

UFCW
a VOICE for working America

**UNION
SHOP**

Shop Union

UNITED FOOD & COMMERCIAL WORKERS UNION, AFL-CIO

LOCAL 400

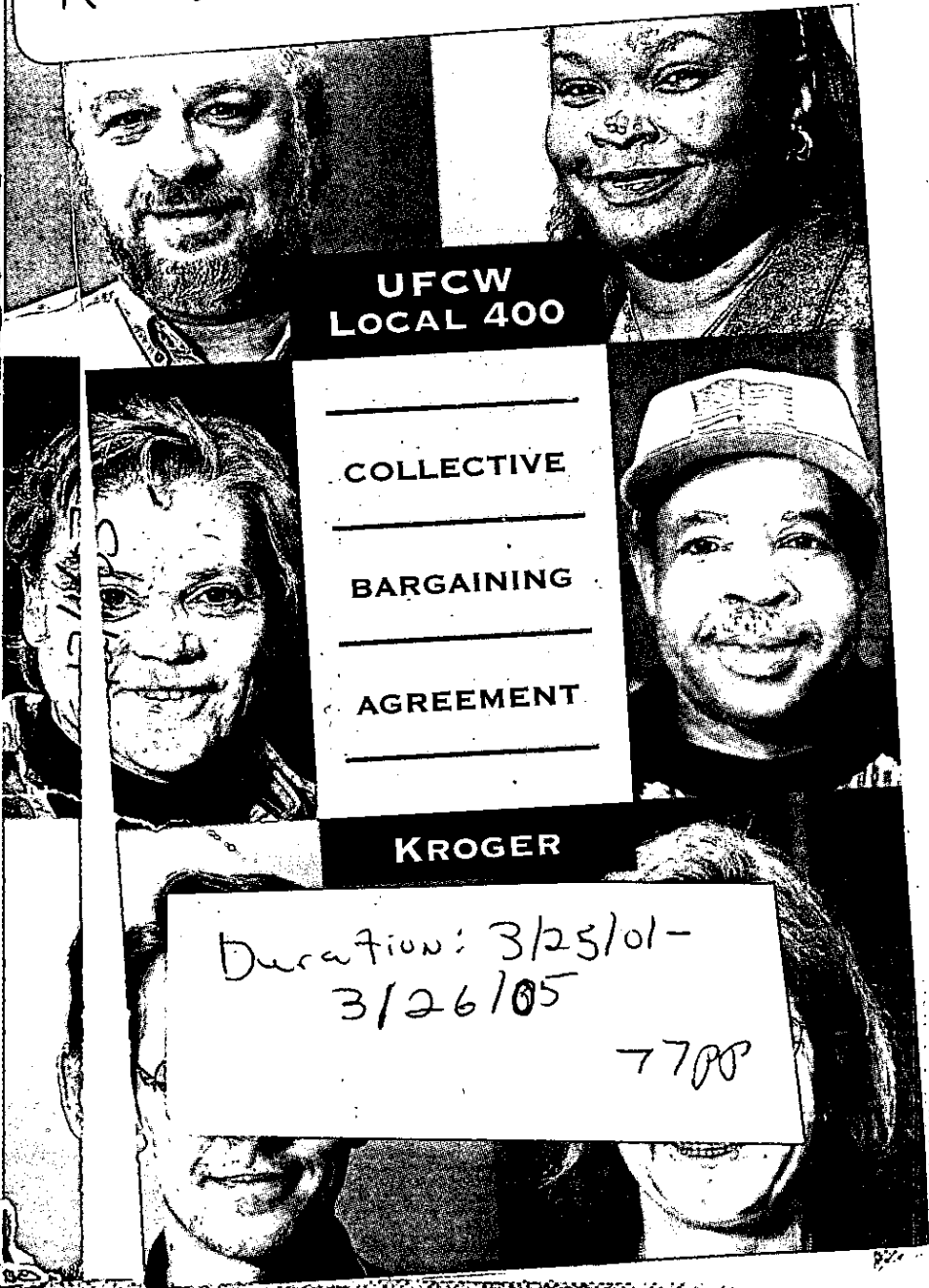
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***A Special Message from
C. James Lowthers,
President, UFCW Local 400***



In our union's negotiation with the management of The Kroger Company, we were able to maintain and improve an impressive package of benefits and protections for our members. This collective bargaining agreement clarifies exactly what you are entitled to as an employee of Kroger and assures that management will not infringe upon any of your established rights. We are proud of the agreement; as in past contracts we have negotiated, and believe that it will serve the long term interests of our membership.

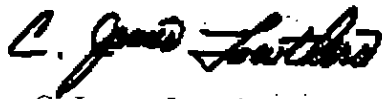
Keep in mind that when Local 400 negotiates a contract, our members set the priorities. Before bargaining begins, our professional team of negotiators, lawyers and accountants listen to what you want in a new contract; every job classification is heard from. The fact that our bargaining proposals reflect your input is important to management—they know our side of the table is expressing the collective needs and concerns of their employees.

As the largest UFCW local union in the nation, Local 400 has the clout and resources to provide our members with expert, experienced representation, both on the job and at the bargaining table. Before we place a proposal on the table, it is extensively researched and documented, to

ensure that the contract provision we win is the best obtainable.

We look forward to working with you in the future to achieve the goals that are most important to you and your families.

Fraternally yours,



C. James Lowthers
President, UFCW Local 400

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 career. 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 400 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 research 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 400's aggressive organizing activities within our geographic area 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 benefits package in this contract is so important to you and your family. This extensive total compensation package that is made possible by the strength of your union at the bargaining table.

Your health care package includes some very special benefits that can prove invaluable to you and your family, such as:

- Hospitalization
- Medical-Surgical
- Major Medical
- Optical benefits
- Dental care
- Prescription drugs at low-cost

In addition to your health care package, this contract provides a paid vacation schedule, paid personal days to attend to family matters, and a life insurance plan.

And keep in mind you are eligible for these benefits as both a full-time and part-time UFCW Local 400 member at Kroger. (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 the 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 Kroger. Depending on your seniority with the company, you can be eligible for up to five weeks of paid vacation time per year. **(Article 17)**



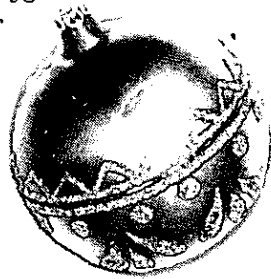
Holidays

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 15)**

Full time employees:

New Year's Day
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Christmas Day



Part time employees:

Four (4) Personal Holidays per year each year of the bargaining agreement.

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 15.3)**

Funeral Leave

If the unfortunate occurrence arises where you lose an immediate family member, UFCW Local 400 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 18.5)**

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 Kroger, you are eligible to take up to a twelve month 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. You are also entitled to benefits under the Family & Medical Leave Act. **(Article 18)**

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. **(FELRA Plan X or Plan JSS Non-Food Benefit Booklet)**

Retirement Plan

After dedicating your working life to Kroger, 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 Kroger, you are credited with an ever-increasing benefit package. **(Article 25 & Article 26)**

Of special interest to you, in this mobile world of ours where workers move around a lot, is pension portability. Local 400 has arranged for pension reciprocity with other plans in the Washington metropolitan area, as well as the Atlanta, Philadelphia, and the UFCW International Union-Industry Pension plans.

Life Insurance

To guarantee that you have life insurance as a UFCW member at Kroger, you are eligible for life insurance coverage through the UFCW Unions & Participating Employers Health & Welfare Plan. (**FELRA Plan X or Plan JSS Non-Food Benefit 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 Kroger 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 member. 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 the contract. Grievances may be filed and you and your representative can meet with management so that your problem can be reviewed and to assure you are treated fairly. Let your union representative know about it, so that your problem can be reviewed and necessary grievance action be recommended. (**Article 7**)

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 Kroger. 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 Kroger deserve to be duly rewarded. Our seniority system assures that this occurs. (**Article 16**)

Working Conditions

Without a safe and comfortable work environment, it is virtually impossible for an em-

ployee to fulfill his job duties in a productive manner. According to our collective bargaining agreement, Kroger 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 14)

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. (Article 14)



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 without 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 19)

UFCW Local Privileges

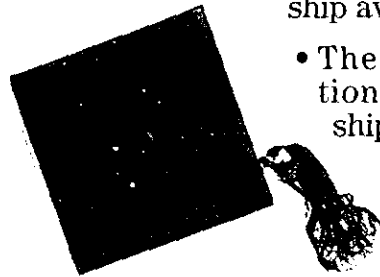
FOR MEMBERS ONLY. The benefits and protections that are set forth in this contract are only part of what every UFCW Local 400 member is offered. In addition, you will receive the following benefits with your union membership.

- 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!
- Free consultations and reduced-fee legal help when you need it.
- AFL-CIO Employees Federal Credit Union, including its savings and loan program.
- Motor Vehicle Certification Program, the union's professional, money-saving car-buying service.



- Special discounts and passes to area entertainment, such as Six Flags America, Kings Dominion and other major amusement parks.
- Eligibility for members and family alike in the Local 400 blood bank.
- Discounts for supplemental life and other insurance programs.
- College scholarship award programs for eligible members and their families:

- UFCW Local 400 scholarship awards;
- The UFCW International Union scholarship awards;
- A program offered by a law firm associated with UFCW.



