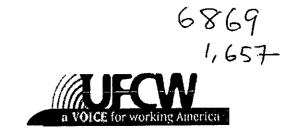
Bruno's
SUPERMARKETS, INC.



AGREEMENT TO EXTEND COLLECTIVE BARGAINING AGREEMENT

Between Bruno's Supermarkets, Inc., d/b/a Food World of Alabama, and United Food and Commercial Workers Union Local 1657, AFL-CIO

Bruno's Supermarkets, Inc. (hereinafter referred to as the Company) and United Food and Commercial Workers Union Local 1657 (hereinafter referred to as the Union) hereby agree to continue the previously extended Collective Bargaining Agreement by further extending the Agreement through 12 o'clock midnight of October 29, 2005.

The Company and the Union agree that meetings will be held prior to October 29, 2005 with the express purpose of negotiating a successor contract. All terms and provisions of the extended Agreement shall remain in full force until 12 o'clock midnight of October 29, 2005.

FOR THE EMPLOYER	FOR THE UNION
Bruno's Supermarkets, Inc.	UFCW Union Local 1657, AFL-CIO
"Lout Bal	Elain of Join
Robert L. Baker	Elaise L. Fox
Vice President Labor Relations	President
05/27/05	6/6/05
Date	Date





AGREEMENT TO EXTEND COLLECTIVE BARGAINING AGREEMENT

Between Bruno's Supermarkets, Inc., d/b/a Food World of Alabama, and United Food and Commercial Workers Union Local 1657, AFL-CIO

Bruno's Supermarkets, Inc. (hereinafter referred to as the Company) and United Food and Commercial Workers Union Local 1657 (hereinafter referred to as the Union) hereby agree to extend the current Collective Bargaining Agreement through 12 o'clock midnight of July 30, 2005. Tentative Agreements dated 11/10/04 shall become part of the extended contract to be effective immediately or as otherwise agreed to by the Company and the Union.

The Company and the Union agree that meetings will be held prior to July 30, 2005 with the express purpose of negotiating a successor contract. All terms and provisions of the extended Agreement shall remain in full force until 12 o'clock midnight of July 30, 2005.

FOR THE EMPLOYER

Bruno's Supermarkets, Inc.

Robert L. Baker

Vice President Labor Relations

Date

FOR THE UNION

11/23/04

UFCW Union Local 1657, AFL-CIO

Elaise L. Fox

President

Date

11/10/04

TENTATIVE AGREEMENTS

BRUNO'S SUPERMARKET'S, INC. and UFCW UNION LOCAL 1657

1. PREAMBLE:

Change the date in the first paragraph as appropriate.

Change second paragraph to read as follows:

It is the intent and purpose of the Company and the Union to promote and improve labor and management relations. Both parties agree the Union is a positive entity in our workplace.

Together we are committed to facilitating the health of both organizations. Toward that end, the Company agrees to facilitate (to the extent permitted by law) membership sign-up and the Union agrees to promote good customer service.

2. ARTICLE 2 - DISPUTE PROCEDURE: Add to paragraph C:

Arbitrator Crissy Griffin Wright and Arbitrator John Joseph Smith, Jr.

3. ARTICLE 10 - SENIORITY, SECTION 10.3: Change to read:

Affected Department Managers whose store volume requires that they be displaced from their present job will be given notice and then will have six months from the date of notification in 2004 (six months from January 1 of each calendar year if made thereafter) during which time they shall be offered equivalent jobs by seniority, if such jobs are available.

4. ARTICLE 14 - MERIT RAISES:

In the last sentence change "three working days" to read, "ten calendar days".

5. ARTICLE 36 – PRIOR EXPERIENCE:

Change the first sentence to read: New or rehired employees may be given credit for previous comparable grocery or produce experience with a supermarket, or previous comparable (at least six [6] months) experience other than in a supermarket.

In the second sentence, change "three (3) years" to read "five (5) years" for Bruno's Supermarket's, Inc. eligible rehires and four (4) years for all other credited experience.

BRUNO'S SUPERMARKETS, INC.

d/b/a

FOOD WORLD

and

UNITED FOOD & COMMERCIAL WORKERS UNION LOCAL 1657, AFL-CIO

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AGREEMENT

PREAMBLE

This Agreement is entered into and is effective on this 28th day of September, 2003 between Bruno's Supermarkets, Inc., d/b/a Food World, referred to hereinafter as the "Employer", and the United Food and Commercial Workers Union Local 1657, AFL-CIO, chartered by the United Food and Commercial Workers International Union, referred to hereinafter as the "Union".

It is the intent and purpose of the Employer and the Union to promote and improve labor management relations between them and to set forth herein the basic terms of agreement, the Employer will meet with the Union on all grievances covering wages, hours and conditions of employment to be observed by the Employer.

In consideration of the mutual promises and agreements between the parties hereto, and in consideration of their mutual desires in promoting the efficient conduct of business and in providing for the orderly settlement of disputes between them, the parties to this Agreement agree as follows:

SUCCESSORSHIP

This Agreement shall be binding upon the parties hereto, their heirs, executors, administrators, successors, purchasers and assigns, all of whom, after the parties, are referred to in this article as "purchaser". In the event that any or part of the assets of the Employer are sold to a purchaser as a going concern, the Employer shall require the purchaser as a condition of the sale to recognize the Union, and assume all obligations of the Employer under this Collective Bargaining Agreement as of the sale closing date. Twenty (20) days prior to the closing of the sale the Union will be (i) notified of the name of the purchaser, date, time and location of the closing and extended the option to attend in order to receive written notice of recognition, and assumption, (ii) provided with true copies of all documents under which the purchaser will agree to assume this Collective Bargaining Agreement and recognize the Union, and (iii) provided with a memorandum executed by the Employer and the purchaser acknowledging that contemporaneously with, and as part of the closing of the sale, purchaser will recognize the Union, and assume all obligations under this Collective Bargaining Agreement. At the sale closing, and as part of the closing documents, the purchaser shall give written notice of such recognition, and assumptions to the Union, whereupon the Employer shall be released from all obligations arising hereunder after such sale closing date. Thereafter, the purchaser and the Union shall continue to be bound by this Collective Bargaining Agreement until the expiration of its term; provided, however, by mutual agreement the purchaser and the Union shall have the right to reopen this Agreement in all respects effective thirty (30) days after the date written notice is given to the other party, which notice must be given no later than sixty (60) days after the closing date of the sale of assets.

The term "sold" or "sale" includes any type of sale, lease, assignment or any other type of transfer transaction involving the Employer's facilities covered by this Agreement.

The Employer may require the Union to execute a confidentiality agreement as a condition to receipt of such documents.

ARTICLE 1-RECOGNITION OF THE UNION

The Employer agrees to recognize and hereby does recognize the Union as the sole and exclusive collective bargaining agent with respect to rates of pay, hours, and all other terms and conditions of employment for the appropriate bargaining unit herein established and described as follows:

All employees employed by the Employer in the Employer's present and future retail establishments situated within the State of Alabama who are engaged in handling or selling merchandise or performing other services incidental or related thereto, but excluding Store Managers, Co-Managers, Assistant Store Managers, Managers in training, all Guards, Professional Employees, and Supervisors as defined by the Labor Management Relations Act of 1947, as amended.

The Employer further agrees to not recognize, deal with, or enter into contractual relations, either orally or written, with any other labor organizations, agent, individual, or group concerning rates of pay, hours, or other terms and conditions of employment for any employees included in the bargaining unit hereinabove described.

ARTICLE 2 - DISPUTE PROCEDURE

- (A) A grievance is defined to be any disagreement between the Employer and the Union as to the interpretation or application of any provision of this Agreement. The Union reserves the right to present grievances through its authorized representatives on either an individual or collective basis.
- (B) Should any difference, dispute or complaints arise over the interpretation or application of any provisions of this Agreement, there should be an earnest effort on the part of both parties to settle such grievance promptly through the following steps:
- Step 1. By conference between the aggrieved employee, the shop steward, and/or Union representative, and the manager of the store. If the grievance is not settled within three (3) days, it shall be reduced to writing and a copy of the grievance shall be given to the store manager and then it shall be processed in Step 2.
- Step 2. By conference between an official of the Union, the supervisor and a representative of the Employer. If the grievance is not settled within five (5) days, it may be referred to arbitration as set forth in Section C below.
- (C) The Union and the Employer shall appoint a representative to meet in an effort to settle the grievance. If the representative of the Employer and the representative of the Union fail to settle the complaint within forty-eight (48) hours, the matter will be referred to arbitration. The Company and the Union will first look to the existing arbitration panel (listed below) to determine if an appropriate arbitrator is available to hear the case. If an arbitrator is available, then that arbitrator will be selected for that arbitration. In the event that there is not a suitable arbitrator, then the Company and the Union will request a panel of seven (7) arbitrators from FMCS.
 - 1. Arbitrator Richard Brooks
 - 2. Arbitrator Crissy Griffin Wright
 - 3. Arbitrator John Joseph Smith, Jr.

