

K# 6591

2000 eea

# UFCW 951

## Distribution Centers Contract

---

**United Food and Commercial Workers  
Local 951**

**&**

**Meijer Great Lakes Limited Partnership**

5/30/07

7200

Central EFF: 9/14/03 - 9/8/07  
West EFF: 9/14/03 - 4/26/08  
East EFF: 9/14/03 - 9/6/08

**Robert Potter**  
*President*  
*International Vice President*

---



**MICHIGAN DISTRIBUTION CENTERS  
(CENTRAL, WEST, & EAST)  
and  
TRANSPORTATION AGREEMENTS**

**BY AND BETWEEN**

*T2PP*

**MEIJER GREAT LAKES LIMITED PARTNERSHIP**

**AND**

**UNITED FOOD AND COMMERCIAL WORKERS UNION  
LOCAL 951**

**AS CHARTERED BY  
UNITED FOOD AND COMMERCIAL WORKERS  
INTERNATIONAL UNION,  
AFL-CIO AND CLC**

**CENTRAL EFFECTIVE: SEPTEMBER 14, 2003 – SEPTEMBER 8, 2007**

**WEST EFFECTIVE: SEPTEMBER 14, 2003 – APRIL 26, 2008**

**EAST EFFECTIVE: SEPTEMBER 14, 2003 – SEPTEMBER 6, 2008**

*3/30/04*



# Table of Contents

|   |       |
|---|-------|
| ARTICLE 1: PREAMBLE .....   | 7     |
| ARTICLE 2: COVERAGE .....   | 7     |
| 2.5 Supervisors-in-Training .....   | 8     |
| ARTICLE 3: UNION SECURITY .....   | 8     |
| 3.1 Employer Will Not Enter Agreement With Another Union .....                  | 8     |
| 3.2 Membership Requirement .....  | 8     |
| 3.3 Dues Deduction .....  | 9     |
| 3.4 Union Liability .....   | 9     |
| 3.5 Stewards .....  | 9     |
| ARTICLE 4: MANAGEMENT CLAUSE .....  | 9     |
| ARTICLE 5: GRIEVANCE PROCEDURE .....  | 10    |
| 5.1 Grievance Adjustment Board, Arbitration .....                               | 10-11 |
| 5.3 Grievance Time Limits, Wage Claims .....                                    | 11    |
| 5.6 Union Steward Discussions .....   | 11    |
| 5.7 Right To Union Representation .....   | 12    |
| 5.8 Employer Right To Discipline, Discharge, Demote, Job Disqualification ..... | 12    |
| 5.9 Scheduled Grievance Meetings During Working Hours .....                     | 12    |
| 5.12 Union Access To Units .....  | 12    |
| ARTICLE 6: PEACEFUL RELATIONS .....   | 12    |
| 6.1 No Strike - No Lockout .....  | 12    |
| 6.2 Union Will Not Authorize Members To Withhold Services .....                 | 12    |
| 6.3 No Sympathy Strikes .....   | 13    |
| ARTICLE 7D: SENIORITY .....   | 13    |
| 7d.1 Probationary Period .....  | 13    |
| 7d.2 Seniority Defined, Full-time And Part-time .....                           | 13    |
| 7d.3 Breaks In Seniority .....  | 13    |
| 7d.4 Bidding And Filling Job Openings .....                                     | 13    |
| 7d.5 Layoff .....   | 14    |
| 7d.6 Transfer To Other Departments .....  | 16    |
| 7d.7 Daily Building Assignment .....  | 16    |

|  |    |
|--|----|
| ARTICLE 8D: WAGES AND HOURS .....                                  | 16 |
| 8d.1 References To Classifications And Pay Rates .....             | 16 |
| 8d.2 Economic Incentive Program .....                              | 17 |
| 8d.3 Basic Work Week Guarantees .....                              | 17 |
| 8d.4 Work Schedules .....  | 17 |
| 8d.5 Payroll Work Week Defined .....                               | 18 |
| 8d.6 Scheduled Early Starts .....                                  | 18 |
| 8d.7 Holiday Work Poll .....                                       | 19 |
| 8d.8 Overtime Pay .....  | 19 |
| 8d.9 Overtime Scheduling .....                                     | 19 |
| 8d.10 Call-in Provisions .....                                     | 20 |
| 8d.11 Rest Periods .....   | 20 |
| 8d.13 Truck Driver Classification .....                            | 22 |
| 8d.14 Trans/Whse/Properties Mechanic Department .....              | 28 |
| 8d.14a Transportation Master Mechanic .....                        | 28 |
| 8d.14b Warehouse Master Mechanic .....                             | 29 |
| 8d.14c Tool Allowance .....  | 30 |
| 8d.14f Job Openings .....  | 31 |
| 8d.14g Scheduling .....  | 31 |
| <b>Distribution Wage Schedule</b> .....                            | 31 |
| Job #048 (500048) Fueler .....                                     | 31 |
| Job #049 (500049) Switcher .....                                   | 31 |
| Job #050 (500050) Driver .....                                     | 32 |
| Job #349 (500349) Switcher ("B Rate" Mileage Driver) .....         | 32 |
| Job #051 (500051) Master Mechanic .....                            | 32 |
| Job #052 (500052) Mechanic .....                                   | 32 |
| Job #053 (500053) Maintenance Mechanic .....                       | 32 |
| Job #157 (500157) Warehouse Clerk (General Merchandise) .....      | 33 |
| Job #057 (500057) Warehouse Clerk (Foods) .....                    | 33 |
| Job #078 (500157) Newport General Warehouse Clerk .....            | 33 |
| Job #042 (500042) Warehouse Clerk (Foods Red Circle) .....         | 34 |
| Former Job 043, 044, 046, 076, 077 .....                           | 34 |
| Job #035 (500035) Warehouse Clerk (General Merchandise Red Circle) |    |
| Former Job 040, 033 (Red Circle) .....                             | 34 |
| Mileage Driver Wage Schedule .....                                 | 35 |
| Mileage System "Schedule A" Mileage Rate: .....                    | 35 |
| Mileage System "Schedule B" Mileage Rate: .....                    | 35 |



|   |        |
|---|--------|
| ARTICLE 9: PAID TIME OFF BENEFITS .....           | 35     |
| 9.1 ELIGIBILITY/BENEFIT CALCULATIONS .....        | 36     |
| 9.2A PAID HOLIDAYS .....                          | 36     |
| 9.2B PAID HOLIDAY ELIGIBILITY .....               | 36     |
| 9.3 PERSONAL PAID DAYS .....                      | 37     |
| 9.4 PAID VACATION .....                           | 37     |
| 9.5 BEREAVEMENT LEAVE .....                       | 39     |
| 9.6 JURY DUTY .....                               | 40     |
| 9.7 ELIGIBILITY FOR PAID TIME OFF .....           | 40     |
| <br>ARTICLE 10: HEALTH AND WELFARE BENEFITS ..... | <br>41 |
| 10.1 HEALTH BENEFIT COVERAGE .....                | 41     |
| 10.2 LIFE INSURANCE .....                         | 53     |
| 10.3 SHORT TERM DISABILITY BENEFITS .....         | 54     |
| 10.4 ADOPTION ASSISTANCE BENEFIT .....            | 56     |
| 10.5 ON THE JOB INJURY .....                      | 57     |
| 10.6 ALL BENEFITS .....                           | 57     |
| <br>ARTICLE 11: PENSION/401(k) BENEFITS .....     | <br>58 |
| 11.1 Pension .....                                | 58     |
| 11.2 401(k) Retirement Plan .....                 | 61     |
| <br>ARTICLE 12: LEAVES OF ABSENCE .....           | <br>62 |
| 12.1 Personal Leave .....                         | 62     |
| 12.2 Military Leave .....                         | 62     |
| 12.3 Union Leave .....                            | 62     |
| 12.4 Educational Leave .....                      | 63     |
| 12.5 Non-work Related Disability Leave .....      | 63     |
| 12.6 Work Related Disability Leave .....          | 63     |
| 12.11 Favored Work .....                          | 64     |
| 12.14 Family And Medical Leave .....              | 66     |

|  |    |
|--|----|
| ARTICLE 13: GENERAL .....  | 67 |
| 13.1 Employee Patronage .....                                    | 67 |
| 13.2 Work Time Recorded By Employees .....                       | 67 |
| 13.3 Union Bulletin Boards In Units .....                        | 67 |
| 13.4 Uniforms .....  | 67 |
| 13.5 Polygraph Tests .....                                       | 67 |
| 13.6 Discrimination .....  | 67 |
| 13.9 Successorship Of Company .....                              | 67 |
| 13.10 Technological Change .....                                 | 67 |
| 13.11 Seniority Dates For Transfers Within Bargaining Unit ..... | 68 |
| 13.12 Seniority Date For Transfers Out Of Bargaining Unit .....  | 68 |
| 13.13 Military Reserve .....                                     | 68 |
| 13.14 Drug Free Workplace .....                                  | 68 |
| 13.15 Community Service Program .....                            | 68 |
| 13.16 Workers'compensation Benefits .....                        | 68 |
| 14 Union Cooperation .....                                       | 68 |
| ARTICLE 14: UNION COOPERATION .....                              | 69 |
| ARTICLE 15: DURATION AND TERMINATION .....                       | 69 |
| 15.5 Economic Relief .....                                       | 70 |

THIS AGREEMENT, entered into this 14<sup>th</sup> day of September, 2003, by and between Meijer Great Lakes Limited Partnership, hereinafter referred to as "Meijer Stores" or the "Employer" and United Food and Commercial Workers Union, Local 951, as chartered by the United Food and Commercial Workers International Union, AFL-CIO and CLC, hereinafter referred to as the "Union", as the collective bargaining agent for and on behalf of certain employees of the Employer as specified herein.

