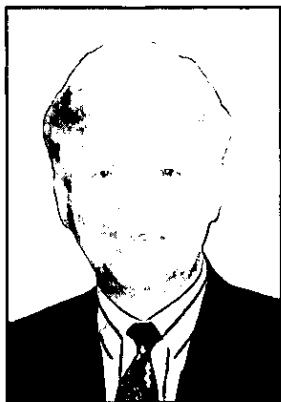


Collective Bargaining Agreement



**by & between
UFCW Local 27
and
Great Atlantic and Pacific
Tea Company, Inc., Sun,
Sav-A-Center or SuperFresh
(Baltimore Division)**

**March 26, 2000
through
March 27, 2004**



A Message
from
Local 27 President,
Buddy Mays

This contract is provided for you so that you can become familiar with the language and conditions it sets forth. Please take the time to read it through completely at least once.

It is extremely important for you to know what your rights are under this agreement. While it is your union's job to police the contract, it is up to you to let us know that violations are occurring. We will take it from there.

We apologize for the time it took to get a printed full document to you. We did everything possible to speed up the process, but unfortunately there were several major disagreements on language changes that had to be worked out.

In Solidarity,

A handwritten signature in black ink that reads "Buddy Mays". The signature is written in a cursive, flowing style.

Buddy Mays
President, UFCW Local 27

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COLLECTIVE BARGAINING AGREEMENT: HOW IT WORKS

When you join a Union, you gain the right to have a voice in decisions about your work life - wages, benefits and working conditions. The collective bargaining process puts you across the table from management, as an equal.

Bargaining is compromise. Neither the Union nor management gets everything they want.

How do Union negotiators know what issues are most important to the membership? You tell us! Before bargaining begins, the Union surveys all members in the bargaining unit to determine priorities. An employee advisory committee provides a constant check for the bargaining team.

In addition, Local 27 representatives and shop stewards are in the facilities almost every day, speaking to members about grievances, problems and needs. They have a hands-on sense of what the problems are.

Our collective bargaining department monitors trends in the industries where we bargain, looking at wage and benefit settlements. We have a good idea what is transpiring around the country, which means our negotiators can cite examples elsewhere to support our bargaining goals.

When the give-and-take of contract negotiations is finished, management presents its final offer. The Union brings that offer to the membership. All contracts are approved or rejected by majority vote of those attending the meeting from the bargaining unit.

BENEFITS

UFCW Local 27's aggressive organizing activities in the Baltimore Metropolitan area throughout its jurisdiction have given us the strength to negotiate good salaries for our members. But we know you have concerns that go beyond your weekly paycheck - and that's why the benefit's package in this contract is so important to you and your family. This extensive total compensation package, the best in the industry, is also made possible by the strength of your Union at the bargaining table.

A prime example is your health care package. The astronomical rise in health care costs have forced some Unions to make concessions to management, to allow the company to shift part of the insurance premiums to their employees. But your contract contains a health package which is mostly funded by Superfresh.

You'll also find that your health care package includes some very special benefits that can prove invaluable to you and your family, such as:

- Optical benefits
- Dental Care
- Prescription drugs at low-cost
- Employee Assistance Program for counseling in family problems, retirement planning, stress, obesity, smoking cessation, etc.

And keep in mind you are eligible for these benefits as both a full-time and part-time UFCW Local 27 member at Superfresh. (In some instances, eligibility may depend upon individual qualifications under the collective bargaining agreement).

Paid Vacations

A paid vacation is something that is an outright necessity to every worker in America. To assure that your quality of life is continually up to par, you need paid time off to go to the beach, to visit relatives in other parts of the country, or just to break they everyday routine of the workplace. This is exactly why we have negotiated an extensive vacation schedule for

every full and part-time UFCW member at Superfresh. Depending on your seniority with the company, you can be eligible for up to five weeks of paid vacation time per year. (Article 7)

Personal Days

Vacation days are of great help, however, for meetings, medical appointments and attending to family-related matters, in addition to your regular vacation schedule, we have negotiated a number of "personal days" which you can use for any purpose that you choose. Depending on seniority with the company you are eligible for up to five of these days off a year. (Article 8)

Holidays

Holidays are perhaps the best means to spend time with your family members and friends. Throughout the year, you will be paid for the following days to enjoy the company of your loved ones: (Article 8)

New Year's Day

Labor Day

Memorial Day

Thanksgiving Day

Independence Day

Christmas Day

To assure that you do not miss out on a paid vacation day, we have made it possible that when a holiday falls on one of your scheduled days off, you shall be given another day off during the week or you will receive an additional day's pay. (Article 7)

Funeral Leave

If the unfortunate occurrence arises where you lose an immediate family member, UFCW Local 27 has made certain that you will receive time off to grieve and attend the funeral. You will be given up to three days of leave with pay to take care of such matters. (Article 14)

Leaves of Absence

Very often an employee may need to leave the workplace for an extended period of time to attend to personal affairs or health matters. As a UFCW member at Superfresh, you are eligible to take a leave of absence without pay if you so choose. If this does occur, we have

assured that you will NOT lose any of the seniority you have accrued. (Article 11)

Sick Leave Benefits

Times of illness and disability are, needless to say, very unpleasant. Whether you treat your illness at home or in the hospital, the UFCW has arranged for a sick leave plan that will make the experience as easy as possible. Depending upon your position and seniority, with Superfresh, you are entitled to a disability plan. Under several plans offered through the contract you will be entitled to between 16 and 39 weeks of paid disability. (Article 16, and Plan I and Plan X - FELRA and UFCW Health & Welfare booklets)

Retirement Plan

After dedicating your working life to Superfresh, you deserve a generous compensation plan so that you may spend your latter years in comfort and security. The UFCW has therefore negotiated a valuable retirement plan to fulfill your needs after your departure from the working world. As your seniority advances in your years at Superfresh, you are credited with an ever-increasing benefit package. (Article 17- FELRA and UFCW Pension Plan booklet)

Of special interest to you, in this mobile world of ours where workers move around a lot, is pension portability. Local 27 has arranged for pension reciprocity with other plans in the Baltimore metropolitan area, as well as the Atlantic, Philadelphia, and the UFCW International Union -Industry Pension plan.

Life Insurance

To guarantee that you have life insurance as a UFCW member of Superfresh, you are eligible for life insurance coverage through the FELRA and UFCW Health & Welfare Fund. (FELRA and UFCW Health & Welfare plan booklet)

Protections

Providing outstanding wages, vacation time, and insurance are only a part of what the UFCW does for its members. We also have negotiated with the company to guarantee that a certain level of respect, safety, and

security are provided for every single one of our members.

The guidelines of our contract assure that Superfresh will provide a safe working environment, a reasonable working schedule, overtime wages, and a seniority system that establishes certain rights for employees. The UFCW realizes that these issues are very important to each and every Union members. That is exactly why we have worked to provide a contract that protects the welfare of our members.

Grievances and Arbitration

This contract is a guarantee of rights and benefits the Union has negotiated on your behalf. Still, in any workplace situation, events can occur that affect you adversely - and they may be in violation of that contract. Let your Union representative know about it, so that your problem can be reviewed and necessary grievance action be recommended.

Article 10 of your contract is quite clear: Grievances may be filed and you and your representative can meet with management to assure you are treated fairly. And you are guaranteed prompt action - discussion to resolve your problem must begin within three days of notification.

If your grievance cannot be resolved, then it can go to an independent arbitrator.

Seniority

The UFCW recognizes that loyal, experienced, and long standing employees are very valuable to a company. We subsequently have bargained for increasingly better benefits, wages, and protection for employees who have the most seniority with Superfresh. As you accrue more seniority, you become eligible for additional vacation time, a higher salary, and have a greater chance for being promoted within the company. Those who have dedicated their lives to working for Superfresh deserve to be duly rewarded. Our seniority system assures that this occurs. (Article 4)

Working Conditions

Without a safe and comfortable work environment, it is virtually impossible for an employee to fulfill his/her job duties in a productive manner. According to our collective bargaining agreement, Superfresh has the responsibility to provide working conditions that are in full compliance with requirements set forth in the contract. Experts within our Union actively monitor the work site to ensure that all rules and regulations are being followed. If the UFCW observes that your health and safety are in danger, the proper authorities are notified and action is taken. (Article 12)

Overtime

In order to spend time with your family and pursue recreational hobbies, you need to maintain a reasonable work schedule. If such a need arises when you are called to work more than eight hours in a day or forty hours in a week however, you will be paid one and one half times your regular rate. Only members covered by a Union contract enjoy the negotiated benefit of daily overtime. Federal Wage and Hour Laws only give workers weekly overtime. UFCW has also assured that no employee will have to work split shifts. (Article 6)

Jury Duty

Jury Duty is a responsibility that every American citizen may eventually have to fulfill. Very often court cases run weeks or months at a time and it is likely you will miss a substantial amount of work. The UFCW has made it possible for you to serve your community in this manner with financial penalty. You will be granted time off and paid the difference between the amount of your regular rate of pay and the amount received for your jury duty. (Article 13)

Legal Services

Given the ever-increasing costs of legal services, UFCW Local 27 has arranged for a legal benefits trust fund for most of our members. These services may be used to provide additional security for you and your family. The benefit is paid for by your employer and the legal services provided are for the most part at no cost. (Article 16 and UFCW and FELRA Legal Benefit Plan Booklet)

UFCW LOCAL PRIVILEGES

FOR MEMBERS ONLY. The benefits and protections that are set forth in this contract are only part of what every UFCW Local 27 member is offered. In addition, you will receive the following benefits with your Union membership.

- Eligibility for UFCW Mastercard (for those who qualify). Economists have cited this Union offering as the best credit card available. There is no annual fee, and the low interest charges will save you money!
- Fee consultations and reduced-fee legal help when you need it.
- Motor Vehicle Certification program, the Union's professional, money-saving car-buying service.
- Special discounts and passes to area entertainment, such as Kings Dominion, Hershey Park and other major amusement parks.
- Discounts for supplemental life and other insurance programs.
- College scholarship award programs for members and family alike. The UFCW International Union program awards eight \$1,000 scholarships a year, renewable for four years. A program offered by a law firm associated with UFCW offers one scholarship per year worth \$2,500.
- Union Member Mortgage and Real Estate Services. A comprehensive program to assist members in home selling, home buying, mortgage and settlement.

Membership in Local 27 is truly a solid investment in your future. Just pennies a day bring effective representation on the job, and substantial savings off the job!

AGREEMENT

This Agreement made and entered into this 14th of April, 2000 between the Sun, Sav-A-Center, and Superfresh, Baltimore Division (hereinafter referred to as "Employer") and United Food and Commercial Workers Union Local 27, chartered by the United Food and Commercial Workers International Union, AFL-CIO CLC (hereinafter referred to as the "Union").

This Agreement shall be binding on all signatories hereto, and their successors and assigns, whether such status is created by sale, lease, assignment or any other type transfer transaction. In consideration of the Union's execution of this Agreement, the Employer promises that its operations covered by this Agreement or any part thereof shall not be sold, conveyed, or otherwise transferred or assigned to any successor without first securing the Agreement of the successor to assume the Employer's obligation under this Agreement and to offer employment subject to the terms of this Agreement, to all of the Employer's then current employees, recognizing their accrued seniority for all purposes. Provided, that the Employer shall not be a guarantor or be held liable for any breach by the successor or assignee of its obligations, and the Union will look exclusively to the successor or assignee for compliance with the terms of this Agreement. The foregoing shall be applicable in cases only where the Employer sells or transfers more than 10% of the facilities covered under this Agreement, and shall not apply in cases of store closing.

GENERAL

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

The Union and the Employer agree to utilize a quality of work life structure to provide a mutual basis for problem solving. It is further agreed to utilize outside (neutral) sources to provide guidance and advice to increase the effectiveness of this program. Such QWL Program shall be implemented with the opening of the store or the conversion of a store to Superfresh. The resulting QWL Program will not become involved in disputes covered under the Grievance and Arbitration Procedure and will not conflict with any terms or conditions of this collective bargaining agreement and will not reduce any rights for or privileges of the employee or Employer.

ARTICLE 1 - MANAGEMENT AUTHORITY

The authority and responsibility for the management of the business, including but not limited to, the planning, direction and control of the work force shall remain exclusively in the Employer and its appointed representatives, subject to the provisions of this Agreement.