- Union Member Mortgage and Real Estate Services. A comprehensive program to assist members in home selling, home buying, mortgage and settlement.

Membership in Local 400 is truly a solid investment in your future. Just pennies a day bring effective representation on the job, and substantial savings off the job!

To learn more about these benefits and the union itself, call the union office at (301) 459-3400 or 1-800-638-0800

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AGREEMENT

This Agreement has been entered into between Kroger Limited Partnership I Mid-Atlantic Marketing Area, hereinafter designated as the Employer, and the United Food and Commercial Workers (UFCW) Union Local #400, chartered by the United Food and Commercial Workers International Union, hereinafter designated as the Union.

**ARTICLE 1
Intent and Purpose**

1.1 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 agreements covering rates of pay, hours of work, and conditions of employment.

**ARTICLE 2
Non-Discrimination**

2.1 The Employer and the Union agree that there shall be no discrimination against any employee because of race, religion, color, creed, national origin, sex, age, disability, Union affiliation or activities or veteran's status in accordance with existing law. Where the word "he" appears in this Agreement, the parties agree that it applies to both "male and female" employees.

**ARTICLE 3
Coverage**

3.1 The Union shall be the sole and exclusive bargaining agent for all employees, except for Store Management, Professional Pharmacy Department employees, Pharmacy Technicians, Wine Specialists, Security employees, Demonstrators, and all clerical employees in the stores of the Employer operating in Virginia, McDowell and Mercer Counties in West Virginia, and Tennessee. If stores covered by this Agreement are transferred out of the Mid-Atlantic Marketing Area, the Union shall continue to be the sole and exclusive bargaining agent for all employees described above in such stores and in any new stores opened in the cities in which such transferred stores are located.

3.2 Once each period, the Employer will notify the Union in writing of all employees hired, reinstated or transferred into this bargaining unit within the previous period showing name, home address, store, social security number, employee work number, and job classification. Once each period, the Employer will provide the Union a list of changes from Courtesy Clerk to Part-time Clerk and also a list of employees who have been terminated.

3.3 For the purpose of this Agreement, the Meat Department is defined as the area occupied by the refrigerated meat storage rooms, the meat preparation room, and the refrigeration service and/or self-service meat display cases where fresh, smoked, cooked and frozen meats, poultry, fish and seafood are offered for retail sales. Where certain products covered under this clause are presently being han-

dled outside of the Meat Department, the Employer may continue to handle such products in accordance with present practice.

**ARTICLE 4
Technological Change**

4.1 In the event that the Employer contemplates the introduction of major technological changes affecting bargaining unit work, advance notice of such changes will be given to the Union in writing. If requested to do so, the Employer will meet with the Union to discuss the implementation of such changes before putting such changes into effect.

**ARTICLE 5
Shop Condition**

5.1 The Employer reserves the right to secure new employees from any source whatsoever. During the first forty-five (45) days of employment for a full-time employee and ninety (90) days for a part-time employee, a new employee shall be on a trial basis and may be discharged at the discretion of the Employer.

5.2 If and when an agency shop becomes legal, the parties agree to meet and discuss same.

5.3 The following Shop Condition shall be effective if and when legal under State or Federal law: It shall be a condition of employment that all employees of the Employer covered by this Agreement who are members of the Union in good standing on the effective date of this Agree-

ment shall remain members in good standing and those who are not members on the effective date of this Agreement shall, on the thirty-first (31st) day following the 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 hired on or after its effective date shall, on the thirty-first (31st) day following the beginning of such employment become and remain members in good standing in the Union. For the purpose of this paragraph, the execution date of this Agreement shall be considered its effective date.

5.4 The Employer agrees to deduct Union initiation fees as authorized and shall deduct Union dues from the pay each week of employees who are members of the Union and remit such deductions to Local Union #400 each week, provided however, that the Union presents to the Employer, voluntary signed authorization from the employees to cover such deductions.

5.5 The Company agrees to honor and to transmit to the Union contribution deductions to the United Food and Commercial Workers International Union Active Ballot Club from employees who are Union members and who signed deduction authorization cards. The deduction shall be in the amount of fifty cents (\$.50) per week.

ARTICLE 6 Management Rights

6.1 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 rules and regulations covering the operation of the stores, a violation of which shall be among the causes for discharge, 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 or for the purpose of invalidating contract provision.

ARTICLE 7 Dispute Procedure

7.1 Should any differences, disputes, or complaints arise over the interpretation or application of the contents of this Agreement, there shall be an earnest effort on the part of both parties to settle such promptly through the following steps:

STEP 1 By conference at the grievant's store between the employee and the Shop Steward or Union Representative and the Store Manager.

STEP 2. By conference at the grievant's store unless mutually agreed to meet elsewhere, between the Union Representative and the Zone Manager. The

parties agree to make reasonable arrangements within five (5) working days of the completion of Step 1 for a Step 2 conference to be held. If Step 2 does not settle the dispute within three (3) working days, it may be taken to Step 3.

STEP 3. By conference at a reasonable location for the people involved between an official or officials of the Union, the Divisional Director, Human Resources/Labor Relations or other representatives of the Employer delegated by the Divisional President. The parties agree to make reasonable arrangements within five (5) working days of the completion of Step 2 for a Step 3 conference. Within seven (7) days of the Step 3 conference, the Company will provide to the Union a response to the grievance.

STEP 4. In the event Step 3 fails to settle the complaint, it may be referred to arbitration within fifteen (15) working days.

The parties recognize that other individuals relevant to the processing of a dispute may be included in Step 1, Step 2, or Step 3, at the discretion of the parties. Since it is the desire of the parties to expedite the handling of grievances, they agree that the time limits prescribed must be followed unless agreed to by the Union and the Company.

7.2 In the event a grievance is processed to arbitration, the parties shall request from the American Arbitration Association a panel of seven (7) arbitrators from which an arbitrator shall be chosen by the alternate striking of names. The parties agree to support this process occurring in a reasonable time frame. The decision of the arbitrator shall be binding on both parties and expenses of the arbitrator shall be paid jointly.

7.3 The Employer may at any time discharge any employee for proper cause. If the Union concludes after investigation that the discharge was improper, the Union must file a written complaint with the Employer within seven (7) days. Any such written complaint must be discussed as specified in the procedure outlined in Article 7.1 above.

7.4 The manager of the store shall grant to any accredited Union official access to the store at any time that the store is open for business, for the purpose of satisfying himself that the terms of this Agreement are being complied with, including the review of applicable records (such as employee timekeeping records) in a timely manner during that visit, if possible. It is understood, however, that the Union official will, upon entering the store, make his presence known to the Store Manager.

7.5 Grievances must be taken up promptly, and no grievance will be considered or discussed which is presented later than fifteen (15) calendar days after such has happened. Grievances not settled in Step 1 shall be reduced to writing.

ARTICLE 8
No Strike, No Lockout

8.1 During the term hereof, the Union agrees that there shall be no strike 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 that there shall be no lockout. Nothing contained herein, however, shall compel any employee to walk through a legal labor picket line set up as a part of a duly authorized strike and legally called strike against the Employer. It is understood, however, that employees shall complete the work at hand and properly account for money, merchandise and other property in their custody which belongs to the Employer. In the event a picket line, strike or work stoppage by any organization other than Local #400 occurs, at least forty-eight (48) hours notice will be given by Local #400 if they honor or sanction said picket line, strike or work stoppage.

ARTICLE 9
Automation and Mechanization

9.1 Full-time employees whose jobs are abolished as a result of automation or mechanization and who are not retained in employment, shall, in addition to such other pay as they may be due, receive separation pay of one (1) week's pay unless they are given one (1) week's notice.

ARTICLE 10
Other Agreements

10.1 The Employer agrees not to enter into

any agreement or contract with its employees, individually or collectively, which in any way conflicts with the terms and provisions of this Agreement.

ARTICLE 11
Other Work

11.1 Employees shall perform any work which management may direct with the understanding that when employees are assigned to a job with a lesser rate, they will be entitled to their regular rate of pay, unless due to a decrease of work, they have been regularly assigned to a lower rated job and desire to retain such job rather than accept a layoff.

11.2 Any employee who relieves a Head Produce Clerk, Head Clerk, Head Deli Clerk, Head Dairy Clerk, Front-End Manager, or Head Meat Cutter for a period of five (5) days (within a workweek) or more, and to whom responsibility for the job is delegated, shall receive the contract rate in effect in the store involved for such time spent on relief. In stores where the Head Dairy Clerk position is grandfathered, the relief pay provision is in effect only as long as the grandfathered "Head Dairy Clerk" is in the position.

ARTICLE 12
Wages

12.1 Hourly rates of pay and pay schedules as set forth in Wage Schedule "A," attached hereto, shall remain in effect for the life of this Agree-

ment and shall constitute the basis for determination of wages for time worked.

12.2 Previous proven comparable experience will be granted for new hire employees in determining starting hourly rates of pay. Maximum allowable experience credit will be three (3) years. However, no experience credit will be utilized during the first contract year, and only up to one (1) year during the second contract year. Beginning with the third contract year of the agreement, full experience credit up to two (2) years will be utilized. Beginning with the fourth contract year of the agreement, full experience credit of up to three (3) years will be utilized.

12.3 Previous experience must be shown on Application for Employment, otherwise the employee forfeits any claim under this provision.