## **ARTICLE 1: PREAMBLE**

This Agreement shall constitute the complete and only statement of contractual relationship between the Employer and the Union, and it is specifically agreed that any understandings or practices that may have existed contrary to the specific terms and conditions of this Agreement dated September 14, 2003, prior to September 14, 2003, will be given no force or effect hereafter. The parties further agree that understandings or practices include, but are not limited to, resolutions of conflicts on an informal basis. The Employer and the Union accept the provisions of this Agreement as commitments which they will cooperatively in good faith honor, support, and seek to fulfill. The employees covered by this Agreement agree to work for the Employer in accordance with the terms and conditions specified, and the Employer agrees to maintain the terms and conditions specified herein for the life of the Agreement.

The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining, and that the understandings and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this Agreement.

Therefore, the Employer and the Union, for the life of this Agreement, each voluntarily and unqualifiedly waives the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter not specifically referred to or covered in this Agreement, except for participation in the grievance procedure as specified in the contract, even though such subjects or matters may not have been within the knowledge or contemplation of either or both of the parties at the time that they negotiated or signed this Agreement, except by mutual understandings.

## **ARTICLE 2: COVERAGE**

- 2.1 The Employer recognizes the Union as the sole and exclusive collective bargaining agent with respect to rates of pay, hours, and all other terms and conditions of employment for employees in job classifications covered by this Agreement at those units of the Employer located in Michigan in which the Union has been established as bargaining representative as of September 14, 2003.
- 2.2 This Agreement shall also apply to any remodel of a covered unit, replacement of a covered unit in the same market area, or expansion of any covered unit at the same site, provided that the nature of the operations and/or format of the business after the remodel, replacement or expansion is the same as that which existed at the affected unit prior to the change.
- 2.3 This Agreement shall also apply to all traditional Supermarket and/or General Merchandise and Warehouse units that are opened by the Employer in Michigan after September 14, 2003, in which the nature of the operations and/or format of the business is the same as that which presently exists at the units identified in Article 2.1 above, provided the Union properly establishes its right to be recognized as the bargaining agent for the employees at such unit.

- 2.4 The Employer recognizes the Union as the collective bargaining agent for all full-time and regular part-time Grocery, Meat, Produce, General Merchandise, Warehouse and Property Management and Services employees at the covered units, excluding employees of any lease operation, employees of any existing or future operations which are either not physically attached to a covered unit or are not operated within the same premises as a covered unit, Manager Trainees, Store Directors, Line Managers, Department Managers, Property Management and Services Supervisors, Distribution Center Supervisors, Working Supervisors and the management to which such Managers report, Auditors, Registered Pharmacists, Pharmacy Technicians, Professional, Confidential, Office, Clerical, Systems Monitors, Managerial employees, Security employees and other Guards and Supervisors as defined in the Labor Management Relations Act as amended, and all other employees.
- 2.5 It is agreed that the Employer may designate certain persons as supervisors-in-training and such persons are excluded from this Agreement. Supervisors-in-training shall not be used to replace bargaining unit employees.

### **ARTICLE 3: UNION SECURITY**

- 3.1 The Employer agrees not to enter into any other Agreement with any other labor organization during the life of this Agreement with respect to employees covered by this Agreement.
- 3.2 It shall be a continuing condition of employment that all employees of the Employer covered by this Agreement who are members of the Union in good standing on the execution date of this Agreement shall remain members in good standing and those who are not members on the execution date of this Agreement shall, following five (5) weeks of active employment, become and remain members in good standing in the Union.

It shall also be a continuing condition of employment that all employees covered by this Agreement and hired on or after the date of execution shall, following five (5) weeks of active employment, become and remain members in good standing in the Union.

For the purposes of the Union Security provision of this section, the execution date of this Agreement shall be considered its effective date.

To be a member of the Union in good standing, as required by this section, an employee must tender to the Union the periodic dues and the initiation fee uniformly required as a condition of acquiring or retaining membership. Any employee who is required to be a member of the Union by this section and who fails to render such uniform dues and initiation fees shall not be retained as an employee in the bargaining unit so long as the Union has given written notice to the Company and employee of such failure, and such failure is not cured by employee within seven (7) days of such notice.

The Employer reserves the right to secure new employees from any source whatsoever.

Those employees who maintain a non-member status or change their status to a non-member status and are covered by the terms of this Agreement shall be required to pay as a condition of employment, an initial service fee, monthly (or otherwise) service fees to the Union for the purpose of aiding the Union in defraying cost in connection with the Union's obligations and responsibilities as the exclusive bargaining agent of the bargaining unit herein.



3.3 The Employer agrees, for the term of this Agreement, to deduct Union dues and/or service fees from the wages of the employees who individually certify in writing authorization for such deduction in a form authorized by law. The Employer agrees, in the case of new Union members, to deduct the Union initiation fee and in the case of a non-member, an initial service fee from the wages of any new or non-member Union employee who certifies in writing authorization for such deduction in a form authorized by law. It is the responsibility of the Union to obtain and deliver to the Employer such written authorization.

The Employer agrees to deduct an amount from the pay of each employee who is a Union member and who executes an appropriate voluntary checkoff authorization for the UFCW 951 Foundation.

Deductions shall be in the amount specified in the checkoff authorization form signed by the employee and deducted each pay period week. The deduction shall continue for the life of this Agreement for those employees who sign UFCW 951 Foundation checkoff authorization forms unless they are revoked individually and in writing.

The Employer agrees to deliver all sums deducted in this manner to the designated financial officer of the Union, payable to the Local Union. The Employer further agrees to advise the Local Union Office within ten (10) days after information on any permanent transfers, promotions, discharges, or new hires as recorded by the Payroll Department in the corporate offices.

3.4 The Union agrees to indemnify the Company against any liability received or imposed upon the Company by reason of any action taken by it as directed by Articles 2 and 3.

The Union further agrees to provide legal defense to any claims or to reimburse the Company for costs of legal defense of claims arising under the provisions of Articles 2 and 3.

## **STEWARDS**

3.5

- A. Steward coverage in the Distribution Center shall be as follows: One (1) steward for each shift per department and building at each Distribution Center complex.
- B. Alternate stewards may be designated by the Union to serve in absence of a regular steward.
- C. If a steward comes in to handle Union business on his own time, the Company shall have no responsibility or liability to pay for said time.
- D. In the event of a significant change in operations, the Company and the Union will meet to agree on amended steward coverage.
- E. All stewards will be given one (1) paid personal holiday per year, which shall be paid at the fringe day rate, to be used in conjunction with Union authorized steward training conferences. This day will be granted upon thirty (30) days written notification to the Labor Relations Department by the Local Union.

## **ARTICLE 4: MANAGEMENT CLAUSE**

- 4.1 The management of the business in all its phases and details shall remain vested in the Employer, except as specifically relinquished herein. The rights of the Employer, the Union, and the employees shall be respected and the provisions of the Agreement for the orderly settlement of all questions regarding such rights shall be observed.

## **ARTICLE 5: GRIEVANCE PROCEDURE**

- 5.1 It is the intent of the grievance procedure that, should any difference, disputes, or complaints arise over the interpretation or application of this Agreement that cannot be resolved between the employee and his immediate supervisor, there shall be an earnest effort on the part of the parties to settle such with reasonable promptness through the following steps.

**STEP I:** By a conference to be held between the aggrieved employee, his steward and the management of the Employer, or the Business Representative and the management of the Employer. The conference will be held and management's response will be given promptly.

The Step I grievance must be initiated by the aggrieved employee and his steward or the Business Representative with dated, written notification identifying the specific nature of the grievance filed with the Unit Director's office.

**STEP II:** If the grievance is not resolved in Step I, the Union may process the grievance to Step II of the grievance procedure. The Step II grievance must be initiated by the Union Business Representative with a written grievance signed by the Business Representative and identifying the specific nature of the grievance and submitted to the Unit Director's office and a copy forwarded to the Labor Relations Department.

The Step II grievance will be met on by the Union Business Representative and the Grievance Committee of the Employer. The parties will make every reasonable effort to meet and respond to Step II grievances promptly.

If the grievance is not resolved at Step I, the Union may process the grievance to Step II only by requesting such meeting in the manner provided within thirty (30) days of the response to the Step I conference.

Any grievance matter resolved by the parties at Step I or Step II of the grievance procedure shall be considered non-precedent setting and without prejudice to the rights of either party in any further grievance that may arise.

