective for the plan year June 1, 2002 – May 31, 2003, the SPD changes contained in the documents concerning Health and Dental Benefits entitled “Choices” will go into effect. No further SPD changes will take place prior to the end of plan year June 1, 2002 – May 31, 2003. After that, further SPD proposed changes are subject to the provisions of this Section. The Company will provide advance notice to the Union of any Summary Plan Description change and agrees to engage in good faith bargaining, regarding such Summary Plan Description change.

In the event the parties fail to reach agreement, Section 9.1 (No Strike/No Lockout) provision of the Collective Bargaining Agreement shall become null and void and either party is free to exercise their rights therein.

It is understood that the weekly co-payment rates for the Point of Service Plan shall not exceed the rates listed below:

| | |
|--------|---------------|
| | <u>1/1/98</u> |
| Single | \$ 6.60 |
| Dual | \$13.20 |
| Family | \$15.97 |

As of June 1, 2005, Jewel will be allowed to increase the employee’s weekly co-payment rates appearing in Section 6.2(A) by an amount not exceeding 5% for each rate, but only if Jewel’s cost of providing health care coverage for the Chicagoland Jewel Clerks bargaining unit increases by a projected amount of 10% or more during the period June 1, 2004 through May 31, 2005.

HMO options may continue to be available to employees at contribution rates determined by the Company.

(B) Qualification for Coverage

(1) All employees must average twelve (12) hours pay per week during the six (6) month qualifying periods to receive any health care, disability, and life insurance benefits under the Plan.

(2) Full-Time Employees
To qualify for benefits under the Plan, a regular full-time employee must enroll in the Plan and pay his/her share of the cost.

(3) Part-Time Employees

(a) General Requirements

A part-time employee shall qualify for single part-time coverage upon completion of ninety (90) days of service. Thereafter, a part-time employee must enroll in the Plan and pay his/her share of the cost.

(b) Part-Time Dependent Health Care Coverage

(1) **Part-time employees hired after March 29, 1993**, will be eligible for single coverage after ninety (90) calendar days of employment and for dependent coverage after one (1) year of employment if they average twenty eight (28) hours pay per week during each six (6) month qualifying period.

(2) **Part-time employees with dependent coverage on or before March 29, 1993**, will keep dependent coverage if they average twenty-four (24) hours pay per week during each six (6) month qualifying period.

(3) **Part-time employees with single coverage on or before March 29, 1993**, may add dependent coverage if they apply for dependent coverage prior to March 29, 1993, and meet the requirements contained in sub-paragraph 2 above. If said employees fail to apply for dependent coverage prior to March 29, 1993, they may add dependent coverage later if they meet the requirements contained in sub-paragraph 1 above.

(4) **Part-time employees hired on or before March 29, 1993, with no medical coverage** because of less than ninety (90) days of employment will be eligible for single coverage if they meet the requirements in paragraph 3 (a) above and will be eligible for dependent coverage if they meet the requirements in sub-paragraph 2 above and if they have enrolled for dependent coverage within 120 days of employment, if not they must meet the qualifications contained in sub-paragraph 1.

(5) Qualification for Coverage

If a full-time employee changes from full-time status to part-time status and the employee had dependent health care coverage on or before March 29, 1993, then the employee will be allowed to sign a waiver to maintain dependent health care coverage. If a full-time employee changes from full-time status to part-time status and the employee did not have dependent health care coverage on or before March 29, 1993, then the employee will have to average twenty-eight (28) hours during each qualifying period to obtain or maintain dependent health care coverage.

Qualifying periods are January through June and July through December with enrollment August 1st and February 1st respectively. Coverage shall take effect the first of the month following enrollment.

6.3 Maintenance of Coverage

Employees on layoff or leave of absence shall maintain their coverage during periods of layoff and leaves by paying the contributions necessary to maintain coverage in accordance with the terms of the Plan. The Union shall be notified of the amounts necessary for maintenance of benefits.

6.4 Employee Stock Plan

The Company shall provide an Employee Stock Plan as said Plan may be modified or discontinued by the Company at any time.

6.5 Replacement Plans

In the event that the Albertsons's ASC Employees' Health and Welfare Plan and/or the Albertson's Savings and Retirement Estate Plan are to be discontinued and/or replaced, the Employer will provide advance notice to the Union and agrees to engage in good faith bargaining. In the event of implementation of a replacement Health Care Plan pursuant to the provisions of Section 6.5 of the current collective bargaining agreement between Jewel Food Stores and UFCW Local 881, the weekly co-payment rates of a replacement Point of Service Plan shall not exceed the weekly co-payment rates set forth in Section 6.2(A). If the parties are unable to reach an agreement regarding the discontinuance and/or replacement of either Plan, the provisions of Section 9.1 No Strikes; No Lockouts shall not apply until such time as the parties reach agreement.

ARTICLE VII - SENIORITY

7.1 Seniority and Other Definitions

Seniority

Seniority means the rights secured by an employee by length of continuous employment service as provided herein. Seniority starts from the last date when the employee is hired by the Employer except that new employees shall not acquire any seniority rights until they have completed a probationary period of thirty (30) days, after which their seniority shall date back to the date of last hiring. The probationary period for employees in new stores shall be thirty (30) days from the date that the store opens. The probationary period for service clerks shall be sixty (60) days.

Service Clerks promoted after March 29, 1993 may, for thirty (30) days following promotion, request to be returned to the job of Service Clerk. If the request is approved by store management, the Service Clerk will be returned to the former job, wage rate, and seniority.

An employee's seniority shall be broken if he/she: (1) quits; (2) retires; (3) is discharged; (4) fails to report after a layoff within seven (7) calendar days after the Employer sends to the last known address known to the Employer a written notification to return to work; or (5) has been out of employment by the Employer for a period of twelve (12) months.

Seniority ranking for employees, hired after March 29, 1993, commencing employment on the same date shall be determined by the day and month of birth. The employee whose day and month of birth is closest to January 1 within the calendar year, shall have the greatest seniority. Employees hired on the same day, on or before March 29, 1993 had their relative seniority determined by the Employer.

7.2 Seniority Area - Full-Time Employees

For purposes of layoff and recalls after layoff, there shall be the following seniority areas:

Established Zone

North Area

Central Area

South Area

The Employer agrees to provide the Union with a map outlining the above areas.

The Union and the Employer reserve the right to mutually modify or amend the seniority areas where changes occur in operating conditions which may affect the balance the parties have tried to achieve and maintain.

7.3 Layoffs and Recalls after Layoffs - Full-Time Employees

Where the employee's qualifications, such as skill, efficien-

cy, and in the cases of such semi-supervisory positions as department heads, the ability to organize, direct and supervise the work of others, are equal, seniority shall control the order of layoffs and recalls after layoffs of full-time employees.