Only grievances involving the same issue may be heard by an Arbitrator at one time without the agreement of both the Employer and the Union.

The Arbitrator shall not have the right to change any portion of this Agreement.

In the event the Union and the Employer disagree on the interpretation and/or application of a decision, then both parties shall request clarification from the Arbitrator, and such clarification shall become a part of the decision and shall be binding on the Union, the Employer, and the employee.

- (D) The Company and the Union agree to refer all discharge and suspension grievances to the Expedited Arbitration Process. In cases of potential governmental filings (e.g. NLRB charges and EEOC charges), such cases will only be referred to the Expedited Process by mutual agreement between the Company and the Union.
 - 1. All disputes referred to this process will be settled by the Parties or heard by an Arbiter within forty-five (45) days of first knowledge or receipt of the grievance. In such cases, a Union Representative or the Secretary-Treasurer and a Human Resources Director or a District Manager will present the facts of the case before the agreed to Arbiter.
 - 2. No briefs will be submitted but rather final arguments will be presented orally by the respective parties at the conclusion of the arbitration.
 - 3. The Arbiter will render a written decision and provide a copy to both the Union and the Company within five (5) days of the arbitration.
- (E) The Employer may discharge any employee for just cause. The Employer will notify the Union, in writing, of any discharge. The Union may file a written complaint with the Employer within seven (7) days after notification, asserting that the charges were improper, and in setting forth its objections thereto. Such complaint must be taken up promptly, and if the Employer and the Union fail to agree within forty-eight (48) hours, it may be referred within seven (7) days to arbitration as set forth in Section C above. Should the Arbitrator determine that it was an unfair discharge, the Employer shall pay the employee for time lost, if the Arbitrator so decides.
- (F) The Union shall have the right to determine if an employee's grievance is qualified to be submitted to arbitration by the Union, and such determination shall be binding on the employee and Union.

Grievances must be taken up promptly, and no grievance shall be discussed unless the outlined procedure has been followed. No grievance will be considered or discussed which is presented later than thirty (30) calendar days after such has happened.

(G) The Employer shall have the right to call a conference with the shop steward or official of the Union for the purpose of discussing his grievance or criticism.

- (H) The store manager will grant access to the store and all work areas therein to an authorized Union representative at any time that employees are working on the premises for the purpose of satisfying himself that the terms of this Agreement are being complied with.
- (I) No employee shall be discriminated against by the Employer for upholding Union principles or engaging in activities of the Union.
- (J) It is agreed that Step 1, and 2, of this Article may be waived if mutually agreed to by the Employer and the Union in writing.
 - (K) The cost of the Arbitrator shall be shared equally by the parties.

ARTICLE 3 - CONDITIONAL UNION SECURITY CLAUSE

- (A) The Union security proviso specified in (B) below is acknowledged by the Employer and the Union as presently inoperative because it is contrary to the statutes of the State of Alabama, enacted pursuant to Section 14 (B) of the LMRA of 1947. However, should any Federal or State legislation hereafter legalize the operation of said union security proviso, or any other form of union security the Employer and the Union agree that said proviso, or other form of union security to the maximum extent permitted by law shall be put into full force and effect as a part of this Agreement beginning upon the earliest date permitted by such enabling legislation.
- (B) It shall be a condition of employment that all employees covered by this Agreement who are members of the Union in good standing on the effective date of this Agreement shall remain members in good standing, and those who are not members on the effective date of this Agreement shall, on the thirtieth (30th) day following the effective date of this Agreement, become and remain members in good standing in the Union. It shall also be a condition of employment that all employees covered by this Agreement and hired on or after its effective date shall, on the thirtieth (30th) day following the beginning of such employment, become and remain members in good standing in the Union. For the purpose of this paragraph (B) only, the effective date of this Agreement as referred to above shall be determined in accordance with the provisions of paragraph (A) above.

ARTICLE 4 - SEPARABILITY

Any provision of this Agreement which may be adjudged by a court of last resort to be in conflict with any Federal or State law shall become inoperative to the extent and duration of such conflict. Since it is not the intent of either party hereto to violate any such laws, it is agreed that in the event of a conflict between any provision of this Agreement and such Federal or State law, the remainder of this Agreement shall remain in full force and effect. The Employer and the Union agree that substitute provisions shall be written within thirty (30) days to replace those provisions coming into conflict with the laws herein described.

ARTICLE 5-MANAGEMENT RIGHTS

The management of the business and the direction of the working forces, including the right to plan, direct, and control store operations, hire, suspend or discharge for proper cause, transfer or relieve employees from duty because of lack of work or for other legitimate reasons, the right to study or introduce new or improved production methods or facilities, and the right to establish and maintain reasonable rules and regulations covering the operation of the stores are vested in the Employer, provided, however, that this right shall be exercised with due regard for the rights of the employees and provided further that it will not be used for the purpose of discrimination against any employee.

Section 1. The power of discharge and discipline for just cause, to promote and demote, lies with the Employer. It is agreed that this power shall be exercised with justice with regard to the rights of the employees and that this power will not be used to discriminate against any employee.

Section 2. The power to discharge and discipline for just cause, to promote and demote, shall be subject to the grievance procedure. If such grievance is decided in favor of the employee, he shall be entitled to reinstatement and if the Arbitrator decided that the employee is entitled to pay for lost time, such pay will not exceed the straight time pay for the basic work week.

ARTICLE 6 - COMPANY MEETINGS

The Union will advise the Employer of the schedule of its regular meetings and no Company meetings will be held so as to conflict therewith. Employees in the bargaining unit shall not be required to attend Company meetings on their scheduled day off, and time spent by employees in attending Company meetings shall be considered as time worked and paid for accordingly where such attendance is required and not voluntary.

ARTICLE 7 - PROBATIONARY PERIOD

The first ninety (90) days of any new employee's tenure shall be considered as probationary. Employees may be terminated during such period for any reason other than for upholding Union principles or engaging in activities of the Union. Probationary employees shall have no seniority rights, but upon successful completion of said probationary period, seniority rights shall date back to the initial date of employment. Newly hired or rehired employees shall not be qualified for holiday pay or other benefits whatsoever during the first ninety (90) days of employment.

ARTICLE 8 - EMPLOYMENT OF EMPLOYEES

Upon the employment of any newly hired or re-hired employee, the Employer agrees to notify the Union in writing within ten (10) days thereafter of such employment, furnishing the Union with the following information:

The employee's name, residence address, social security number, classification, location of employment, and date of employment. When requested by the Employer to do so, the Union agrees to provide the Employer with suitable forms for this purpose.

ARTICLE 9 - JURY DUTY

Employees required to report for, or serve on, jury service on any scheduled workday shall be paid a full basic workday's pay for each such day, less any remuneration received by the employee for such jury service, provided, however, that a day's pay for part-time employees shall be paid for the number of hours regularly scheduled for the employee on the day in question.

When an employee is summoned for jury duty, he will immediately notify the store manager, giving him the date such duty will commence.

ARTICLE 10 - SENIORITY

- (A) Seniority shall be separate among full-time and part-time employees and shall be defined as the length of continuous employment with the Employer. Seniority for layoffs shall be administered in accordance with "B" of this Article.
 - 2. Agreed upon seniority lists shall be established and maintained by the following classifications, and such lists shall be mailed to the Union semi-annually.

Classifications: Grocery Clerks, Produce Clerks, Bakery Clerks, Office Clerks, Meat Apprentices, Seafood Clerks, Checkers, Wrappers, Dairy Frozen Food Managers, Seafood Managers, Floral Managers, Floral Lead Clerks, Floral Clerks, Bakery Managers, Assistant Bakery-Deli Managers, Grocery Managers, Assistant Grocery Managers (where weekly store volume is \$100,000 or over), Produce Managers, Assistant Produce Managers, Front End Managers, Assistant Front End Managers, Market Managers, Assistant Market Managers and Journeymen.

The Employer will establish an Office Clerk classification and those employees assigned to the Office Clerk classification will be scheduled as Office Clerks rather than Checkers. Should a full-time job come open in the Office Clerk classification, then this would be subject to the bid procedure.

An employee will be placed in the classification in which they perform the majority of their duties.

Certain classifications may not be filled predicated on business need. Staffing for department manager and assistant department managers will be based on store volume inclusive of all departments on an annual basis as follows. Predicated on store volume the following positions will be maintained.