**STEP III:** If the grievance is not resolved in Step II, either party may, within ninety (90) calendar days from the Step II grievance conference, in writing, request arbitration and the other party shall be obliged to proceed with the grievance in the manner provided.

### **Grievance Adjustment Board**

When arbitration has been requested, the parties may agree to present the grievance to the Grievance Adjustment Board. In order to present a grievance to the Grievance Adjustment Board, both parties must agree to utilize this process. The Grievance Adjustment Board shall consist of the Vice-President of Labor Relations of the Employer or his designee and an Executive Officer of the local Union or his designee and a neutral third party selected by the Employer and the Union. The neutral third party shall be selected by mutual Agreement of the parties.

Any costs incurred by the third party shall be shared equally by the parties. The parties may submit evidence, oral arguments, and witnesses at the Grievance Adjustment Board Hearing. Each member of the Grievance Adjustment Board shall have

one (1) vote and upon majority vote the decision of the Grievance Adjustment Board shall be binding. This decision will be deemed to satisfy either parties' request to arbitrate the issue, and shall be considered final and binding.

If the Union determines that particular standards of work performance instituted by the Employer are resulting in unfair disciplinary action against members, the parties will immediately attempt to resolve such issue by submission to the Grievance Adjustment Board for an advisory opinion.

## **Arbitration**

When arbitration has been requested and if either of the parties refuse to submit the grievance to the Grievance Adjustment Board, an Arbitrator will be selected from a panel of Arbitrators on a rotating basis. The panel of Arbitrators will be selected by the parties and will be at least five (5) Arbitrators who have been mutually agreed upon by the parties. If the parties are unable to agree on the selection of an Arbitrator, they shall select the Arbitrator from a panel of names obtained from the American Arbitration Association in the manner prescribed by the rules of the Association.

- 5.2 The authority of the Arbitrator and the Grievance Adjustment Board shall be limited to the consideration of unresolved grievances timely raised under this Agreement. They alone shall have the authority to interpret the meaning of this Agreement but shall not have the authority to modify, add to, or detract from this Agreement. With respect to discipline or discharge grievances, the Arbitrator or the Adjustment Board alone shall determine if the discipline or discharge was for just cause, and shall review the penalty imposed. They shall have the sole authority to order back pay in whole or in part. The decision shall be final and binding upon both parties and is exclusively and expressly reserved for the parties to this Agreement.
- 5.3 Grievances must be taken up promptly and no grievance shall be considered or discussed which is presented later than ten (10) days after the events took place that are the basis of the grievance, with the exception of wage claims which are limited to sixty (60) days.
- Wage claims shall be defined as, and limited to, the following:
- A. Overdue progression step increases.
  - B. Incorrect wage rates.
  - C. Computer error.
  - D. Errors in the mathematical calculation of wage or wage rates or failure to pay for holidays, sick pay or vacation.
  - E. Improper recall of laid off employees.
- 5.4 The responsibility of the cost of the Arbitrator's fees shall be paid by the party against whom the judgment is rendered by the Arbitrator. It shall be the responsibility of the Arbitrator to declare which party is deemed to have lost and therefore, is responsible for such costs. If the Arbitrator is unable to make such a determination, the cost will be shared equally by the parties.
- 5.5 The Local Union shall have the right to determine whether or not the employee's grievance is qualified to be submitted to Arbitration. This may include either the Grievance Adjustment Board or Arbitration.
- 5.6 A steward shall notify his immediate supervisor or supervisor-in-charge in the immediate supervisor's absence, when the steward is leaving his work station for Union business.

The Employer reserves the right to limit the time and number of grievance discussions between the grievant and his steward which are held during the working time of either employee, so long as reasonable periods are permitted for the discussion and writing of the grievance, within the grievance time limits.

Every reasonable effort shall be made by the Employer to provide an opportunity for confidential discussions between the grievant and the steward.

5.7 Employees are entitled to steward representation during a disciplinary interview of record or a corrective action that is recorded which could subsequently be used as a basis for future discipline. The steward will be invited to attend at the employee's request. The employee affected will be given a copy of that record.

5.8 The Employer shall have the right to discipline, demote or discharge employees for just cause. Any questions surrounding discipline, demotion or discharge may be processed by the Union through the grievance procedure. Grievances concerning discharges shall proceed immediately to Step II of the grievance procedure.

The Employer may disqualify an employee from the award of a job, transfer or promotional opportunity if the Employer demonstrates substantial reasons why such employee should be disqualified. Employees disqualified will be notified of such action.

5.9 Every reasonable effort shall be made to schedule and hold grievance meetings during the scheduled working time of the aggrieved employee and the aggrieved employee's steward when their schedules coincide.

5.10 Discussions of grievances which are not processed according to the procedures described in this Article are not required of the Company or the Union. No grievances will be considered at any step, unless it is processed within the respective time limits and according to the procedures set forth in the Agreement.

However, nothing in this article shall prevent the parties mutually agreeing to extend the time limits imposed.

5.11 The Union shall be the sole representative of the interests of employees or groups of employees within the bargaining unit. Only the Union, through its properly designated Representatives, shall have the right under arbitration procedures or in any judicial or adjudicatory forum to assert and process against the Employer a claimed violation of the Agreement.

5.12 The Employer, including all supervisors, shall grant to any accredited Union Representative, who is an employee of the Local, access to the units for the purpose of administering the terms of the Agreement. Such Union Representatives shall sign in and out on appropriate sign-in sheets. There will not be lengthy discussions with employees which might interfere with the Employer's business.

## **ARTICLE 6: PEACEFUL RELATIONS**

6.1 In view of the arbitration provision, the grievance procedure, and other provisions of the Agreement, the Union, its agents and members agree that individually and/or collectively, they will not engage in any strike, any interference with or interruptions of the business, picketing, handbilling, or public announcements adverse to the Employer for the duration of this Agreement. Persons who authorize or engage in such action shall be subject to immediate discharge. The Employer will not engage in any lockout for the duration of the Agreement.

6.2 In no event will the Union authorize its agents or members individually and/or collectively, to engage in any strike directly or in sympathy with any other employees,

withholding of services in whole or in part, in connection with any secondary picketing or handbilling at any Meijer location.

- 6.3 The Union, on behalf of itself, its agents and members, agrees that during the duration of this Agreement no sympathy strike shall be caused or sanctioned and that no member shall refuse to cross any picket line at any of the Employer's properties or facilities. Persons who authorize or engage in such action shall be subject to immediate discharge.

## **ARTICLE 7D: SENIORITY**

- 7D.1 A complete seniority list by departments for both full-time and part-time employees shall be compiled and furnished to the Union.

Regular full-time employees and regular part-time employees will be on probation for the first thirteen (13) weeks of active employment. Probationary employees shall be covered by all provisions of this Agreement except such employees may be terminated by the Company for any reason and such action shall not be subject to the grievance procedure.

- 7D.2 Seniority shall mean length of continuous service with the Employer and shall apply as provided for in this Agreement.

Seniority shall be of two (2) types, full-time and part-time. Full-time seniority shall be convertible to part-time. Full-time seniority shall not accumulate during periods of part-time jobs and part-time seniority shall not be convertible to full-time seniority if a part-time employee becomes full-time. Part-time seniority shall not be lost by transfer to full-time work. In no case will part-time employees accumulate seniority over full-time employees.

If two employees have the same full-time seniority dates, part-time seniority will determine who is more senior.

Effective July 21, 1984 when two (2) or more employees are hired on the same date, their seniority standing will be determined by alphabetical order of the employee's last name at date of hire. Subsequent name changes will not affect seniority in that department and unit.

Those employees who have a phantom full-time seniority date as of November 29, 1987, will maintain that date unless they change from full-time to part-time status.

For all seniority purposes in Articles 7 and 8, Grand Rapids and Lansing employees in Job No. 035 or Job No. 042 working in a General Merchandise warehouse will be combined with Job No. 157. Lansing employees in Job No. 042 working in a Food warehouse will be combined with Job No. 057. Newport employees in Job No. 042 will be combined with Job No. 078.

- 7D.3 A regular employee's seniority may be considered broken if he quits, if he is discharged for cause and not reinstated, if he failed to report to work for three (3) consecutive work days without notifying the Employer or if an employee is laid off continuously for one (1) year.

A regular employee's seniority shall be considered broken if he fails to report for work while on layoff within seven (7) calendar days after being notified to report unless extended by mutual agreement.

- 7D.4 A. Open jobs for permanent full-time vacancies in the Distribution Centers will be posted in all the Distribution Centers for forty-eight (48) hours, excluding Saturdays, Sundays, and holidays.

Seniority will be the determining factor in all cases of job bidding and the most senior employee bidding will receive the job. Postings will be by classification, shift, department (as defined in Article 7D.5), and Center, except postings for Driver and Mechanic classifications which will be by job number, department and center. Only the employee bidding for himself or his steward bidding on his behalf may sign the bid sheet.