12.4 Claims for rate adjustment based on previous experience must be filed in writing within ninety (90) days from date of employment, otherwise the employee forfeits any claim under this provision.

ARTICLE 13 Employee Definition

13.1 Any employee that works thirty-two (32) hours per week for twelve (12) consecutive weeks shall be considered to be a full-time employee and entitled to the wages and working conditions of a full-time employee. To disqualify, employees who work less than thirty-two (32) hours per week for twelve (12) consecutive weeks shall be considered as part-time employ-

ees. Vacation weeks and approved bona fide leaves of absence will not be considered in the computation. In holiday weeks, the time paid but not worked, for the holiday itself, will be considered as time worked for this computation.

13.2 Employees shall qualify and/or disqualify as status 1 employees under the same provisions as outlined in 13.1 above except on the basis of forty (40) hours per week.

ARTICLE 14 Working Conditions

14.1(1) The hours for each employee shall be scheduled by the Employer. A work schedule for the succeeding week for full-time employees and part-time employees who work regularly will be posted in each store in ink or some such permanent fashion, and that the employee's name on the schedule shall reasonably identify the individual. The schedule is to be posted by 12:00 noon on Friday of the prior week. The schedule for full-time employees shall not be changed during the workweek except in case of employee's absence or emergency beyond the control of the Employer. The schedule for part-time employees may be changed by notification to the employee prior to his reporting for his scheduled work time. The Shop Steward has the right to make a copy of the schedule.

14.1(2) The Union agrees that the needs of the business take first priority in scheduling. Furthermore, the Company recognizes that given the individual lifestyle of employees, certain

work schedules may be preferable. In this regard, the Company will endeavor to consider seniority in the preparation and assignment of work schedules.

14.2 Work to be performed on Sundays or holidays shall be rotated among volunteers with due consideration being given to job classifications and fitness for work required. In the event sufficient volunteers are not available for Sunday or holiday work, assignments of Sunday or holiday work shall be mandatory upon employees in the inverse order of seniority.

14.3 Employees hired prior to November 3, 1989: The workweek shall be worked in not more than five (5) days. Employees will be scheduled on a Monday through Saturday basis, and Sunday if worked, will be in addition to the regular workweek. Full-time employees who work on Sunday will not be forced to take two (2) days off during the week because they work on Sunday. Part-time employees will not use Sunday hours as a part of the workweek for qualifying for full-time status. Sunday is a premium day and will not be used as work beyond the fifth (5th) day. It is also understood that in holiday weeks, employees may be required to work on their day off and will be paid for such work as provided for in Article 15.4.

14.4 For employees hired after November 3, 1989, the workweek shall be not more than five (5) days, Sunday through Saturday.

14.5 All work in excess of eight (8) hours per day shall be paid for at time and one-half (1-1/2)

except where forty (40) hours in a week for a night stocker is scheduled in four (4) days, time and one-half (1-1/2) shall be paid for all work in excess of ten (10) hours per day. Day shall mean a workday or shift and will not necessarily mean a calendar day.

14.6 In the Meat Department, all work in excess of eight (8) hours per day except one (1) day per week in excess of ten (10) hours per day shall be paid for at time and one-half (1-1/2).

14.7 All work in excess of forty (40) hours per week shall be paid for at time and one-half (1-1/2).

14.8 Time and one-half (1-1/2) shall be paid on the weekly basis or daily basis, whichever is greater, but in no case on both. No employee shall accept time off as compensation for overtime.

14.9 Employees shall have a minimum of ten (10) hours off between the ending of their schedule and the starting of their schedule unless waived by the employee. Any employee who works during the ten (10) hour period shall be paid for such time at the rate of one and one-half (1-1/2) times.

14.10 There shall be no split shift schedule for employees.

14.11 One (1) hour on the employee's own time shall be allowed for lunch in each full workday. (By mutual agreement between the Employer and the employee, lunch periods may be of one-half (1/2) hour duration on a continu-

ing basis). This lunch hour shall not be scheduled until an employee has worked three (3) hours, and the employee will not be required to work more than five (5) hours prior to the beginning of the lunch hour. After an employee has worked eight (8) hours, the employee shall be entitled to a supper period of one-half (1/2) hour. The lunch period for night stockers shall be one-half (1/2) hour on the employee's own time.

14.12 Employees will be provided information regarding the Marketing Area dress standards, and each employee will be required to adhere to these dress standards. Employees will be provided Kroger uniform shirts, (three (3) for full-time employees, two (2) for part-time employees), accessory items, and name badges. These uniform shirts will be replaced as necessary provided the employee turns in the worn uniform shirt for a new uniform shirt. Ponchos will be furnished in each store for carryout employees and they shall not be taken off the store premises.

14.13 Where machines such as meat grinders, saws, cubing machines, etc., are equipped with guards or other protective devices for the protection of employees, such guards or other protective devices must be used. Failure to do so may result in disciplinary action.

14.14 First Aid Kits for each store and all tools of the trade will be furnished by the Employer.

14.15 The Employer and the Union agree that a proven violation of time clock rules, including

working before punching in or after punching out, may subject an employee to disciplinary action up to and including discharge.

14.16 The Employer agrees that regular production work in the Meat Department will be scheduled for Meat Department employees only.

14.17 Employees who are instructed to report to work shall be guaranteed at least four (4) hours work. Such guarantee shall not apply if the hours are not available due to Article 16.13. However, when a schedule is claimed, the store management will make a reasonable effort to contact the employee.

14.18 Any full-time employee who works more than two (2) nights in a week after 7:00 p.m. shall be paid time and one-half (1-1/2) for such work after 7:00 p.m. beginning with the third night. Any full-time department head who works more than two (2) nights in a week after 7:00 p.m. shall be paid time and one-half (1-1/2) for such work after 7:00 p.m. beginning with the third night. This paragraph does not apply to night stocking as set forth in Article 14.21, 14.22 and 14.23 below.

14.19 Employees who work four (4) hours or more but less than seven (7) hours in a day, shall receive a fifteen (15) minute rest period. Employees who work seven (7) hours or more in a day, shall receive two (2) fifteen (15) minute rest periods. However, no employee shall receive more than two (2) rest periods in a day. Such rest periods will be scheduled by the Store Manager consistent with the needs of the business

but as close as possible to the middle of the half day. Employees shall punch time cards in and out during rest periods. In case an employee takes more than fifteen (15) minutes on a rest period, such time over the fifteen (15) minutes shall be deducted from another rest period that week. In no case will breaks be scheduled before the beginning of the second hour or after the start of the last hour.

14.20 Employees who are required by the Employer to attend a meeting shall be paid for the time actually spent at such meeting at the employee's straight time hourly rate, and for all authorized travel time in excess of one (1) hour each way. No meeting shall be held on Sundays or holidays.

14.21 A night premium of fifty cents (\$.50) per hour shall be paid for night stocking work performed between 9:00 p.m. and 6:00 a.m. on a regularly assigned shift. This is separate from and in addition to the employee's straight time hourly rate. When a night stocking clerk is scheduled to work fifty percent (50%) or more of the scheduled work shift between 9:00 p.m. and 6:00 a.m., the employee will receive the night stocking premium for the entire shift. Full-time night stockers shall not be scheduled to work both Friday and Saturday nights.

14.22 In the Meat Department, a night premium of fifty cents (\$.50) per hour shall be paid for work performed by full-time employees between 9:30 p.m. and 6:00 a.m. on a night shift, such shift not to begin before 9:30 p.m. (except that a night shift may be started at 9:00 p.m. or

after on Sunday and holiday nights and the time and one-half (1-1/2) will not apply). When a night shift employee is scheduled to work fifty percent (50%) or more of his scheduled work shift between 9:30 p.m. and 6:00 a.m., he will receive the night shift premium for his entire shift.

14.23 Full-time employees on the payroll prior to November 24, 1975 will be "grandfathered" with respect to the time and one-half (1-1/2) provisions of Article 14.19 for working more than two (2) nights a week; however, these provisions shall not apply to new employees hired after November 24, 1975.

14.24 Full-time employees hired prior to November 24, 1975 may volunteer in writing for "night work" as described in Article 14.18, in which case they waive the time and one-half (1-1/2) provisions for working more than two (2) nights.

14.25 When more than two (2) employees are employed on night stocking, one (1) employee shall be designated as lead night stock clerk and shall receive an additional premium of \$5.00 per shift or \$25.00 per week, whichever is greater. If the Employer, at its discretion, assigns a head clerk to supervise the night stock crew, there will be no lead night stock clerk in the store.

14.26 Any member of a regular night stocking crew will receive their night stocking premium in the calculation of their vacation and holiday pay.

14.27 The Employer agrees that in the event of a temporary transfer from one city or town to

another, to reimburse the employee for increased transportation cost on the basis of twenty-five cents (\$.25) per mile. If an overnight stay is required, arrangements will be made in advance between the Employer and the employee. This amount will be adjusted the period following any adjustments made by the Employer for its administrative staff.

14.28 If an employee is required to work in more than one (1) store in the same day, the expense of necessary transportation shall be borne by the Employer, and the time required for such travel between stores shall be considered as time worked.

14.29 During General Elections, employees shall be granted time off to vote, without pay, but not more than two (2) hours, provided the employee is registered to vote and the time off is necessary.

14.30 An employee who is absent from work for three (3) consecutive working days without notifying the Store Manger and not having a bona fide excuse will be considered to have voluntarily quit.