In the event of layoff full-time employees shall have seniority preference over part-time employees and a laid off full-time employee may elect to bump a part-time employee within his/her seniority area. If a full-time employee claims bumping rights in lieu of layoff the Union and the Employer shall resolve the methods to be employed.

The Employer shall determine the relative qualifications of employees, but when the qualifications of employees for the particular job or jobs are equal, this seniority principle requires that:

- (A) The employee with the lowest seniority in the job classification in the store shall be the first laid off.
- (B) The employee being laid off may as an alternative bump that employee in the same job classification with the lowest seniority in the seniority area.
- (C) No new full-time employee shall be hired in a job classification until all laid off employees in that classification and seniority recall area who are qualified to fill the open job have been given an opportunity to return to work.
- (D) Qualified laid off employees shall be recalled in the order of their seniority in the recall area in which their store is located.

In the case of semi-supervisory department heads, namely, Assistant Managers, Produce Managers, and Service Managers the Employer may reclassify to full-time clerk status any surplus department heads not required by contract by reclassifying the most junior person in such classification based on continuous employment date. Such reclassified employee may bump the most junior full-time clerk in his/her seniority area if his/her seniority is greater. Other classified positions may also be reduced in accordance with the foregoing process.

7.4 Layoffs and Recalls after Layoffs - Part-Time Employees

Where fitness and ability are equal, length of service of part-time personnel shall control the order of layoffs and recalls after layoffs on the following basis.

Within an area encompassing the six closest stores to the store where the layoff occurs within the North Area, Central Area or South Area.

When a store is permanently closed (not relocated) or when a store is destroyed by Acts of God, fire or other reason,

part-time employees may exercise their seniority to transfer in their seniority area and displace the most junior part-time employee within such area. Employees exercising their seniority right shall retain their length of service date for vacations and other benefits.

Service Clerks will be treated as a separate classification for purposes of layoff. Accordingly, Service Clerks need not be laid off prior to the laying off of any other classification.

7.5 Selection of Employees for Full-Time Employment

The Employer will welcome applications for full-time employment from part-time employees with six (6) months or more continuous service. When a full-time clerk is needed, the Employer will endeavor to fill said position by selecting from all applicants, the applicant whose qualifications, ability and availability for work are the greatest; provided, however, that where qualifications are equal, preference shall be given to part-time applicants within the collective bargaining unit on the basis of their length of service. The determination of the relative qualifications of all applicants is expressly reserved to the Employer.

A part-time employee applying for a full-time position will be given an interview with a Personnel Department representative provided the following criteria have been met.

- 1) The provisions in this section have been followed and;
- 2) The Resident/Store Manager and employee have met and the Resident/Store Manager has explained to the employee why he/she is not being recommended for a full-time position.

Where an interview is requested the Resident/Store Manager should contact the Personnel Manager to arrange an interview.

7.6 Promotion of Service Clerks

Where qualifications are equal, seniority shall prevail with respect to the promotion of Service Clerks.

7.7 Promotion to Supervision

If an employee is promoted from a bargaining unit job to a supervisory position with the Employer, he/she shall continue to accumulate seniority while working in said position for a period of one (1) year. If during said year the employee proves unsatisfactory or deems it to be in his/her best interest, he/she shall be returned to the bargaining unit within the same seniority area at the same job classification and pay rate he/she held prior to his/her promotion, plus the seniority accumulated while working in the supervisory position.

7.8 Seniority of Employees on Leaves of Absence

The seniority rights of an employee who, either by volun-

tary action or draft, entered the Armed Forces of the United States shall continue as though he/she had not been absent, and he/she shall have the right to be reinstated to his/her employment as provided by law and regulations thereunder.

An employee who requests and is granted a personal leave of absence by the Employer shall have his/her seniority rights and provisions maintained for the duration of such leave of absence, provided the employee does not hold any other employment while on such personal leave of absence.

7.9 Seniority Preference

Local Union Officers and one (1) Union Steward in each store shall have seniority preference over all other employees for the purpose of layoffs and recalls after layoff excluding any right to claim higher classified jobs beyond the General Clerk.

ARTICLE VIII - UNION-MANAGEMENT RELATIONS

8.1 Union Shop

It shall be a condition of employment that all employees of the Employer covered by this Agreement who are members 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 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. The Employer may secure new employees from any source whatsoever.

During the first thirty (30) days of employment, a new employee, except service clerks, shall be on a trial basis and may be discharged at the discretion of the Employer. Service clerks, during the first sixty (60) days of employment shall be on a trial basis and may be discharged at the discretion of the Employer.

The Employer agrees to notify the Union in writing within thirty (30) days from the date of first employment of all new employees subject to this Agreement, to include the name and residence address of such employee, and the store in which employed.

The Union agrees to admit to and retain in membership all employees who have served a trial period of thirty (30) days and proven satisfactory to the Employer as prospective permanent employees without discrimination so long as such employees tender the initiation fees and periodic dues uniformly required for membership and maintain their membership in good standing in the Union. In the event that an employee fails to tender the initiation fee or periodic dues

uniformly required as a condition of acquiring or retaining membership or if such employee fails to maintain membership in good standing, the Union will notify the Employer in writing and the Union member will be given not less than two (2) weeks time in which to re-establish his/her membership in good standing before the Employer shall be called upon to release him/her.

8.2 Union Dues Checkoff

The Employer agrees to deduct the uniform dues and initiation fees from the paychecks of those covered employees whose individual written unrevoked authorizations are on file with the Employer and to transmit the amounts so deducted to the Union. Said deduction authorizations shall be in such form as to conform with Section 302(c) of the Labor Management Relations Act of 1947.

8.3 Active Ballot Club Checkoff

The Employer agrees to deduct contributions in an amount designated by the employee from the paychecks of those employees whose individual written unrevoked authorization are on file with the Employer and to transmit the amounts so deducted to the Union. Said deduction authorizations shall be in such form as to conform with all governing Federal and State law applicable to Political Action Committees.

8.4 Indemnification

The Union agrees to defend, protect, indemnify and save the Employer harmless against any claim, demand, suit or liability that shall arise out or by reason of any action taken by the Employer in reliance upon a request made by the Union to discharge an employee for failure to maintain his/her membership in good standing pursuant to Section 8.1, or upon employee payroll deduction authorization cards submitted by the Union to the Employer under Section 8.2.

8.5 Union

The Union for and on behalf of itself and its members agrees that its members shall perform the work assigned to them from time to time by the Employer and shall work for the best interest of the Employer in every way just and lawful, giving honest and diligent service to the patrons of the Employer and to each other.