- B. Employees bidding on the openings in the Driver and Mechanic classifications must meet all the qualifications of those respective classifications in order to be awarded the job.
- C. The employee awarded the job must assume the new job when assigned by the Employer and jobs will be assigned no later than the first of the week after a period of up to two (2) weeks following the awarding of the job. The employee shall be given a thirty (30) day break-in period to familiarize himself with the job duties of the new position by which time the employee will be required to perform the job at a satisfactory level.

If for justifiable reasons the Employer feels an employee cannot perform the job at a satisfactory level, the employee may be returned to his original job.

- D. A successful bidder may not bid again for one hundred and twenty (120) days after assignment to the bid job, unless bidding for a higher rated job or for a shift change. Employees bidding between Michigan Distribution Centers may not bid back to their prior Center for one (1) year from the date of the assignment to the bid job, unless bidding for a higher rated job or for a shift change.
- E. The total expense of any move between the Michigan Distribution Centers shall be borne by the bidding employee.
- F. Part-time employees will be surveyed in line of seniority for all permanent promotions to higher rated part-time jobs within their department and center. The most senior employee desiring the job will be awarded the job. Part-time employees may also exercise their seniority for full-time jobs for which there are no other bidders.
- G. Where the Employer operates temporary or leased facilities in the same geographical areas as units covered by this Agreement, the parties will meet and discuss initial staffing of these facilities. Once this initial staffing is accomplished, such units will operate as a separate facility for all purposes, except layoff and pay rates shown in this Agreement.
- H. When employees in Job Nos. 032, 057, 157, or 078 bid on a higher rated job, the successful bidder will be placed at the same or next higher rate from his existing rate in the new classification. When bidding on a lower rated job, the successful bidder will be placed at the rate commensurate with their seniority. However, once an employee attains top rate in a classification, he shall not be required to go through the progression steps in that classification if he subsequently leaves and then re-enters that classification, except as defined in Article 7D.4I.
- I. Employees in Job No. 042 moving into a General Merchandise building and department will maintain their current rate in Job No. 042. Employees in Job No. 035 in a General Merchandise building and department moving to a Food building and department will be placed at the next higher rate from their existing rate in Job No. 042.

Upon bidding out of Job No. 035 or Job No. 042, employees shall forfeit all rights to return to Job No. 035 or Job No. 042, except as provided in Article 15.4.

## LAYOFF

7D.5 Layoff for the purpose of this Agreement shall mean displacement as a result of a reduction of the work force for an indefinite time. Management can lay off employees for lack of work. The existence of lack of work is to be determined solely by management.

Layoffs shall be made separately at the Lansing, Grand Rapids and Newport Distribution Centers in inverse order of seniority by department, classification and building. Departments for the purpose of this provision are Grocery, Cold Storage, General Merchandise, Perishables, Facilities Maintenance, Drivers, Warehouse Mechanics and Transportation Mechanics.

A. Once a full-time employee with seniority is laid off or bumped, he must exercise one (1) of the following options. When more than one (1) employee is laid off from a classification at the same time, the most senior affected employee will exercise his bumping rights first.

1. He may bump into any classification in which there is an employee junior to him in his Distribution Center.
2. If a bumping employee has no employee junior to him that he can displace in his Distribution Center by exercising his bumping options listed in Article 7D.5A1, and chooses not to take a layoff to the street he must bump following the same options listed in Article 7D.5A1 at the other Centers.

The bumping employee will then become an employee of that department and shift for layoff and bumping purposes at that Center.

B. In exercising any of the above bumping options, the full-time employee will displace the most junior employee in the classification in the department elected.

1. An employee may only exercise his bumping rights into positions of Driver and Mechanics if he meets all qualifications established by the Company for those positions.
2. Employees with one (1) or more years seniority at the time of layoff who are primarily affected by a layoff of two (2) weeks or more shall be given at least one (1) week's advance notice of layoff or pay for the first week of layoff in lieu thereof, except in cases of emergency beyond the control of the Employer. Any employee bumped out of his classification by a laid off employee will be required to exercise any bumping rights he has as soon as he is bumped.
3. Those employees in the Driver and Mechanic classifications may exercise bumping privileges in the other Centers within the Driver, Warehouse Mechanic and Transportation Mechanic Departments prior to exercising their bumping privileges, as defined in these provisions, in the Distribution Center to which they were originally assigned.
4. Transfers to other Centers as a result of this provision will be at the employee's expense.
5. Full-time employees can bump regular part-time employees within any classification on any schedule in his Center, and while working the available hours on that part-time job, he will continue to accumulate full-time seniority for a twelve (12) month period.

Full-time health care benefits will also continue to apply to such an employee for a twelve (12) month period following such a bump.

6. Once all bumping within the Distribution Centers due to a layoff of two (2) weeks or more is completed, employees then within each affected classification, department and shift will be scheduled pursuant to the procedure established in this Agreement.
  7. Once a decision has been made to take a layoff to the street, the employee must remain on layoff until the employee successfully bids back on a job posted for bid in accordance with Article 7D.4.
- C. Regular part-time employees will be laid off in inverse order of seniority, by classification, and department, and recalled in line of seniority to open jobs within their classification and department.
- Part-time employees may bump junior employees in a lower classification within their department.
- In the event there are open jobs for which there are no part-time employees with recall rights, employees on layoff status will be offered recall and are required to return within the same Distribution Center Complex.
- It is specifically understood that no other provisions from Articles 7D.5 or 7D.5B apply to layoff and recall of regular part-time employees.
- D. Laid off employees shall have their wage rates affected as described in Articles 7D.4H and I.

## **TRANSFERS**

- 7D.6 Except as provided in Article 13 hereof, an employee transferred from one (1) department in the bargaining unit to another shall retain past seniority and continue to accumulate seniority in the new department.

## **DAILY BUILDING ASSIGNMENT**

- 7D.7 When there is a need to assign full-time employees on a daily basis to another building, the Employer will offer such assignments to volunteers in line of seniority by department, classification, building and shift and require in inverse order of seniority by department, classification, building and shift for these daily assignments; for part-time employees, the Employer will assign as needed by inverse order of seniority.

When assigned under the provisions of this section, such full-time employees will be eligible for overtime in the building the employee is actually working in at the end of that day, provided the employee has been assigned at least two (2) hours prior to the end of that work shift.

## **ARTICLE 8D: WAGES AND HOURS**

- 8D.1 The job classifications and rates of pay are as shown in the Wage Schedule attached hereto and made a part of this Agreement. The Employer is to establish classifications as needed, and is to classify employees. Although the Employer may change job classifications and job content, the rates applicable to new or materially changed classifications shall be subject to negotiations between the parties hereto. The Employer agrees to notify the Union and, upon request, meet with it regarding any substantial changes in job classifications, job content, new equipment and the like as soon as possible after it reaches a decision to make such a change and before such change occurs. Special aptitude or competitive situations may be recognized by the Employer in hiring or advancing employees at rates faster than shown in the Wage Schedule, however, the employee's rate shall not exceed the top rate negotiated for that employee's classification.



8D.2 If during the term of the Agreement the Employer elects to implement an economic incentive program, such program will be communicated to the Union and input from the Union considered before such program is finalized by the Employer.

8D.3

- A. The basic work week for full-time employees shall be forty (40) hours per week with guarantees only as specifically set forth herein.
- B. For employees of the Distribution Centers, the Employer agrees to offer a minimum of forty (40) hours work each week to eighty-five percent (85%) or more of the full-time employees by shift and department in line of seniority, scheduled to work on the first of the week. The guarantee of this provision excludes holiday weeks. In cases where the application of this percentage results in a fraction, such fraction will not apply.

Distribution Center departments for the purpose of this paragraph are as defined in Article 7D.5.

It is understood that the guarantee is subject to reduction for lateness, illness, or other personal reasons of the employee. If work is available, the employee reporting must perform the work assigned even though it is outside his regular classification. This section shall not apply in cases of power or equipment failure or other causes beyond the control of the Employer. This will be applied separately at each Center where departments are duplicated.

- C. When a manager assigns an employee to a higher rated classification, the employee will be paid the next higher rate from his existing rate for all time worked in that classification. When a manager assigns an employee to a lower rated job, the employee will be entitled to his regular rate of pay for all time worked in that lower classification.

8D.4

#### **A. Work Schedules**

In constructing weekly work schedules, the Employer will determine the needs of the department based on the requirements of the business, establish work groups as needed and determine the number of employees in each work group. Once that determination is made, the following procedure will be utilized:

Employees, full-time and part-time, will bid work groups for scheduling purposes. These work groups will be bid no less than two (2) times per year. Once the employees report to work, they will be assigned to jobs as deemed necessary by management. Employees' job assignments and work groups may be changed as deemed necessary.

1. Full-time employees will be offered their weekly work schedules by seniority within shift and their work group. Such schedules may be single weeks or blocks of consecutive weeks.

The forty (40) hour week will be worked in five (5) days of eight (8) hour shifts or four (4) days of ten (10) hour shifts.

2. Weekly work schedules may be constructed such that there are four (4) day weekly schedules with ten (10) hours of work on each day with the overtime rate not applying until after ten (10) hours, and/or such that there are weekly work schedules that include Sunday hours as a day of

the work week. Such schedules may also include four (4) day weekly schedules with ten (10) hour days. It is recognized that such schedules may overlap into the next work week such that an employee's schedule includes work days in two (2) payroll weeks. It is further understood that for part-time employees, schedules containing less than four (4) ten (10) hour days may exist.