14.31 It is agreed that two (2) employees will not be scheduled for work within the same classification in a week, where one (1) employee with the necessary qualifications could perform the work scheduled subject to the seniority provisions of this Agreement.

14.32 Employees working on a regularly assigned night stocking crew will have an opportunity to move by seniority to a full-time day va-

cancy in their store, provided they are qualified for the position.

14.33 In an effort to have a positive impact on employee turnover and the mix of full-time and part-time jobs, the Union and the Company by mutual agreement may discuss and implement certain contract modifications on a test basis.

ARTICLE 15 Holidays

15.1 Work on holidays designated below and Sunday work shall be paid at time and one-half (1-1/2) for all full-time employees and part-time employees hired or promoted from Courtesy Clerk prior to April 24, 1983. Part-time hired or promoted from Courtesy Clerk after April 24, 1983 but before November 17, 1986, shall receive a one-dollar (\$1.00) premium for holiday and Sunday work. All Courtesy Clerks shall receive straight time for Sunday and holiday work. Employees hired after November 17, 1986 will be paid straight time for hours worked on Sundays and holidays for the first two (2) years of employment. A one dollar (\$1.00) per hour premium will be paid for Sunday and holiday work thereafter. Employees hired after November 3, 1989 shall be paid the regular straight-time rate of pay for all hours worked on Sundays and holidays. Sunday and holiday hours will be worked by employees hired after April 24, 1983 except that, if additional employees are needed, employees hired prior to April 24, 1983 will be scheduled to work provided they have signed up for such work. All Courtesy Clerks shall receive straight time for Sunday and holiday work.

15.2 There will be no pyramiding of premium pay and any hours paid for at premium pay will not be computed in paying overtime.

15.3 The following shall be observed as holidays: New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, and Christmas Day, or days observed in lieu thereof. During a week in which one of the above holidays occur, full-time employees who have worked full-time for more than thirty (30) days shall receive eight (8) hours straight-time pay in addition to wages earned unless absent the last workday before the holiday or the first workday following the holiday.

If absence is caused by proven illness or is authorized by management, such employee will receive the holiday pay provided the employee worked any part of the holiday week. In localities where Easter Monday, Armistice Day, or other local holidays are observed, the Employer will make available the normal week's work for employees but will not pay the holiday pay. If an employee takes a vacation during a holiday week, the employee shall receive an additional day off in lieu of the holiday. No employee shall be required to work beyond 6:00 p.m. on Christmas Eve, except to take care of customers in the store at that time. Any holiday specified in this paragraph falling on Sunday will be celebrated on Monday.

15.4 A full-time employee hired prior to November 17, 1986, as defined in Article 13.1 shall receive holiday pay on the basis of the average number of hours worked in the four (4) weeks

immediately preceding the week in which the holiday falls multiplied by the employee's straight-time hourly rate divided by five (5), subject to the same conditions set forth in Article 15.3 above, for full-time employees.

15.5 A part-time employee hired prior to April 1, 1995, with sixty (60) or more days of continuous service who is scheduled to work in a week in which one (1) of the holidays mentioned in Article 15.3 above occurs and who reports for work and works as scheduled in such week, shall be paid four (4) hours holiday pay for such holiday.

15.6 Overtime in a holiday week in which one (1) of the paid holidays mentioned in Article 15.3 above occurs shall be paid at time and one-half (1-1/2) after thirty-two (32) hours actually worked, except that all Courtesy Clerks and full-time and part-time hired (or promoted from Courtesy Clerk) after April 24, 1983 will receive time and one half (1-1/2) after forty (40) hours worked.

15.7 Employees hired after April 1, 1995 will receive four (4) personal holidays in lieu of New Year's, Fourth of July, Thanksgiving and Christmas. These are the only holidays these employees will be eligible for and this eligibility is dependent upon the employee completing twelve (12) consecutive months of employment. Each holiday will be paid at the rate of four (4) hours pay. Other holiday provisions will not apply to employees hired after April 1, 1995.

Effective January 1, 1990, such employees

who become full-time and have two (2) years of service shall be eligible for holidays as in Article 15.3 and Article 15.4.

ARTICLE 16 Seniority

16.1 In layoffs and rehiring, the principle of seniority shall apply. Seniority shall be determined on the length of service of the employee, with regard to the employee's ability to perform the work. All circumstances being reasonably equal, length of service shall be the controlling factor. In the matter of promotions or transfers from one type of work to the other or from one store to the other, the Employer shall have the right to exercise final judgment after giving due regard to seniority. Agreed upon seniority lists shall be established and maintained, and such records shall be available to the Union at all times.

16.2 Seniority shall be considered broken if an employee is justly discharged by the Employer, if the employee voluntarily quits, if the employee has been laid off continuously for a period of more than twelve (12) months or if the employee is called back to work after a layoff and does not report for work within one (1) week.

16.3 Seniority shall be by job classification (except as specified in Article 16.8 for Meat Department employees) on a city, zone and local bargaining unit basis for full-time employees. Seniority date shall be the employee's beginning date as a full-time employee (as defined in Article 13.1) or the employee's date of entrance into

this bargaining unit if he is a full-time employee when he enters this bargaining unit.

16.4 A status 1 employee reduced below forty (40) hours for two (2) consecutive weeks or laid off for one (1) week, if he is not the least senior status 1 employee in the same classification in the same city, may displace the least senior status 1 employee in the same classification within the same city. If the employee is the least senior status 1 employee in the same classification within the same city, the employee may displace the least senior status 1 employee within the zone or displace the least senior full-time employee in the same classification in the city. If the employee is the least senior status 1 employee in the same classification in the same zone, he may displace the least senior status 1 employee in the bargaining unit or displace the least senior full-time employee in the same classification in the zone.

The employee must exercise his option in writing to the Zone Manager with a copy to the Director, Human Resources/Labor Relations and the Union not later than the Monday following layoff or the Monday following the employee being scheduled below forty (40) hours the second consecutive week. If the employee fails to exercise this option as outlined above, he becomes a full-time employee as defined in Article 13.1.

16.5 A full-time employee as defined in Article 13.1 who has been reduced below thirty-two (32) hours per week for six (6) consecutive weeks or laid off one (1) week shall have two

(2) weeks to exercise his bump rights by displacing the least senior full-time employee by city, zone and bargaining unit provisions as specified for status 1 employees in Article 16.4. If he chooses not to exercise these bump rights, he forfeits his right to bump.

16.6 Effective October 1, 1989, employees who are involuntarily reduced to part-time after accruing one (1) or more years of full-time service, and later becomes full-time, shall be given seniority credit for the prior full-time service for establishing their full-time seniority date.

16.7 For layoff and recall purposes, job classification refers to clerk (except as defined in Article 16.8 for the Meat Department). On recall, the employee who was displaced may take the first regular opening in the same classification within the bargaining unit. If the employee refuses this job, he shall be entitled to the first regular opening within the same city only. When a department head is reduced in classification, the employee's service as a department head will be considered as a clerk for seniority purposes. A full-time employee shall have seniority over a part-time employee.

16.8 There shall be three (3) classifications of Meat Department employees:

- Head Meat Cutter
- Full-time Meat Employee
- Part-time Meat Employee

16.9 There shall be a separate seniority list for the Delicatessen Department. There shall be no right of employees in other departments to claim

work in the Delicatessen Department. There shall be no right of Delicatessen Department employees to claim work in other departments.

16.10 In the event of store closing, the Company and Union will meet and discuss the reassignment of work. Whatever agreement is reached will be final and binding. If no agreement is reached, then the bump language in this Article will apply.

16.11 Seniority for part-time employees other than employees whose principal occupation is attending high school, shall be on a city basis. Such a part-time employee who is to be laid off for one (1) calendar week or more may displace the least senior part-time employee in the same city provided that he exercises this option in writing to the Zone Manager with a copy to the Director, Human Resources/Labor Relations and the Union not later than Monday following lay-off.

16.12 Seniority for part-time employees whose principal occupation is attending high school, shall be on a store basis and the least senior employee in the store shall be the first to be laid off. However, if such an employee is transferred to another store in the same city because he is laid off in his store, he will retain his seniority date.

16.13 Employees shall receive available hours up to and including eight (8) per day or forty (40) per week in accordance with seniority, ability to perform the work and job classification within the individual store, provided that

this does not conflict with another provision of this Agreement and provided further that the employee with seniority advises the Store Manager that he is available for a posted schedule of hours within twenty-four (24) hours after the store schedule is posted. Available hours may be exercised for the five (5) highest hour days in the week excluding Sunday and holidays. The parties agree that in the normal course of scheduling to meet the needs of the business full-time employees will receive first consideration for the maximum number of hours under the terms of available hours scheduling as indicated above.

Part-time new hires or promoted from Courtesy Clerk since April 24, 1983 shall be limited to work not more than thirty (30) hours per week Sunday through Saturday.

16.14 A part-time employee who is available for and desires a full-time job will make his desire known in writing to the Store Manager with copies to the Zone Manager, Director, Human Resources/Labor Relations, and the Union, specifying whether or not the desire for such job is limited to the city in which he is working or applies to the zone. When the Employer has such an opening on other than a temporary basis, such employee will be considered for the opening based on seniority in the zone provided he has the ability to fill the job. If circumstances change so that he becomes unavailable for a full-time job, he will so advise the Store Manager, with copies to the Director, Human Resources/Labor Relations, Zone Manager and the Union.