8.6 Union Stewards and Business Representatives

The Union shall have the right to designate a steward for each store. The Union shall keep the Employer informed as to the names of the stewards currently authorized to represent the Union and shall provide the Employer with a list of stewards at least once every ninety (90) days.

The Union business representatives shall be admitted to the Employer's store premises during the hours employees are working for the purpose of ascertaining whether or not this Agreement is being observed. Such activity shall be con-

ducted in such a manner as not to interfere with the orderly operation of the Employer's business, it being further agreed that lengthy discussions between employees and representatives of the Union, including the shop steward, or among themselves, concerning disputes shall not take place during working hours.

In case of disputes as to wages, the Employer agrees to show an authorized representative of the Union bona fide copies of the employee's wage records.

8.7 Union Officers and Stewards

Union officers and stewards, upon request made from Union headquarters to the Employer, shall receive time off without pay for the conduct of Union business. Such request must be made at least thirty-six (36) hours in advance of the expected absence. Such time off shall be treated as an authorized leave of absence.

8.8 Stewards Conference

Local 881's Union Executive Board Members and the most senior Union Steward in each store will be granted the day off with pay to attend the Local 881's Annual Stewards' Conference. The total number of stewards who will be eligible for compensation shall not exceed two hundred (200).

8.9 Display of Contract and Union Shop Cards

The Employer agrees to keep a copy of this Agreement, which shall be furnished by the Union, posted in each store at a place where every employee may have equal and easy access to same. The Employer also agrees to display one Union shop card of a reasonable size in all stores. The Employer agrees employees may wear their Union button during working hours.

8.10 Employee Lists

The Employer will continue its current practice of reporting employees to the Union on a weekly basis via magnetic media, direct transmissions, or such other manner as may be agreed upon by the parties.

January 1st of each year, the Employer agrees to post in each store a list showing the names and employment dates of all full-time and part-time employees in the store. The store seniority list shall be maintained on a current basis by the store steward.

8.11 Management Rights

The management of the business, including the right to plan, determine, direct and control store operations and hours, the right to study and introduce new methods, facilities and products, the right to direct and control the work force, including the determination of its size and composition, the scheduling and assignment of work, and also including the right to hire, assign, demote, promote and transfer to lay off or reduce the hours of work because of lack of work, to discipline, suspend or discharge for proper cause, and to establish and maintain reasonable rules and

regulations covering the operation of the store, a violation of which shall be among the causes for discharge, is vested in the Employer; provided, however, that these rights shall be exercised with due regard for the rights of the employees and provided further that they will not be used for the purpose of discrimination against any employees. The listing of specific rights in this Agreement is not intended to be, nor shall it be considered restrictive or a waiver of any right of management not listed and not specifically surrendered herein, whether or not such rights have been exercised by the Employer in the past.

8.12 Discipline

During an employee's (other than Service Clerks) probationary period, that is, during his/her first thirty (30) days of employment, he/she may be discharged for any reason at the sole discretion of the Employer. During a service clerk's probationary period, that is, during his/her first sixty (60) days of employment, he/she may be discharged for any reason at the sole discretion of the Employer. After an employee has completed the probationary period, such employee shall not be suspended, discharged or otherwise disciplined, without just cause, just cause to include but not be limited to the following: continuing poor performance on the job, whether due to inefficiency, loafing, carelessness or incompetence; dishonesty or other misconduct in connection with work; incivility; insubordination; serious or persistent infraction of reasonable rules promulgated by management relating to the operation of the store or the health or safety of employees; engaging in a strike, work stoppage, slowdown or picketing in violation of this Agreement; provided, however, that in the event of a dispute as to whether a suspension, discharge or other disciplinary penalty was for just cause the matter shall be adjusted in accordance with the grievance and arbitration provisions of this Contract.

It is further agreed that stewards will grant up to thirty (30) extra days of probationary employment if requested by store management for full-time and part-time employees. Any extension to the probationary period will be in writing signed by the Employer, the Union and/or Steward and the affected employee.

8.13 Picket Lines

Employees may refuse to cross a lawful primary picket line involving Jewel Food Stores, Inc., and United Food and Commercial Workers Union, Local 881, provided the same has been sanctioned by Local 881.

8.14 Clerks Work Jurisdiction

It is agreed that salespeople shall not handle or stock any merchandise in the grocery, produce, general merchandise and/or chef's kitchen department other than as it exists under prevailing practices. Multi-day soda deliveries on Saturday may be worked by the vendor on Saturday and Sunday. The Employer may adopt any Union approved Dominick's vendor practice or practices in the Chicagoland

area. This limitation shall not apply to new stores during the first week after the store is opened, nor shall it be applicable during the first week after a major remodeling.

8.15 Discrimination

The Union and the Employer agree to continue their respective practices of non-discrimination on the basis of race, color, creed, union activity, sex, or national origin.

8.16 Automation

During the term of this Agreement the Employer agrees that prior to the introduction of any available new technological equipment which substantially affects work performed by the bargaining unit, the Employer will first give notice to the Union of its intent to utilize such equipment and prior to the implementation the Employer agrees to discuss with the Union all relevant data available concerning such equipment and the Union expressly reserves the right to bargain fully the impact of such implementation including, but not limited to, retraining of personnel, job relocation of personnel, and any and all aspects affecting the employment status of the covered employees.

It is expressly agreed that test utilization of equipment on a limited basis is not precluded provided the Union is given advance notice of the test and is given access to the data developed through such a test.

If and when discussions become necessary it will be the mutual express intent of the parties to preserve the employment opportunities of present personnel if affected by the utilization of new equipment.

8.17 Service Clerk Duties

Sorting, bagging, and packaging sold merchandise, sweeping and cleaning parking lot and other adjacent areas outside the store, sweeping floors anywhere in the store, carrying and loading sold merchandise, emergency cleanups, snow removal, maintenance of lawns and shrubs, returning shopping carts to the store, filling bag racks, cleaning areas around and in front of the checker lanes, cleaning rest rooms and lunch room, collecting and sorting bottles and giving credit for refund without a cash transaction, disposing of trash and rubbish, washing windows and putting up window bills and signs, floor cleaning and maintenance throughout the store, returning customer overstock, price changing, facing shelves and washing and cleaning shelves and cases, and demonstrating with the understanding that service clerks will not be hired for the sole purpose of demonstrating.

During the following times, Service Clerks may be assigned to the Flower Shop provided that current Flower Shop employees are not displaced for hours or denied hours they could work:

The day before Easter and Easter Sunday
Valentine's Day

Mother's Day
Sweetest Day
The day before Thanksgiving and Thanksgiving Day
The two days before Christmas
The two weeks which contain "Floral Spectaculars"

The following understandings are to continue as to the service clerk classification:

- A) Service clerks will be readily identifiable.
- B) The Employer will cooperate with the Union in policing the stores in order that the full intent of the service clerk classification is enforced.