3. Part-time employees will be assigned schedules by management within their respective work groups. Such schedules may be single weeks or blocks of consecutive weeks.

Non-restricted part-time employees' hours shall be scheduled such that senior part-time employees' weekly hours shall exceed or equal the hours of junior part-time employees.

4. Additional hours not on the posted schedule will be offered in line of seniority either to part-time employees that are at work at the time the additional hours become available or to part-time employees that are not scheduled for work that day and can complete the work on a straight time basis.
5. Employees are expected to inform themselves of the schedule and are responsible to work their scheduled hours. There will be no trading of scheduled hours among the employees without the express advance approval of the supervisor.

An employee requesting a schedule adjustment must bring the request to the supervisor's attention within twenty-four (24) hours of the posting of the schedule or the schedule will be deemed acceptable and not subject to the grievance procedure.

6. The Employer may also designate a limited number of weekly work schedules that rotate employees between work shifts or from one work shift to another for time periods not to exceed twenty-six (26) weeks. Such schedules will not be a part of the offer and assignment procedure referred to in Article 8D.4A, and instead will be assigned to those employees who have elected to be placed on rotation, or who have been notified of a temporary staffing reduction on their shift. Employees will remain on rotation and be excluded from the offer and assignment procedure until the rotation is completed. Full-time employees will not be included in the part-time employees' rotation and vice versa.

- B. Regular part-time employees who are scheduled to work during a scheduled work week will be guaranteed at least sixteen (16) hours a week if available for work as scheduled.
- C. Full-time employees, upon request, shall be scheduled to have one (1) full day off per week between Sunday midnight and Saturday midnight as opposed to two (2) half days.
- D. There shall be no mandatory split shifts.

8D.5 In all payroll computations, the payroll week shall be a seven (7) day period beginning on Saturday midnight and ending on the following Saturday at midnight. However, scheduled work shifts may overlap payroll weeks. The payroll week will be calculated separately from the scheduled work week.

8D.6 Any full-time employee required to report to work before his regularly scheduled starting time will be allowed to complete his scheduled working day, provided that

time worked to the end of the shift will be treated as normal scheduled working hours for such an employee with exception of compensation. When the Employer decides to schedule early starts, the offer will be made in line of seniority by classification, workgroup, shift, building and department and required in inverse order of seniority by classification, workgroup, shift, building and department from those full-time employees scheduled to work that day.

8D.7 The Employer will poll employees three (3) times per year on February 1, June 1, and October 1, for holiday work and such work when required will be assigned to employees who signed the poll sheet by seniority, department and shift. If more employees are needed, the Employer will assign the work to the employees who have not signed the poll in inverse order of seniority by department and shift. Any work shifts whose continuation as part of a normal work week continue into a holiday are not subject to any polling or other assignment procedures. In addition, shifts that start after 10:00 p.m. on a holiday will not be subject to this polling procedure.

8D.8 All employees are to receive one and one-half (1-1/2) the regular hourly rate for all hours actually worked over forty (40) hours in any one (1) payroll week or over eight (8) hours in any one (1) day but not both, or over ten (10) hours in any one (1) day if working a schedule that includes ten (10) hour shifts. There is to be no pyramiding of overtime. In any week in which a paid holiday falls, hours for which an employee receives compensation as holiday pay will be counted as time worked for purposes of computing overtime over forty (40) hours in that work week.

For purposes of computing overtime, a work day shall be defined as the consecutive hours worked commencing with the beginning of the employee's scheduled work day (shift). Unpaid lunch breaks shall not be considered to break the consecutive hours.

Under no circumstances may an employee through any privileges set forth in this entire Agreement force the existence of any time and one-half (1-1/2) hours.

8D.9 The performance of overtime work in the Distribution Centers will be assigned by management, as needed, separately at each Center, to the employees regularly assigned to work within each of the following departments:

- General Merchandise
- Facilities Maintenance
- Grocery
- Cold Storage
- Perishables
- Drivers
- Transportation Mechanics
- Warehouse Mechanics

A. When overtime work is required by the Company immediately following the end of a work shift, the overtime work will be offered in line of seniority and assigned by inverse seniority within each building, department, classification, and work group.

The offer and assignment of overtime by management may include only those employees who are immediately involved in performing the work requiring the overtime or may include all employees whose work shift is ending at the time the overtime is needed.

For overtime to be mandatory, it must be posted at least one (1) hour prior to the end of the shift.

- B. If after the weekly work schedule is posted, the Employer finds it necessary to schedule a full-time employee for a sixth day, in the case of a full-time employee on a five (5) day work schedule, or a fifth day in the case of a full-time employee scheduled to work four (4) days, the Employer will offer the additional day to the most senior employee in the building, department, classification, work group, and shift not scheduled to work that day.

If the Employer's needs cannot be met by the above offer, the employees will be required to report for work in inverse order of seniority by building, department, classification, work group, and shift. However, employees can only be required to report if instructed to do so twenty-four (24) hours in advance of the start of the additional shift.

Any full-time employee required to report for work under this section will work the remainder of their weekly schedule and such work is not subject to an over-time claim from a senior employee.

It is understood employees cannot make a claim for overtime under this section if the work was done on straight time or as part of another employee's weekly schedule, or was overtime at the end of that employee's shift that day.

Notification will occur no later than the end of the last regular shift of the employee preceding the shift for which the additional work was scheduled, or by telephone call to the employee at the last phone number supplied by the employee. Failure to receive such notice shall entitle the employee to four (4) hours pay or four (4) hours work that day, whichever the Company may choose. This section shall not apply in cases of power or equipment failure or other causes beyond the control of the Employer.

- C. Hours (both regular and overtime) for inventory purposes will be assigned according to the preceding paragraphs; however, employees working these hours may be assigned to various inventory work by the Employer according to their abilities aside from matters of classification, work group or seniority and the call in guarantee will be four (4) hours of work.
- D. The Company shall have no obligation to offer overtime or early starts to absent employees, or those on approved leave.

8D.10 All full-time employees who are instructed to report for work shall be guaranteed six (6) hours work at their normal rate including holidays. All regular part-time employees who are instructed to report for work shall be guaranteed four (4) hours work at their normal rate including holidays. This clause shall not apply when the Employer schedules employees for meetings, but employees will be paid for time spent in meetings. The Employer may assign work available even though it is outside the employee's regular classification. It is understood that the guarantees of this provision do not apply in cases of lateness, injury, illness, or other personal reasons of the employee and in circumstances beyond the control of the Employer, such as fire, flood, civil disturbance, power and equipment failure, or acts of God. If the employee is notified not to report before he leaves home, the Company shall not be required to pay call-in pay. Same applies if the Company attempts to notify the employee by the last phone number or address on Company records and it is incorrect due to change not recorded by employee.

8D.11 All employees shall be allowed a fifteen (15) minute paid rest period, to be scheduled as near to the middle of his shift as possible, for each half shift of three (3) hours or more. No employee will be scheduled for a rest period until he has worked for one (1) hour, unless otherwise agreed by the employee.

Under normal circumstances, the total rest period for both employees scheduled eight (8) and ten (10) hour shifts shall not exceed thirty (30) minutes in any work day.

An employee in the Distribution Center shall receive an additional fifteen (15) minute paid rest period on any day that the employee works more than nine (9) hours. This additional fifteen (15) minute paid rest period will be scheduled by management but will not necessarily be scheduled at the exact completion of nine (9) hours of work.

Employees working more than eleven (11) hours in one shift shall earn an additional fifteen (15) minute break with pay. For hours worked thereafter an employee earns a fifteen (15) minute paid rest period for each three (3) hour block of time worked. In no case will an employee become eligible for, or be paid on his time card, for a rest period at the completion of his work shift.

However, an employee scheduled a ten (10) hour shift shall earn the additional fifteen (15) minute paid rest period on any day that the employee works more than eleven (11) hours. The earned additional rest period likewise will not necessarily be scheduled at the exact completion of eleven (11) hours worked. Any additional breaks earned will require the same time frames and payment method as above.

No employee shall work more than five (5) consecutive hours without being offered a lunch period.

#### 8D.12

- A. Employees who are going to be absent must call the person designated by management. Employees are expected to call one (1) hour prior to the beginning of their scheduled shift.
- B. The Employer will pay for all physicals required by it, for bargaining unit employees.  
The employee will use a doctor from a list mutually agreed upon by the Employer and the employee.
- C. The Company will not use records maintained by bargaining unit employees, other than those records maintained by employees in the performance of their job function, as the basis for discipline of other bargaining unit employees, but this section shall in no way restrict the Company from checking employee's work performance or maintaining or compiling records of its own to measure employee's performance or as a basis for discipline, if warranted.
- D. Personnel excluded from coverage under this Agreement in Article 2.4 will not perform work within the bargaining unit with the following exceptions:
  - 1. Work performed in circumstances caused by emergencies beyond the control of the Employer.
  - 2. Work performed for the purpose of providing a reasonable amount of instruction of management or employees.
  - 3. Work performed by clerical, data processing and management personnel which overlap or interact with employees performing slot control, auditor, and ship-ping/receiving work.
  - 4. Work performed by those supervisors who are designated by the Employer as Working Supervisors.
- E. Overpayments to employees or monies owed to the Employer by the employee will be repaid by the employee based on a reasonable schedule of repayment by payroll deduction.