ARTICLE 17 Vacations

17.1 Once a vacation selection has been agreed to and scheduled, it shall be changed only by mutual agreement between the employee and the Employer, except in cases of emergency beyond the control of the Employer. No week shall be eliminated from the vacation schedule.

17.2 A full-time employee will be eligible for a one (1) week vacation as of the first anniversary of his beginning date of continuous full-time service provided he has completed one (1) year of continuous full-time service as of that date.

17.2(1) After qualifying for the first one (1) week vacation, a full-time employee who has completed one (1) year of continuous full-time service (but less than three (3) years) prior to January 1 is eligible for a one (1) week vacation as of January 1.

17.2(2) A full-time employee will become eligible for a second week of vacation as of the third anniversary of his beginning date of continuous full-time service provided he has completed three (3) years of continuous full-time service as of that date.

17.2(3) After qualifying for the first two (2) week vacation, a full-time employee who has completed three (3) years of continuous full-time service prior to January 1 is eligible for a two (2) week vacation as of January 1.

17.2(4) Employees with seven (7) or more

years of continuous service shall receive three (3) weeks vacation; employees with thirteen (13) or more years of continuous service shall receive four (4) weeks vacation, and employees with eighteen (18) or more years of service shall receive five (5) weeks of vacation with pay.

17.3 Employees who are status 1 (forty (40) hour employees) as of January 1, will receive forty (40) hours vacation that year no matter whether they go up or down in status during that year. All other employees will be entitled to vacation under the same general rules as for a status 1 employee except that vacation will be figured on the number of straight time hours worked in the vacation-qualifying year divided by fifty-two (52). The qualifying date for all vacation purposes of any employee who subsequently, and without a break in his employment, qualifies as a status 1 employee shall be the date from which his service has been counted for part-time vacation purposes rather than the date he qualified as a status 1 employee. His vacation for the year in which he is reclassified to status 1 shall be figured on average straight time hours worked during such year. Conversely, when a full-time employee is reclassified to part-time his vacation for the year in which he is classified shall be figured on average straight time hours worked during such year.

17.4 Employees will be paid their straight time earnings for their basic workweek.

17.5 Vacation pay will be paid in advance.

17.6 Vacations must be scheduled in the calendar year except that where necessary, vacations

which fall due in the 12th or 13th periods may be carried over to the first period of the next year; no employee shall be given pay in lieu of vacation.

17.7 If an employee qualified for a one (1) week vacation as of January 1 and is due to complete the service necessary for an additional week of vacation later in the year, the employee may take the first week early or wait and take both weeks together.

17.8 Choice of vacation dates will be granted on the basis of seniority, except that the Company reserves the right to grant vacations to any employee when their absence will least affect the operation. Employees much choose vacation by March 1, otherwise they forfeit the privilege of choice by seniority.

17.9 If an employee who has not taken the vacation which he has earned by reason of his service leaves (regardless of whether he gives notice), goes into military service, or is separated for any reason other than confessed dishonesty, he shall receive his vacation pay at the time of leaving.

17.10 Leaves totaling ninety (90) days or less in any calendar year shall not affect vacation earned in that year; leaves totaling more than ninety (90) days but not over one-hundred eighty (180) days shall reduce vacation and vacation pay by one-fourth (1/4); leaves totaling more than one-hundred eighty (180) days but not over two-hundred seventy (270) days shall reduce vacation and vacation pay by one-half (1/2); leaves

totaling more than two-hundred seventy (270) days shall disqualify for vacation.

17.11 Vacations for employees with one (1) year or more of continuous service who return to Kroger employment from military leave within ninety (90) days after discharge from the armed services, shall be as follows.

17.11(1) Continuous service as an employee included time on military leave of absence.

17.11(2) Those who return to Kroger service and thereafter work for ninety (90) days or more before the end of the year are eligible for vacation in that year based on their length of continuous service as defined above.

17.11(3) Those who do not return early enough in the year to be employed ninety (90) days are not eligible for a vacation in that year, but are eligible for a vacation in the next calendar year upon completion of ninety (90) days of employment following their return from military leave of absence.

17.12 Full-time employees with three (3) or more weeks of vacation may elect to take one (1) week (five (5) days), one day at a time (up to three (3) days in a week).

- a. The intent must be declared when vacations are selected.
- b. The employee must give the Store Manager two (2) weeks notice.
- c. The day selected must be agreeable to the Store Manager.

ARTICLE 18 Leave of Absence

18.1 Union Business: 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 on other official Union business, provided the Employer is given at least fourteen (14) days notice in writing specifying the length of time off, but in no case shall the length of time off exceed one (1) year.

18.2 Sickness or Injury: A leave of absence because of sickness or injury not to exceed ninety (90) days shall be granted to an employee upon written request supported by medical evidence. Extensions will be granted up to ninety (90) days at a time for a cumulative total of 455 days, if requested and granted in writing supported by proper medical evidence prior to each expiration.

18.3(1) Military Leave: Any employee who enlists or is inducted into military service shall be returned to his job and retain his seniority under the provisions of the Federal Selective Training Act.

18.3(2) Employees full or part-time who serve in the National Guard or Military Reserve Units which require annual training shall be granted the necessary leave without pay to fulfill the annual training requirements of the unit in which they serve. Such employee shall give the Employer two (2) weeks prior notice.

18.4 Personal Leave: An employee who has one (1) year of continuous service may be granted leave of absence of up to sixty (60) days for an urgent or compelling reason, but not for the purpose of engaging in gainful employment elsewhere.

18.5 Funeral Leave: In case of a death in the immediate family of an employee who has completed the probationary period of thirty (30) days (part-time employees six (6) months), they shall be paid for a reasonable period of absence, depending upon the circumstances, but not to exceed three (3) days provided the employee attends the funeral. In no case shall the pay for the week exceed the normal week's pay. Employee's family shall mean spouse, parents, stepparents, child, stepchild, brother, sister, father-in-law, mother-in-law, grandparents, grandchildren or any relative residing with the employee.

18.6 Family and Medical Leave: A leave of absence 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 length of the absence shall be commensurate with the need.

18.7 Any employee desiring a leave of absence shall secure written permission from the Em-

ployer with a copy to the Union, the length of absence to be agreed by the Employer and the employee. The length of leave shall be commensurate with the need. Failure to comply with this provision shall result in the complete loss of seniority of the employee involved.

18.8 Time spent on leave of absence will not be counted as time worked for the purpose of wage computation or other benefits and will not result in loss of seniority. Failure to report back to work at the end of a leave of absence shall result in employee being considered a voluntary quit. Any employee accepting employment elsewhere while on leave of absence shall be considered a voluntary quit, except in a case where such employee works for the Union.

18.9 The Employer shall have the right in connection with sickness, where a bona fide question exists, to require the employee to obtain a physical examination from an Employer selected physician at the Employer's expense.

18.10 The Employer agrees that any member of the Union employed by the Employer during the period of this Agreement who is elected to permanent office in the Union or to any Union activity necessitating a leave of absence shall be granted a leave of absence and shall, at the end of the term in the first instance or at the end of this mission in the second instance, be given re-employment at his former wage rate (seniority permitting) plus any increase or less any reduction that may have become effective during his absence. This paragraph shall be limited to one (1) employee from the stores. Such leave will au-

tomatically renew for three (3) years unless notification is sent by such employee in writing to cancel leave.

ARTICLE 19 Jury Duty

19.1 In case an employee is known to have served on any duly constituted jury, he shall be paid for hours necessarily absent from work less jury fees. Such pay shall not exceed the pay for his normal workweek.

ARTICLE 20 General

20.1 The Employer shall display in each store and in a prominent place, the Union Store Card and Decal as furnished by the Union and agrees to surrender same upon demand from the Union.

20.2 The Employer will make available a bulletin board or an appropriate space for the Union to post notices or bulletins concerning administrative affairs of the Union.

20.3 If the Employer requires an employee to take a physical examination, the Employer will pay for such examination.

20.4 The use of personal pronouns of the male gender herein is for the grammatical purpose only and that all Articles and Sections apply equally to persons of either gender.

20.5 The Company agrees to discuss changes

to the Dress Code with the Union before putting such changes into effect.

ARTICLE 21 Union Cooperation

21.1 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. A copy of all rules and regulations will be furnished to the Union.

21.2 The Union agrees to cooperate with the Employer and the Employer agrees to cooperate with the Union 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.

21.3 The Union agrees to cooperate in correcting inefficiencies of members which might otherwise necessitate discharge.

21.4 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 for such changes and improvements.

21.5 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.

ARTICLE 22 Separability

22.1 Nothing contained in this Agreement is intended to violate any Federal or State laws, rules or regulations made pursuant thereto. If any part of this Agreement is construed to be in such violation, then that part shall be null and void and the parties will negotiate to replace said void part with a valid provision.

ARTICLE 23 Salesman Stocking

23.1 Representatives of vendors shall stock only the following products in the stores of the Employer:

Bottled beverages

Cookies, crackers and snacks

Rack Jobbers such as house wares, toys, phonograph records, soft goods, pet supplies, magazines, books, stationery, hair care, party food

Bakery products

23.2 The above restriction shall not apply prior to the opening of a new, remodeled, or re-merchandised store or during the first two (2) weeks thereafter.

23.3 It is understood that the rotation of merchandise, replacing damaged or outdated merchandise, or taking inventory shall not be considered stocking.