8.18 Violation of Service Clerk Duties

It is agreed that service clerks are not to perform any duties other than those which are set forth in this Agreement. In that regard, it is further agreed that the Employer will post a notice in each store instructing all employees of the service clerk's duties and that the following penalties will apply in the event of any proven violations with the further understanding that each individual store shall be treated separately and that this provision is to be administered on a contract year basis:

1. Upon the first proven violation in a store, the Union will submit a written notice to the Employer with a copy to the store manager of the store involved in the violation.
2. Upon the second proven violation in the same store, the service clerk in the store involved shall be paid the next higher regular clerk rate of pay for all hours worked in the week or weeks in which the violation occurred, including hours worked in performance of service clerk duties.
3. Upon the third proven violation in the same store, all service clerks in the store involved shall be paid the next higher regular clerk rate of pay for all hours worked in the week or weeks in which the violation occurred, including hours worked in performance of service clerk duties.
4. Upon the fourth proven violation in the same store, all service clerks in the store involved shall be paid double the service clerk rate for all hours worked in the week or weeks in which the violation occurred, including hours worked in performance of service clerk duties.

8.19 Social Security Administration Regulations & Inquiries

In the event that the Labor Relations Department receives notice, either by correspondence or otherwise, from the Social Security Administration ("SSA") indicating that some of its employees' names and Social Security Numbers ("SSN") that the employer reported on the Wage and Tax

Statements (Forms W-2) for the previous tax year do not agree with SSA's records, the employer agrees to the following:

1. The Labor Relations Department will notify the Union upon receipt of any such notice and will provide a copy of the notice to all employees listed on the notice and to the Union; and
2. Any employee whose Social Security status is questioned by the "SSA" will be allowed fourteen (14) calendar days to remedy the problem without loss of job status or tenure so long as they inform the Employer of their intentions. The Employer may remove an employee from the work schedule pending resolution of the Social Security issue and terminate employment if an employee's Social Security status is not resolved by the end of the fourteen (14) calendar day period.

**ARTICLE IX - NO STRIKES; NO LOCKOUTS;
GRIEVANCES & ARBITRATION**

9.1 No Strikes; No Lockouts

The Union and the Employer agree on the need for the continuance of their service to the public without interruption. Both recognize this objective as necessary to the security of the Employer and its people. Both, therefore, specifically pledge themselves to help assure that security by using the procedures agreed upon between them for the adjustment of disputes and grievances in all cases where there is any difference of opinion concerning the rights of either under this Contract or the interpretation or application of any provision of it. Therefore, during the term of this Agreement there shall be no strikes, stoppages, diminution or suspension of work of any kind whatsoever on the part of the Union or its membership; nor shall there be any lockout on the part of the Employer.

9.2 Grievances

(A) Grievance Defined

A grievance is hereby defined as any dispute involving the interpretation or application of the provisions of the Contract.

(B) Procedure

A grievance may be initiated by any individual employee, by the Union or by the Employer. Once initiated, the following steps shall be taken to settle such grievance:

Step 1:

By conference between the aggrieved employee, the shop steward, or both, and the Store Manager or Resident.

Step 2:

By conference between a Union representative and the Store Manager and/or the Divisional Manager or other representative designated by the Divisional Manager. Failure to resolve or respond to a Step 2 grievance within fifteen (15) calendar days of it becoming a Step 2 grievance will automatically advance the grievance to Step 3.

Step 3:

By conference between a Union representative and the Area Vice President or such other official as the Employer may designate to represent it in such conference. Failure to resolve or respond to a Step 3 grievance within thirty (30) calendar days of it becoming a Step 3 grievance will automatically advance the grievance to step 4.

Step 4:

By conference between the President of the Union or his designate and the Labor Relations official of the Company. Failure to resolve or respond to a step 4 grievance within fifteen (15) days of it becoming a step 4 grievance provides the parties with the right to advance the grievance to the arbitration level.

Any grievance initiated or carried to Step 3 shall be reduced to writing. Grievances involving only one (1) store shall be introduced only at Steps 1 or 2, while grievances involving more than one (1) store may be introduced at any step. All grievances shall be investigated and answered promptly.

(C) Time Limits on Grievances

Any grievance involving a claim of improper discharge or other discipline must be presented within seven (7) days after discharge or disciplinary action. All other grievances excluding discharge or disciplinary action must be made within thirty (30) calendar days after the cause giving rise to the grievance becomes evident. Wage claims involving the proper application of wage rates shall not be valid and collectible for a period earlier than 180 calendar days prior to the date of filing the claims. Grievances involving improper scheduling must be filed within the workweek in which the violation occurs in order that the Company can correct such violations without incurring a back pay liability.

Arbitration

(A) Either the Union or the Employer may, within thirty (30) calendar days after failure to adjust the grievance in accordance with the grievance procedure, serve upon the other party a written demand for arbitration stating the issue to be arbitrated. The parties shall endeavor to select an impartial arbitrator. However, if the parties fail to agree upon an arbitrator who is willing and able to serve within fifteen (15) calendar days after service of the demand for arbitration, either party may, within seven (7) calendar days thereafter, request the American Arbitration Association to submit a list of not less than five (5) disinterested persons who are qualified and willing to act as impartial arbitrators. Upon receipt of this list, an authorized representative of the Union and of the Employer shall flip a coin to determine who shall have first choice to strike a name. The party winning the toss shall then strike a name from the panel. Thereafter, the parties shall alternately strike one name each until only one name remains. The person whose name remains shall be the selected arbitrator.

(B) The arbitrator shall commence hearings as quickly as possible after his/her selection and shall render his/her award in writing together with his/her written findings and conclusions as quickly as reasonably possible after the hearing. The award shall be final and binding upon the parties to this Agreement and upon the complaining employee or employees, if any.

The arbitrator shall have no power to determine arbitrability nor to add or subtract from, modify, or amend any provision of this Agreement, nor to substitute his/her discretion for the discretion of the Union or the Employer, change existing wage rates, or arbitrate proposals for the amendment or renewal of this Agreement.

The arbitrator's fees and expenses, the cost of any hearing room and the cost of a shorthand reporter and of the original transcript shall be borne equally by the parties. All other cost and expenses shall be borne by the party incurring them.