ARTICLE 2 - RECOGNITION

Section 2.1 The Employer recognizes the Union as the sole and exclusive bargaining representative for all of its employees (excluding Supervisory employees as defined in the NLRA) covered by this Agreement coming under the jurisdiction of the United Food and Commercial Workers Union, Local 27. The Employer further agrees that if a new store or stores are opened within the jurisdiction of Local 27 this Agreement shall apply to such new store or stores.

Section 2.2 Employees who are hired and/or promoted into the Assistant Manager classification after ratification of this Agreement shall be exempt from the coverage of this Agreement. Employees classified as Assistant Managers as of the date of ratification shall have the option of either remaining in the bargaining unit or being exempt from coverage of the Agreement. This option shall be exercised before February 1, 1993.

Section 2.3 All work and services connected with, or incidental to the handling or selling of all merchandise offered for sale to the public in the Employer's retail establishments covered by this Agreement shall be performed only by employees of the Employer within the unit referred to above for which the union is recognized as the collective bargaining agency by the Employer except such work as may be performed at the

point of delivery by Driver-Salesmen in servicing retail markets with perishable bakery products, greeting cards, magazines, beverages and potato and corn chips directly from the delivery vehicle. Further excepting that representatives of a company sponsoring special promotions may erect and stock initial special displays in connection with said special promotions. There shall be limitation of three (3) times per year for promotional programs using persons other than employees of the Employer, provided, however, that such special promotions must be area-wide promotions. The Employer shall notify the Union in writing prior to the beginning of any promotional program. The application of this provision shall in no way restrict the work which may be performed by the Store Managers, Supervisory Employees and Supermarket Services, Inc. for health and beauty aids and general merchandise.

Section 2.4 It is agreed that only meat employees covered by this Agreement shall handle meats, poultry, fish or delicatessen products, whether fresh, frozen or smoked. The Employer agrees that all such products will be cut, packaged, prepared and sold by employees under the jurisdiction of this Union and that these employees will continue to handle such items as had been customarily handled in the past and which had been prepared and packed on or off the premises. Likewise all such products which heretofore customarily come to the Employer already packed by the producer or distributor shall be handled as heretofore. Greeting cards and Magazines may be serviced by outside salesmen and representatives.

The Employer further agrees that all fresh meat products will be cut, packaged, prepared and sold by the Meat Department employees in the stores covered by this Agreement. Exceptions may be made provided the Union is notified in advance and given written assurance that no member's job will be eliminated as a result of such exception. The Union agrees it will not withhold its agreement. For the purpose of this paragraph, "notified" shall mean a letter for each individual introduction of a class of product (e.g., boneless sub primal cuts of meat, deveined liver, rolled veal, etc.). The Union reiterates, therefore, its intention with respect to the "products clause," as follows: the Company may introduce new methods and new products (i.e., make exceptions) provided it does the following:

1. Union must be notified in advance.

2. Company will list all new products or new methods in a letter of notification.

3. Company will give written assurance that no member's job will be eliminated.

If 1, 2, and 3 above are complied with, the Union will not withhold its agreement. As always, the Union reserves the right to discuss with the Company any new method or product for the purpose of making such new introduction more readily and smoothly acceptable to the customers and to the members.

Section 2.5 The Employer shall notify the Union thirty (30) days prior to a store closing. The Employer shall negotiate the effect on employees of the store scheduled to be closed.

Section 2.6 Stores competing against nonunion stores with sales of at least \$100,000 per week and within a radius of five miles shall be identified as Zone B stores. Special conditions covering Zone B stores are the following:

- A. The application of Article 2.3 is suspended.
- B. The work of GM/Non Food clerks will include stocking baby food, paper plates and napkins, light bulbs, brooms and mops and metal ware.
- C. The Union agrees that it will consider other contract modifications in severe competitive situations.

The Company agrees that no employee will be adversely affected by the implementation of the above provisions and the amendments to Article 2.3, Article 5.9, and Article 5.12, i.e., reduction of jobs or hours.

ARTICLE 3 - UNION SECURITY

Section 3.1 All employees shall, as a condition of employment, become and remain members of the Union on and after the thirty-first (31) day following the date of employment, or on and after the thirty-first (31) day following the effective date of this Agreement whichever is the later.

Section 3.2 Upon failure of any employee to become and remain a member of the Union within the period and under the conditions specified in Section 1 above, the Union shall notify the Employer in writing, of such failure and the Employer shall immediately, upon receipt of such notice, but not more than seven (7) days thereafter, discharge any such employee as provided in the Labor Management Relations Act of 1947 as amended.

Section 3.3 The Employer may display in each store the Union Store Decal as furnished by the Union and agrees to surrender same upon demand of the Union.

Section 3.4 The Employer will notify the Union in writing, within thirty (30) days from the date of employment, reinstatement, or transfer into the bargaining unit of any employee, of the name of such employee, the home address, job classification, social security number and the date of employment.

Section 3.5 All employees newly hired or rehired after termination of their seniority shall be considered probationary employees for the first ninety (90) days of their employment. Seniority shall not accrue to the probationary employee until completion of his ninetieth (90th) day of employment at which time the probationary employee's seniority shall become established as of the date of his employment. During the said ninety (90) day probationary period, probationary employees shall be subject to layoff, recall, discipline, or termination of their employment at the discretion of the Employer without being subject to the grievance and arbitration procedure set forth in this Agreement.

Section 3.6 In the interest of promoting cooperative relations, the Store Manager shall introduce each new employee in his store to the Union Shop Steward within one week after the new employee reports to work. Stewards shall give the new employee a copy of the contract and shall explain its operation.

ARTICLE 4 - SENIORITY

Section 4.1 Seniority for the purpose of this Agreement shall be calculated by continuous service from the last date of employment (except otherwise provided). Seniority list for all full time Grocery Department employees and a separate list for all part time Grocery

Department employees, also a seniority list for all full time Meat Department employees and a separate list for all part time Meat Department employees shall be set up by the Employer and shall be furnished to the Union upon request. Seniority areas governing this Agreement are outlined in Schedule D attached hereto and made a part hereof and apply to employees with two (2) years or more seniority.

In connection with layoffs and store closings, seniority by classification will apply first to store then seniority area. When a full time employee is involuntarily reduced to part time, he shall continue to accrue seniority as though he was still full time. When a full time employee voluntarily reduces himself in writing, his part time seniority is dated from the original date of hire. Employees laid off due to store closings or reduction in employment shall be laid off as follows:

A. The least senior full time employee in the job classification being reduced shall be laid off from his store. The full time employee so laid off shall have the right to displace the least senior employee of the same job classification within the seniority area. If there is no junior full time employee of the same job classification within the seniority area, any full time employee so laid off shall then have the right to displace the least senior part time employee of the same job classification within the appropriate seniority area, provided they can perform the available work.

B. In recalling employees laid off and in placing employees who were reduced to part time back on full time, the ordinary rules of seniority shall prevail except as otherwise provided in this Agreement. In recalls from layoff, the Employer shall notify the employee by certified mail.

C. Employees bumping as a result of layoffs, will be afforded the opportunity to return to their original store before a permanent employee of the same job classification is hired in said store.

Section 4.2 The Employer agrees to give a week's notice or a week's pay in lieu of a week's notice to full time employees with six (6) months service and three (3) days notice or three (3) days pay to part time employees with twelve (12) months service who are laid off due to lack of work. All employees likewise shall give a week's notice prior to intended resignation. It is mutually agreed that after termination notice

has been given by either party, no new request for sick benefits shall be granted.

Section 4.3 Employees laid off due to the store closing or reduction of employment shall be laid off by order of the most recent hired and shall be rehired in the reverse order of the layoff, with due consideration given to job classification. Employees laid off and subsequently recalled within twelve (12) months will retain former seniority. After twelve (12) months all employees who have been laid off, bumped, or those affected by a store closing or sale, shall be put on a preferential hiring list and they shall be given the right to the next available job opening before any new hired employee.

Full time employees to be laid off shall have the option of part time employment, and shall be placed at the top of the part time seniority list, or may take a complete layoff. They shall have the right of recall on any full time opening, provided they can do the work. Full time employees reduced from full time to part time through no fault of their own will retain their Health and Welfare and Pension coverage for a period of six (6) months even if, they work fewer hours than specified in Article herein. The Employer will continue the full time Health and Welfare and Pension contribution for said period of time.

For the purpose of layoff and recall, Delicatessen Clerks, Weighers and Wrappers, Meat Apprentices and Seafood Clerks shall be considered in the same job classification and seniority group. First Cutters and Journeyman Meat Cutters shall be considered in the same job classification and seniority group for layoff and recall purposes. Before a Journeyman Meat Cutter can be reduced to part time or laid off within the store, all apprentices must be laid off within the store. Where the application of this provision creates a hardship or operational problem, the Union and the Employer agree to discuss and resolve the problem.

Section 4.4 The Employer recognizes the principle of seniority as being one in which the movement of an employee from one job to another or from one location to another through promotion, demotion, layoff, recall after layoff, or permanent transfer, shall be governed by the length of service of the employee. In the matter of promotions, where experience and ability are reasonably equal, seniority shall be the governing factor.

Section 4.5 The Employer agrees to advise the Union of all increases, all terminations, and of all the dates of hire on a monthly basis. The Employer will notify the Union of all promotions to Department Head classification.

Section 4.6 Part time employees desiring full time work, full-time Night Crew employees desiring full-time day positions and lower classified employees desiring to upgrade in classification shall be given preference for such work in accordance with the following procedure. Employees desiring such work shall notify the Employer in writing, with a copy to the Union, during the periods March 1st to March 21st and September 1st to September 21st each year. Such letters shall remain valid for eighteen (18) months. The Employer shall provide to the Union the request lists no later than April 11th and October 12th off each year. The first consideration for any such vacancies shall be given to employees with a current request in order of the employees seniority with ability to do the work to be considered first within the store then the seniority area specified in Schedule D. Full time jobs created as the result of new store openings will be filled on the basis of seniority from the request list in the seniority area specified in Schedule D. The Union shall be notified of all full time openings.

Section 4.7 Part time employees who are promoted to full time shall receive credit for time worked on the basis of one (1) full time week credit for every two (2) weeks of part time service and the employees full time seniority date will be adjusted accordingly. Employees promoted to an upgraded position shall suffer no loss in their wage rate.

Section 4.8 The Employer has the right to discharge or discipline any employee for good cause, including but not limited to, proven or acknowledged dishonesty, intoxication during working hours, provided however, that no employee shall be discharged or discriminated against because of membership in the Union or for Union activities.

Section 4.9 Part time employees shall be given the schedule with the most hours within their classification by seniority.

Section 4.10 Department heads with less than six (6) months as a Department Head will be considered in the same job classification as other employees in their classification for the purpose of layoff and recall.

Section 4.11 Any employee transferred into the Grocery or Meat

Department bargaining unit from any other part of the Company shall retain his original employment date for the purpose of computing benefits, but his seniority date shall be established as the date he commenced working in the bargaining unit.

ARTICLE 5 - WAGES AND EMPLOYEE CLASSIFICATION

Section 5.1 Wage scales are set forth in Exhibits A and B, attached hereto and made a part hereof.

Section 5.2 When a higher classified employee is absent from his position for more than one (1) day and another employee performs the job of the higher classified employee, he shall receive the appropriate rate of pay of this higher classification.

Section 5.3 In stores where there is no First Cutter classification in accordance with the formula that there must be three (3) Journeyman Meat Cutters including the Meat Manager, the employee who relieves the Meat Manager shall be compensated at the Meat Manager rate beginning with the first day of relief.

Section 5.4 In the event the First Cutter is away, then any Meat Cutter who relieves the First Cutter for one (1) day or more shall be compensated at the First Cutter rate and shall relieve the Meat Manager as provided for in Section 3 above. Substitute employees relieving other Employer-designated Department Managers shall receive the contract rate of pay of the Department Manager beginning with the first day of relief, excluding the regular day off.

Section 5.5 The Delicatessen Department at all times will come under the jurisdiction of the Meat Department Head. In Delicatessen departments where the ordering, inventory, supervision of the department and the direction of the work force are not performed by a higher rated employee, either on a full time basis or a part time basis, the Employer will appoint a Delicatessen Department Head to perform these functions. It is further understood that Delicatessen Department employees may be utilized in other operations of the meat and seafood department, at the discretion of the Meat Department Head, provided such utilization is not in violation of other provisions of the Agreement. If an employee in a lower classification assumes the duties of a Delicatessen Department Head for more than one (1) day said employee shall receive the Department Head rate for that period.