23.4 It is further understood that Bargaining Unit work associated with vendor activities will not be diminished during this agreement. However, the Employer may utilize vendor services that become available in the industry in order to maintain competitiveness.

ARTICLE 24 Shop Stewards

24.1 The Union shall have the right to designate five (5) Shop Stewards (one (1) for meat, one (1) for grocery and three (3) alternates) for each store. The Shop Stewards may act for the Union in the collection of dues from Union members and explaining the facts and status of the Union to the employees. The Union shall furnish to the Employer a list of Shop Stewards and any necessary revisions of this list due to changes. A Shop Steward may be transferred only in cases of promotion or with the consent of the Steward or the Union to the transfer. The Shop Stewards shall be the last employees to be laid off except in the case of store closings.

24.2 Lengthy discussions between employees and representatives of the Union, including the Shop Steward, or among themselves concerning disputes, shall not take place during working hours.

24.3 There shall be no discrimination against any employee because of Union membership.

The Employer further agrees that there shall be no discrimination against any Shop Steward as a result of the performance of his responsibilities.

24.4 In the interest of promoting cooperative relations, Store Management will introduce each new employee in the store to a Union Shop Steward within one (1) week after the new employee reports to work. At the time of introduction, Store Management will provide the Shop Steward an opportunity on the clock to meet privately with the new employee. In this brief meeting, the Shop Steward shall give the new employee information about the Union and shall explain its operations; the Shop Stewards may answer any questions the new employee asks; shall request the new employee to join the union and may make arrangements for the new employee to become a member.

24.5 The Employer agrees to pay two (2) days per store each year for Shop Steward training to be conducted by the Union. The Shop Stewards will provide proof of attendance of said training in order to be compensated for the day by the Employer.

ARTICLE 25 Pension Clerks

25.1 The Employer agrees to contribute to a jointly administered trust fund known as the United Food and Commercial Workers Union and Employers Pension Fund, the sum of forty cents (\$.40) per hour for all hours up to forty (40) hours per week for all employees in the bar-

gaining unit herein described (except no contributions will be made on hours worked by Courtesy Clerks) and for probationary employees.

25.2 Effective with the hours worked January 1, 1987 increase the contribution to thirty-five cents (\$.35) per hour. Hours paid shall include paid hours of vacation, holidays, and other hours of leave paid for by the Employer (worker's compensation leave up to a maximum of one (1) year per occurrence). Such contributions shall be made on or before the twentieth (20th) day of each month for the preceding calendar month. Upon payment of the monthly contributions, the Employer shall report to the Union and the Trust Fund all hours paid on all employees for which contributions were required during the preceding month. In accordance with the foregoing method of determining contributions payable, such report will be made in a manner prescribed by the Trustees. The contributions provided for in this section shall be for the purpose of providing such pension benefits for eligible employees, as are determined from time to time by the Trustees of the aforesaid Trust Fund pursuant to the terms of a Trust Agreement and Declaration of Trust.

25.3 This shall constitute the Employer's acceptance of the Agreement and Declaration of Trust and any amendments thereof. In the event of the loss of Treasury Department approval and the contributions to the Trust Fund are not deductible expenses under the Internal Revenue Code of 1954, as amended, or if for any reason the Fund cannot receive contributions, 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. The Employer agrees that any Retail Employer who executes or has executed a collective bargaining agreement with this Union or with any other Local Union chartered by the United Food and Commercial Workers International Union which provided 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 the Trustees in accordance with the provisions of the Trust Agreement.

25.4 In order to facilitate the proper functioning of the Pension Plan herein, and to insure that contributions are being made for all covered employees in accordance with the provisions of the bargaining agreement, the Employer hereby agrees to the necessary examination of those records, appropriate to the functioning of the Trust and as deemed necessary by a certified public accountant or by any other qualified party to be mutually agreed to by the parties hereto.

25.5 The parties agree to implement changes to the contribution rate for Pension based upon changes resulting from 2001 Atlanta Clerks negotiations.

ARTICLE 26 Pension Meat

26.1 The Employer shall pay one-hundred nine dollars and forty cents (\$109.40) per month for

employees who work an average of thirty-two (32) hours or more per week for four (4) consecutive weeks immediately preceding the first day of any month into the United Food and Commercial Workers Union and Industry Pension Fund, which is a jointly administered Employer-Union Pension Fund. For employees hired after November 3, 1989, the monthly contribution shall be sixty-one dollars and sixty cents (\$61.60) in lieu of the above monthly contributions. Effective with contributions made in May 2001 for part-time employees with twelve (12) months of employment, the Employer will contribute at the minimum contribution level (\$20.00 per month per employee) as required by the National Pension Fund.

26.2 The jointly administered Employer-Union Pension Fund shall be administered by an equal number of Trustees representing the Employer and an equal number of Trustees representing the Union. Said Pension Fund shall be used to provide benefit pensions for eligible employees of the Employer as provided in a Pension Plan, the terms and provisions of which are to be agreed upon by the parties hereto; said Pension Plan shall, among other things, provide that all benefits under the Plan and costs, charges and expenses of administering the Plan and all taxes levied or assessed upon or in respect of said Plan or Trust or any income there from shall be paid out of the Pension Fund.

26.3 Said Pension Plan and the Trust Agreement establishing the Pension Fund has been submitted to the United States Treasury Department for the approvals and rulings satisfactory

to the Employer, that said Plan is qualified under I.R.C. Section 401, et. seq. and that no part of such payments shall be included in the regular rate of pay of any employee.

26.4 A copy of the Trust Agreement and any amendments thereto shall be made a part hereof, as herein at length set forth ... Trust Agreement and Pension Plan shall in all respects comply with all applicable legal requirements.

26.5 Effective May 2001, contributions for new employees will not be paid until the first of the month following twelve (12) months of employment.

26.6 In case of compensable injuries, the Employer will make contributions for twelve (12) months including the month in which the injury occurred.

ARTICLE 27 Insurance

27.1 Effective May 1, 2001, employees currently covered under Plan "JS" will transfer to Plan "JSS" of the UFCW Unions and Participating Employers Health and Welfare Fund.

27.2 Effective May 1, 2001, employees currently covered under Plan "S" of the UFCW Unions and Participating Employers Health and Welfare Fund will transfer to Plan "X" in the FELRA and UFCW Health and Welfare Fund.

27.3 Retiree Health and Welfare: The parties have agreed that existing retirees who do not currently co-pay for insurance (as of March 24,

2001) will contribute twenty-five dollars (\$25.00) per month for health and welfare coverage effective April 2001. Further, the parties have agreed that employees who retire on or after March 25, 2001 will contribute for health and welfare coverage under the following provisions:

<u>Years of Employment</u>	<u>Contribution Level</u>
30+ Years	\$25.00 per month
20 to 30 Years	10% of contribution rate
Less than 20 Years	20% of contribution rate

The percentage of contribution level for employees who retire on or after March 25, 2001, is based upon the Employers contribution level for the benefit level that the retiree will receive. Contributions are to be adjusted as the Employer contribution is adjusted.

PLAN JSS

27.4 Effective May 1, 2001 (hours worked in May and payable in June 2001) the Employer agrees to a five hundred dollar (\$500.00) per employee per month composite rate for a full-time and part-time contribution.

27.4(1) The above contributions will be made on behalf of all eligible employees on Plan "JSS." Such contributions will be made to the UFCW Unions and Participating Employers Health and Welfare Fund or any successor created by merger or consolidation, and shall be made on or before the tenth (10th) day of each month for the preceding calendar month. Upon payment of the contributions, the Employer will report to the Trust Fund all hours paid on all

employees for which contributions were required during the preceding calendar month. In accordance with the foregoing method of determining contributions payable, such report will be made in a manner prescribed by the Trustees. The contributions provided for in this section shall be for the purpose of providing such benefits for eligible employees as are determined from time to time by the Trustees of the aforesaid Trust Fund pursuant to the terms of a Trust Agreement and Declaration of Trust known as the UFCW Unions and Participating Employers Health and Welfare Fund. This shall constitute the Employer's acceptance of the Agreement and Declaration of Trust and any amendments thereof.

27.4(2) In order to facilitate the proper functioning of the Health and Welfare Plan herein, and to insure that contributions are being made for all covered employees in accordance with the provisions of the bargaining agreement, the Employer hereby agrees to the necessary examination of those records, appropriate to the functioning of the Trust and as deemed necessary by a certified public accountant, or by any other qualified party to be mutually agreed to by the parties hereto.

27.4(3) Contributions to the Trust Fund shall be discontinued as of the first of the month following:

1. Termination of employment
2. Layoff
3. Leave of absence
4. Absence due to illness or accident

27.4(4) The Employer will resume the monthly health and welfare contribution the month following that month in which an employee returns to work following an absence due to illness, injury, or any authorized leave of absence provided for in this Agreement, when contributions have been suspended as provided for under Paragraph 4(3) above, provided that the employee had been qualified for health and welfare contributions at the time the absence commenced.

27.4(5) The Employer and the Union agree that no other employees may qualify for Plan "JSS" other than those who are eligible and qualified and thereby transferred coverage effective August 1, 1992 from the Carolina-Virginia UFCW and Employers Health Benefit Fund unless otherwise provided for in this agreement.