(C) For the purpose of entertaining a written request from either of the parties for rehearing to correct any material error of omission or commission, ambiguity, or question of application allegedly evident in the opinion or award the arbitrator shall, for a period of seven (7) calendar days next following the date of his/her award, retain jurisdiction of the matter submitted to arbitration by the parties hereto, and until the expiration of the

period of time stated in this provision for rehearing the award shall not be deemed to have been issued. If, however, no request for rehearing is duly filed within this seven (7) day period, this award shall be deemed to be issued effective as of its date. A written request for rehearing shall detail the specific grounds relied upon for alleging a material error, or ambiguity, and a copy thereof shall be mailed by certified mail to the other party or parties. If the written request is postmarked no later than the seventh (7th) day next following the date of this award, it shall extend the jurisdiction of the arbitrator for a period of seven (7) days next following the date of the written request. Within those seven (7) days the arbitrator, having re-examined the matter, shall in writing either reject the request for a rehearing or set a date for the requested rehearing. If the request for rehearing be denied, this award shall thereupon be deemed to be issued effective that date and the jurisdiction of the arbitrator shall accordingly cease. If the request for rehearing be granted, the jurisdiction of the arbitrator shall continue until issuance of a final amended award incorporating or rejecting the substances of the allegations contained in the request.

(D) The participation by the parties in an arbitration proceeding under this Agreement shall not be deemed a waiver of or prejudicial to the right of either party to contest the arbitrability of the grievance or the jurisdiction and authority of the arbitrator in proceedings to set aside the award or in other appropriate proceedings in any State or Federal Court of competent jurisdiction; provided such judicial proceedings are instituted within thirty (30) days of the date of the arbitrator's award.

ARTICLE X - MISCELLANEOUS PROVISIONS**10.1****New Store/Re-Grand Opening Hiring Procedures**

In the case of a new store opening that is a replacement for one or more stores that are closing, staffing of clerks for the new store will be accomplished by promoting currently employed service clerks from the old store(s) by seniority until the number of clerks' positions in the new store(s) are filled. Any service clerk from the old store(s) who has given the Employer written notice that he/she does not wish to be promoted to a clerk's job or if the currently employed service clerk has a Special Employee Performance Review which has been administered within the last ninety (90) days in their file, will not come under consideration for promotion to a clerk at the new store but will, rather, transfer to the new store as a service clerk keeping their seniority in tact.

Employees from surrounding stores who wish to be considered for transfer to a new store should make their request in writing to the Area Personnel Department. All written requests will be given consideration. When a new store opens, employees, living in the area of the new store will be given consideration relative to the staffing of that new store.

10.2 Travel Hardships

It was agreed that full-time employees who are incurring substantial hardship due to store location or assignment, may request a transfer to a store closer to their home, and to the extent such transfers may be accomplished, every effort will be exerted by the Employer. It is additionally recognized that the staff needs of the particular stores will be paramount in the handling of such transfer request.

10.3 New Methods - New Job Classifications

In the event the Employer makes major operational changes which result in the layoff or job diminishment of present personnel, such action shall be prediscussed with the Union prior to implementation, and the Union reserves the right to bargain over the impact of such action on the employees affected. This contemplates major technological changes among others.

It was further agreed that the Employer shall not institute new job classifications and pay scales for employees covered by the bargaining unit during the term of this Agreement without advance written agreement with the Union.

10.4 Quarterly Meetings

During the term of this Agreement the parties have agreed to meet quarterly to discuss any problems concerning the application of the current contract between the parties or any other mutual problems which either party may wish to discuss.

10.5 Emergency Call In Policy

It is agreed that the following pay policies shall cover the types of emergency call ins set out in the policies as follows:

It is the Store Manager's responsibility to respond to calls to the store outside of store operating hours to investigate such things as fire and burglar alarms, refrigeration failures, etc., to the extent possible. However, where it becomes necessary to delegate this responsibility to another employee, the employee shall be paid at the rate of time and one-half (1-1/2) the employees prevailing rate of pay or twenty (\$20.00) dollars per hour, whichever is greater, for all time the employee is required to be away from home.

10.6 Transfers

The Employer agrees to continue its policy of paying the Company allowance for employees who are temporarily transferred for the convenience of the Employer.

ARTICLE XI - STORE CLOSING

- 11.1 In the event the Employer closes or sells a store and employees are terminated as a result thereof, pay equal to one (1) week's pay for each year of continuous service commencing with the third (3rd) completed year for full-time employees and the fifth (5th) completed year for part-time employees, but not to exceed eight (8) weeks pay at their regular rate.
- 11.2 Severance pay shall be computed as vacation pay.
- 11.3 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 within twenty percent (20%) of the employees current straight time rate of pay, the employee shall not be eligible for severance pay.
- 11.4 In the event of a store closing, employees who are offered jobs within twenty (20%) percent of the employees' current straight time rate of pay and an agreed upon geographic area shall not be entitled to severance pay. Employees who are laid off or are not offered jobs within the geographic area shall be entitled to severance pay as set forth above. In the event the store is sold, the store closing date shall be the last date the Employer operates the store.
- 11.5 An employee who is displaced by the transfer of an employee from a closed or sold store shall, if otherwise eligible, be entitled to severance pay benefits applicable to eligible employees at the closed store.
- 11.6 The Employer shall offer COBRA (health care coverage) to eligible employees following termination of employment due to a store closing.
- 11.7 Severance pay and all other monies shall be due and payable two (2) weeks after the store closing date.
- 11.8 An employee who is terminated or laid off and who is eligible for severance pay and accepts severance pay shall not retain seniority or recall rights.
- 11.9 The Employer agrees to give the employees and the Union fourteen (14) days notice in advance of a store closing or sale.
- 11.10 Employees who are eligible for severance pay and accept a transfer to another job will be paid at the rate of the job accepted. Employees who do not accept a transfer will be separated and not eligible for severance pay.
- 11.11 Upon an employee's written request, an employee terminated due to a store closing shall be provided employment information verification (last position held, last rate of pay and employment start/termination dates.)

11.12 Vacation pay shall be based on the pay rate of the job where the employee spent the majority of their time during the calendar year of the store closing.

ARTICLE XII - TERM

12.1 Initial Term

This Agreement shall become effective on October 6, 2002, and shall expire at 12:00 midnight, October 2, 2005.

12.2 Renewal Term

If either party wishes to modify this Agreement at its expiration, it shall serve notice in writing of such request upon the other party not less than sixty (60) days prior to the expiration date. In the absence of the service of such notice, this Contract shall automatically renew itself for a period of one (1) year and from year to year thereafter, it being further agreed that the Contract expiration date shall be the last day of the Employer's fiscal year.