Section 5.6 A Weigher and Wrapper is one who weighs, prices and wraps meat cut by Journeyman or Apprentice. He displays and places said meat in self-service cases or storage. A Weigher and Wrapper may use the small meat grinder for specials only. Dicing or other tenderizing machines are only to be used by a Weigher and Wrapper for specials and never for processing meats for display. He will not be requested or required to use a slicing machine for cutting cheese or luncheon meats, nor will he be requested or required to use a knife for cutting the above items which cannot be cut by machine, except when he is assigned to the Delicatessen Department. He is not to cut beef, pork, veal, lamb, poultry, or fish with a knife or automatic device nor assume any of the work normally performed by Journeyman Meat Cutter and Apprentices. He may, however, perform general housecleaning chores, clean up cases, work tables, equipment, etc., as directed.

Section 5.7 - Apprentice Training Program Employees of the Employer entering the Apprentice Program shall suffer no reduction in their hourly rate of pay. The Apprentice Program shall be two (2) years as provided in the wage rate Schedule A. Apprentices are employees whose duty shall be to cut meat at least twenty-five percent (25%) of the time, among other duties in servicing the Meat Departments. The apprentices shall be examined by a representative of the Employer and a representative of the Union on or before his twenty-third (23rd) month. Should he fail to qualify at this step, he shall continue at the same rate of pay and be given another examination at the end of six (6) months from the first examination date, etc.

Section 5.8 The Relief Store Manager shall receive his appropriate hourly rate plus overtime, or the Store Manager's rate of pay, whichever is the greater, when relieving for one (1) full week or more (Monday through Saturday).

Section 5.9 - Service Clerk All terms and conditions of the basic contract will apply except as follows:

1. Work shall include job duties of a "non-conventional" nature.
2. Such employee will be guaranteed a minimum of ten (10) hours per week with a minimum of three (3) hours work per shift.
3. Such employee shall receive three (3) hours of pay for the holidays listed in Article 11.

4. The Employer shall contribute to the United Food and Commercial Workers Union and Participating Employers Pension Fund a total of Eight Cents (08¢) per hour for all straight time hours paid, capped at forty (40) hours per week for each such employee. The hourly contribution by the Employer for employees hired prior to September 12, 1992 will commence upon completion of thirty (30) days of continuous employment with the Employer retroactive to the date of employment. Service Clerks hired after September 12, 1992 will become eligible the first of the month following twelve (12) months of continuous employment.

5. Such employees shall have the opportunity for upgrading in classification as outlined in Article 4, Section 7.

6. The Employer shall not be obligated to make contributions to the Severance Fund on behalf of such employees.

Additional duties include - Handling outdoor merchandise display, preparation of quiche, bake-off rolls in deli, assemble meat and cheese party platters all year, make sandwiches, vacuum pack in Deli express, cook hot food and rotisserie chicken and cut vegetables for prepared foods. Bread may be stocked by service clerks. Any current clerks performing these duties will continue to have their rates of pay and hours protected.

Section 5.10 - Non-Food Clerk All terms and conditions of the basic contract will apply except as follows:

1. Employees desiring transfer to a food classification shall be given preference for such work in accordance with the following procedure:

Employees desiring food classification work shall upon completion of one (1) year of service, notify the Employer in writing, with a copy to the Union, during the periods March 1st to March 21st and September 1st to September 21st each year. Such letters shall remain valid for a period of twelve (12) months.

When openings occur, seniority and ability to perform the new job shall be the determining factors for the transfer. Should the employee fail to satisfactorily perform within the first sixty (60) days of the transfer, he shall be afforded the opportunity to

return to a similar Non-Food classification without loss of seniority.

The Employer agrees that said non-food employees will be transferred to food positions before considering new hires.

Provisions of basic contract apply where not referred to above and where applicable.

2. The Employer shall contribute to the United Food and Commercial Workers Union and Participating Employers Pension Fund a total of Eight Cents (8¢) per hour for all straight time hours paid, capped at forty (40) hours per week for each such employee. The hourly contribution by the Employer for employees hired prior to September 12, 1992 will commence upon completion of thirty (30) days of continuous employment with the Employer retroactive to the date of employment. Non Food clerks hired after September 12, 1992 will become eligible the first of the month following twelve (12) months of continuous employment.

Section 5.11 The duties of the Porter shall be limited to the general cleaning up of the store and carrying out of customer's packages, but in no other instance shall porters be required to handle, display, or sell any merchandise sold in the store.

Section 5.12 Courtesy Clerks shall be guaranteed ten (10) hours work per week at no less than three (3) hours work per shift. Their duties shall be limited to bagging, parcel pick up, cleaning up around the checkout stand and parcel pick up areas, spot mop, floor care and other cleaning duties (i.e., restrooms), sweeping and handling recycled items, racking empty bottles, returning unsold merchandise, handling recycled newspapers, cans and tearing off magazine covers.

A. Eligible Courtesy Clerks will receive vacations as provided in Article 7 and three (3) hours pay for the legal holidays provided in Article 8.

B. Work performed on Sundays and holidays will be compensated for at a premium of Twenty-Five Cents (25¢) per hour.

C. The Employer will not be obligated to make Health and Welfare, Pension, Severance and Legal contributions on behalf of

Courtesy Clerks.

Section 5.13 When an employee is promoted to a higher classification the employee's pay rate shall progress to the next higher wage rate in the new classification and thereafter progress through the remaining progression.

Section 5.14 An employee who has worked within the industry during the past three (3) years shall be credited with all previous supermarket experience in the same type of work, or in the case of general merchandising or bakery employees, all previous experience in a similar capacity, proven by verification or ability, which shall be recognized as seniority for the purpose of establishing the pay scale to which the employee is entitled. The Employer, employee, and the Union will make every effort to verify all previous experience on the employee's application. If, however, complete information cannot be obtained within the first three (3) months of employment, the pay scale shall be determined by the Employer on the basis of whatever verification of experience has become available and the employee's ability. The Employer agrees to notify the Union no later than forty-five (45) days after employment if complete verification of experience has not been obtained. The above applies except in the case of a journeyman or an apprentice who has not worked in the industry within the past three (3) years, who shall be given a jointly observed block test immediately following the ninety (90) day probationary period. The salary of such employee shall be retroactive to the date of original employment.

Section 5.15 In stores designated by the Employer, there shall be one employee working in the Floral Department classified as Floral Manager, who's rate of pay shall be at the top of the Food Clerk rate in the tier in which they were hired. All other employees in the Floral Department will be classified as Service Clerks.

Section 5.16 The duties of employees classified as cake decorator shall be limited to finishing of all iced cake & whipped cream products. Employees classified as Cake Decorators may be used in any store designated at the discretion of the Employer. The Employer shall also have the option of scheduling such employees to work in more than one store daily, provided that all such work, including reasonable travel time, is compensated at the appropriate hourly rate.

Section 5.17 The Union agrees the Employer may randomly test

Pharmacy Technicians after review of procedure with the Union.

Section 5.18 Effective with the date of this Agreement, there shall be created an EMPLOYEE INCENTIVE FUND ("Fund") which the Employer agrees to participate in and contribute to. Disposition of fund assets shall be solely and exclusively controlled by members of the Union who are employees of the Employer. Selection of Fund Trustees shall be made pursuant to a procedure developed by the employees. The employees or their authorized agent shall have authority to direct the investment of the assets of the Plan to the maximum extent permissible under law.

1. Employer obligations for each store shall commence on the first sales day of the next sales period following the opening date of the store or conversion of the store to Superfresh.

2. All Employer contributions for each store for the preceding year shall be made to the Fund (which shall be comprised of the combined contributions for all stores) within sixty (60) days after each annual anniversary date established in Section 1 above.

3. The amount of Employer contributions for each store shall be one percent (1%) of the store's total sales for the contract year, (contract year to mean twelve (12) months from the date the store opened or converted as Superfresh), subject to adjustment as follows:

a. If the store's labor rate for the corresponding period is below nine percent (9%), the contribution rate shall be adjusted upward by one-twentieth of a percentage point (.05%) for each full one-tenth of a percentage point (0.1%) reduction below nine percent (9%). If the store's labor rate for the corresponding period is above ten percent (10%), the contribution rate shall be adjusted downward by one-twentieth of a percentage point (.05%) for each full one-tenth of a percentage point (0.1%) increased above ten percent (10%). For example, if the labor rate is 8.3, the contribution rate is 1.35%; if the labor rate is 11.1, the contribution rate is 0.45%. Under no circumstances shall the Fund be required to reimburse the Employer based on the store's labor rate.

4. The plan and any accompanying Trust shall be exempt from income taxation, and the Employer's contribution shall be

deductible for income tax purposes. In the event that for any reason the Fund cannot receive the continuing approval of the IRS with respect to the deductibility as an item of business expense of the Employer contribution thereunder, the amount of the Employer contribution for the period for which such contribution is required under this Agreement shall be paid directly to the employees in cash, as an employee benefit, by a formula to be mutually determined by the Employer and the Union.

5. Company and the Union agree to continue the incentive bonus program established under the 1986 contract through the conversion of the A&P Stores to Super Fresh. Company and Union further agree to meet periodically during this Agreement to review the incentive program and its format.

a. ELIGIBILITY:

i. All employees who were working in the store the day the store opened or was converted to Superfresh and were still working in the store on the anniversary date. Employees hired after the date the store opened or was converted shall not vest in the incentive fund until the completion of one (1) year of service.

ii. Those employees who were promoted out of store are eligible for hours worked in both stores, i.e. if employees worked 700 hours in Store #A and 800 hours in Store #B, he has credit for a 700 hour portion from #A and an 800 hour portion from #B.

iii. Any former A&P employee who retires during the course of a plan year.

iv. Any employee who dies during the course of a plan year.

b. DETERMINATION OF HOURS:

i. Only hours eligible are those hours worked from opening date of the store. Any hours worked prior to store opening, or conversion of a store to Superfresh, must be deducted from the total.

c. DEFINITION OF LABOR:

- i. All productive hours.
- ii. Vacation (regular and vested expense).
- iii. Holiday.
- iv. All payroll taxes.
- v. Union health and welfare benefit and retirement expense.
- vi. Company retirement and benefit expense for non-bargaining unit employees, i.e., store manager.

ARTICLE 6 - HOURS AND OVERTIME

Section 6.1 The guaranteed basic work week for all full time employees shall be forty (40) hours per week to be worked in five (5) days. Part time shall be guaranteed 16 hours per week. The sixteen (16) hour minimum does not apply to probationary employees, students, part time employees holding another job, courtesy clerks, service clerks or employees not available. Part time Meat Department employees hired prior to June 20, 1982 shall be guaranteed twenty (20) hours per week.

The work week shall be Monday through Saturday for full and part timers.

Employees full time and part time shall be paid at the overtime rate of time and one-half (1 1/2) of the employee's regular rate of pay for the following time worked:

- (a) In excess of eight (8) hours in one (1) day.
- (b) In excess of five (5) days in one (1) week.
- (c) In excess of forty (40) hours in one (1) week.
- (d) In excess of thirty-two (32) hours in any week in which one of the specified holidays falls except as provided in Article 8 Section 2.
- (e) All hours worked after 6:00 p.m. by a full time employee after three (3) nights.

There shall be no split shifts.

The regular day's work for all full time employees shall be worked within nine (9) consecutive hours and all employees shall receive one (1) hour off for lunch at approximately the middle of the working day, except that any employee may receive only one-half ($\frac{1}{2}$) hour meal period when he works within eight and one-half ($8 \frac{1}{2}$) consecutive hours, provided it is mutually agreed upon. The meal period shall not begin before three (3) hours of work, nor later than five (5) hours of work. Part time employees who work more than six (6) hours in a week day, shall be granted a meal period without pay of at least one-half ($\frac{1}{2}$) hour, if requested by the employee.

On days where overtime is worked, if the second meal period is taken, it shall consist of one-half ($\frac{1}{2}$) hour's duration only. The taking of the second meal period will be only by mutual consent of employee and Employer.

Any employee required to work his meal period shall receive pay for that period of time at the overtime rate of time and one-half ($1 \frac{1}{2}$) the regular rate of pay.