- \$215,001 and above no changes
- \$125,001 \$215,000 Front End Manager Grocery Manager Market Manager

Produce Manager Bakery Deli Manager Boxman

Seafood Manager (only if contains ice case and sells fresh product)
Floral Manager or Lead Floral Clerk (determined by dept. volume as

Floral Manager or Lead Floral Clerk (determined by dept. volume as specified in the Collective Bargaining Agreement, Article 25)

- [No Floral Manager or lead clerk is required if store volume is \$125,000 or under. Store volume of \$125,001 and above will require the Floral Department to be staffed by a Floral Manager or by a Lead Floral Clerk as set forth in Article 25, herein.]
- \$125,000 and below
 Grocery Manager
 Market Manager
 Produce Manager
 Bakery Deli Manager
 Boxman
 Seafood Manager (only if contains ice case and sells fresh product)
- 10.1 The Union will be provided a copy of all figures and records of actual volume of each store in categories of \$125,000 and below, and \$125,001 to \$215,000.
- 10.2 The changes in Department Managers and Assistant Department Managers predicated on store volume, inclusive of all departments in the store, for 2003 and calendar year 2004 will be determined during 2003 negotiations. Staffing levels for 2005 will be based on the total sales volume for the last twenty-six weeks of calendar year 2004. Staffing levels for 2006 will be based on the total sales volume for the last 26 weeks of calendar year 2005 and so on.
- 10.3 Affected Department Managers and Assistant Department Managers whose store volume requires that they be displaced from their present job will be given notice and then will have six months from the date of notification in 2003 (six months from January 1 of each calendar year if made thereafter) during which time they may be offered equivalent jobs by seniority.
- 10.4 These equivalent jobs will not be offered under the bid process until it is determined that an insufficient number of displaced Department Managers and Assistant Department Managers do not want such jobs, in which case they will be bid.
- 10.5 If a displaced Department Manager or Assistant Department Manager refuses an equivalent job which is within a reasonable distance from the person's current job, then that person will be reduced to the appropriate top full-time clerk's rate.

10.6 Likewise, affected Department Managers and Assistant Department Managers who are not placed in equivalent jobs by the end of their notification period, will have their rate of pay reduced to the appropriate full-time clerk's rate.

- A. For purposes of this Article, displaced refers solely to employees displaced through this process.
- B. The Union will be notified each year of involuntarily displaced employees affected by the category volume of each store. Union Representatives will be allowed to participate in the notification process to the affected employees.
- C. The Union will be notified of all job offers to employees involuntarily displaced through this process.
- D. Stores increasing sales volumes sufficiently to warrant adding eliminated positions (\$125,001 or \$215,001) as described herein, will do so as follows:
 - Job offers will be made first to displaced employees in the store, if still available;
 - Then to most senior of any displaced employees;
 - Then the jobs will be bid.

The Company shall develop a form that shows an involuntarily displaced employee has been offered a reasonable job, but refused the job. A copy of the form will be provided to the Union.

This process will begin immediately upon ratification of the Agreement.

A reasonable distance is defined as within thirty (30) miles of the employee's current job.

Vacancies for the positions of Department Manager will be offered to qualified employees in the county where the opening exists and each adjacent county. To notify employees of these opportunities, a notice will be posted by the Human Resources Department in each appropriate store in the described Area for ten (10) calendar days. Vacated Department Manager positions will be bid within two (2) weeks. Relief pay will be paid in compliance with Article 33-Wages. Interested and qualified employees must sign the posting to indicate their interest. The completed postings will be sent to the Human Resources Department for review with the District Manager who has the store where the opening exists. Such notice shall be of a uniform size and shall be posted in a prominent location to be seen by all employees.

The Employer will furnish the Union with a copy of all bids on Department Manager positions immediately upon posting and furnish immediately a copy of decision.

Promotions to Department Manager shall be based on seniority and ability to perform the work, provided their past six (6) months' performance records are relatively equal.

4. (a) Promotions to Assistant Department Manager or Lead Clerk positions shall be based on seniority and ability to perform the work, provided their past six (6) months' performance records are relatively equal.

When a part-time or full-time employee is hired or transferred into the Meat Apprentice classification, the employer will notify the Union as specified in Paragraph 4(b) of this Article. The job will then be sent out for bid, with the most senior bidder being awarded the job.

When a part-time Meat Apprentice is promoted to full-time, the Company shall notify the Union as specified in Paragraph 4(b). The job will then be sent out for bid. Only part-time Meat Apprentices will be allowed to bid on such promotion and shall be awarded to the most senior Meat Apprentice bidder.

Part-time apprentices shall be hired and progress the same as part-time clerks.

All other promotions shall be by seniority. Going from part-time to full-time is a promotion.

(b) The Employer shall notify the President of the Union in writing of all promotions within forty-eight (48) hours after such promotion becomes effective.

Upon receipt of such notice of promotions, the Union will send notice of such promotions to each store no later than the following Friday. All notices shall be posted on the bulletin board and shall remain posted for a period of fifteen (15) days. Any employee with more seniority than the promoted employee may file for such position by completing a bid form supplied by the Union. All bids must be filed within fifteen (15) days from the date of the notice. Employees who fail to file a claim during this fifteen (15) day period shall forfeit all rights to file claims for such promotions. All bids received will be submitted to the Employer Human Resource Director. At the end of the fifteen (15) day period, the Employer shall award the job in accordance with Section (A)4 (a). The employee being awarded the job shall be placed in such position within seven (7) days. Disputes arising over any promotion shall be resolved as provided in the Dispute Procedure, Article 2, Sections (C) and (E).

If the Company promotes an employee to an Assistant Department Head or Department Head position in former Zone III at a former Zone II or higher rate, the promotion will be bid at such higher rate.

- 5. Seniority may be broken only by quitting, justifiable discharge, absence from work three (3) working days without permission, failure to report to work from layoff within forty-eight (48) hours after notification, being on a layoff for a continuous period of six (6) months or more, or failure to return to work in accordance with the terms of leave of absence.
- (B) 1. In case of a layoff of any employee, "seniority," shall be applied in separate seniority units by county.
 - 2. On layoff, the least senior full-time employee in their classification in their store has the following options.
 - (a) They may displace the least senior full-time employee in their classification in their county. If they are the least senior full-time employee in their classification in their county, they may:
 - (b) Displace the least senior full-time employee, first in their store then in their county, and then in the bargaining unit, irrespective of their classification, providing they have the ability to perform the work. If they are the least senior full-time employee in their county, they may:
 - 1. Accept part-time work in their classification in their store claiming a part-time schedule based on their seniority, or
 - 2. Go on lay-off status.
 - 3. An employee who waives his option under subparagraphs (a) and (b) above, may exercise only the option under subparagraphs (1) and (2) above.
 - 4. Part-time employees shall be laid off under the same rules specified for full-time employees in paragraph (B). If they wish to exercise their seniority on the county basis, and then in the bargaining unit, they must advise their store manager.
 - 5. Once an employee accepts one of the options above, they have no right to any additional options.
 - 6. In the application of subparagraph (b) above it is understood that classifications other than Journeyman and Apprentice shall not have the right to bump into the Journeyman and Apprentice classifications.
 - 7. It is understood that an employee shall not be allowed to bump into a promotable job.
 - 8. It is understood that each employee's seniority within each classification shall be based on the employee's length of continuous service with the

Employer, and there shall be no loss or forfeiture of seniority when an employee is promoted or transferred from one classification to another.

- (C) Employees who are laid off due to a reduction in the work force shall be recalled in accordance with their seniority before the hiring of any new employees.
- (D) Employees who are employed by the Employer and who are not in the bargaining unit that are placed in any capacity within the bargaining unit shall be treated as newly hired employees in regard to seniority among employees already in the bargaining unit. This shall exclude newly promoted employees for a period of ninety (90) days from date of such promotion and shall exclude employees who become bargaining unit employees as a result of negotiations between the Employer and the Union.

An employee promoted to a management position outside the bargaining unit may be returned to the bargaining unit without loss of accrued bargaining unit seniority rights.

An employee transferred to a position outside this bargaining unit but in another bargaining unit with the Employer, may return to this bargaining unit without loss of seniority.

(E) <u>DEMOTIONS</u>: Employees who are promoted and subsequently are either voluntarily or involuntarily reduced within one (1) year shall be returned to the store from which they were in upon being promoted.

ARTICLE 11 - NO STRIKES OR LOCKOUTS

- (A) During the term hereof the Union agrees there shall be no strikes, or any other interference with, or interruption of, the normal conditions of the Employer's business by the Union or its members. The Employer agrees there shall be no lockout.
- (B) However, no employee shall be required to cross a picket line when his health and/or safety would be endangered.