**APPENDIX A
WAGES**

DEPARTMENT HEADS

| | <u>10/6/02</u> | <u>10/5/03</u> | <u>10/3/04</u> |
|--|----------------|----------------|----------------|
| Asst. Manager | | | |
| 0-12 months | \$17.90 | \$18.30 | \$18.70 |
| Over 12 months | 18.90 | 19.30 | 19.70 |
| Overscale Employees | 0.40 | 0.40 | 0.40 |
| Produce Manager | | | |
| 0-12 months | 17.90 | 18.30 | 18.70 |
| Over 12 months | 18.55 | 18.95 | 19.35 |
| Overscale Employees | 0.40 | 0.40 | 0.40 |
| Service Manager | | | |
| 0-12 months | 17.90 | 18.30 | 18.70 |
| Over 12 months | 18.55 | 18.95 | 19.35 |
| Overscale Employees | 0.40 | 0.40 | 0.40 |
| Asst. Front End Mgr./Asst. Service Mgr. | | | |
| 0-12 months | 15.75 | 16.15 | 16.55 |
| Over 12 months | 17.15 | 17.55 | 17.95 |
| Overscale Employees | 0.40 | 0.40 | 0.40 |
| Floral Manager | 13.70 | 14.05 | 14.45 |
| Overscale Employees | 0.35 | 0.35 | 0.40 |

REGULAR CLERKS

(HIRED OR PROMOTED ON OR AFTER 10/1/95)

| | <u>10/6/02</u> | <u>10/5/03</u> | <u>10/3/04</u> |
|----------------------|----------------|----------------|----------------|
| 0-6 months | \$ 7.00 | \$ 7.20 | \$ 7.40 |
| 7-12 months | 7.25 | 7.40 | 7.60 |
| 13-18 months | 7.50 | 7.65 | 7.85 |
| 19-24 months | 8.00 | 8.00 | 8.25 |
| 25-30 months | 8.60 | 8.60 | 8.70 |
| 31-36 months *PT Cap | *10.00 | *10.00 | *10.10 |
| 37-42 months | 10.15 | 10.30 | 10.45 |
| 43-48 months | 11.00 | 11.00 | 11.10 |
| 49-54 months | 11.95 | 11.95 | 12.05 |
| 55-60 months | 12.80 | 12.80 | 12.90 |
| Over 60 months | 13.95 | 13.95 | 14.05 |

Part-time employees at or above the capped rate of pay and Full-time employees at or above the top progression rate shall receive:

| <u>10/6/02</u> | <u>10/5/03</u> | <u>10/3/04</u> |
|----------------|----------------|----------------|
| 0.30 | 0.30 | 0.40 |

BAKERY CLERKS

| | <u>10/6/02</u> | <u>10/5/03</u> | <u>10/3/04</u> |
|----------------------|----------------|----------------|----------------|
| 0-6 months | \$7.00 | \$7.20 | \$7.40 |
| 7-12 months | 7.25 | 7.40 | 7.60 |
| 13-18 months | 7.50 | 7.65 | 7.85 |
| 19-24 months | 8.00 | 8.00 | 8.25 |
| 25-30 months | 8.60 | 8.60 | 8.70 |
| 31-36 months *PT Cap | *9.80 | *9.80 | *9.90 |
| 37-42 months | **10.40 | **10.40 | **10.50 |
| Over 42 months | 11.50 | 11.80 | 12.15 |
| R.C. | 12.20 | 12.50 | 12.85 |
| R.C. | 13.40 | 13.70 | 14.05 |

**at \$9.70 rate on old "Hired Before 10/1/95"

Part-time employees at or above the capped rate of pay and Full-time employees at or above the top progression rate shall receive:

| <u>10/6/02</u> | <u>10/5/03</u> | <u>10/3/04</u> |
|----------------|----------------|----------------|
| 0.30 | 0.30 | 0.35 |

FLORAL/GENERAL MERCHANDISE/BULK FOODS/SALAD BAR CLERKS

| | <u>10/6/02</u> | <u>10/5/03</u> | <u>10/3/04</u> |
|-----------------------|----------------|----------------|----------------|
| 0-6 months | \$7.00 | \$7.20 | \$7.40 |
| 7-12 months | 7.25 | 7.40 | 7.60 |
| 13-18 months | 7.50 | 7.65 | 7.85 |
| 19-24 months | 7.85 | 8.00 | 8.20 |
| 25-30 months | 8.60 | 8.60 | 8.70 |
| 31-36 months * PT Cap | * (***)9.10 | * (***)9.30 | * (***)9.60 |
| 37-42 months | ***9.70 | ***9.70 | ***9.80 |
| 43-48 months | 10.10 | 10.10 | 10.20 |
| Over 48 months | 11.15 | 11.45 | 11.80 |

**at \$8.95 rate on old "Hired Before 10/1/95" scale

***at \$9.25 rate on old "Hired Before 10/1/95" scale

Part-time employees at or above the capped rate of pay and Full-time employees above the top progression rate shall receive:

| <u>10/6/02</u> | <u>10/5/03</u> | <u>10/3/04</u> |
|----------------|----------------|----------------|
| 0.30 | 0.30 | 0.35 |

**FLORAL DESIGNERS
(HIRED OR PROMOTED ON OR AFTER 10/1/95)**

| | <u>10/6/02</u> | <u>10/5/03</u> | <u>10/3/04</u> |
|----------------------|----------------|----------------|----------------|
| 0-6 months | \$8.05 | \$8.25 | \$8.45 |
| 7-12 months | 8.40 | 8.60 | 8.80 |
| 13-18 months | 8.85 | 9.00 | 9.20 |
| 19-24 months | 9.40 | 9.40 | 9.60 |
| 25-30 months | 10.00 | 10.00 | 10.10 |
| 31-36 months | **10.70 | **10.70 | **10.80 |
| 37-42 months *PT Cap | *11.95 | *11.95 | *12.05 |
| Over 42 months | 12.65 | 12.95 | 13.30 |
| R.C. | 13.70 | 14.00 | 14.35 |

**At \$9.95 rate on old "Hired Before 10/1/95" scale

Part-time employees at or above the capped rate of pay and Full-time employees above the top progression rate shall receive:

| <u>10/6/02</u> | <u>10/5/03</u> | <u>10/3/04</u> |
|----------------|----------------|----------------|
| 0.30 | 0.30 | 0.35 |

SERVICE CLERKS

| | <u>10/6/02</u> | <u>10/5/03</u> | <u>10/3/04</u> |
|---------------------|----------------|----------------|----------------|
| 0-6 months | \$6.25 | \$6.40 | \$6.55 |
| 7-12 months | 6.40 | 6.60 | 6.75 |
| 13-18 months | 6.55 | 6.80 | 6.95 |
| 19-24 months | 6.75 | 6.95 | 7.10 |
| Over 24 months | 6.95 | 7.15 | 7.35 |
| R.C. | 8.25 | 8.50 | 8.75 |
| Overscale Employees | 0.25 | 0.25 | 0.25 |

Upon promotion from the Service Clerk classification, Service Clerks will go to the next higher regular clerk rate and progress accordingly.