All full time employees reporting for work at their scheduled time shall be guaranteed their scheduled hours of work, unless such work is unavailable due to an emergency or Act of God not within the control of the Employer. In the event such an employee is called to work on his predesignated day off, he shall be guaranteed a minimum of four (4) hours pay at the overtime rate of time and one-half ($1 \frac{1}{2}$).

Part time employees who report to work pursuant to instructions and are not given work shall be paid for their scheduled hours, but in no event for less than four (4) hours. No part time employee shall be employed for less than four (4) hours in any one (1) day.

The Employer may establish as many shifts as necessary and the starting time of such shifts shall be optional with the Employer.

Any time worked after 1:00 a.m. or before 4:00 a.m. shall be paid at time and one-half ($1 \frac{1}{2}$) of the employee's regular rate of pay, except for those employees on the night shift.

Overtime shall be worked at the designation of the Employer. The overtime pay shall be computed on a daily or weekly basis, but not for both. On days where overtime is worked, it shall be offered to employees on a seniority basis with due consideration being given to job classification and ability to do the work from among the work force available at the store.

Section 6.2 The Employer shall post a weekly work schedule, in ink, with the employees' names listed in order of seniority, in a conspicuous place easily accessible to the employees, in each department and/or store of all employees covered by this Agreement showing their daily hours of work and their predesignated day off. This notice shall be posted by Friday 6:00 p.m. of the week preceding the week for which the schedule is effective, and this schedule shall remain posted for all employees to review. In the event a full time employee's predesignated day off is changed after the schedule is posted, an employee required to work on his predesignated day off shall be paid at the rate of time and one-half (1 ½) his straight time rate of pay for work performed on such day.

A seven (7) day written notice must be given in order for a full time employee's regularly scheduled day off to be changed.

The schedule for a part time employee may be changed by notification to the employee prior to the end of their shift the previous day. A part time schedule shall be complete and reflect the anticipated basic needs of the store's requirement for that week, except for holiday weeks.

Section 6.3 Employees working six (6) hours or more in a day shall receive two (2) rest periods of fifteen (15) minutes each, one (1) rest period to be in the first half of the work day, the second rest period to be in the second half of the work day as near as possible to the middle of each shift. Employees working less than six (6) hours in a day shall receive one (1) fifteen (15) minute rest period. The Employer will not intentionally prepare a schedule to avoid the requirement of a second rest period.

Section 6.4 Employees shall be at their work stations ready for work at their scheduled starting time, otherwise they are reporting late.

Section 6.5 A part time employee is one who works twenty-nine (29)

hours or less per week, except during the period of June 15th to September 15th, when a part time employee may work up to thirty-five (35) hours per week. Part Time employees shall be given the weekly schedule with the most hours within their classification by seniority within the basic work week. The schedule for each store should provide the most senior part time employees with the greatest number of hours, within the definition of part time; with the balance of the employees scheduled to reflect the actual needs of the business, however, not less than the weekly minimum. Those scheduled hours which may become available during the regular work week are to be offered to employees by seniority to fill such vacated hours. It is not the intent of the parties to have all employees scheduled at the same weekly number of hours. Sunday work shall be assigned separately.

Section 6.6 A Night Crew employee is one who is scheduled for work on a Night Crew two (2) or more nights in any one (1) week. No employee shall be required to work a day and night shift in the same work week.

Section 6.7 Any employee working on the Night Crew two (2) or more nights during the week shall receive the night premium for all hours worked during the entire week. Any time worked by a member of the Night Crew prior to 9:00 p.m. or after 10:00 a.m. shall be paid at time and one-half (1 ½) of the employee's regular rate of pay which shall be in addition to his night premium.

Section 6.8 Each employee hired prior to October 16, 1983, working on the night shift will receive an additional seventy-five cents (75¢) per hour, which shall be over and above the regular rate of pay for the same or similar day job. Effective April 23, 2000, each employee hired prior to October 16, 1983, working on the night shift will receive an additional one dollar (\$1.00) per hour, which shall be over and above the regular rate of pay for the same or similar day job.

Each employee hired on or after October 16, 1983, working on the night shift will receive an additional thirty-five cents (35¢) per hour, which shall be over and above the regular rate of pay for the same or similar day job. Effective April 23, 2000, each employee hired on or after October 16, 1983, working on the night shift will receive an additional eighty cents (80¢) per hour, which shall be over and above the regular rate of pay for the same or similar day job. Effective May 6, 2001, each employee hired on or after October 16, 1983, working on the night shift

will receive an additional one dollar (\$ 1.00) per hour, which shall be over and above the regular rate of pay for the same or similar day job.

Section 6.9 One person other than the Assistant Manager or Department Head shall be designated as the employee in charge of the Night Crew. This employee shall not be replaced by any employee in a higher wage classification.

Section 6.10 Effective March 26, 2000, the employee in charge of Night Crew will receive in addition to his night premium, an additional Twenty-five Dollars (\$25.00) per week. Effective March 26, 2000, a Night Crew Captain in charge in a store which is open for business on a 24 Hour basis shall receive an additional Ten Dollars (\$10.00) per week night premium (in addition to the Twenty-five Dollars (\$25.00) per week Night Captain premium).

Section 6.11 A Night Crew may work four (4) ten (10) hours shifts at straight time by mutual agreement.

Section 6.12 Part time grocery employees may be assigned on a night shift, provided however, they must be assigned for a full shift of not less than eight (8) hours, however, part time employees may be scheduled for less than eight (8) hours by mutual agreement. Part time employees hired after April 19, 2000 will be schedule for no less than six (6) hours on the night crew.

Section 6.13 The meal period for Night Crew workers shall be one-half (½) hour and the eight (8) hour shift shall be worked in a period of eight and one-half (8-1/2) consecutive hours.

Section 6.14 Any regular member of the Night Crew will receive his basic weekly wage plus his night premium in the computation of his overtime, vacation or holiday pay.

Section 6.15 Employees who want on or off the Night Crew shall bid as follows: A request must be in writing to the employer and will be placed on the list referred to in Article 4, as day openings occur. The most senior employee on the combined list shall be assigned to the job provided, the employee is available to work such hours on a regular and continuous basis.

Section 6.16 Meat Department employees who want on or off the

Night Crew shall bid in writing to the Personnel Office on a seniority basis.

Section 6.16A Meat Department employees hired prior to October 16, 1983, employed on the night shift shall receive a night shift differential of seventy-five cents (75¢) per hour over and above the basic wage rate. Effective April 23, 2000 Meat Department employees hired prior to October 16, 1983, employed on the night shift shall receive a night shift differential of one dollar (\$1.00) per hour over and above the basic wage rate. Meat Department employees hired on or after October 16, 1983, employed on the night shift shall receive a night shift differential of thirty-five cents (35¢) per hour over and above the basic wage rate. Effective April 23, 2000, Meat Department employees hired on or after October 16, 1983, employed on the night shift shall receive a night shift differential of eighty cents (80¢) per hour over and above the basic wage rate. Effective May 6, 2001, Meat Department employees hired on or after October 16, 1983, employed on the night shift shall receive a night shift differential of one dollar (\$1.00) per hour over and above the basic wage rate. The night shift shall be scheduled between the hours of 9:00 p.m. and 10:00 a.m.

Section 6.17 Employees who sustain an occupational injury requiring treatment by a doctor or hospital shall suffer no loss in pay for the day the injury occurs provided the employee returns to work unless otherwise instructed in writing by the attending doctor.

Section 6.18 When a part time employee is scheduled and/or works forty (40) hours per week for more than six (6) consecutive weeks and the work is not temporary (i.e., vacation and/or absence coverage), a full time position will be deemed to have been created. Such full time position will be filled in accordance with Article 4, Section 6.

Section 6.19 The Company recognizes that given the individual life-style of each employee certain work schedules are preferable. In this regard, the Company will make its best effort to consider seniority in the preparation and assignment of work schedules. The Union recognizes that the needs of the business take first priority.

ARTICLE 7 - VACATIONS

Section 7.1 Full time employees hired prior to November 8, 1986 and April 22, 1987 Eastern Shore, with one (1) or more years of continuous full time service shall be granted vacations as follows:

ANNUAL VACATION

PRO-RATA VACATIONS ON TERMINATION

One (1) week uninterrupted after one (1) year

1/12 week for each additional month

Two (2) weeks uninterrupted after three (3) years

2/12 week for each additional month

Three (3) weeks after seven (7) years

3/12 week for each additional month

Four (4) weeks after thirteen (13) years

4/12 week for each additional month

Five (5) weeks after twenty (20) years

5/12 week for each additional month

Full time employees hired after November 7, 1986 and April 21, 1987 Eastern Shore, with one (1) or more years of continuous full time service shall be granted vacations as follows:

ANNUAL VACATION

PRO-RATA VACATIONS ON TERMINATION

One (1) week uninterrupted one (1) year

1/12 week for each after additional month

Two (2) weeks uninterrupted after three (3) years

2/12 week for each additional month

Three (3) weeks after seven (7) years

3/12 week for each additional month

ANNUAL VACATION - ContinuedPRO-RATA
VACATIONS ON
TERMINATION

Four (4) weeks after thirteen
(13) years

4/12 week for each
additional month

Effective January 1, 2002, Full time employees hired after November 7, 1986 and April 21, 1987 Eastern Shore, with one (1) or more years of continuous full time service shall be granted vacations as follows:

ANNUAL VACATIONPRO-RATA
VACATIONS ON
TERMINATION

One (1) week uninterrupted after
one (1) year

1/12 week for each
additional month

Two (2) weeks uninterrupted after
three (3) years

2/12 week for each
additional month

Three (3) weeks after seven
(7) years

3/12 week for each
additional month

Four (4) weeks after thirteen (13)
years

4/12 week for each
additional month

Five (5) weeks after twenty (20)
years

5/12 week for each
additional month

Section 7.2 Employees with three (3) or more weeks of vacation may choose to take one (1) week in days, with the approval of management. The decision shall not be subject to the grievance and arbitration process. Hours paid as vacation paid in days shall not be included in the calculation of overtime in the week taken.

Section 7.3 Employees discharged for acknowledged or proven dishonesty, or employees who quit without giving a one (1) week notice shall not be entitled to pro-rata vacation pay.

Section 7.4 An employee who has earned three (3) weeks of

vacation is entitled to at least two (2) weeks uninterrupted, with the remaining period to be taken at a time convenient to both the Employer and the employee.

Section 7.5 Employees must work Thirty-Six (36) weeks during the vacation year to qualify.

Section 7.6 Vacation time shall be computed from date of employment or anniversary date, and shall be paid at the rate of pay in effect at the time the vacation is taken. Leave of absence for any reason shall not be considered as time worked, but if the leave exceeds sixteen (16) weeks within the vacation year, the employee shall receive a pro rata vacation that vacation year.

Section 7.7 When a holiday designated in Article 8 Section 1 occurs during the full time employee's vacation, the employee shall be entitled to an extra day's vacation or cash in lieu thereof, based on straight time pay for an eight (8) hour work day.

Section 7.8 From January 1 to March 31 of each year, employees shall select their desired date for vacation for that year. Said selection will be awarded on a seniority basis within department. The approved vacation schedule shall be completed and posted by April 15th in a conspicuous place easily accessible to employees. After March 31, employees may select vacant weeks by seniority but may not bump less senior employees who have exercised their vacation selection during the bid period. Vacations, requested after the bid period will be honored on a first-come, first-served basis.

Section 7.9 Vacation pay is to be paid to the employee prior to the vacation.

Section 7.10 Part time employees shall be entitled to a vacation on or after each anniversary date of their employment pro-rated on the basis of the average straight time hours worked during the preceding year, according to the vacation formula set forth above and subject to the same conditions as pertain to full time employees. The method of calculating vacation for part time employees is to be based on the straight time hours worked during the preceding calendar year divided by fifty two (52). If the employee is absent due to a Health and Welfare claim, the number of full weeks of absence is to be deducted from the fifty two (52). Vacation weeks are to be considered as hour worked.

Section 7.11 When a holiday, designated in Article 8, occurs during a part time employee's vacation, the employee shall be paid as provided in Article 8.

Section 7.12 Employees may start vacation on any day which is mutually agreed upon by the Employer and the employee.