ARTICLE 12 - LEAVES OF ABSENCE

The Employer will grant leaves of absence to employees for the following reasons:

A. Injury and Illness

An employee shall be granted a leave of absence to begin at a time that the employee's physician determines such employee should no longer work. The leave will expire at such time as the employee's physician determines such employee may safely return to work..

Leaves under A above must be supported by medical evidence and shall be only for the duration of such illness or injury, but in no event for more than one (1) year, and the employee's seniority will be broken unless the Company and the Union mutually agree in writing to extend the leave beyond one (1) year.

Leaves under A above must be requested in writing.

B. Personal reasons acceptable to the Employer.

Leaves under B shall be granted for not more than thirty (30) days, unless extended by the Employer.

- C. Military Leave: Any employee in service under the provisions of Federal Law shall be returned to his job in accordance with such laws.
- D. <u>Union Business</u>: The Employer shall grant the necessary time off without discrimination or loss of seniority rights and without pay to any employee designated by the Union to attend a labor convention or serve in any capacity or other official Union business, provided the Employer is given at least one (1) week's notice in writing specifying the length of time off, but in no case shall the length of time off exceed one (1) year, nor more than one (1) per store, nor more than two (2) per format.
- E. Funeral Leave: In case of a death in the immediate family of an employee, the employee shall be paid for a reasonable period of absence, depending upon the circumstances, but in no event to exceed three (3) days, provided he/she attended the funeral. In no case will he/she receive more than their normal week's pay. "Immediate Family" shall mean Spouse, Parent, Mother-In-Law, Father-In-Law, Child, Brother, Sister, Grandparents, Grandchildren, or any relative residing with the employee.
- F. Time spent on leave of absence will not be counted as time worked for the purpose of wage computation but will not result in loss of seniority. Failure to report back to work at the end of a leave of absence shall result in the employee being considered a voluntary quit. Any employee accepting employment elsewhere while on a leave of absence shall be considered a voluntary quit except in case such employee works for the Union. The first sentence of this paragraph shall not apply to (D) of this Article.
- G. Upon return to work from a leave of absence, the employee shall be restored to the job previously held or a job comparable with regard to work and rate of pay.
- H. Family and Medical Leave Act: A leave of absence of up to twelve (12) weeks (unpaid) shall be granted to an employee who has had one (1) year of continuous service and who has worked at least 1250 hours in the twelve (12) months prior to the request, pursuant to the basic provisions of the Family and Medical Leave Act. Any such employee desiring a leave of absence may be required to provide advance leave notice and medical certification prior to the leave of absence being granted, subject to the provisions of the Act. The lengths of the absence shall be commensurate with the need.

ARTICLE 13 - INJURY ON THE JOB

When an employee is injured on the job performing assigned duties, there shall be no deduction from the employee's pay for the day in which the employee was injured and reported for medical care. When such employee returns to work following the injury and is certified as ready to

perform all regular duties but requires medical treatment as a result of the same injury, the Employer is to provide both the time for medical care and the number of hours required to go to and from the doctor's office.

ARTICLE 14 - MERIT RAISES

It is agreed and understood that no merit raise will be given without first receiving permission from the Union in writing if the raise is greater than one dollar (\$1.00) per hour. A merit raise may be given to an employee no more than one time in any six (6) month period. The Company will state the reasons for a proposed merit increase in writing to the Union at the time of making a proposal. The Company will not propose an increase for reasons based upon personal favoritism or other non-job related reasons. The Union will grant permission for merit increases as long as the Company has provided a reasonable basis for the increase. The Company will provide the written reasons to the Union by facsimile and the Union will have three (3) work days from the date of confirmed transmission to respond to the Company.

ARTICLE 15 - WORK SCHEDULES

Schedules will be made according to seniority where employees are available to work available hours. Not later than Friday Noon preceding each workweek, the Employer will arrange and post on a suitable bulletin board within the store, a schedule of the employees' working hours for the following workweek. Such schedule shall list all employees by name with their starting and finishing times, meal periods, breaks and days off. No change shall thereafter be made in said schedule unless for emergency reasons and only by agreement of the employee involved and the store steward; however, in the event of the absence of a scheduled employee, then the store manager will call in the most senior non-scheduled employee, scheduled for thirty-two (32) hours or less that week, if he needs to fill the vacancy. Employees shall be paid for all time worked.

Part-time clerks will be scheduled for a minimum of fifteen (15) hours per week if the employee is available. Said schedule will allow the most senior part-time clerks to claim their respective part-time clerks' weekly schedules by seniority. Any claim of such schedule must be made within twenty-four (24) hours following the posting of the schedule.

Employees 15 years of age shall not be scheduled for more than three (3) hours per day or past 7:00 p.m. when school is in session. On Saturday and Sunday they can work four (4) hours or more.

ARTICLE 16 - MEAL AND BREAK PERIODS

All hours of work shall be consecutive except for meal periods which shall be one (1) hour. No employee shall be required to work more than five (5) hours without a meal period. The Employer agrees to grant all employees a fifteen (15) minute break for each four (4) hours worked not to exceed two (2) rest periods in any one (1) day. The Employer shall schedule breaks as near the middle of each four (4) hours of work as practical. Two (2) breaks shall be given for seven (7) hours or more.

Each store will have a suitable rest area or lounge for its employees located within the store.

ARTICLE 17 - WORKING CONDITIONS

- A. The basic straight time workweek shall consist of forty (40) hours to be worked in five (5) days (Sunday through Saturday).
- B. The basic straight time workday shall consist of seven (7), eight (8), or nine (9) hours with no more than two (2) nine (9) hour workdays in a workweek, with one (1) uninterrupted hour off for a meal period at approximately the middle of the workday.
- C. In any calendar week in which a holiday occurs, overtime pay will not be due until the hours actually worked exceed forty (40) hours. However, no employee shall be required to work more than thirty-two (32) hours in a holiday week.
- D. Overtime is defined as work in excess of straight time workday and/or workweek described above. Overtime work shall be paid for at one and one-half (1-1/2) times the employee's regular rate of pay. It is recognized that the Company may, in its discretion, institute and, thereafter, if necessary, discontinue, work schedules consisting of four 10-hour days for members of its night stock crew. Employees regularly working a four day 10-hour schedule will have two consecutive off days. Daily overtime will only be paid for all hours over 10 hours. Night stock crew members who work four-10 hour days during a holiday week rather than working the thirty-two (32) hours referred to in C. above shall be paid ten hours holiday pay. During a holiday week, regular ten hour employees may be scheduled for four eight-hour days. However, in the case of four eight-hour days, daily overtime will be paid for all hours over eight hours.
- E. Employees shall be guaranteed work for a full workday as defined in this Agreement, or pay in lieu thereof, on each day that they report to and remain available for work as scheduled by the Employer. Provided, however, that part-time employees shall be guaranteed work as scheduled, or pay in lieu thereof, but in no case for less than four (4) hours, if the employee is available. In the event a store or part of a store must be closed temporarily due to fire, act of God or other similar disaster, then the store involved shall be entitled to use temporary layoff procedures. A temporary layoff under this Section will never exceed seven (7) calendar days. If an employee is laid off pursuant to these temporary layoff provisions, then the provisions of Article 10 Section (B) shall not apply for the first seven (7) calendar days. However, the employer agrees to reschedule all employees for their full work schedule provided enough hours remain in the work week. For the purpose of this provision, daily overtime and night premium will be waived to allow the employees to make up lost hours, should they desire to make up lost hours. The employer shall make every effort to notify employees of any change in schedules to minimize any inconvenience.
 - F. There shall be no split shift worked by any employee.
- G. Any employee absent on a scheduled workday will notify the store manager as soon as possible prior to his scheduled working time.
 - H. There will be a ten (10) hour break between the shifts of night stock crews.
- I. In case of temporary transfer of a regular full-time or part-time employee, at the request of the Employer, involving more than ten (10) additional miles of travel per day, the employee will be reimbursed for the additional miles of travel at thirty-four cents (\$.34) per mile.

- J. No employee covered by this Agreement shall be requested or required by any representative of the Employer to be the subject of a Polygraph (lie detector) test for any reason whatsoever.
- K. The procedure on Bascart Checks will require a management employee and a union steward or union member to review the results if an error is found, and reasonable discipline, if appropriate, will be imposed within seven (7) days of the review of the bascart check results.
- L. The Company maintains the right to transfer an employee within county lines, unless the transfer creates an undue hardship for the transferred employee. In such cases of undue hardship the Company and the Union agree to meet and discuss the transfer. Two weeks notice will be given to employees transferred involuntarily. An employee may be transferred outside county lines provided the distance of the transfer does not exceed forty (40) miles from the employee's current store. In cases of transfer outside county lines seniority will be considered but is not the governing factor. Furthermore, an employee shall not be transferred outside county lines more than once every twelve (12) months unless by mutual agreement.