27.4(6) Effective May 1, 2001, for Plan JSS, prescription deductible will be one dollar (\$1.00) generic and four dollars (\$4.00) brand name if filled at a pharmacy of the Employer's, and three dollars (\$3.00) generic and five dollars (\$5.00) brand name if not filled at a pharmacy of the Employer's.

The one dollar (\$1.00) generic and four dollars (\$4.00) brand name will apply to employees working at stores #118, #235, #273, and #192 unless the Employer opens a pharmacy at the employee's store.

27.5 PLAN X

Effective May 1, 2001 (hours worked in May and payable in June 2001), the Employer agrees

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to the following monthly rates for full-time and part-time contributions (except for Courtesy Clerks):

Full-Time: \$345.00 per month per eligible employee

Part-Time (Ind.) \$165.00 per month per eligible employee

Part-Time (Family)* \$560.00 per month per eligible employee

*After twenty-four (24) months of continuous employment, appropriate part-time employees may be eligible for dependent coverage by submitting a request to the Fund office between one (1) and three (3) months before the eligibility date. The monthly premium to be paid by the employee shall be twenty percent (20%), currently one hundred twelve dollars (\$112.00) per month; and the monthly premium to be paid by the Employer shall be eighty percent (80%), currently four hundred forty-eight dollars (\$448.00) per month.

1. The term "full-time eligibility" shall mean an employee who has worked thirty-two (32) hours in each of twelve (12) consecutive weeks. Eligibility for benefits commences the first of the month following completion of the twelve (12) consecutive weeks providing the employee has been employed for twelve (12) months.
2. The term "eligible employee" in the case of part-time employees shall mean an employee who has not become eligible in (1)

above, but who has worked at least twelve (12) months. Such an employee becomes eligible for employee health and welfare benefits the first of the month following completion of the twelve (12) month period from the employee's date of hire, and three (3) months of Employer contributions.

3. Employees hired after March 31, 1996 become eligible for health and welfare benefits the first of the month following the completion of 24 months of employment. However, effective March 25, 2001, employees become eligible for health and welfare benefits the first of the month following twelve (12) months of continuous employment, and three (3) months of Employer contributions.

27.5(1) Contributions for those employees meeting the requirements in Article 27.5 above will commence as follows:

1. Full-time: first of the month following twelve (12) months of employment providing the employee has qualified by working thirty-two (32) hours in each of twelve (12) consecutive weeks.
2. Part-time: first of the month following twelve (12) months of employment.
3. Effective for employees hired on or after March 31, 1996, contributions commence the first of the month following twenty-four (24) months of employment instead of twelve (12) months of employment as

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indicated in paragraphs one (1) and two (2) above. However, effective March 25, 2001, employees become eligible for health and welfare contributions the first of the month following twelve (12) months of continuous employment.

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

27.5(2) Contributions to the Trust Fund shall be discontinued as of the first of the month following:

1. Termination of employment
2. Layoff
3. Leave of Absence
4. Absence due to illness or accident.

27.5(3) The above contributions will be made on behalf of all eligible employees to Plan "X." Such contributions will be made to the FELRA and UFCW Health and Welfare Fund or any successor created by merger or consolidation, and shall be made on or before the tenth (10th) day of each month for the preceding calendar month. Upon payment of the contributions, the Employer will report to the Trust Fund all hours paid on all employees for which contributions were required during the preceding calendar month. In accordance with the foregoing method of determining contributions payable, such report will be made in a manner prescribed by the Trustees. The contributions provided for in this section shall be for the purpose of provid-

ing such benefits for eligible employees as are determined from time to time by the Trustees of the aforesaid Trust Fund pursuant to the terms of a Trust Agreement and Declaration of Trust known as the FELRA and UFCW Health and Welfare Fund. This shall constitute the Employer's acceptance of the Agreement and Declaration of Trust and any amendments thereof.

27.5(4) In order to facilitate the proper functioning of the Health and Welfare Plan herein, and to insure that contributions are being made for all covered employees in accordance with the provisions of the bargaining agreement, the Employer hereby agrees to the necessary examination of those records, appropriate to the functioning of the Trust and as deemed necessary by a certified public accountant, or by any other qualified party to be mutually agreed to by the parties hereto.

27.6 The Trustees of the Funds shall determine the amounts of increases necessary on the appropriate effective dates in order to maintain the benefits in each Plan. Any increases necessary will be conveyed to the Employer in writing thirty (30) days prior the effective date. The Employer agrees to pay the contribution needed for Plan X and Plan JSS to maintain the benefits agreed to in March 2001 negotiations for the duration of the agreement.

27.7 Effective March 1, 1997 the parties agree to meet to review the status of retiree health care costs. Implementation of any changes shall be based on the Fund's funding status and policies regarding retiree health care.

27.8 The Union and the Company agree to actively support the introduction of managed care plans as developed in the geographical operating area of the Employer to the Trustees of the UFCW Unions and Participating Employers Health and Welfare Fund and/or the FELRA and UFCW Health and Welfare Fund in an effort to provide cost effective choice of quality care for the membership.

**ARTICLE 28
Expiration**

28.1 This Agreement shall continue in effect from March 25, 2001 through March 26, 2005, and shall automatically be renewed from year to year thereafter unless either party serves notice in writing to the other party sixty (60) days prior to the expiration date or any anniversary date thereafter of a desire of termination of or changes in the Agreement.

IN WITNESS WHEREOF the said parties have caused duplicate copies hereof to be executed by their duly authorized officers this _____ day of _____ 2002.

FOR THE UNION:

C. James Lowthers

C. James Lowthers

Date

FOR THE EMPLOYER:

Alan G. Koehler

Alan G. Koehler

Date

**ROANOKE CLERKS FOOD AGREEMENT
SCHEDULE "A" WAGES**

	<u>3/25/01</u>	<u>3/24/02</u>	<u>3/23/03</u>	<u>3/21/04</u>
Head Produce Clerk	\$12.90	\$13.20	\$13.50	\$13.90
Head Grocery Clerk	\$12.90	\$13.20	\$13.50	\$13.90
Head Deli Clerk	\$12.90	\$13.20	\$13.50	\$13.90
Front-End Manager	\$12.90	\$13.20	\$13.50	\$13.90
Head Dairy Clerk	\$11.99	\$12.29	\$12.59	\$12.99
Employees at \$11.26/Hr. Grocery, Deli, Meat	\$11.66	\$11.96	\$12.26	\$12.66
Full-Time Clerks (Hired After 8/27/83)				
Start	\$6.00	\$6.00	\$6.00	\$6.00
After 6 Months	\$6.37	\$6.37	\$6.37	\$6.37
After 12 Months	\$6.62	\$6.62	\$6.62	\$6.62

Then a \$.25 per hour increase each 6 months up to a maximum of \$10.05 at ratification.

(Effective March 24, 2002 \$10.35)

(Effective March 23, 2003 \$10.65)

(Effective March 21, 2004 \$11.05)

Part-Time Clerks (Hired after 8/27/83)	<u>3/25/01</u>	<u>3/24/02</u>	<u>3/23/03</u>	<u>3/21/04</u>
Start	\$5.50	\$5.50	\$5.50	\$5.50
After 90 Days	\$5.60	\$5.60	\$5.60	\$5.60
After 9 Months	\$5.75	\$5.75	\$5.75	\$5.75
After 15 Months	\$6.00	\$6.00	\$6.00	\$6.00
After 21 Months	\$6.25	\$6.25	\$6.25	\$6.25
After 27 Months	\$6.50	\$6.50	\$6.50	\$6.50
After 33 Months	\$6.75	\$6.75	\$6.75	\$6.75
After 39 Months	\$6.90	\$6.90	\$6.90	\$6.90
After 45 Months	\$7.15	\$7.30	\$7.45	\$7.60
Courtesy Clerks	<u>3/25/01</u>	<u>3/24/02</u>	<u>3/23/03</u>	<u>3/21/04</u>
Start	\$5.15	\$5.15	\$5.20	\$5.25
After 90 Days	\$5.25	\$5.30	\$5.40	\$5.50

NOTES OF APPLICATION FOR FULL-TIME EMPLOYEES

1. Starting rate is \$6.00 for full-time.
2. Current full-time employees at \$5.25, \$5.30, \$5.40 and \$5.75 go to \$6.00 at ratification and progress to \$6.37 after six (6) months.
3. Full-time employees progress each six (6) months.
4. Current full-time employees at \$9.65 get \$.40 per hour increase at ratification and appropriate contract increases thereafter on contract dates.
5. Existing full-time employees, because of various length of service at current rate, will be adjusted as follows:
 - If at current rate longer than six (6) months, move to next highest rate at ratification.
 - If at current rate less than six (6) months, move to next highest rate when achieving six (6) months at current rate.

NOTES OF APPLICATION FOR PART-TIME EMPLOYEES

1. Current employees at \$5.20, \$5.25, \$5.30, \$5.35, \$5.40 and \$5.45 go to \$5.50 at ratification.
2. Current employees at \$5.50 go to \$5.60 and \$5.60 go to \$5.75 at ratification.
3. Current employees at \$5.85 go to \$6.00 at ratification.
4. Current employees at \$6.00 and \$6.10 go to \$6.25 at ratification.
5. Current employees at \$6.30 and \$6.35 go to \$6.50 at ratification.
6. Current employees at \$6.50 go to \$6.75 at ratification.