Section 7.13 A part time employee going to full time shall not suffer a reduction in the number of hours of vacation the employee would have received as a part time employee for the first vacation of such change.

ARTICLE 8 - HOLIDAYS AND SUNDAYS

Section 8.1 The Employer agrees that the following days shall be holidays. When a holiday falls on a Sunday, the following Monday shall be observed.

New Year's Day	Labor Day
Memorial Day	Thanksgiving Day
Independence Day	Christmas Day
Easter Monday	(employees hired before October 16, 1983)

Employees on the payroll as of January 1, 1978 shall receive five (5) personal days off with pay per year.

Employees hired after January 1, 1978 and before October 16, 1983 shall receive one (1) personal day off with pay for each ten (10) weeks of service up to a maximum of five (5) days per year.

Employees hired after October 16, 1983 and before November 8, 1986 in Baltimore and before April 22, 1987 on the Eastern Shore shall receive one (1) personal day off with pay for each six (6) months of service up to a maximum of two (2) days per year.

Employees hired after November 7, 1986 in the Baltimore area and April 21, 1987 on the Eastern Shore shall receive one (1) personal day off with pay after six (6) months of service, and an additional personal holiday for a total of two (2) personal holidays per year for employees with two (2) years or more of service.

Effective January 1, 2002 all employees hired after October 16, 1983 shall receive an additional personal holiday for a total of three (3)

personal holidays per year for employees with two (2) years or more of service.

If an employee is required to work on a holiday, compensation shall be at the rate of time and one-half (1½) the employee's regular straight time rate of pay, which shall be in addition to the holiday pay as provided. Employees working in the Eastern Shore stores hired after September 30, 1992 shall receive one dollar (\$1.00) per hour premium added to their basic straight time hourly rate for all hours worked on Sundays and/or Holidays. Sundays and Holidays rotation shall be done from separate lists.

Section 8.2 The work week during which a holiday occurs shall be considered a four (4) day week consisting of thirty-two (32) straight time hours, for which the employees shall be paid forty (40) hours pay if they qualify under Article 8, Section 3. All time worked over thirty-two (32) hours during said holiday week shall be compensated for at the overtime rate of time and one-half (1 ½) except that an employee may work forty (40) hours at straight time in addition to the holiday pay, provided it is mutually agreed upon between Employer and employee.

(1) All part time employees, upon completion of ninety (90) days but less than one (1) year of continuous service with the Company, shall be entitled to holiday pay as set forth in this paragraph when said holiday falls on their scheduled work day, based on the number of hours regularly worked by such employee on that day.

(2) All part time employees with one (1) or more years of continuous service shall be entitled to holiday pay based on the number of hours regularly worked by the employee on that day if the holiday falls on a regularly scheduled work day; or holiday pay of four (4) hours if the holiday falls on a non-scheduled day at straight time.

(3) Courtesy clerks hired before October 16, 1983 shall be paid four (4) hours for legal holidays provided for in Section 8.1, including Easter Monday.

(4) In either case in order to receive holiday pay the employee must:

a) Work the scheduled work day before and after such holiday, Sunday excepted; and

b) Work at least one (1) day during the said holiday week.

(5) Work schedules shall not be changed for the purpose of avoiding holiday pay.

Section 8.3 No employee shall receive pay for any holidays not worked unless such employee has reported for work on the employee's regular work day next preceding and next following said holiday. Employee shall be deemed to have reported for work if absence on the day before or the day after said holiday is due to express permission from or action of the Company, or death in the immediate family and also in case of certified illness, but in any event, employees off one (1) full week before a holiday and one (1) full week after a holiday would not be entitled to holiday pay, unless otherwise provided for in this Agreement.

Section 8.4 Any work performed by employees on Sunday shall be paid for at the rate of time and one-half (1½), except Eastern Shore employees hired after September 30, 1992 shall receive one dollar (\$1.00) per hour added to their pay for such Sunday hours worked.

Section 8.5 Hours and/or days which qualify for Sunday or holiday premium pay shall not be included in computing weekly overtime. There shall be no pyramiding of overtime and/or premium pay. Hours worked on Sundays or holidays shall be in addition to the normally scheduled work week.

Section 8.6 Sunday work shall be assigned on a rotating basis by seniority within the store by job classification. In the event the Employer cannot schedule the necessary number of employees on a voluntary basis, then the employees in reverse order of seniority shall be obligated to work.

Section 8.7 In the Meat Department Sunday and/or Holiday work in each store shall be rotated among qualified employees within the classification required by the Employer to perform the work. The work heretofore performed by part time employees shall be first offered to full time employees. The work so offered shall not be deemed to fall within the daily hourly guarantee of this contract. If full time employees refuse the work it may then be offered to part time employees. If scheduled employees refuse such work then the least senior employee within the classification will be required to do the work.

ARTICLE 9 - SHOP STEWARDS

Section 9.1 The Union shall have the right to appoint one (1) Shop Steward in the Grocery Department and one (1) Shop Steward in the Meat Department in each store, whose duties shall be to report any irregularities to the Union. In no instance shall the Shop Stewards be discriminated against for discharging such duties, provided such duties do not unreasonably interfere with the regular performance of their work for the Employer. Shop Stewards shall report all irregularities to the Store Manager prior to reporting same to the Union.

Section 9.2 Shop Stewards may not be transferred from store or job assignment without written consent to the Union, except in cases of promotion. The Shop Stewards shall have superseniority on his seniority list for layoff in their store within classification. Further, the Shop Stewards shall not be threatened, coerced or intimidated for performing Union activities.

Section 9.3 Shop Stewards shall be entitled to a leave of one (1) day each calendar year with pay, for Shop Steward Training and Education. The Union must notify the Employer at least two (2) weeks in advance thereof. The Shop Steward must upon returning from the leave present the Store Manager with written evidence from the Union that the steward has used the leave for the purpose for which the leave was intended. For purposes of the above, one Shop Steward per Meat Department and one Shop Steward per Grocery Department will be eligible for pay on said leave.

ARTICLE 10 - ARBITRATION AND ADJUSTMENT

Section 10.1 Should a controversy, dispute or disagreement arise during the period of this Agreement concerning the interpretation of the provisions of this Agreement, except that liability for wage claims shall not be subject to arbitration unless involving a disputed interpretation of the provisions of the Agreement, there shall be no cessation or stoppage of work or lockout because of such controversy, dispute, or disagreement, but the difference shall be adjusted in the following manner.

Section 10.2 Upon receipt of notice from either party, the representative of the Employer and the representative of the Union shall, within three (3) days, commence discussion in an attempt to reach a

settlement of the controversy.

Section 10.3 If the matter is not amicably settled under Section 2 above, then either party may, on giving five (5) days notice to the other party:

(1) Submit the matter to the Federal Mediation and Conciliation Service for a list of fifteen (15) Arbitrators and the parties shall select therefrom one (1) arbitrator as follows: Each of the parties shall strike one (1) name from the list until a last name remains, each of the parties drawing lots to determine who shall be entitled to the first strike.

(2) The arbitrator shall not have the authority to decide questions involving the jurisdiction of any Local or of the International or which may in any way affect or change the Union Security clause, nor shall the arbitrator have the authority to effect a change in, modify, or amend any of the provisions of this Agreement or to make decisions or provisions covering wages or working conditions to be incorporated either in a new Agreement or any subsequent annual Agreement, except as hereinafter provided.

(3) In the event that one party should fail to make their selection of arbitrators within two (2) weeks after receipt of notification by the other party that their choices have been submitted, then the first choice of the selecting party shall be binding on the non-selecting party.

(4) In the further event, should one (1) party fail to participate in the scheduled arbitration proceeding, the other party may proceed unilaterally and the decision of the arbitrator shall be final and binding upon all parties.

Section 10.4 The provisions of no strike or lockout shall not be binding on either party if the other fails to abide by the decision of the arbitrator. The expenses of the arbitrator shall be borne equally by both the Employer and the Union.

Section 10.5 All complaints must be filed, in writing, within thirty (30) days after occurrence of the matter in dispute of disagreement, provided that any complaints in reference to dismissal must be filed, in writing, to the Employer within ten (10) days from the date of dismissal. Complaints

not filed, within the limits herein specified shall have no right of appeal by any party involved.

Section 10.6 During the consideration of such difference or misunderstanding, neither party shall use any coercive or retaliatory measures to compel the other party to accede to its demands.

Section 10.7 Since it is the desire of the parties to expedite the handling of all grievances, they therefore agree that the time limits prescribed must be followed, unless agreed to by the Union and the Employer. The party failing to move forward as required shall be deemed to have withdrawn the grievance. All notices required herein shall be in writing.

Section 10.8 An alleged violation of Title 7, of the 1964 Civil Rights Act, may be processed through the grievance procedure.

Section 10.9 Mediation and Arbitration. The mediation procedure will operate in the following fashion:

- a. After the final step of the grievance procedure, the parties will have the option of going to mediation, if mutually agreeable between the parties, rather than directly to arbitration. The mediator will be a highly skilled and respected arbitrator. He will first attempt to settle the grievance. In doing so, he will encourage the parties to focus not only on the contract, but also on the underlying problem. If a settlement is not achieved in those discussions, the mediator will give the parties an immediate oral opinion, based on their contract, as to how the grievance is likely to be decided if it goes to arbitration.
- b. If no settlement is possible, and the parties do not accept the mediators advisory opinion, they are free to arbitrate. If they do, the grievance will be heard by a different arbitrator, and nothing said or done by the parties at mediation can be used against them at arbitration.
- c. The proceedings before the mediator are informal in nature. The facts are brought out in narrative fashion, the rules of evidence will not apply, and no record will be made. Participants can discuss anything relevant to them.

d. The mediation proceedings will be short and to the point. The goal will be to dispose of up to three grievances per day.

ARTICLE 11 - LEAVES OF ABSENCE

Subject to the following conditions, employees shall be granted leave of absence without pay which shall not interrupt their service records, providing such request is made by the employee, in writing, to the Employer's main office seven (7) days prior to commencing such leave.

Section 11.1 The Employer agrees that any member of the Union, employed by the Employer during the period of this contract who is elected to permanent office in the Union or is assigned by the Union to any Union activity necessitating temporary leave of absence, shall be granted such leave and shall, at the end of this term in the first instance or at the end of his mission in the second instance, be guaranteed reemployment at the employee's former wage rate plus any increase or less any reduction that may become effective during the employee's absence, provided that the employee applies for reemployment forthwith upon leaving the Union.

Section 11.2 Leave of absence shall be granted up to one (1) year without pay when an employee with six (6) or more months of continuous service is unable to work because of a disability, and this leave shall become effective after the final sick benefit payment is made. The disability must be attested to by a registered physician. However, in the event such employee is unable to work at the expiration of the leave period, he shall be entitled to an additional leave of six (6) months if he submits satisfactory medical evidence that he will be able to return to his regular duties within the said additional period.

Section 11.3 The Company will comply with the applicable laws of the United States concerning the reemployment of persons leaving the military service of the United States. Because the schedule of progressive wage rates provided for by Exhibits A and B hereof depends upon actual experience on the job, a person reemployed pursuant to this Section shall, for purpose of Exhibits A and B, be credited only with months of actual payroll service. A person so reemployed shall be paid at the current rate for the appropriate job classification based upon the person's actual job experience. At the time an employee leaves for military service, the employee shall receive whatever vacation pay is due.

Section 11.4 An employee may be given a leave of absence not to exceed one (1) year for any reason acceptable to the Employer. This decision shall not be arbitrable.

Section 11.5 An employee covered by this Agreement who is promoted to a management position shall be granted a leave of absence from the bargaining unit. Such leave shall be granted for up to one (1) year and may be renewed annually by agreement between the Employer and the Union.

ARTICLE 12 - WORKING CONDITIONS

Section 12.1 No member of the Union shall suffer a reduction in benefits or wage rates solely by the signing of this Agreement.

Section 12.2 The Employer will furnish and launder such store linen as it desires worn by its employees, except that when the Employer supplies Dacron or similar type uniforms for employees, they may be laundered by the employee. Since this item of expense is intended to make the Employer's service more attractive to customers, employees shall be requested to present a neat, clean, business-like appearance while on duty in the stores.

Section 12.3 If a physical examination or health permit is required, only the expense of the examination or health permit shall be borne by the Employer.