ARTICLE 18 - PREMIUM WORK

Work performed by employees on any of the following days, or between the hours specified below, shall be considered as premium work and paid for according to the rates of pay set forth herein:

Sunday:

All hours worked on Sunday by any full-time or part-time employee will be paid at a premium of One Dollar (\$1.00) per hour over their regular straight time hourly rate.

Assistant Department Managers, and all full-time Grocery Clerks, Produce Clerks, Bakery Clerks, Office Clerks, Meat Apprentices, Seafood Clerks, Checkers, Wrappers, Floral Clerks, or Journeyman who are scheduled to work and work on Sunday, then during the same workweek they shall receive two (2) consecutive days off (i.e., employee works on Sunday, will be off Monday and Tuesday or Tuesday and Wednesday, etc.). Department Managers who work on Sunday and who request to be off two (2) consecutive days shall be allowed off in accordance with this paragraph.

Holidays:

One and one-half (1-1/2) times the employee's regular rate of pay. Employees hired after October 27, 1985 who work on holidays will be paid \$1.00 per hour over their straight time hourly rate plus holiday pay.

A forty cents (\$.40) per hour premium shall be paid for all hours of any shift worked by any employee when any part of the shift falls between the hours of twelve o'clock midnight and five o'clock a.m.

The Union recognizes the need for certain employees to work performing close-up duties and checking out and therefore, employees whose workday is completed within one (1) hour after store closing shall not be entitled to the night premium pay as provided for above.

All employees assigned to the night stock crew shall be paid the night premium for all hours worked.

ARTICLE 19 - FULL-TIME EMPLOYEES

A full-time employee is any employee who works or is scheduled to work the basic workweek as defined in this Agreement.

Part-time employees who occasionally work thirty-two (32) or more hours in a week shall not be considered full-time employees. However, part-time employees who average working thirty-two (32) hours or more per week for a **continuous period of fifteen (15) weeks** shall be reclassified to full-time status, forty (40) hours per week. For the purpose of this clause, hours of work will not be counted in the **fifteen (15) week** average to create a full-time person where someone is stepped up in hours to cover vacation relief, sick leave replacement, or other such temporary situations. During the months of May through October it will not apply to students.

Part-time employees shall be given full-time employment before new employees are hired for full-time work, if the part-time employee is available for work.

ARTICLE 20 - TIME RECORDS

The Employer shall make suitable provisions for recording the hours worked by each employee covered by this Agreement, either through the use of time clock or such other method as may be satisfactory to the Union.

When requested to do so, the Employer will make such records available to an authorized representative of the Union for examination provided a dispute has arisen of time worked. Information requested on an individual employee will be provided within 24 hours; on multiple employees within 45 days.

Failure of the Employer to comply with this provision shall not jeopardize an employee's right to wages for hours worked as claimed, and any dispute arising between the parties hereto because of such failure shall be promptly settled through the grievance and arbitration provisions of this Agreement, with full consideration being given to any relevant and pertinent evidence tending to support the employee's claim.

ARTICLE 21 - OFF CLOCK CLAUSE

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

ARTICLE 22 - REGISTER SHORTAGES

No employee shall be held responsible for pan shortages unless adequate procedures have been established by the Employer, and approved by the Union, through which the employee is allowed to check monies in and out of his/her assigned register pan at the beginning and end of each period of work with said register, and provided further that the employee shall have sole access to his/her assigned register pan in the interim.

No employee shall be required to make good any bad checks cashed, unless said checks are cashed in violation of posted store rules and regulations.

ARTICLE 23 - DEPARTMENT HEADS

Section 1. <u>Designation</u>. The following classifications are designated as department heads, shall be full-time employees, and shall be paid as provided in Schedule "A" Wages.

- a. Market Manager
- b. Produce Manager
- c. Front End Manager
- d. Grocery Manager
- e. Dairy-Frozen Food Manager
- f. Bakery Manager
- g. Assistant Grocery Manager
- h. Seafood Manager
- i. Floral Manager

The Company will have a full-time Seafood Manager in each store that has a Seafood Department with an ice case and sells fresh product.

The Company will have a full-time Floral Manager in each store with a Floral Department which has an average sales volume of \$2,000 or more per week for the first twenty-six (26) weeks of the year. Any Floral Department which does not have an average weekly sales volume of \$2,000 per week for the first twenty-six (26) weeks of the year may have a Lead Floral Clerk assigned. If a Lead Floral Clerk is assigned, they will be paid \$.15 per hour over their personal rate of pay.

Section 2. Classifications of Department Heads.

- A. Grocery, Produce, Market, Dairy-Frozen Food Managers, Assistant Grocery Managers, Bakery Managers, and Front End Managers will be classified based on the average weekly sales as shown in Schedule "A" Wages for a three (3) month period, beginning on the anniversary dates of this Agreement.
- B. On new stores or stores which may be remodeled, the Grocery Produce, Bakery, Dairy-Frozen Food, Market Managers, Assistant Grocery Managers, and Front End Managers shall be paid his/her previous rate for fourteen (14) weeks. At the end of the fourteen (14) weeks, the store will be reclassified based on the average weekly total sales for the department involved for the twelve (12) weeks immediately following the first two (2) weeks after opening or remodeling, and their rates will then be adjusted to the new classification. The Front End Managers' volume will be based on total store volume.

ARTICLE 24 - SPECIAL APPAREL AND EQUIPMENT

The Employer agrees to furnish special apparel for all employees and replace as needed and maintain any special apparel and equipment commonly worn or used by the employees in the performance of their work.

The term special apparel shall apply to garb not customarily worn as normal apparel, such as smocks, aprons, caps or other apparel designed to identify the wearer as an employee. The Employer shall furnish a reasonable number of rain capes for employees carrying out groceries.

ARTICLE 25 - SHOP STEWARDS

The Union shall have the right to designate a maximum of two (2) stewards in each store covered by this Agreement. The Union shall furnish the Employer with a complete list of stewards, which will be supplemented from time to time.

The stewards, or other individual employees covered hereby, shall not be considered agents of the Union for the purpose of calling strikes, or causing shutdowns or in any way interfering with the normal operations of these stores. The shop stewards shall perform their duties with the least inconvenience to the Employer as possible. The shop stewards shall not use their position as shop steward as an excuse to avoid performing their duties to the Employer.

All stewards in each of the Employer's stores including chief steward, co-steward, etc., shall receive a total of twelve dollars (\$12.00) per week, per store, over their regular rate of pay to be divided and distributed among them in such portions or shares as the Union shall determine and advise the Employer.

In the interest of promoting cooperative relations, the store manager will introduce each new employee in their store to the Union shop steward within one (1) week after the new employee reports to work. At this meeting, which shall take place during working hours, the shop steward shall give the new employee a copy of the contract and shall explain its operations. The shop steward may answer any questions the new employee asks, may request the new employee to join the Union, and make arrangements for the new employee to become a member.

ARTICLE 26 - UNION STORE CARD

The Union agrees to issue a Union Store Card to the Employer under the rules governing Union Store Cards set forth in the Constitution of the United Food and Commercial Workers International Union. Such Union Card is, and shall remain, the property of the said International Union, and the Employer agrees to surrender said Union Card to an authorized representative of the Union on demand in the event of failure by the Employer to observe the terms of this Agreement or the conditions under which said Union Store Card is issued.

ARTICLE 27 - VACATIONS

All employees, unless otherwise specifically exempted herein, shall receive an annual vacation with full pay therefore, as follows:

One (1) week after one (1) year Two (2) weeks after three (3) years Three (3) weeks after seven (7) years Four (4) weeks after fourteen (14) years Five (5) weeks after twenty (20) years

Full pay for each week of the vacation periods specified above.

Such vacation pay shall be paid to the employee prior to the start of his vacation, if requested, and when any holiday named in Article 30 of this Agreement falls within the employee's vacation, an additional day off with pay shall be added to the employee's vacation, or pay given in lieu thereof, as if the employee had worked on such holiday.

Vacation periods shall be scheduled by the Employer with due regard to the seniority of employees, and employees will be given two (2) weeks advance notice of their scheduled vacation period. No vacation until qualified for vacation.

Vacations will be figured on the average hours worked in a vacation qualifying year up to forty (40) hours per week. Employees who average at least thirty-six (36) hours or more will receive a forty (40) hour check.