## Provisions Applying To The Driver Classification

8D.13

### A. Truck Driver Qualifications are as follows:

1. Have a minimum of one (1) year of experience driving over the road diesel powered highway equipment similar to the type operated by Meijer or successful completion of a credited, approved truck driving school.
2. No more than two (2) tickets in the last three (3) years, none in the past twelve (12) months, and possess current required licenses (including a chauffeur's license) and any other endorsements required. A Driver that has his CDL temporarily suspended due to tickets may not have to re-qualify under 8D.13A.2.
3. Must pass Driver's physical and meet all D.O.T. requirements.
4. Must pass a road test administered by a member of Transportation Management.
5. Must take a D.O.T. Driver's written exam.

In the event a change in law or regulations requires any change in these qualifications, the Union will be notified by the Employer.

The Employer will also notify the Union of any changes in qualifications that the Company decides to make and meet with it, upon request, thirty (30) days in advance of their implementation.

### B. Truck Driver Job Openings

1. Full-time Truck Drivers who wish to transfer within classification to another Center in the Transportation Department must have on file in the Department a Transfer Request. Transfer Requests must be renewed each twelve (12) months.

When the Company determines that a permanent full-time opening exists in the Truck Driver classification, Transfer Requests will be honored in line of seniority before posting the vacancy.

When the Transfer Requests on file have been exhausted, the remaining vacancy will be posted in accordance with Article 7D.4.

If the Truck Driver work schedule is not being re-bid at this time, the transferring employee or successful bidder will be assigned a work schedule until the next schedule bid.

Those awarded jobs in the Driver classification will enter the alternate pay system in "Schedule B".

Any cost of transferring will be borne by the employee.

2. When a part-time Driver works twenty (20) consecutive weeks in the Transportation Department an average of thirty-six (36) hours per week, excluding holidays, for those twenty (20) weeks, he shall be awarded full-time status. Hours credited are those hours actually worked. Hours worked in replacement of an employee on Workers' Compensation or sickness, accident, disability leave, other approved leave, or hours on the posted schedule that are worked in replacement of another employee will not be considered in computing the thirty-six (36) hour average or counted as a part of the twenty (20) consecutive week period specified above.

### C. Work Week

1. One-hundred percent (100%) of the full-time Drivers will be offered forty (40) hours of work in line of seniority in any week they are scheduled to work. On a daily basis, full-time Drivers will be offered a minimum of eight (8) hours work. It is understood that this offer of work may include work in any Distribution Center Department, in order to fulfill the obligation of an offer of eight (8) hours work. It is further understood that both the daily and weekly obligations provided in this section, are subject to reduction by the same factors that are listed in Articles 8D.3, 8D.11 and 8D.12.

Full-time mileage Drivers shall be offered a combination of hours and mileage that average or would have averaged forty (40) hours times their equivalent rate of pay per week to be averaged over a two (2) week period, if in compliance with D.O.T. regulations.

2. In place of Article 8D.4, the Employer will construct weekly Driver work schedules for full-time Drivers recognizing the following:

- a. In January of each year, the Drivers who were full-time prior to 10/01/95 will be polled to determine their desire to work the following twelve (12) months as either a mileage or an hourly Driver.

At the next schedule bid, those Drivers who indicated their desire to be mileage Drivers will be placed on the Mileage Driver Schedule and allowed to exercise their seniority among the other Drivers on the Mileage Driver Schedule. Those Drivers who have indicated their desire to be hourly Drivers will be placed on the Hourly Driver Schedule and allowed to exercise their seniority among the other Drivers on the Hourly Driver Schedule.

Any hourly Driver who wishes to change their election to a mileage Driver may do so by indicating their desire in writing to management. Such requests will be accommodated at the next overall schedule bid.

- b. The providing of as consistent start times as is possible within the efficient operation of the business;
- c. The providing of as many consecutive work weeks with two (2) or more consecutive days off as is possible within the efficient operation of the business;

- d. **Hourly Drivers** - Weekly work schedules may be constructed such that there are four (4) day weekly schedules with ten (10) hours of work on each day with the overtime rate not applying until after ten (10) hours, and/or such that there are weekly work schedules that include Sunday hours as a day of the work week. Such schedules may also include four (4) day weekly schedules with ten (10) hour days. It is recognized that such schedules may overlap into the next work week such that an employee's schedule includes work days in two (2) work weeks. These weekly schedules will be assigned to Drivers by a bid process in line of seniority.

**Mileage Drivers** - It is understood that full-time mileage Drivers' schedules will be posted with both four (4) and five (5) day per week schedules and that such schedules will be assigned to Drivers by a bid process in line of seniority to the Drivers on the mileage schedule and do not fall under overtime wage and hour provisions.

- e. Weekly work schedules may include Sunday hours as a day of the work week with Sunday hours paid on a straight time basis.
- f. Additional hours of work which are not on the posted schedule and which the Employer elects to offer to off-duty employees will be offered in line of seniority to available full-time Drivers not scheduled to work on that day who are legally able to drive and complete the work on a straight-time or mileage basis. It is the responsibility of the Driver to ensure that any additional hours accepted under this provision will not prevent the Driver from working the remainder of his scheduled work week.
- g. Regular Driver work schedules may be rewritten and/or regrouped for bid as it is deemed necessary by management, but no less than two (2) times each calendar year. Switcher schedules will be included in the bid process, and will be designated as such.
- h. In order to provide the Drivers a basis for schedule selection, the Employer will post the expected runs and their approximate shipping times when the schedule bid process takes place.
- i. **Mileage Drivers with Multiple Stop Trips** - During a multiple stop run, the 30 minute delay criteria will be waived on the third and any subsequent stop during that trip. A trip is defined as travel from a Meijer Distribution Complex to the next Meijer Distribution Complex.

The Company may modify the above language in a way that increases the value of multiple stop trips by notifying the union of the implementation of such change.

- j. **Mileage Drivers Who Switch** – Mileage Drivers who are assigned or who bid to do switching work for an entire day or entire work week shall be compensated at the appropriate hourly rate as outlined below and shall receive overtime in accordance with the Collective Bargaining Agreement. (i.e. for daily or weekly overtime.)

“Schedule A” drivers shall receive the hourly rate in the wage schedule for Job No. 049.

“Schedule B” drivers shall receive the hourly rate in the wage schedule for Job No. 349. Mileage Drivers switching for an entire day shall not receive the day rate.

Mileage Drivers who perform switching work for less than the entire day shall receive the appropriate delay rate (“Schedule A or B”) for work time spent switching.

- k. **Mileage Drivers and Short Trips** – The Employer may re-value short mileage runs in order to create equity between the Mileage and Hourly systems for this work. The Employer will post a listing of all re-valued short mileage runs. In no case will the re-valued trip pay less than the mileage value of the trip. In no case will an Hourly Driver be paid anything other than hourly for any trips.

The parties shall meet and discuss any disputes regarding the value of shorter runs.

- 3. Part-time Drivers' weekly schedules will be posted and will be assigned to part-time Drivers by a bid process in line of seniority by Center.
  - a. Weekly work schedules may be constructed for part-time Drivers such that there are schedules with ten (10) hours of work on each day with



the overtime rate not applying until after ten (10) hours and/or such that there are weekly work schedules that include Sunday hours as a day of the work week.

- b. It is understood that part-time Drivers scheduled to work during a given week are guaranteed a minimum of sixteen (16) hours of work per week. Part-time Drivers are also guaranteed four (4) hours of work on a daily basis if they report as scheduled. Such guarantees are subject to reduction in the same manner as other daily and weekly guarantees.

Weekly work schedules shall be constructed for part-time mileage Drivers such that there are two or more days of work. Mileage Drivers shall be able to exercise their seniority to maximize their work on a daily basis.

- c. Weekly work schedules may include Sunday hours as a day of the work week with Sunday hours paid on a straight time basis.
  - d. Additional hours of work which are not on the posted schedule and which the Employer elects to offer to off-duty employees will be offered in line of seniority to available part-time Drivers not scheduled to work on that day who are legally able to drive and complete the work on a straight-time or mileage basis.
4. During the two (2) week period involved in the opening of a new store, during the week preceding the holiday week and the holiday week, and during the weeks that inventory is completed, Drivers may be assigned to starting times and days off that differ from their bid schedule. In making these changes in schedules, the Employer will recognize seniority for consecutive work weeks and earlier starting times.
  5. For all purposes, the assignment of runs will be separated by mileage or hourly Driver groups.

- a. When more than one (1) Driver has the same starting time on a particular day at the same Center and within the same group (mileage or hourly), those Drivers will be allowed to choose a run from those that the Dispatcher has decided to dispatch at that time in line of seniority.