Section 12.4 A full time employee who receives a pay rate which is higher than the pay rate provided in Exhibit A for the employee's classification, who is promoted to a department head and subsequently demoted to the employee's former classification shall receive the same pay rate differential which the employee previously received.

Section 12.5 The Employer agrees, in the event of a temporary transfer at the Employer's request, to reimburse the employee for increased transportation costs on the basis of thirty-two cents (32¢) per mile, except, however, when an employee chooses public transportation, excluding taxicabs, the employee shall be reimbursed only for the actual cost of such increased transportation.

Section 12.6 Notices concerning Union business which have been approved by the Employer's main office may be posted in designated locations in the store.

Section 12.7 First aid kits for each store and all tools of the trade will be furnished by the Employer.

Section 12.8 The Employer shall have a time clock or time sheets in each store for the purpose of keeping record of all hours worked by the employees.

Section 12.9 A meat department bargaining unit employee shall be on duty until 8:00 P.M. in all stores, except that a department need not be manned during meal periods where there is only one (1) employee on duty that shift.

Section 12.10 No employee may be held responsible for each register overages or shortages unless he is given the privilege of checking the change and daily receipts upon starting and completing the work shift.

Section 12.11 When more than one employee works from one cash drawer or office cash drawer, no employee shall be held responsible for cash shortages.

Section 12.12 Employees hired during the period of May 1 and September 30, to work in the beach stores #874 - Ocean City, #892 - Ocean City and #889 -Berlin shall be designated Summer Temporary Help. Seniority shall not accrue from season to season. The rates of pay will be at the prevailing starting rate of time of hire. Employees will not be subject to recall and shall not be eligible for any benefits. Those employees that were eligible for recall in 1986 remain eligible for recall in subsequent seasons with refusal provision applying. Employees hired after September 30, 1992 for stores #874 - Ocean City, #892 - Ocean City and #889 - Berlin will have a probationary period of one hundred twenty (120) days.

Section 12.13 Company to provide Union with new drug and alcohol policy which will be reviewed by the Company and the Union.

Section 12.14 Except by mutual agreement between the employee and the Employer, employees shall receive a minimum of ten (10) hours off between the end of their schedule and the starting of their next

schedule. Any employee who works during this ten (10) hour period shall be paid for such time at the rate of time and one-half (1½) their straight time rate of pay.

Section 12.15 Floor Care may be performed by an outside vendor. Employees currently doing floor care shall receive the same hours and rates of pay as they have in the past.

Section 12.16 Employees promoted to Department Head shall receive the applicable Department Head rates according to the scales for their date of hire.

Section 12.17 Those employees on the payroll prior to the conversion of Super Fresh (Baltimore area November 8, 1986 and April 22, 1987 Eastern Shore) shall maintain their participation in the FELRA Health and Welfare, Pension, Legal and Severance Funds; and shall maintain their vacation, holiday entitlement and shall maintain Sunday and holiday premium pay.

Section 12.18 Company and Union agree to continue the incentive bonus program established under the 1986 contract through the conversion of the A&P stores to SuperFresh. Company and Union further agree to meet periodically during the current agreement to review the incentive program and its format.

ARTICLE 13 - JURY DUTY

Section 13.1 Employees actually serving on juries shall receive the difference between their straight time weekly basic pay and the amount received while on jury duty. They will be expected to work their regularly posted schedule on days when jury is not in session.

Section 13.2 An employee serving on the jury shall not be required to work hours other than those during which the employee is normally scheduled and in no case shall be required to report for less than four (4) hours.

Section 13.3 The above provisions shall be limited to thirty (30) days of jury duty in any one (1) year, except for service on a Grand Jury.

Section 13.4 When a night crew employee is called to serve on jury duty he shall be excused from his schedule without loss of weekly

earnings.

ARTICLE 14 - FUNERAL LEAVE

Employees with six (6) months service shall, in the case of a death in the immediate family, namely parent, spouse, child, brother, sister or parent-in-law, grandparents of employees, requiring the employee's absence from regularly scheduled assignments, be granted a leave of absence up to three (3) days, beginning with the day of death. When an employee's normal time falls within the three (3) day period, the employee shall be reimbursed for that portion of the time normally scheduled for work but under no circumstances shall the application of this clause result in a change in the employee's basic weekly salary. Employees shall receive four (4) days off for spouse and children.

ARTICLE 15 - CHECKOFF

Section 15.1 The Employer agrees to deduct dues and initiation fees uniformly required of members of the Union from the pay of each employee who has furnished the Employer with an authorization in writing authorizing such deduction. The Employer agrees to remit amounts so deducted within thirty (30) days after their collection to the Financial Secretary or designated officer of the Union.

Section 15.2 The Union assumes full responsibility for the disposition of the funds deducted hereunder after they have been remitted by the Employer to the Financial Secretary or designated officer of the Union.

Section 15.3 The Employer agrees to deduct fifty cents (50¢) per week and remit monthly to the Local Union's Active Ballot Club from employees who are Union members and who have signed deduction authorization cards.

Section 15.4 The Employer agrees to deduct weekly whatever amount is so designated by the employee or Union to the Local's Credit Union. The amount is to be remitted monthly.

Section 15.5 The Employer agrees that it will utilize current computer capabilities to electronically transfer dues, initiation fees, credit union deductions as well as updated employee information to the Union. The parties agree that they will cooperate with one another to accomplish this objective.

ARTICLE 16 - HEALTH AND WELFARE

Section 16.1 - Health Benefits

A. The Employer shall contribute to the FELRA and UFCW Health and Welfare Fund (hereinafter referred to as the "Welfare Fund" the sum of three hundred sixteen dollars (\$316.00) per month for each appropriate full time employee on the Employer's payroll. The contribution by the Employer will commence with the first full payroll month following the completion of twelve (12) months continuous employment with the Employer.

B. The Employer shall contribute to the Welfare Fund the sum of one hundred fifty dollars (\$150.00) per month for each appropriate part time employee on the Employer's payroll. The contribution by the Employer will commence with the first full payroll month following the completion of twelve (12) months of continuous employment with the Employer.

C. After twenty-four (24) months of continuous employment, appropriate part time food, non-food and service clerks, may be eligible for dependent coverage by submitting a request to the fund office between one (1) and three (30) months before the eligibility date. The monthly premium to be paid by the employee shall be twenty percent (20%); and the monthly premium to be paid by the Employer shall be eighty percent (80%).

D. Monthly contributions will be made on behalf of each employee who received compensation from the Employer during said month.

E. Thereafter, the Employer shall make monthly contributions in amounts determined by the Board of Trustees of the above Fund, so as to maintain current and existing benefits (as established in the negotiations of March, 2000) and further to provide a three (3) month financial reserve.

F. Any change in contribution shall be preceded by a thirty (30) day written notice from the Board of Trustees to the Employer.

G. The contributions provided for in this Agreement shall be in lieu of any obligation on the part of the Employer to provide any Health and Welfare benefits other than those provided by the Trust Agreement and Plan governing the Funds.

H. The Funds shall be governed by Boards of Trustees consisting of equal numbers to be designated by the Food Employers' Labor Relations Association and the Union.

I. It is agreed that all questions involving Health and Welfare not specifically set forth herein shall be determined by the provisions of the Agreement and Declaration of Trust governing each Plan.

J. An Employer, at its discretion, may or may not be required to designate a representative on the Board of Trustees, but in any event the Employer agrees to be bound by all the decisions made by the Trustees in accordance with the Declaration of Trust.

K. Effective July 1, 2000, the United Food and Commercial Workers and Food Employers Labor Relations Association Legal Benefits Fund and the United Food and Commercial Workers and Food Employers Labor Relations Association Severance Fund shall cease to exist as separate entities and their assets and liabilities shall be merged into and become a part of the Food Employers Labor Relations Association and United Food and Commercial Workers Health and Welfare Fund. There shall be separate calculation of the cost of providing health and welfare benefits, severance benefits, legal benefits, and scholarship benefits.

Section 16.2 - Legal Benefits

A. Effective July 1, 2000, the United Food and Commercial Workers and Food Employers Labor Relations Association Legal Benefits Fund shall cease to exist as a separate entity and its assets and liabilities shall be merged into and become a part of the Food Employers Labor Relations Association and United Food and Commercial Workers Health and Welfare Fund. The Welfare Fund will maintain a separate accounting of the assets and liabilities attributable to the provision of legal benefits under the Welfare Trust and such separate account shall be referred to as the "United Food and Commercial Workers and Food Employers Labor Relations Association Legal Benefits Fund."

B. Effective January 1, 2000, the Employer shall continue to make contributions to the United Food and Commercial Workers Union and FELRA Legal Benefit Fund (hereinafter referred to as the "Fund") a total of fourteen dollars and seventy five cents (\$14.75) for each appropriate employee who is on the Employers payroll on the first

day of each month. The monthly contribution by the Employer will commence with the first full payroll week of the month following the completion of twelve (12) months of continuous employment with the Employer.

C. Effective January 1, 2001, the Employer shall increase such contribution to fifteen dollars (\$15.00) per month, plus the cost of administration.

D. Effective January 1, 2002, the Employer shall increase such contribution to fifteen dollars and twenty-five cents (\$15.25) per month, plus the cost of administration.

Effective January 1, 2003, the Employer shall increase such contribution to fifteen dollars and fifty cents (\$15.50) per month, plus the cost of administration.

Effective January 1, 2004, the Employer shall increase such contribution to fifteen dollars and seventy-five cents (\$15.75) per month, plus the cost of administration.

E. The Fund shall be governed by the Board of Trustees of the Welfare Fund.

F. It is understood and agreed that the Welfare Fund referred to herein shall be such as will continuously qualify for approval by the Internal Revenue Service, so as to allow the Employer an income tax deduction for the contribution paid hereunder.

G. It is agreed that all questions involving legal benefits not specifically set forth herein shall be determined by the provisions of the Agreement and Declaration of Trust governing the Welfare Fund and the Legal Benefits Plan.

Section 16.3 - Severance Benefits

A. Effective July 1, 2000, the United Food and Commercial Workers and Food Employers Labor Relations Association Severance Fund shall cease to exist as a separate entity and its assets and liabilities shall be merged into and become a part of the Food Employers Labor Relations Association and United Food and Commercial Workers Health and Welfare Fund. The Welfare Fund will maintain a separate accounting of the assets and liabilities attributable to the provision of

severance benefits under the Welfare Trust and such separate account shall be referred to as the "United Food and Commercial Workers and Food Employers Labor Relations Association Severance Fund."

B. The Severance Fund and Plan shall be governed by the Board of Trustees of the Welfare Fund.

C. It is understood and agreed that the Welfare Fund referred to herein shall be such as will continuously qualify for approval by the Internal Revenue Service, so as to allow the Employer an income tax deduction for the contribution paid hereunder.

D. It is agreed that all questions involving severance benefits not specifically set forth herein shall be determined by the provisions of the Agreement and Declaration of Trust governing the Welfare Fund and Severance Plan.

E. Effective April 1, 2000, the Employer shall make contributions, if required, so as to maintain current and existing benefits (as established in the negotiations of March, 2000).

F. Employees hired in eligible severance classifications through March 25, 2000, shall be eligible for benefits under the Severance Fund. Severance benefits for such Employees shall be based on Service Credit calculated in accordance with the Severance Plan as if the Employee has participated in the Plan from the Employee's first Hour of Service for the Employer. Employees hired on or after September 12, 1992, and prior to March 26, 2000, must still be employed as of March 26, 2000 to receive severance benefits.

Section 16.4 - Scholarship Benefits

A. The Board of Trustees of the Welfare Fund will establish a program of scholarship benefits under the Welfare Fund. It is intended that the Welfare Fund will maintain a separate accounting of the assets and liabilities attributable to the provision of scholarship benefits under the Welfare Trust and such separate account shall be referred to as the "United Food and Commercial Workers and Food Employers Labor Relations Association Scholarship Fund." The Scholarship Fund shall be governed by the Board of Trustees of the Welfare Fund.

B. It is understood and agreed that the Welfare Fund referred to herein shall be such as will continuously qualify for approval by the Internal Revenue Service, so as to allow the Employer an income tax deduction for the contribution paid hereunder.

C. It is agreed that all questions involving scholarship benefits not specifically set forth herein shall be determined by the provisions of the Agreement and Declaration of Trust governing the Welfare Fund and the Scholarship Plan.