Vacation seniority and rights shall not be affected by the sale or transfer of the stores in which the employees work, and in such instances, employees shall be paid earned vacation pay prorated to the time of such sale or transfer by the selling Employer. An employee discharged for dishonesty shall forfeit all rights to vacation then due.

Eligibility

- 1. A full-time employee will be eligible for one (1) week vacation as of their first anniversary of their beginning date of employment.
- 2. After qualifying for their first one (1) week vacation, a full-time employee who has completed one (1) year of service (but less than three) prior to January 1, is eligible for one (1) week of vacation as of January 1.
- 3. A full-time employee will become eligible for a second week of vacation as of their third anniversary of employment.
- 4. After qualifying for their first two (2) week vacation, a full-time employee who has completed three (3) years of service prior to January 1, is eligible for a two (2) week vacation as of January 1.

- 5. A full-time employee will become eligible for a third week of vacation as of the seventh anniversary of employment.
- 6. After qualifying for their first three (3) week vacation, a full-time employee who has completed seven (7) years of service prior to January 1, is eligible for a three (3) week vacation as of January 1.
- 7. A full-time employee hired prior to October 28, 1985 will become eligible for a fourth (4th) week of vacation as of their fourteenth anniversary of employment and a full-time employee hired after October 27, 1985 will become eligible for a fourth (4th) vacation week after twenty (20) years of employment.
- 8. After qualifying for their first four (4) week vacation, a full-time employee who has completed fourteen (14) years of service or twenty (20) years of service if hired after October 27, 1985 prior to January 1, is eligible for a four (4) week vacation as of January 1.
- 9. A full-time employee hired prior to October 28, 1985 will become eligible for a fifth (5th) week of vacation as of their twentieth anniversary of employment.
- 10. After qualifying for their first five (5) week vacation, a full-time employee who has completed twenty (20) years of service prior to January 1, is eligible for a five (5) week vacation as of January 1.

A part-time employee who is entitled to vacation according to the preceding vacation policy shall be granted a part-time vacation under the same general rules as provided in the preceding policy for full-time employees.

Part-time vacations will be figured on the average hours worked in a vacation qualifying year.

ARTICLE 28.- HOLIDAYS

The following days shall be recognized and observed by the Employer as holidays:

New Year's Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day.

Any other day observed by the Employer and on which the store is closed to the public shall be a holiday except Easter.

Employees upon completion of one year of continuous service will be eligible for a floating holiday. Two weeks notice shall be given in writing to store management when requesting a floating holiday. In cases of excess requests, seniority shall govern provided the necessary notice was given. Once approval has been given to an employee, it may only be changed by mutual consent.

All employees shall be paid for the above holidays as follows:

Full-time employees - eight (8) hours straight time pay.

Employees hired prior to October 28, 1985 with one (1) year or more service shall receive three (3) additional days' pay with their first week of vacation in lieu of a seventh (7th), eighth (8), and ninth (9th) paid holiday.

A part-time employee who has worked in twelve (12) or more weeks shall be entitled to holiday pay for the holidays set forth in Article 30. Employees who are absent on their own accord during a holiday week shall be paid for the hours actually worked, except where absence is caused by proven illness or is excused by the Employer. The employee shall receive the holiday pay provided he worked any part of the holiday week. Holiday pay shall be figured on the average hours worked for the last four (4) weeks worked immediately preceding the holiday week on the following basis:

Average Hours Worked	Holiday Pay	
Less than 32 hours	4 hours	
32 hours or more	8 hours	

An employee who is off on leave for thirty (30) days or more will not receive holiday pay.

The right to holiday pay shall be forfeited by employees who fail to work their scheduled workday next prior to and after the holiday, unless absence from work on such days is because of any of the following reasons:

- A. Illness or accidental injury of the employee.
- B. Excused from such work by the store manager.
- C. Authorized funeral leave as provided for in this Agreement

Holiday work shall be considered as premium work and paid for at one and one-half (1-1/2) times the employee's regular rate of pay. Employees hired after October 27, 1985 who work on holidays will be paid \$1.00 per hour over their straight time hourly rate plus holiday pay.

ARTICLE. 29 - CHECK-OFF OF DUES

The Employer agrees to deduct from my wages, commencing with the next payroll period, an amount equivalent to dues and initiation fees as shall be certified by the Secretary-Treasurer of Local 1657 of United Food and Commercial Workers International Union AFL-CIO, CLC and remit same to said Secretary-Treasurer of the Union.

This authorization and assignment is voluntarily made in consideration for the cost of representation and collective bargaining and other activities undertaken by the Union and is not contingent upon my present or future membership in the Union.

This authorization and assignment shall be irrevocable for a period of one (1) year from the date of execution or until the termination date of the Agreement between the Employer and Local 1657, whichever occurs sooner, and from year to year thereafter, unless not less than thirty (30) days and not more than forty-five (45) days prior to the end of any subsequent yearly period I give the Employer and Union a written certified notice of revocation bearing my signature thereto.

The Secretary-Treasurer of Local 1657 is authorized to deposit this authorization with any Employer under contract with Local 1657 and is further authorized to transfer this authorization to any other Employer under contract with Local 1657 in the event that I should change employment.

In the event no wages are then due the employee or are insufficient to cover the required deduction, the deduction for such week shall nevertheless be made from the first wages of adequate amount next due to the employee and thereupon transmitted to the Union.

The sums so deducted by the Employer shall be remitted on a monthly basis to the Local Union. It is understood that the Employer's responsibility for the performance of this service is strictly limited to the delivery of such dues, initiation fees, and assessments to the Union, and that the Employer incurs no liability as the result of inadvertent failure to deduct sums authorized for deduction by any employee. The Union will indemnify the Employer for all claims arising out of the Employer's compliance with the check-off provision.

The Employer shall forward, each week, a copy of the amount deducted from the pay of each employee to the Secretary-Treasurer.

The Employer agrees that a uniform deduction will be made once each year on the same week of each year from employees who have signed an Active Ballot Club Check-Off card, and this money will be forwarded to the Secretary-Treasurer of UFCW Union Local 1657, at no cost to the Union to make these deductions. A separate check will be issued for these deductions.

ARTICLE 30 - WAGE STATEMENTS

The Employer shall establish regular weekly pay days and furnish to each employee on such pay days, a wage statement showing the period of time covered, name of the employee, straight time and overtime hours worked, total amount of wages paid, and itemized deductions made therefrom. A similar statement will be given to the employee upon termination of employment.

ARTICLE 31 - WAGES

Wage rates for specified job classifications shall be as set forth in schedules attached hereto, as a part of this Agreement and shall be maintained for the life of this Agreement.

The Union has granted separate and apart from the above paragraph that, the Company may hire, on a store-by-store basis, at any rate as specified in the progression schedule or at rates above the progression schedule, and such rate will be the minimum for all classifications for that store, as long as the store retains that rate. When a store raises its hiring rate, all incumbent employees below the new hiring rate in any classification will move immediately to the new hiring rate and thereafter progress to the next rate upon completion of the applicable time period required to move to the next rate.

When a store reduces its hiring rate back to the contract rate for new hires, no incumbent employees' rate will be reduced. The Union will be notified prior to the Company increasing the new hire rate and provided an opportunity to discuss such change prior to implementation. The Union will also be notified prior to the Company returning the new hire rate to the one specified in the progression schedule.

When a job classification is established by the Employer, for which no rate of pay is provided in said schedules, the Employer agrees to meet with the Union upon its request for the purpose of negotiations for wage rate for such classification.

The wage rate agreed upon as the result of such negotiations shall be effective from the date of the establishment of the new job classification. If agreement between the parties is not reached within thirty (30) days from the date of the Union's request for such negotiations, the matter may be referred by either party to the arbitration procedures as set forth in this Agreement, and the decision shall be binding upon the parties for the remaining term of this Agreement.

It is understood that when an employee is assigned to a job with a lesser rate of pay, the employee will be entitled to the regular rate of pay, unless due to a decrease of work, the employee has been regularly assigned to a lower rated job and desires to retain such a job rather than accept a layoff.

When administering the length of service increases that come due based on an employee's anniversary date (annually, six months, etc.), the following procedure will be used. When that specific calendar date falls on a Sunday, Monday, Tuesday, or Wednesday, we would implement that increase effective with the Sunday date. Should that date of increase fall on a Thursday, Friday, or Saturday, we would then implement that increase on the following Sunday date.

Relief Pay - An employee will be assigned by the employer to relieve a Front End Manager, Produce Manager, Market Manager, Grocery Manager, Dairy-Frozen Food Manager, Seafood Manager, Floral Manager, and Bakery Manager who is absent for one (1) week or more and shall receive the minimum contract rate for that classification for such time spent on relief.