All Service Clerks hired on or after 3/22/83, will be excluded from all holidays (unless they work the holiday) and night premium pay for their first year of employment. They will however, be eligible for the health care plan during their first year of employment.

**REGULAR CLERKS
(HIRED OR PROMOTED ON OR BEFORE 10/1/95)**

| | <u>10/6/02</u> | <u>10/5/03</u> | <u>10/3/04</u> |
|-----------------------|----------------|----------------|----------------|
| 25-27 months *PT Cap | *\$10.00 | *\$10.00 | *\$10.10 |
| 28-30 months | 10.40 | 10.50 | 10.60 |
| 31-36 months **PT Cap | **11.40 | **11.50 | **11.60 |
| 37-42 months | 12.35 | 12.45 | 12.55 |
| 43-48 months | 12.70 | 12.80 | 12.90 |
| 49-54 months | 13.10 | 13.20 | 13.30 |
| over 54 months | 13.95 | 14.05 | 14.15 |
| R.C. | 14.90 | 15.20 | 15.60 |
| R.C. | 15.50 | 15.80 | 16.20 |
| R.C. | 16.20 | 16.50 | 16.90 |

**Part-time clerks hired prior to March 30, 1993.

Part-time employees at or above the capped rate of pay and Full-time employees at or above the top progression rate shall receive:

| <u>10/6/02</u> | <u>10/5/03</u> | <u>10/3/04</u> |
|----------------|----------------|----------------|
| 0.30 | 0.30 | 0.40 |

PROGRESSIONS

Employees currently, as of November 25, 2002, in either the Part-Time or Full-Time wage progressions (not at a capped or top rate) will carry that time over the new pay rate and progress accordingly.

RETROACTIVITY

All rate increases in all classifications are retroactive to 10/6/02 for all employees who are active and employed on the date of ratification, November 25, 2002.

**MEMORANDUM OF SUPPLEMENTAL AGREEMENTS
BETWEEN
UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL
UNION LOCAL 881
AND
JEWEL FOOD STORES, INC.**

As a part of the recently concluded negotiations between the parties hereto certain understandings were agreed upon which shall remain in force during the term of the current contract which expires on October 2, 2005, as follows:

(1) AVAILABLE HOURS - PART-TIME EMPLOYEES

It was agreed that the Employer will permit qualified and available part-time employees to request permanently available additional hours if they make a written request for same to the Manager at the time the additional hours become available and if they are in a position to take all of the available hours individually or two or more part-time employees may split the permanently available hours if they are both qualified and available to handle the hours on a permanent basis. Where the qualifications are equal, and two or more part-time employees are individually claiming the permanently available additional hours, the most senior part-time employee will be assigned the hours. It is further

agreed that the right to claim permanently open part-time hours is subject to the Employer's maintaining an adequate staff for the continued efficient operation of the store. In the event of a dispute concerning claims for permanently available hours, the matter may be settled through the normal grievance procedure in Article IX of this Agreement.

(2) **FULL-TIME EMPLOYEES - SHIFT PREFERENCE**

It was agreed that full-time employees may use their seniority in a given store for the selection of shift schedules, provided they have the ability to handle the work assignment for that shift. It was additionally understood that employees so selecting favorable shifts will do so on a permanent basis as opposed to weekly or seasonal preferences.

Regular full-time night crew employees shall be given a preference for full-time day openings if they are qualified to perform the day opening work without additional training.

Full-time employees experiencing hardships under present schedules may request a review of schedules where there appears to be a means of removing the hardship without shifting additional burdens on others. In the case of multiple requests by employees for schedule changes or shift preferences in a given location, the most senior employee request shall be the first honored.

(3) **DEPARTMENTAL INTERCHANGE**

General Merchandise employees, and Bakery Clerks may be interchanged and work in any of those respective departments.

BAKERY AND GENERAL MERCHANDISE SUPPLEMENT

Supplemental Agreement covering bakery department and general merchandise operations entered into between JEWEL FOOD STORES, INC., hereinafter referred to as the "Employer", and the UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION, LOCAL 881, hereinafter referred to as the "Union".

Bakery Clerks

Bakery Clerks may engage in any activity involving store bakery operations.

Bakery Chief

It is understood and the parties hereby stipulate and agree that the Employer may designate an employee as Bakery Chief. This is not a mandatory position. If so designated, the Bakery Chief shall be paid the appropriate Bakery Clerk rate plus fifty cents (\$0.50) per hour.

Definition:

Bake-Off

The product line relies upon an outside manufacturer who

provides semi-finished frozen products which are further processed on the premises before sale.

Section 3.4(A)(6) of the Master Agreement shall not be applicable.

Where bake-off operations are conducted, there may be a supervisory manager (non-bargaining unit) of such shops.

Seniority

For the purpose of layoff and recall after layoff, part-time bakery clerks shall be merged with part-time general merchandise employees. The administration of said layoff and recall after layoff of the aforementioned part-time employees shall be pursuant to Section 7.4 of the Master Agreement.

General Merchandise

The provisions for the night stocking classification of the Master Agreement are inapplicable to general merchandise employees.

It was expressly agreed that it was not the intent of the Employer to have registers in the General Merchandise area used for checking out of grocery products or products normally checked out through the grocery department, but that such registers in the family center area are intended for the sales registration of general merchandise.

Wage Rates

During the term of this Agreement, the Employer agrees to pay not less than the minimum wage rates set out in Appendix A of the master agreement.

Except as herein above modified, amended or altered, all of the terms and conditions of the current Agreement between the UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION LOCAL 881 and JEWEL FOOD STORES, INC., shall remain in full force and effect, and shall be fully applicable to all stores covered by the Greater Metropolitan Area Agreement.

FLOWER SHOP SUPPLEMENT

Supplemental Agreement covering flower department operations entered into between JEWEL FOOD STORES, INC., hereinafter referred to as the "Employer", and the UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION LOCAL 881, hereinafter referred to as the "Union".

(1) **Wage Schedule**

(A) **Wage Rates**

During the term of this Agreement, the Employer agrees to pay not less than the minimum wage rates set out in Appendix A of the master agreement.