ARTICLE 17 - PENSION

Section 17.1 The Employer shall contribute to the FELRA and UFCW Pension Fund the sums listed below for each appropriate employee. Pension contributions for employees hired after September 29, 1992 shall commence after the employee has completed twelve (12) months of employment.

The following Pension contribution rates shall be effective for classifications of employees as described:

<u>Classification</u>	<u>Current Rate</u>
Full time Grocery employees hired before June 21, 1982, full time Meat employees hired before October 16, 1983 and full time Non-Food employees hired before August 28, 1977	\$168.38 per month
Part time Grocery employees hired before June 21, 1982, part time Meat employees hired before October 16, 1983 and part time Non-Food employees hired before August 28, 1977	\$62.34 per month
*Full time and part time Non-Food employees hired between August 28, 1977 and October 16, 1983	15¢ per hour for all straight time hours worked

Classification

Full time and part time Grocery employees hired on or after June 21, 1982 and full time and part time employees hired on or after October 16, 1983

Current Rate

15¢ per hour for all straight time hours worked

Full time and part time Non-Food and Service Clerks hired on or after October 16, 1983
(40) hours per week

8¢ per hour for all straight time hours paid, capped at forty

Section 17.2 The Pension Fund and Plan shall be governed by a Board of Trustees consisting of equal numbers to be designated by the Food Employer Labor Relations Association and the Union.

Section 17.3 It is understood and agreed that the Pension Fund referred to herein shall be such as will continuously qualify for approval by the Internal Revenue Service, so as to allow the Employer an income tax deduction for the contribution paid hereunder.

Section 17.4 It is agreed that all questions involving pensions not specifically set forth herein shall be determined by the provisions of the Agreement and Declaration of Trust governing the Plan.

Section 17.5 An employer, at its discretion, may or may not be required to designate a representative on the Board of Trustees, but in any event the Employer agrees to be bound by all the decisions made by the Trustees in accordance with the Declaration of Trust.

Section 17.6 The Employer agrees to the introduction of an Employer sponsored 410K Plan, without Employer matching funds, as soon as is practicable.

ARTICLE 18 - JOINT LABOR MANAGEMENT COMMITTEE

The Union and the Association agree to establish a joint labor-management committee for the purposes of improving labor-management relationships, improving job security, improving organizational effectiveness in the retail industry, enhancing economic development and monitoring the conditions of those engaged in the retail food industry. The joint labor-management committee shall be

funded with contributions as agreed upon by the Union and Employers.

ARTICLE 19 - SEPARABILITY CLAUSE

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

ARTICLE 20 - NO STRIKE, NO LOCKOUT

Section 20.1 For the duration of this Agreement, the Union, its officers, representatives and members shall not, directly or indirectly, authorize, cause, instigate, encourage, aid, ratify, or condone any strike, slowdown, or stoppage of work, boycott, picketing, or other interruption of work at the Employer's place of business.

Section 20.2 For the duration of this Agreement the Employer shall not lockout its employees.

Section 20.3 In the event of any unauthorized strike, slow down or stoppage of work, boycott, picketing, or other interruption of work, the Union shall instruct its members to return to or resume work at once. Any employee participating in such unauthorized activity, and refusing to return to work when so instructed by the Union, shall be subject to discipline therefore, and it is expressly agreed that such conduct shall constitute just cause for discharge under this Agreement. Nothing contained herein, however, shall compel any employee to walk through a lawful picket line, provided the picket line has the sanction of its own International Union.

ARTICLE 21 - DURATION OF AGREEMENT

This Agreement shall be effective from March 26, 2000 and shall remain in force until and including March 27, 2004, and from year to year thereafter, with the right of either party to reopen upon written notice,

not less than sixty (60) days prior to March 27, 2004, or the 1st day of March of any subsequent year thereafter of a desire either to change or terminate this Agreement. In the event either party serves notice, it is agreed that the Employer and the Union shall immediately begin negotiations on the proposed changes and that, pending the results of such renegotiation, neither party shall change the conditions existing at the time under the contract.

IN WITNESS WHEREOF, the parties hereto have set their hand and seal the day and year first above written.

FOR THE EMPLOYER:
Superfresh Baltimore Division

FOR THE UNION:
UFCW Local 27

APPENDIX I

With the exception of the items listed below, the text of the contract will apply to those employees hired prior to October 30, 1983 (except as otherwise provided):

16.1 The following Health and Welfare contribution rates shall be effective for classifications of employees as described:

<u>Classification</u>	<u>Employer Contribution</u>
Full Time Grocery and Meat Employees hired prior to October 30, 1983, and Full Time Non-Food Employees hired prior to August 28, 1977.	\$663.00
Part Time Grocery and Meat Employees hired prior to October 30, 1983, and Part Time Non-Food Employees hired prior to August 28, 1977.	\$565.00
Full Time Non-Food Employees hired after August 28, 1977 and before October 30, 1983.	\$316.00
Part Time Non-Food Employees hired after August 28, 1977, and before October 9, 1983.	\$150.00/Individual Coverage 80% - Family Coverage (currently \$394.00) and 20% Employee co-pay for family coverage (currently \$ 99.00)
Full Time Courtesy Clerks hired prior to October 30, 1983.	\$316.00

APPENDIX I
Continued

<u>Classification</u>	<u>Employer Contribution</u>
Part Time Courtesy Clerks hired prior to October 30, 1983.	\$150.00 - Individual Coverage 80% - Family Coverage (currently \$394.00) and 20% Employee co-pay for family coverage (currently \$ 99.00)

The following Severance contribution rates shall be continued for classifications of employees as described:

<u>Classification</u>	<u>Current Rate</u>
Full time and part time Grocery employees hired before June 21, 1982, full time Meat employees hired before October 16, 1983, part time Meat employees hired before June 1, 1983 and full time and part time Non-Food employees hired before June 21, 1982	35¢ per hour
Part time Meat employees hired between June 1, 1983 and October 16, 1983	25¢ per hour

The Employer shall provide eligible all Grocery employees hired after June 21, 1982 and all Meat employees hired after October 16, 1983, benefits through the United Food and Commercial Workers and Food Employers Labor Relations Association Severance Fund (hereinafter called "the Fund"), at the ten cents (\$.10) per hour level for all straight time hours worked for each appropriate employee.

SCHEDULE "A"
Employees Hired Before JUNE 20, 1982

	<u>Effective</u> <u>3/26/00</u>	<u>Effective</u> <u>3/25/01</u>	<u>Effective</u> <u>3/24/02</u>	<u>Effective</u> <u>3/23/03</u>
Across-the-Board				
Increase	\$0.40	\$0.40	\$0.40	\$0.40
Assistant Manager	\$16.68	\$17.08	\$17.48	\$17.88
Produce Manager	\$16.51	\$16.91	\$17.31	\$17.71
Meat Manager	\$17.33	\$17.73	\$18.13	\$18.53
First Cutter	\$16.53	\$16.93	\$17.33	\$17.73
Meat Cutter	\$16.29	\$16.69	\$17.09	\$17.49
Deli Manager	\$16.29	\$16.69	\$17.09	\$17.49
Seafood Manager	\$15.09	\$15.49	\$15.89	\$16.29
Head Cashier/Dairy Head	\$16.05	\$16.45	\$16.85	\$17.25
Food/Deli/Seafood Clerk, Weigher/wrapper	\$14.89	\$15.29	\$15.69	\$16.09
Porter	\$13.09	\$13.49	\$13.89	\$14.29
Bakery Clerk	\$13.02	\$13.42	\$13.82	\$14.22
Non-food Clerk	\$10.30	\$10.70	\$11.10	\$11.50
Across-the-Board				
Increase	\$0.85	\$0.65	\$0.65	\$0.65
Bakery Manager	\$14.05	\$14.70	\$15.35	\$16.00
Across-the-Board				
Increase	\$0.25	\$0.25	\$0.25	\$0.25
Courtesy Clerk	\$8.90	\$9.15	\$9.40	\$9.65

Effective October 1, 2000, employees with four (4) or more years of service as of that date, shall receive a wage increase of \$.10 more per hour.

SCHEDULE "B"

Employees Hired After JUNE 20, 1982 and Before NOVEMBER 8,
1986 (Before APRIL 22, 1987 on Eastern Shore)

	Effective <u>3/26/00</u>	Effective <u>3/25/01</u>	Effective <u>3/24/02</u>	Effective <u>3/23/03</u>
Across-the-Board Increase	\$0.40	\$0.40	\$0.40	\$0.40
Assistant Manager	\$16.68	\$17.08	\$17.48	\$17.88
Produce Manager	\$16.51	\$16.91	\$17.31	\$17.71
Meat Manager	\$17.33	\$17.73	\$18.13	\$18.53
First Cutter	\$16.53	\$16.93	\$17.33	\$17.73
Meat Cutter	\$16.29	\$16.69	\$17.09	\$17.49
Deli Manager	\$16.29	\$16.69	\$17.09	\$17.49
Head Cashier/Dairy Head	\$16.05	\$16.45	\$16.85	\$17.25
Food/Deli/Seafood Clerk, Weigher/wrapper	\$13.85	\$14.25	\$14.65	\$15.05
Across-the-Board Increase	\$0.49	\$0.40	\$0.40	\$0.40
Seafood Manager	\$15.09	\$15.49	\$15.89	\$16.29
Across-the-Board Increase	\$0.85	\$0.65	\$0.65	\$0.65
Bakery Manager	\$14.05	\$14.70	\$15.35	\$16.00
Across-the-Board Increase	\$0.35	\$0.35	\$0.35	\$0.35
Non-food/Service Clerk	\$10.45	\$10.80	\$11.15	\$11.50
Across-the-Board Increase	\$0.25	\$0.25	\$0.25	\$0.25
Courtesy Clerk	\$8.45	\$8.70	\$8.95	\$9.20

Effective October 1, 2000, employees with four (4) or more years of service as of that date, shall receive a wage increase of \$.10 more per hour.

SCHEDULE "C"
Employees Hired After NOVEMBER 7, 1986
(After APRIL 21, 1987 on Eastern Shore)

	<u>Effective</u> <u>3/26/00</u>	<u>Effective</u> <u>3/25/01</u>	<u>Effective</u> <u>3/24/02</u>	<u>Effective</u> <u>3/23/03</u>
Across-the-Board				
Increase	\$0.40	\$0.40	\$0.40	\$0.40
Assistant Manager	\$16.68	\$17.08	\$17.48	\$17.88
Produce Manager	\$16.51	\$16.91	\$17.31	\$17.71
Meat Manager	\$17.33	\$17.73	\$18.13	\$18.53
First Cutter	\$14.00	\$14.40	\$14.80	\$15.20
Ft Meat Cutter	\$13.50	\$13.90	\$14.30	\$14.70
Pt Meat Cutter	\$12.70	\$13.10	\$13.50	\$13.90
Deli Manager	\$16.29	\$16.69	\$17.09	\$17.49
Head Cashier/Dairy Head	\$16.05	\$16.45	\$16.85	\$17.25
Ft Food/Deli Clerk, Weigher/wrapper	\$12.25	\$12.65	\$13.05	\$13.45
Pt Food/Deli Clerk, Weigher/wrapper	\$11.25	\$11.65	\$12.05	\$12.45
Across-the-Board				
Increase	\$0.49	\$0.40	\$0.40	\$0.40
Seafood Manager	\$15.09	\$15.49	\$15.89	\$16.29
Across-the-Board				
Increase	\$0.85	\$0.65	\$0.65	\$0.65
Bakery Manager	\$14.05	\$14.70	\$15.35	\$16.00
Across-the-Board				
Increase	\$0.35	\$0.35	\$0.35	\$0.35
Service Clerk/Non-Food/Bakery/Porter/Salad Bar	\$10.45	\$10.80	\$11.15	\$11.50
Across-the-Board				
Increase	\$0.25	\$0.25	\$0.25	\$0.25
Courtesy Clerk	\$6.80	\$7.05	\$7.30	\$7.55

SCHEDULE "C" - Continued
Employees Hired After NOVEMBER 7, 1986
(After APRIL 21, 1987 on Eastern Shore)