In any store where the Employer has been assigning a particular employee as relief in any particular classification, then the Employer may continue to assign this same employee for such relief.

If the relief is not assigned by this practice, then the following shall be observed:

The relief assigned shall be a qualified employee to perform the job hired prior to October 5, 1982 and such employee shall receive the rate of pay for the relief position in effect for that classification for employees hired prior to October 5, 1982.

In the event no qualified employee in this category wishes to accept such relief position, then the Employer may assign the relief to any other employee in the bargaining unit desiring to accept such relief position and the employee shall be paid the applicable rate for their seniority.

It is further understood and agreed that this understanding in no way changes the right of the Employer to select the person for relief except as stated herein.

ARTICLE 32 - VOTING TIME

During the general elections (National and State) employees shall be granted reasonable time off, without pay, to vote providing time off is necessary. Employees shall show proof of voting registration if required by the Employer.

ARTICLE 33 - BULLETIN BOARDS

The Employer will provide a separate bulletin board in each store. The Union may post notices necessary for conducting Union business with prior approval of the Employer. A Union Store Card and Emblem shall be maintained on this bulletin board.

ARTICLE 34 - UNION COOPERATION

- A. The Union agrees to uphold the rules and regulations of the Employer in regard to punctual and steady attendance, proper and sufficient notification in case of necessary absence, conduct on the job, and all other reasonable rules and regulations established by the Employer.
- B. The Union agrees to cooperate with the Employer in maintaining and improving safe working conditions and practices, in improving the cleanliness and good housekeeping of the stores, and in caring for equipment and machinery.
- C. The Union recognizes the need for improved methods and output in the interest of the employees and the business and agrees to cooperate with the Employer in the installation of such methods, in suggesting improved methods, and in the education of its members in the necessity of such changes and improvements.
- D. The Union recognizes the need for conservation and the elimination of waste and agrees to cooperate with the Employer in suggesting and practicing methods in the interest of conservation and waste elimination.
- E. The Union agrees to cooperate in correcting inefficiencies of members which might otherwise necessitate discharge.

ARTICLE 35 - NON-DISCRIMINATION

The Union and the Employer each agree, separately and collectively, that the employment practices followed shall be without regard to race, color, religion, age, sex, veteran's status, national origin or disability, and that equal opportunity for employment shall be assured each qualified individual. Where the word "He" appears in this agreement, the parties agree that it applies to both male and female employees.

ARTICLE 36 - PRIOR EXPERIENCE

New or rehired employees may be given credit for proven previous comparable grocery or produce experience with a nationally recognized supermarket chain, or proven previous comparable (at least six [6] months) experience in retail industry. The experience must be within the last three (3) years immediately prior to the date of hire or rehire. To qualify for the experience credit, the previous experience must be documented on the application. Evidence and the appropriate documentation of previous experience will be made accessible to the Union upon request. Where the experience credit is granted, the new employee will be placed on the appropriate published contract rate of pay, and will be based on his/her experience length of service, progress from that point based on the wage progression in the wage schedule.

Claims for adjustment can be made when an employee becomes aware they have not been correctly placed on the wage schedule given their level of experience. In any event, the claim must be made no later than one hundred twenty (120) days following the adjustment giving rise to the claim.

When individuals are hired or rehired who have prior experience as covered above, a minimum of ninety-five percent (95%) of those individuals will be hired within the provisions of the prior experience credit language.

Review Procedure

- 1. The Company will review, on a monthly basis, the new hires and rehires in Food World-Alabama.
- 2. The Company will record the total number of hires and rehires in that period.
- 3. The Company will then review the number of employees hired above the full-time or part-time start rate.
- 4. All employees who were not hired in accordance with the contract language on Prior Experience will have their rate adjusted, either up or down to the appropriate rate and retro will be paid to those underpaid.
- 5. This information will be made available to the Union for review.

The parties agree that this Article is subject to reopening at the request of either party at the end of any twelve (12) month period during the term of this Agreement. Upon such request being made, the parties agree:

- 1. To bargain in good faith in an effort to reach agreement on a new provision concerning the subject of this Article; or,
- 2. If the parties are unable to reach agreement on a new provision the parties will submit the issue to a neutral arbitrator. The arbitrator will have the authority to only decide (i), whether this Article shall be continued for an additional twelve

(12) months, or (ii) if the arbitrator finds that the Company acted arbitrarily, capriciously, or discriminatorily in the application of the prior experience credit, the parties will revert to the requirements of Article 33-Wages of the 1995-1999 Collective Bargaining Agreement.

Nothing herein will prevent the filing of grievances at any time during the term of this Agreement.

ARTICLE 37- HEALTH & WELFARE

- I. A-1. The term "eligible employee" shall mean a full-time employee who has worked an average of **thirty-two** (32) hours per week for a period of eight (8) consecutive calendar weeks (256 hours). Such an employee becomes eligible for health and welfare benefits on the first day of the second calendar month immediately following completion of the eight (8) consecutive calendar weeks (256 hours), and such date shall be referred to as his eligibility date.
- A-2. In the case of part-time employees, the term "eligible employee" shall mean an employee who has worked an average of twelve (12) hours or more per week for six (6) consecutive months immediately preceding the first of any month. Such employees become eligible for health and welfare benefits on the first day of the calendar month following completion of the six (6) consecutive calendar months.
- B-1. For part-time employees hired prior to November 5, 2003, eligibility shall be defined as working twelve (12) hours or more per week for the eight (8) consecutive weeks immediately preceding the first of any month. Such employees become eligible for health and welfare benefits on the first day of the second calendar month immediately following completion of the eight (8) consecutive calendar weeks.
- B-2. Employees, upon attaining eligibility, shall have a contribution made to the Fund based on the average weekly hours worked the eight (8) weeks prior to the first of any month. Those employees eligible for a contribution, whose average equals or exceeds thirty-two (32) hours, shall have the equivalent of a full-time contribution made on their behalf to the Fund. Employees with an average of less than thirty-two (32) hours but greater than or equal to twelve (12) hours shall have the equivalent of a part-time contribution made on their behalf to the Fund. Employees averaging less than twelve (12) hours for the eight (8) weeks preceding the first of any month will not be eligible to have a contribution made on their behalf to the Fund.
- B-3. Employees hired prior to September 25, 1999, upon achieving eligibility, shall qualify for Plan A. Such employees will not be placed in Plan B or Plan E as long as they continue to be employed by Food World of Alabama for the term of this Agreement.
- B-4. Employees hired on or after September 25, 1999, but before November 5, 2003, upon achieving eligibility, shall qualify for Plan B. Such employees will not be placed in Plan E as long as they continue to be employed by Food World of Alabama for the term of this Agreement.

B-5. Employees hired after on or after November 5, 2003, upon achieving eligibility, shall qualify for Plan E.

C-1. The contribution rates are as follows

	Plan A	Plan B	Plan E
Full-time	\$499.00	\$367.00	\$280.00
Part-time	\$ 92.00	\$ 52.00	\$ 44.00

- C-2. The Company will implement an M.O.B. for Plan A, B, and E contribution rates on the same basis as the other major employers and based on the Trustees' implementation of the consultant's projections.
- II. A. Contributions to each Trust Fund shall be discontinued as of the first of the month immediately following:
- 1. A lay-off or leave of absence of thirty (30) calendar days or more except as otherwise provided below:
- 2. The employee's ceasing to be an eligible employee due to his failure to work an average of **thirty-two** (32) **hours** or more per week for eight (8) consecutive calendar weeks (256 hours), or in the case of a part-time employee, due to his failure to work an average of twelve (12) hours or more per week for the eight (8) consecutive weeks immediately preceding the first day of any month. For the purpose of this paragraph, an eligible employee who is on an approved personal leave of absence of two (2) weeks or less or on military leave of absence of two (2) weeks or less shall be credited with the hours he would normally have worked in such week or weeks.
- III. A. Contributions to each Trust Fund shall be continued under the following conditions:
- 1. In case of illness, non-compensable injury, six (6) months contribution following the month in which the illness or injury occurred.

In case of compensable injury, contributions will be made until such time as the employee is allowed to return to work or a final settlement is reached on his claim.

- 2. The Employer agrees to pay the contributions to each Trust Fund for eligible employees covered under Plan "A or A/C" for one (1) month following termination of employment. This obligation shall not be required when an employee is discharged for dishonesty, drinking, or drunkenness on the job or resigns to go into business for himself.
- 3. Employee contributions that have been discontinued due to non-compensable illness or injury will be resumed on the first day of the month following return to work on the Employer's active payroll after illness, injury, or pregnancy.