The least senior Driver will be required to take the run that was not chosen by the more senior Driver. Drivers with other start times and Drivers from another Center and Drivers outside of the group (mileage and hourly) will not participate in the above process. When only one (1) Driver has a start time, but there is more than one (1) load to be dispatched, he will be allowed to choose a run from those that the Dispatcher has decided to dispatch at that time.

- b. In the process of assigning subsequent runs to hourly Drivers, the Employer will assign runs at the time the Company elects to dispatch the runs to the Driver available at the dispatch window for immediate dispatch and legally able to take the run in a manner so as to create a reasonable balance of working hours that day among such available Drivers, with due consideration for seniority.

In the process of assigning subsequent runs to mileage Drivers, the Employer will assign runs at the time the Company elects to dispatch the runs to the mileage Driver available at the dispatch window for

immediate dispatch and legally able to take the run in a manner so as to favor the senior Drivers.

6. It is recognized that at all times efficient operation of the Company to meet business needs will be the determining factor in making such assignments.
7. In lieu of Article 8D.9A, overtime at the end of a work shift will be assigned and required, but in the event a Driver does not wish to work overtime or extra work and less senior Drivers are immediately available and can be legally dispatched immediately, the work will be assigned and required in inverse order of seniority to the most junior employee.

8. a. In lieu of Article 8D.9B, if a full-time employee is scheduled a sixth day, in the case of a full-time employee on a five (5) day work schedule, or a fifth day in the case of a full-time employee scheduled to work four (4) days, the Employer will offer by group (mileage or hourly) the additional day to the most senior Driver in that Center not scheduled to work that day that can legally work the hours required.

If such hours are not filled by the above offer, the junior Driver must report for work in inverse order of seniority. However, employees can only be required to report if instructed to do so eight (8) hours in advance of the start of the additional shift.

Any full-time Driver required to report for work under this section will work the remainder of their weekly schedule. Such work is not subject to an overtime claim from a senior Driver.

- b. When the Employer decides to schedule early starts, the offer will be made in line of seniority by classification, shift, group (mileage or hourly) and department and required in inverse order of seniority by classification, shift, group (mileage or hourly) and department from those full-time employees scheduled to work that day.
- D. The Employer agrees to reimburse Truck Drivers for the cost of renewing any licenses (including chauffeur's license) and the costs of any examinations required by the Employer or applicable laws or regulations, and to pay the regular corporate motel and meal allowance to Drivers whose schedule includes an over-night stay.
  - E. If a seniority Truck Driver working under this Agreement should lose his license or should become physically unable to drive, he shall be entitled to exercise seniority by bumping within his Distribution Center provided the Driver is qualified to perform the duties of the job. Once this bump occurs, the employee will be reclassified and can only return as a result of a new bid on an open job.  
Should a "Schedule A" Driver lose his license due to tickets, he will be returned to the "Schedule A" rate only after bidding on the first available job posting for which he is legally eligible.
  - F. During the time periods between schedule bids, if the Employer makes the determination to fill open weekly schedules, such schedules will be offered in line of seniority and assigned by inverse order of seniority.  
This process shall apply to the original open schedule only, the resulting open schedules will be filled by management assignment.
  - G. Layoffs and recalls in the Driving Department will be governed by Article 7D.5 with the exception that layoffs and recalls will be by department and Center,

irrespective of shift. For the purpose of layoff, Drivers in both the mileage and hourly groups shall be considered a single seniority group.

H.

1. The following categories of Drivers will be eligible to volunteer per the provisions of this Agreement for the mileage, day rate, and delay rate shown in "Schedule A."
  - Drivers made full-time prior to 10/01/95
  - Part-time Drivers hired prior to 09/21/91 who volunteer as a part-time Driver for mileage prior to 10/01/95
2. The following conditions and requirements apply to Drivers not covered by application of 8D.13H1 above, for purposes of mileage, day rate, and delay rate (shown in "Schedule B").
  - All part-time Drivers that become full-time on or after 10/01/95, regardless of seniority date
  - All new Drivers, after April 30, 1995, both part-time and full-time
  - Any part-time Driver that moves to mileage after 10/01/95Once a Driver enters "Schedule B," they will have no rights to enter "Schedule A" at any time.

#### **Mileage System "Schedule A"**

1. Mileage Rate as listed in the wage schedule.

2. Day Rate

The daily rate for all normal non-driving work shall be \$27.00 per day. In order to qualify for such pay, a Driver must be dispatched and complete one (1) run.

3. Delay Rate

For each individual occurrence, if a driver is delayed more than one half (1/2) hour, the Driver must notify management of such delay. The Driver will be paid the hourly rate commensurate with his seniority for all delay time in excess of one half (1/2) hour for that occurrence.

#### **Mileage System "Schedule B"**

1. Mileage rate as listed in the wage schedule.

2. Day Rate

The daily rate for all normal non-driving work shall be \$22.00 per day. In order to qualify for such pay, a Driver must be dispatched and complete one (1) run.

3. Delay Rate

For each individual occurrence, if a Driver is delayed more than one half (1/2) hour, the Driver must notify management of such delay. The Driver will be paid an hourly delay rate of \$16.00 per hour for all delay time in excess of one half (1/2) hour for that occurrence. Effective 04/16/2006, the hourly delay rate will become \$17.00 per hour.

## I. Fringe Benefit Computations for Mileage Drivers

All mileage Drivers who have been on the mileage system continuously throughout the previous year shall have all paid time off computations including vacation, holidays, paid personal days and any other paid time off described in this Agreement based on an average day's pay computed on the basis of a week's pay equaling 2% of the yearly gross wages and a day's pay equaling .4% of the yearly gross wages.

- J. If at any time during the duration of the contract, there are changes in either technology or operations relating to Truck Drivers (i.e., freight consolidation, long hauls, etc.), the Employer may meet with the Union to discuss modifications.

## 8D.14 TRANSPORTATION/WAREHOUSE/PROPERTIES - MECHANIC DEPARTMENT

For purposes of departmental structure, the Transportation Mechanic Department, Warehouse Mechanic Department and Property Management & Services Department are combined and will be referred to as Facilities Maintenance.

Employees in Level I, Level II, Level III, and Job #067 assigned to the Distribution Centers will be covered under the Distribution Center Agreement except as specified below where the Property Management and Services Agreement will apply:

|       |                      |
|-------|----------------------|
| 6.4   | Peaceful Relations   |
| 7P:1  | Probationary Periods |
| 8P:15 | Tool Allowance       |
| 8P:17 | Standby Pay          |
| PM&S  | Wage Schedule        |

In Facilities Maintenance, employees required to have experience in gas and arc welding (gas and arc training course satisfactory completion) must successfully demonstrate that skill prior to being awarded the job.

### A. Transportation Master Mechanic

Master Mechanic in the Transportation Mechanic Department must have at least six (6) years of experience, including at least two (2) years experience in diesel powered highway equipment (major repairs), and a minimum of four (4) years experience on air brakes as well as the minimum experience as specified in three (3) of the four (4) following categories. Formal schooling may be counted to satisfy up to two (2) years of the total experience requirement and up to fifty percent (50%) of each individual category requirement.

- |  |          |
|--|----------|
| 1. Gasoline-powered highway equipment (major repairs)                        | 1 year   |
| 2. Trailer/van body and mechanical (repairs)                                 | 1 year   |
| 3. Cooling unit repair (Thermo King and/or Carrier)                          | 6 months |
| 4. Gas and arc welding (gas and arc training course satisfactory completion) |          |

A Commercial Drivers License is required. Employees must obtain the Commercial Drivers License within one (1) year.

A Transportation Mechanic who completes the above qualifications will automatically be reclassified as a Master Mechanic at the conclusion of thirty-six (36) months of service in the Transportation Mechanic classification.

### Transportation Mechanic

Transportation Mechanic in the Transportation Mechanic Department must have a total of three (3) years experience including at least two (2) years experience on air brakes, one (1) year experience in Diesel-powered highway equipment (major repairs), and the minimum experience as specified in two

(2) or more of the following areas. Formal schooling may be counted to satisfy up to two (2) years of the total experience requirement and up to fifty percent (50%) of each individual category requirement.

1. Gasoline-powered highway equipment (major repairs) 1 year
2. Trailer/van body and mechanical (repairs) 6 months
3. Cooling unit repair (Thermo King and/or Carrier) 6 months
4. Gas and arc welding (gas and arc training course satisfactory completion)

A Commercial Drivers License is required. Employees must obtain the Commercial Drivers License within one (1) year.

When a full-time opening exists in the Transportation Mechanic classification, the most senior Transportation Maintenance Mechanic who fulfills all of the qualifications for the job will be selected, such jobs will not be posted.

### **Transportation Maintenance Mechanic**

Transportation Maintenance Mechanic will be utilized to perform repair work and preventive maintenance. However, the employees in this classification will not perform major overhauls or teardowns on engines, transmissions, or rearends on diesel tractors regardless of the employee's skill level. Maintenance Mechanics will not perform major repairs on steering or tractor brakes, however, they will be able to adjust brakes. These restrictions shall apply only for the first twelve (12) months spent in this classification. After such time Maintenance Mechanics may perform any work that is within their skill level.