PROGRESSION SCALES-Cake Decorator

	<u>Effective</u> <u>3/26/00</u>	<u>Effective</u> <u>3/25/01</u>	<u>Effective</u> <u>3/24/02</u>	<u>Effective</u> <u>3/23/03</u>
start	\$11.00	\$11.00	\$11.00	\$11.00
6 months	\$11.25	\$11.25	\$11.25	\$11.25
12 months	\$11.50	\$11.50	\$11.50	\$11.50
18 months	\$12.00	\$12.00	\$12.00	\$12.00
24 months	\$13.00	\$13.40	\$13.80	\$14.20

**PROGRESSION SCALES - Full Time Food/Deli/Seafood Clerks,
 Weigher/wrapper, & Apprentice Meatcutters**

	<u>Effective</u> <u>3/26/00</u>	<u>Effective</u> <u>3/25/01</u>	<u>Effective</u> <u>3/24/02</u>	<u>Effective</u> <u>3/23/03</u>
start	\$5.50	\$5.50	\$5.50	\$5.50
90 days	\$6.75	\$6.75	\$6.75	\$6.75
6 months	\$7.25	\$7.25	\$7.25	\$7.25
12 months	\$7.75	\$7.75	\$7.75	\$7.75
18 months	\$8.25	\$8.25	\$8.25	\$8.25
24 months	\$9.00	\$9.00	\$9.00	\$9.00
30 months	\$9.50	\$9.50	\$9.50	\$9.50
36 months	\$12.25	\$12.65	\$13.05	\$13.45

**PROGRESSION SCALES-Part Time Food/Deli/Seafood Clerks,
 Weigher/wrapper, & Apprentice Meatcutters**

	<u>Effective</u> <u>3/26/00</u>	<u>Effective</u> <u>3/25/01</u>	<u>Effective</u> <u>3/24/02</u>	<u>Effective</u> <u>3/23/03</u>
start	\$5.15	\$5.15	\$5.15	\$5.15
90 days	\$5.85	\$5.85	\$5.85	\$5.85
6 months	\$6.25	\$6.25	\$6.25	\$6.25
12 months	\$6.65	\$6.65	\$6.65	\$6.65
18 months	\$7.05	\$7.05	\$7.05	\$7.05
24 months	\$7.45	\$7.45	\$7.45	\$7.45
30 months	\$7.75	\$7.75	\$7.75	\$7.75
36 months	\$8.35	\$8.35	\$8.35	\$8.35
42 months	\$8.80	\$8.80	\$8.80	\$8.80
45 months	\$11.25	\$11.65	\$12.05	\$12.45

SCHEDULE "C" - Continued
Employees Hired After NOVEMBER 7, 1986
(After APRIL 21, 1987 on Eastern Shore)

PROGRESSION SCALES-Full Time and Part Time Pharmacy Technicians

	<u>Effective</u> <u>3/26/00</u>	<u>Effective</u> <u>3/25/01</u>	<u>Effective</u> <u>3/24/02</u>	<u>Effective</u> <u>3/23/03</u>
start	\$6.30	\$6.30	\$6.30	\$6.30
6 months	\$7.30	\$7.30	\$7.30	\$7.30
12 months	\$7.80	\$7.80	\$7.80	\$7.80
18 months	\$8.45	\$8.45	\$8.45	\$8.45
24 months	\$8.90	\$8.90	\$8.90	\$8.90
30 months	\$9.50	\$9.50	\$9.50	\$9.50
36 months	\$11.25	\$11.65	\$12.05	\$12.45

PROGRESSION SCALES-Full Time and Part Time Pharmacy Clerk

	<u>Effective</u> <u>3/26/00</u>	<u>Effective</u> <u>3/25/01</u>	<u>Effective</u> <u>3/24/02</u>	<u>Effective</u> <u>3/23/03</u>
start	\$5.55	\$5.55	\$5.55	\$5.55
90 days	\$6.15	\$6.15	\$6.15	\$6.15
6 months	\$6.55	\$6.55	\$6.55	\$6.55
12 months	\$6.75	\$6.75	\$6.75	\$6.75
18 months	\$7.05	\$7.05	\$7.05	\$7.05
24 months	\$7.40	\$7.40	\$7.40	\$7.40
30 months	\$7.70	\$7.70	\$7.70	\$7.70
36 months	\$7.95	\$7.95	\$7.95	\$7.95
42 months	\$8.20	\$8.20	\$8.20	\$8.20
45 months	\$10.50	\$10.90	\$11.30	\$11.70

PROGRESSION SCALES-Full Time and Part Time Service, Bakery, Non-food, Salad Bar Clerk, Porter

	<u>Effective</u> <u>3/26/00</u>	<u>Effective</u> <u>3/25/01</u>	<u>Effective</u> <u>3/24/02</u>	<u>Effective</u> <u>3/23/03</u>
start	\$5.15	\$5.15	\$5.15	\$5.15
90 days	\$5.75	\$5.75	\$5.75	\$5.75
6 months	\$6.15	\$6.15	\$6.15	\$6.15
12 months	\$6.35	\$6.35	\$6.35	\$6.35
18 months	\$6.65	\$6.65	\$6.65	\$6.65

SCHEDULE "C" - Continued
Employees Hired After NOVEMBER 7, 1986
(After APRIL 21, 1987 on Eastern Shore)

**PROGRESSION SCALES-Full Time and Part Time Service, Bakery,
 Non-food, Salad Bar Clerk, Porter - Continued**

	<u>Effective</u> <u>3/26/00</u>	<u>Effective</u> <u>3/25/01</u>	<u>Effective</u> <u>3/24/02</u>	<u>Effective</u> <u>3/23/03</u>
24 months	\$7.00	\$7.00	\$7.00	\$7.00
30 months	\$7.70	\$7.70	\$7.70	\$7.70
36 months	\$7.95	\$7.95	\$7.95	\$7.95
42 months	\$8.20	\$8.20	\$8.20	\$8.20
45 months	\$10.45	\$10.80	\$11.15	\$11.50

PROGRESSION SCALES-Courtesy Clerk

	<u>Effective</u> <u>3/26/00</u>	<u>Effective</u> <u>3/25/01</u>	<u>Effective</u> <u>3/24/02</u>	<u>Effective</u> <u>3/23/03</u>
start	\$5.15	\$5.15	\$5.15	\$5.15
12 months	\$5.40	\$5.40	\$5.40	\$5.40
18 months	\$6.80	\$7.05	\$7.30	\$7.55

1. Effective October 1, 2000, employees with four (4) or more years of service as of that date, shall receive a wage increase of \$.10 more per hour.
2. The Across the Board Wage increases or the Step Progressions apply, whichever is greater.
3. Lead persons in Salad Bar, who are designated by the Employer in the above classification, shall receive fifty cents (50¢) per hour over the top rate in their full time classification.
4. Service Clerks shall receive a twenty-five cents (25¢) an hour premium for all hours worked in the salad bar over the service clerk rate in their progression.
5. Clerks stocking bread will continue to have their rates of pay and hours protected if the work is assigned to service clerks.

SCHEDULE D

Schedule "D" shall apply to employees with two (2) years or more seniority. In connection with layoffs and store closings, seniority will first apply to store, then solely within the geographical areas listed below:

SENIORITY AREA - BALTIMORESTORES

802	838
806	847
810	855
812	860
813	866
818	876
823	877
825	880
827	881
828	890
829	891
833	912

SENIORITY AREA - EASTERN SHORESTORES

852
858
870
872
874
875
888
892

March 26, 2000

Mr. John Rogers
Vice President Labor Relations
Super Fresh Food Markets
3301 Annapolis Road
Baltimore, Maryland 21230

Dear Mr. Rogers:

This will confirm our understanding regarding the following:

1. The Union and the Company agree to discuss and implement certain contract modifications (i.e. split shifts, 4 ten hour shifts and combination day and night shifts) in order to encourage the creation of more full time jobs.
2. The Company agrees that former members of UFCW Local 27 employed within the retail food industry with current recall rights shall be given first consideration for employment. Furthermore, special consideration shall be given Union referrals with high seniority.

Sincerely,

Carvel M. Mays, Jr.
President

FOR THE COMPANY:

John Rogers
Vice President Labor Relations

Date

March 26, 2000

Mr. John Rogers
Vice President Labor Relations
Super Fresh Food Markets
3301 Annapolis Road
Baltimore, Maryland 21230

Dear Mr. Rogers:

This will confirm our understanding regarding the following items:

1. Any Retiree who becomes re-employed by a FELRA employer shall be treated as a new hire except shall continue to be eligible for retiree health benefits and the employer shall not be obligated to make a contribution to the Health and Welfare Fund for such a retiree as an active participant.

Sincerely,

Carvel M. Mays, Jr.
President

FOR THE COMPANY:

John Rogers
Vice President Labor Relations

Date

March 26, 2000

Mr. John Rogers
Vice President Labor Relations
Super Fresh Food Markets
3301 Annapolis Road
Baltimore, Maryland 21230

Dear Mr. Rogers:

This will confirm our understanding regarding the following:

1. Employees classified as Assistant Manager who remain in the bargaining unit shall continue to be covered by the current collective bargaining agreement between Super Fresh and UFCW Local 27.
2. Employees hired and/or promoted into the Assistant Manager classification after September 13, 1992 shall be exempt from the coverage of this agreement.

Sincerely,

Carvel M. Mays, Jr.
President

FOR THE COMPANY:

Mr. John Rogers
Vice President Labor Relations

Date

LETTER OF UNDERSTANDING

1. It is understood that the ten percent (10%) exclusion in the agreement refers to ten percent (10%) of the Employer's stores at any given time and does not mean a ten percent (10%) exclusion over the term of the Agreement. For example: The Employer may sell ten percent (10%) of its stores at one time period and later sell ten percent (10%) of the adjusted number of stores at a later period.

2. It is understood that once a store has been closed for a thirty (30) day period or more, these provisions do not apply.

3. Further, these provisions do not apply if the store is sold, leased or assigned to any entity other than a retail grocery operator.

4. It is further understood that these provisions do not apply to a sale, assignment or lease of a store to Sun stores, Sav-A-Center stores or Super Fresh stores. However, in said case, the attached provisions concerning the sale, assignment or lease of Sun stores, Sav-A-Center, or Super Fresh stores shall apply.

5. The successor employer shall offer to employ A&P employees in the facility and said employees shall maintain their existing seniority.

FOR THE EMPLOYER:

FOR THE UNION:

John Rogers Date
Vice President Labor Relations President

Carvel M. Mays, Jr Date
President

March 26, 2000

Mr. John Rogers
Vice President Labor Relations
Super Fresh Food Markets
3301 Annapolis Road
Baltimore, Maryland 21230

Dear Mr. Rogers:

This will confirm our understanding regarding the following:

The Employer agrees to staff its stores with no more than five (5) non-union supervisory employees in its retail supermarket operations to be made up of one (1) Store Manager, two (2) Co-Managers (which may include a Customer Service Manager and/or Front End Manager) and no more than two (2) management trainees. A management trainee will not be posted for a period longer than twelve (12) months, without mutual agreement between the Employer and the Union, and will not affect the hours of the bargaining unit. These provisions do not apply to a new or remodeled store within the first ninety (90) days.

Sincerely,

Carvel M. Mays, Jr.
President

FOR THE COMPANY:

John Rogers
Vice President Labor Relations

Date

March 26, 2000

Mr. John Rogers
Vice President Labor Relations
Super Fresh Food Markets
3301 Annapolis Road
Baltimore, Maryland 21230

Dear Mr. Rogers:

This will confirm our understanding regarding the following:

The parties had extended discussions regarding the lunch period and the Employer pledged to review circumstances where employees request consideration of ½ hour lunch periods. The Employer's only intent with regards to one (1) hour lunches is consideration of the operational needs of the business. The Employer agrees to discuss the operational needs in specific cases upon the Union's request.

Sincerely,

Carvel M. Mays, Jr.
President

FOR THE COMPANY:

John Rogers
Vice President Labor Relations

Date

March 26, 2000

Mr. John Rogers
Vice President Labor Relations
Super Fresh Food Markets
3301 Annapolis Road
Baltimore, Maryland 21230

Dear Mr. Rogers:

This will confirm our understanding regarding the following:

The Employer agrees to establish 401-k Plan for employee participation without Employer match as soon as practicable.

Sincerely,

Carvel M. Mays, Jr.
President

FOR THE COMPANY:

John Rogers
Vice President Labor Relations

Date

United Food & Commercial Workers

Local 27

21 West Road

Baltimore, MD 21204

410-337-2700