IV. A. The Employer shall contribute for each eligible employee, effective January 1, 2004, whether full-time or part-time, Five Dollars (\$5.00) per month to the United Food and Commercial Workers Unions and Employers Legal Assistance Fund as provided in the Trust Agreement.

ARTICLE 38 - PENSION PLAN

A. The Employer agrees to contribute to a jointly administered Trust Fund to be known as the UNITED FOOD AND COMMERCIAL WORKERS UNIONS AND EMPLOYERS PENSION FUND the sum of forty-five cents (\$.45) per hour, effective February 1, 2004, for all hours paid, up to and including forty (40) hours a week, for all employees in the bargaining unit herein described except as otherwise excluded in this Article. Hours paid shall include paid hours of vacation, holidays, and other hours of leave paid for by the Employer. Where the contract provides that extra days be paid when vacation is received, then pension contributions will be made for those additional hours paid. Such contribution shall be made on or before the twentieth (20th) of each month for the preceding calendar month.

Additionally, the Company agrees that they shall be bound by all decisions and policies made by the Board of Trustees of the UFCW Unions and Employers Pension Fund, as it relates to employer contributions, benefit design and actuarial methods and assumptions. If the Board of Trustees establishes a new contribution rate at any time during the duration of this Collective Bargaining Agreement, the bargaining parties shall contribute that new rate effective in the contribution month subsequent to the Board of Trustee's notification.

- B. The contribution provided for in (A) hereof shall be for the purpose of providing such pension benefits for eligible employees, including employees of the Trust Fund, as shall be determined from time to time by the Trustees of the aforesaid Trust Fund pursuant to the terms of the Trust Agreement which shall be agreed upon and executed by the parties hereto and attached to this Agreement. For the purpose of this paragraph, Trustees shall not be considered employees of the Trust Fund.
- C. The Trust Agreement and Pension Plan established pursuant to this Agreement shall receive and maintain Treasury Department approval and qualify for the tax exemption provided for by the Internal Revenue Code of 1954, as amended, and the regulations and rulings thereunder.
- D. The Employer shall begin to make contributions to the Trust Fund on January 1, 1971. In the event the Treasury Department approval has not been received, or contributions to the Trust Fund are not deductible expenses under the Internal Revenue Code of 1954, as amended, or the Trust is not in operation by January 1, 1971 for any reason, or if for any reason the Fund cannot begin to receive contributions by January 1, 1971, then all of the contributions which the Employer is required to make to the Fund shall be paid into a separate, interest bearing bank account until such time as the Trust Fund can receive such contributions and interest. Upon payment of monthly contributions, the Employer shall report to the Union and the Trust Fund all hours worked by all employees for which contributions were required during the preceding month.
- E. On the date that the Employer is obligated to make contributions into the Pension Fund or into the interest-bearing bank account provided for above, the employees covered by this

Agreement upon such date shall automatically cease to participate in the Employer's Pension Plan (if any) then in effect. The Union as the bargaining agent for the employees covered by this Agreement agrees on behalf of each of the said employees who are participants in the Employer's Pension Plan that each of said employees in consideration of the Agreement by the Employer to contribute to the UNITED FOOD AND COMMERCIAL WORKERS UNIONS AND EMPLOYERS PENSION FUND enabling said employees to participate therein shall then withdraw from and surrender, release and relinquish whatever rights, privileges, and benefits he has, if any, in the Employer's Pension Plan effective with the date the Employer is obligated to make payments into the UNITED FOOD AND COMMERCIAL WORKERS UNIONS AND EMPLOYERS PENSION FUND.

- F. The Employer agrees that any retail Employer who executes or has executed a collective bargaining agreement with this Union or with other Local Union, within the geographical jurisdiction of the United Food and Commercial Workers International Union, which provides for contributions to a Pension Fund, shall be entitled to become a signatory to the Trust Agreement mentioned above by agreeing to the terms of the Trust Agreement and is accepted for participation in the Fund by Trustees in accordance with the provisions of the Trust Agreement.
- G. Contributions for all employees hired after October 27, 1985 will begin on the beginning of the next month after their first anniversary date of employment.

ARTICLE 39 - TERM OF AGREEMENT

- A. This Agreement shall be effective as of 12:00 a.m., September 28, 2003, and shall remain in force and effect until its expiration date, September 25, 2004 at 12:00 p.m. (midnight).
- B. On or before sixty (60) days prior to the expiration date set forth above, either party hereto may notify the other party in writing of its desire to negotiate the terms and provisions of a successor Agreement. Promptly following such notification, and during such sixty (60) day period, the parties hereto shall meet and engage in such negotiations.
- C. If neither party hereto gives notice to the other party of its desire to negotiate a successor Agreement prior to the expiration date of this Agreement as above provided, this Agreement shall automatically be renewed for successive one (1) year terms thereafter.

UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL 1657 AFL-CIO

George L. Scidenfaden, Sr.

President and Chief Executive Officer,

International Vice President

Elaise L. Fox

Secretary-Treasurer

BRUNO'S SUPERMARKETS, INC.

d/b/a Fogd World

Robert L. Baker

Vice President - Labor Relations

Dávid Shoemaker

Senior Vice President - Operations

Food World of Alabama Department Manager Rates

	Current	Store Sales	09/28/03
		< \$125K	\$12.20
Front End Manager	\$11.95-\$15.05	\$125K - \$21 5K	\$12.50
		\$215+	\$13.00
		< \$125K	\$12.20
Grocery Manager	\$11.95-\$15.05	\$125K - \$215K	\$12.50
		\$215+	\$13.00
		< \$125K	\$12.20
Produce Manager	\$11.95-\$15.05	\$125K - \$215K	\$12.50
-		\$215+	\$13.00
		<\$125K	\$12.20
Bakery Manager	\$11.15-\$15.05	\$125K - \$215K	\$12.50
		\$215+	\$13.00
		<\$125K	\$14.00
Market Manager	\$13.10-\$16.20	\$125K - \$215K	\$14.50
-		\$215+	\$15.00
Seafood Manager	\$10.95-\$13.16	(all stores)	\$11.20
Floral Manager	\$10.95-\$13.16	(all stores)	\$11.20

If any Manager's current hourly rate is above the mandated hourly rate on 09/28/03, then such Manager retains his or her current rate.

Department Managers above the maximum top rate, as established above, on September 28, 2003, will receive the same adjustment in wages as the top rated full-time clerks. [Department Managers receiving an increase based on being slotted into the appropriate rates, as determined by store volume, shall not qualify for the general wage increase.]

Food World of Alabama Wage Rate Progressions

Full-Time

Months	Current	09/28/03
Start	\$5.50	\$5.60
6	\$5.55	\$5.70
12	\$5.65	\$5.80
18	\$5.95	\$6.00
24	\$6.25	\$6.50
30	\$6.65	\$6.90
36	\$7.25	\$7.35
42	\$8.10	\$8.75
48	\$10.40	\$10.70
Employees Above Top Ra	ate	+.30

Part-Time

Months	Current	09/28/03
Start	\$5.40	\$5.55
6	\$5.45	\$5.70
12	\$5.65	\$5.80
18	\$5.95	\$6.00
24	\$ 6.45	\$6.50
30	\$7.55	\$7.75
Employees Above Top	Rate	+.20

All part-time employees promoted to full-time employment status will be assigned to the next higher rate of pay on the full-time progression. The next increase will be governed by the time required without consideration for time spent in the part-time progression.

Part-time employees in the part-time wage progression will not move to the full-time wage progression until they are promoted to full-time employment status.

Food World of Alabama Apprentice Meat Cutter

Part-Time/Full-Time	Current	09/28/03
Start	\$6.35	\$6.35
6 Months	\$6.60	\$6.60
12 Months	\$6.90	\$6.90
18 Months	\$7.20	\$7.20
24 Months	\$10.40	\$10.70
Employees Above Top Rate		+.30

Clerks assigned to Meat Department will progress on Clerk Wage Schedule.

Must pass a "cutting test" or hold 18-month rate for maximum of three (3) months.

Food World of Alabama Assistant Department Managers

	Current	09/28/03
BOXMAN (1 Per Store) Full-Time Employee	\$12.27	\$12.57
ASST. GROCERY MANAGER (\$100,000 volume)	\$10.95	\$11.25
ASST. FRONT END MANAGER (12 Midnight)	\$10.95	\$11.25
ASST. PRODUCE MANAGER (12 Midnight)	\$10.95	\$11.25
ASST. DELI-BKY MANAGER	\$10.95	\$11.25
DAIRY-FF MANAGER	\$10.95	\$11.25
JOURNEYMAN MEAT CUTTER	\$10.40	\$10.70