	3/25/01	3/24/02	3/23/03	3/21/04
Head Meat Cutter	\$13.48	\$13.78	\$14.08	\$14.48
Under \$15,000	\$13.54	\$13.84	\$14.14	\$14.54
\$15,000 to \$20,000	\$13.60	\$13.90	\$14.20	\$14.60
\$20,000 to \$25,000	\$13.75	\$14.05	\$14.35	\$14.75
\$25,000 to \$30,000	\$13.80	\$14.10	14.40	\$14.80
Over \$30,000				
Full-Time				
Meat Employee				
Formerly Journeyman	\$12.79	\$13.09	\$13.39	\$13.79
Formerly Second Man	\$12.895	\$13.195	\$13.495	\$13.895
Full-Time Meat Employees				
Meat Clerk @ \$11.20	\$11.60	\$11.90	\$12.20	\$12.60
Meat Cutter				
Start	\$8.25	\$8.25	\$8.25	\$8.25
After 6 Months	\$8.50	\$8.50	\$8.50	\$8.50
After 12 Months	\$8.75	\$8.75	\$8.75	\$8.75
After 18 Months	\$9.00	\$9.00	\$9.00	\$9.00
After 24 Months	\$9.25	\$9.25	\$9.25	\$9.25
After 30 Months	\$9.50	\$9.50	\$9.50	\$9.50
After 36 Months	\$11.70	\$12.00	12.30	\$12.70

NOTES

a) If minimum wage exceeds the starting rate for a clerk, a new start rate that is five cents (\$.05) per hour over the minimum will become effective. In this event, Courtesy Clerks will receive five cents (\$.05) per hour over the minimum after ninety (90) days of employment.

b) Effective February 3, 1991, when a part-time clerk qualifies for full-time status, any wage increase received will become effective with the first qualification week; annual increases thereafter will be on the anniversary of the first week of qualification for full-time status.

SCHEDULE "A" WAGE MISCELLANEOUS

1. Courtesy Clerks:

The Courtesy Clerk shall be defined as an employee who sorts, bags, and packages sold merchandise; assists customer with carryout service, takes care of salvage and bottle returns, fills bag racks; returns shopping carts to the store; checking prices for cashiers, which includes weighing produce, and performs general housekeeping and sweeping of the store.

When openings occur for part-time clerks, Courtesy Clerks shall be given consideration to fill such openings. The Courtesy Clerk's service shall not be considered in determining his or her rate of pay upon promotion to part-time or full-time clerk.

Courtesy Clerks will have separate seniority from other classifications and other clerks can-

not exercise available hours in the Courtesy Clerk classification. However, Courtesy Clerks shall be entitled to exercise the provisions of article 16.13 among the Courtesy Clerk classification in their store.

Courtesy Clerks shall be scheduled a minimum of ten (10) hours per week, including Sundays. This guarantee shall not apply in the case of a more senior Courtesy Clerk claiming part of the schedule of a less senior Courtesy Clerk's schedule as provided in 16.13.

Effective September 1, 1996, the employer may hire new Courtesy Clerks at the training rate under the provisions of the Federal Minimum Wage Law.

It is agreed that a violation of this Schedule in any of the stores employing Courtesy Clerks shall result in the following remedy in the particular store where the violation occurs:

- a. The Union shall inform the Employer in writing in the first instance.
- b. An employee performing duties in violation of this schedule shall be paid the part-time clerk's rate effective upon the date a complaint is filed in the second instance.
- c. Courtesy Clerks shall be discontinued in the particular store in the third instance.

It is understood that for purposes of this paragraph, each store shall be considered separately.

2. On new markets or markets which may be remodeled, Head Meat Cutters will be paid their

previous rate until the market has operated fourteen (14) full weeks. At the end of the fourteen (14) full weeks of operation, the market will be classified on the basis of the last twelve (12) out of the first fourteen (14) full weeks of operation and the Head Meat Cutter's rate will then be adjusted to the new classification with retroactive adjustment to the opening of the market. In classifying the markets, the following basis will be used:

AVERAGE WEEKLY MEAT SALES

Under \$15,000
\$15,001 to \$20,000
\$20,001 to \$25,000
\$25,001 to \$30,000
Over \$30,000

Head Meat Cutters in market rates will be classified on the average sales basis provided herein for new or remodeled markets, but based on the average weekly meat sales for the thirteen (13) Kroger periods ending with the thirteenth (13th) period each year. New lists will be established based on this reclassification if changes are involved which will become effective with the next scheduled wage increase.

3. No employee shall have their wage rate reduced as a result of the signing of this Agreement, except where a department head's rate is reduced as a result of annual reclassification based on sales volume.

4. The Employer will appoint, where applicable, a Lead Seafood Clerk. Employees appointed to this position will receive a premium of fifty

cents (\$.50) per hour in addition to their personal rate.

5. The Employer will establish the position of Meat Cutter. Current employees, qualified by the Employer for this position, will be placed upon the next highest rate in the Meat Cutter scale.

6. Effective April 1, 2001, the Employer will establish the position of Lead Dairy Clerk as vacancies occur in the Head Dairy Clerk position. This will also apply in stores opened after April 1, 2001. Employees appointed to the position of Lead Dairy Clerk will receive a premium of fifty cents (\$.50) per hour in addition to their personal rate.

7. Effective April 1, 2001, the Employer will establish the position of Lead Frozen Food Clerk in stores with annual sales volumes of \$150,000 or more average. Employees appointed to the position of Lead Frozen Food Clerk will receive a premium of fifty cents (\$.50) per hour in addition to their personal rate.

8. The Employer will appoint a Lead File Maintenance Clerk. Employees appointed to this position will receive a premium of sixty cents (\$.60) per hour in addition to their personal rate. Article 11.2 will apply to this position also.

ROANOKE STORES AGREEMENT SCHEDULE "B" EMPLOYEE INCENTIVE PLAN

For 2001, the Employee Incentive Plan will be paid for Periods 1 - 7 in September 2001 and for Periods 8 - 13 in March 2002. Eligibility, maximum potential, and payment calculation will be described below; actual payments will be based upon 7/13 of maximum incentive potential for the first half and 6/13 of maximum incentive potential for the second half. The Store Manager Incentive Plan is the basis and in 2001 upon achievement of sales goals (30%) and the achievement of Earnings before Interest, Taxes, Depreciation, and Amortization (EBITDA) goals (70%).

Subsequent Incentive Plan participation for eligible employees during the term of this agreement is as follows:

1st Half 2002 (payment September 2002)
2nd Half 2002 (payment March 2003)

1st Half 2003 (payment September 2003)
2nd Half 2003 (payment March 2004)

1st Half 2004 (payment September 2004)
2nd Half 2004 (payment March 2005)

A. ELIGIBILITY

Employees with three (3) or more years of service at the beginning of each plan year are eligible to participate. Eligible employees must be in the incentive eligible position at the beginning and end of the incentive plan year.

B. MAXIMUM POTENTIAL INCENTIVES

March 27, 2001

	<u>Annual Potential</u>
Department Heads	\$1,500
Employees with 15+ Years	\$1,200
Employees with 10-14 Years	\$1,000
Employees with 3-9 Years	\$600

Mr. C. James Lowthers, President
UFCW Union Local #400
4301 Garden City Drive
Landover, MD 20785-2298

Dear Mr. Lowthers:

The employee's maximum incentive potential is determined by the length of service as of the beginning the plan year.

The following understandings and/or agreements reached during negotiations will assist the parties in the administration of the contract:

C. PAYMENT CALCULATION


The percent (%) of the employee's maximum potential to be paid shall be determined by the percent (%) paid to the employee's Store Manager. In the event an employee transfers from one store to another, the percent (%) earned will be based on the store in which the employee spent the majority of his/her time in the year.

D. Incentive payments will be paid within six (6) weeks of the close of the books for the incentive payment period. Deductions required by law will be withheld from the incentive payments. The Company will notify the Union of any changes in the formula for store employees prior to implementation.

1. This confirms the agreement by the parties to this labor contract to retroactively implement to January 1, 1987, a one (1) year tunnel for new hires in regards to pension contribution under Article 25.1 (Pension Clerks). (3/19/91)
2. The parties agree to continue past practices in each store with regard to vacation selection. The parties agree that under normal circumstances vacation selection by employees in different seniority groups should not preclude selections of employees in other seniority groups. Should there be a conflict on vacation selection in the future, the parties agree to meet in an endeavor to reach a mutual resolution. (3/31/96)
3. All employees hired prior to March 31, 1996 shall receive three (3) additional paid personal days during the life of this agreement. Payment received for each day shall be based upon the current holiday pay formula. Personal days shall be scheduled in advance with management on a mutually agreeable day. (3/25/01)

4. The parties agree that during the term of the current collective bargaining agreement (3/25/01 - 3/26/05) that there will be no change to the contribution rate for retirees who are currently contributing on March 24, 2001. (3/24/01)
5. The parties agree to actively seek and support the introduction of a voluntary HMO in the geographical area of the Employer. (3/24/01)
6. The parties agree to consider a JLMC Prescription Drug Alliance Program when and if such a program becomes available. (3/24/01)
7. The parties agree that bargaining unit employees who become pharmacy techs or wine stewards after March 27, 2001 shall be covered by this agreement. (3/24/01)

Sincerely,



Alan G. Koehler
Director
Human Resources/Labor Relations

FOR THE UNION:



C. James Lowthers