(B) Part-Time Sales Clerk
 A part-time sales clerk is defined for the purpose of this Agreement, as one who bags and packages merchandise, stocks, cleans, cares for plants and fresh flowers, and courteously handles customer service. Such employees will be regularly employed as per the minimum hours scheduled below, and shall be paid according to the following schedule of minimum rates as per Appendix A, Wages.

| <u>COMPLETED YEARS OF SERVICE IN CURRENT CLASSIFICATION</u> | <u>MINIMUM SCHEDULED HOURS</u> |
|---|--|
| 0-4 years inclusive | 12 hours per week |
| 5th and subsequent years | 16 hours per week |

(C) Full-Time Sales Clerks
 A full-time sales clerk is defined for the purpose of this Agreement as one who is regularly in charge of the Flower Department and responsible for its overall operation. Such employee will be considered a full-time employee and shall be designated either a forty (40) hour or thirty-two (32) hour full-time employee. Thirty-two (32) hours can be scheduled over five (5) days.

(D) In stores with flower shops which are over \$5,000.00 per week but less than \$8,000.00 per week (to be reviewed and adjusted annually) a full-time employee shall be designated as a Senior Designer and shall receive a fifty cents (\$.50) per hour premium.

(E) The Floral Designer responsible to manage a Floral Department with weekly sales volume in excess of \$8,000.00 (to be reviewed and adjusted annually) shall be classified as a floral Department Manager and paid in accordance with Appendix A.

(2) Seniority
 The flower shop employees shall have their seniority by classification within the flower shop operations.

(3) Floral Designers
 An employee becomes a designer upon successful completion of the Company's testing program.

Except as expressly modified by the aforementioned changes, all terms and conditions of the Master Agreement shall remain in full force and effect.

BULK FOODS AND SALAD BAR SUPPLEMENT

Supplemental agreement covering bulk food and salad bar operations entered into between JEWEL FOOD STORES, INC., hereinafter referred to as the "Employer", and the UNITED FOOD AND COM-

MERCIAL WORKERS INTERNATIONAL UNION, LOCAL 881, hereinafter referred to as the "Union".

(1) This supplement shall be applicable to all employees in the bulk food and salad bar operations.

Upon completion of 24 months of service, Bulk Foods and Salad Bar clerks will be given the opportunity to accept the next opening in the Bakery or General Merchandise or Floral Department classification, and if the employee declines, a note signed by the employee will be placed in that employee's personnel file and the Employer shall have no further obligation regarding transfers.

(2) Conditions

(A) Vacation, holiday and birthday benefits will be the same as for other part-time employees, thus, their date of hire will determine their eligibility for these benefits.

(B) Upon completion of ninety (90) days service, employees shall qualify for regular part-time coverage under the Albertson's ASC Employees' Health and Welfare Plan upon enrollment and payment of the employee's share of the cost pursuant to Section 6.2 of the Master Agreement.

(3) Seniority

The bulk food/salad bar employees shall be in a separate class for seniority purposes.

(4) Wage Rates

During the term of this Agreement, the Employer agrees to pay not less than the minimum wage rates set out in Appendix A of the Master Agreement.

RE: LETTER OF UNDERSTANDING - CHEF'S KITCHEN MANAGERS

January 28, 2003

Mr. Ronald E. Powell
 President
 United Food and Commercial Workers
 International Union Local 881
 122 W. 22nd Street
 Oak Brook, IL 60523

Dear Mr. Powell:

In the Jewel Food Store where the Chef's Kitchen Manager is assigned to the grocery department the following wage rates will be paid:

| | <u>10/6/02</u> | <u>10/5/03</u> | <u>10/3/04</u> |
|----------------------|----------------|--|----------------|
| Chef Kitchen Manager | 18.23 | Employees are to receive the same amount of increases as per the meat contract on the above specified dates. | |

Effective 1/26/03, Deli Managers in "A" level stores will receive a ninety cent (\$.90) per hour premium in addition to their applicable hourly rate of pay for all hours worked. Effective 1/26/03, Deli Managers in "B" level stores will receive a seventy cent (\$.70) per hour premium in addition to their applicable hourly rate of pay for all hours worked. Effective 1/26/03, Deli Managers in "C" level stores will receive a fifty cent (\$.50) per hour premium in addition to their applicable hourly rate of pay for all hours worked.

RE: LETTER OF UNDERSTANDING BENEFIT CLAIMS APPEAL MATERNITY LEAVE

January 28, 2003

Mr. Ronald E. Powell
President
United Food and Commercial Workers
International Union Local 881
122 W. 22nd Street
Oak Brook, IL 60523

Dear Mr. Powell:

It is recognized and agreed that the claim appeal process of the Plan is the exclusive remedy for contesting any benefit claim issue. With respect to such benefit claim issues, only grievances related to an untimely processing of a properly filed benefit claim shall be recognized under the provisions of Section 9.2 (Grievance) and Section 9.3 (Arbitration).

Maternity disability periods shall remain in effect during the term of the Agreement unless the U.F.C.W. Midwest Health Benefit Plan provides for shorter maternity disability benefits.

RE: LETTER OF UNDERSTANDING - FLORAL MANAGER

January 28, 2003

Ronald E. Powell
President
United Food and Commercial Workers
International Union Local 881
122 W. 22nd Street
Oak Brook, IL 60523

Dear Mr. Powell:

As a result of the recently concluded negotiations, this letter will confirm our mutual agreement and understanding pertaining to the above captioned matter as follows:

Red circled Floral Designers who bid on and are awarded a Floral Manager's position who have a base wage rate above the published Floral Manager rate will be paid One (\$1.00) Dollar over the current published red circle Floral Designer rate.

If we have correctly set forth our understanding, please so indicate by executing and returning the four (4) enclosed copies of this letter. Upon receipt of the same, we shall return two (2) fully executed copies for your files.

RE: LETTER OF UNDERSTANDING - HEALTH CARE WAIVER

January 28, 2003

Mr. Ronald E. Powell
President
United Food and Commercial Workers
International Union Local 881
122 W. 22nd Street
Oak Brook, IL 60523

Dear Mr. Powell:

This letter will confirm our understanding pertaining to the application of the health care waiver.

Part-time employees with dependent coverage on the payroll on or before March 29, 1993 and/or part-time employees who elect dependent coverage pursuant to Section 6.2 (3)(b)(4) of the master agreement may request an hours requirement waiver from the "24 hour requirement" to maintain family coverage.

An employee may qualify for the waiver if they improve their availability to include 2 of 3 days Friday, Saturday, Sunday and be available for at least a 5 hour shift on the days they identified. Employees who improve their availability may not necessarily be scheduled additional hours. Scheduling will continue to be based upon seniority, availability and needs of the business.

881UFCW

a VOICE for Working Families

UNITED FOOD and COMMERCIAL WORKERS INTERNATIONAL UNION, AFL-CIO & CLC
122 WEST 22ND STREET / OAK BROOK, ILLINOIS 60523 - 1575 / (630)954-1800



JEWEL FOOD STORES, INC.