A combined total of twelve (12) months of experience in the following categories is required:

1. Gasoline and diesel powered highway equipment
2. Gas and arc welding (gas and arc training course satisfactory completion)

A minimum of one (1) year of experience on air brakes and a Commercial Drivers License are required. Employees must obtain the Commercial Drivers License within one (1) year. In addition, they must possess the appropriate tools required to perform the job.

The requirements set forth above will be used to determine eligibility of entry into the job classification, but in no way shall limit the Company's right to make any assignments within the skill level of the employee in the classification.

## **B. Warehouse Master Mechanic**

Warehouse Master Mechanic must have at least six (6) years of experience, including at least two (2) years of experience with Electric Motive-Powered fork-lift trucks (major repairs), and the minimum experience specified in the following categories. Formal schooling may be counted to satisfy up to two (2) years of the total experience requirement and up to fifty percent (50%) of each individual category requirement.

1. Electric motive-powered equipment (major repairs) 1 year
2. Hydraulic systems (major repairs) 1 year
3. Gas and arc welding  
(gas and arc training course satisfactory completion) 1 year

Any Warehouse Mechanic who completes the above qualifications will automatically be reclassified as a Master Mechanic at the conclusion of thirty-six (36) months of service in the Warehouse Mechanic classification.

## **Warehouse Mechanic**

Warehouse Mechanic in the Warehouse Mechanic Department must have a total of three (3) years experience including at least one (1) year of experience with Electric Motive-Powered forklift trucks (major repairs), and the minimum experience specified in at least two (2) of the following areas. Formal schooling may be counted to satisfy up to one (1) year of the total experience requirement and up to fifty percent (50%) of the individual category requirements.

1. Electric motive-powered equipment (major repairs) 1 year
2. Hydraulic systems (major repairs) 1 year
3. Gas and arc welding (gas and arc training course satisfactory completion)

When a full-time opening exists in the Warehouse Mechanic classification, the most senior Warehouse Maintenance Mechanic who fulfills all of the qualifications for the job will be offered the job, such jobs will not be posted unless necessary.

## **Warehouse Maintenance Mechanic**

Warehouse Maintenance Mechanic will be utilized to perform repair work and preventive maintenance. However during the first twelve (12) months in this classification, the employees will not be assigned to trouble shoot or repair the electronic control system on hi-lo's unless it is within their skill level. After such time, Warehouse Maintenance Mechanics may perform any work that is within their skill level on a regular basis.

A combined total of twelve (12) months of experience in the following categories is required:

1. Hydraulic systems
2. Gas and arc welding (gas and arc training course satisfactory completion)

The requirements set forth above will be used to determine eligibility of entry into the job classification, but in no way shall limit the Company's right to make any assignments within the skill level of the employee in the classification.

### **C. Tool Allowance**

Mechanics will supply their own hand tools. The Employer agrees to an annual tool replacement allowance for full-time employees in Job Nos. 051, 052, and 053. This allowance will be payable as follows: Up to one hundred thirty-five (\$135.00) dollars per twelve (12) month period to each full-time employee commencing with the employee's next and each succeeding anniversary date of employment in the classification. This allowance will be paid based on the replacement cost of the tools that the employee purchased for work use. This allowance may also be used for the reimbursement of renewal fees for any current job related licenses. These purchases must be supported by a receipt.

In addition, the Employer will furnish any shop tools required because of a conversion over to equipment that requires metric tools.

- D. Employees working in the Transportation Maintenance, Warehouse Maintenance, and Property Management & Services Departments may be assigned between departments within Center to fulfill the daily and weekly guarantee of hours.
- E. No employee shall work more than five (5) consecutive hours without an offer of a lunch period.

## F. Job Openings

Full-time employees in Job Nos. 051, 052 and 053 who wish to transfer within classification to another Center separately within the Transportation Maintenance and Warehouse Maintenance Departments must have on file in the Department a transfer request. Transfer requests must be renewed each twelve (12) months.

Full-time employees in Level III, Level II, Level I and Job No. 067 who wish to transfer within classification to another Center separately within the Facilities Maintenance Department must have on file in the Department a transfer request. Transfer requests must be renewed each twelve (12) months.

When the Company determines that a permanent full-time opening exists in these jobs, transfer requests will be honored in line of seniority before posting the vacancy.

When the transfer requests on file have been exhausted, the remaining vacancy will be posted in accordance with Article 7D.4.

If the Mechanic work schedule is not being re-bid at this time, the transferring employee or successful bidder will be assigned a work schedule until the next schedule bid.

Any cost of transferring will be borne by the employee.

## G. Scheduling

In place of Article 8D.4, the Employer will construct schedules for employees in the Facilities Maintenance Department. In the same manner as Driver's schedules, these schedules will be posted for bid by seniority within Center, classification and department. Such schedules may be rewritten as is deemed necessary by management but not less than two (2) times each calendar year.

### DISTRIBUTION WAGE SCHEDULE

#### Job #048 (500048) Fueler

| Effective Date: | <u>09/14/2003</u> | <u>09/12/2004</u> | <u>04/16/2006</u> | <u>04/15/2007</u> |
|-----------------|-------------------|-------------------|-------------------|-------------------|
| Start           | 7.15              | 7.28              | 7.46              | 7.61              |
| Step 1          | 8.15              | 8.29              | 8.50              | 8.67              |
| Step 2          | 9.35              | 9.51              | 9.75              | 9.95              |
| Step 3          | 10.45             | 10.63             | 10.90             | 11.12             |
| Step 4          | 10.85             | 11.04             | 11.32             | 11.55             |
| Step 5          | 11.15             | 11.35             | 11.63             | 11.86             |
| Step 6          | 11.45             | 11.65             | 11.94             | 12.18             |
| Step 7          | 11.95             | 12.16             | 12.46             | 12.71             |
| Step 8          | 12.73             | 12.95             | 13.27             | 13.54             |
| Step 9          | 13.05             | 13.28             | 13.61             | 13.88             |

#### Job #049 (500049) Switcher

| Effective Date: | <u>09/14/2003</u> | <u>09/12/2004</u> | <u>04/16/2006</u> | <u>04/15/2007</u> |
|-----------------|-------------------|-------------------|-------------------|-------------------|
|                 | 18.09             | 18.41             | 18.87             | 19.39             |



**Job #050 (500050) Driver**

|                 |                   |                   |                   |                   |
|-----------------|-------------------|-------------------|-------------------|-------------------|
| Effective Date: | <u>09/14/2003</u> | <u>09/12/2004</u> | <u>04/16/2006</u> | <u>04/15/2007</u> |
|                 | 18.15             | 18.60             | 19.20             | 20.00             |

**\*Job #349 (500349) Switcher ("B Rate" Mileage Driver)**

|                 |                   |                   |                   |                   |
|-----------------|-------------------|-------------------|-------------------|-------------------|
| Effective Date: | <u>09/14/2003</u> | <u>09/12/2004</u> | <u>04/16/2006</u> | <u>04/15/2007</u> |
|                 | 16.50             | 16.50             | 17.00             | 17.00             |

**Job #051 (500051) Master Mechanic**

|                 |                   |                   |                   |                   |
|-----------------|-------------------|-------------------|-------------------|-------------------|
| Effective Date: | <u>09/14/2003</u> | <u>09/12/2004</u> | <u>04/16/2006</u> | <u>04/15/2007</u> |
| Start           | 14.75             | 14.75             | 14.75             | 14.75             |
| Step 1          | 15.34             | 15.34             | 15.34             | 15.34             |
| Step 2          | 15.96             | 15.96             | 15.96             | 15.96             |
| Step 3          | 16.99             | 16.99             | 16.99             | 16.99             |
| Step 4          | 18.09             | 18.09             | 18.09             | 18.09             |
| Step 5          | 19.23             | 19.23             | 19.23             | 19.23             |
| Step 6          | 19.96             | 19.96             | 19.96             | 19.96             |
| Step 7          | 20.56             | 20.92             | 21.66             | 22.00             |

**Job #052 (500052) Mechanic**

|                 |                   |                   |                   |                   |
|-----------------|-------------------|-------------------|-------------------|-------------------|
| Effective Date: | <u>09/14/2003</u> | <u>09/12/2004</u> | <u>04/16/2006</u> | <u>04/15/2007</u> |
| Start           | 13.00             | 13.00             | 13.00             | 13.00             |
| Step 1          | 13.60             | 13.60             | 13.60             | 13.60             |
| Step 2          | 14.23             | 14.23             | 14.23             | 14.23             |
| Step 3          | 15.31             | 15.31             | 15.31             | 15.31             |
| Step 4          | 16.37             | 16.37             | 16.37             | 16.37             |
| Step 5          | 17.49             | 17.49             | 17.49             | 17.49             |
| Step 6          | 18.13             | 18.13             | 18.13             | 18.13             |
| Step 7          | 18.67             | 19.00             | 19.48             | 19.97             |

**Job #053 (500053) Maintenance Mechanic**

|                 |                   |                   |                   |                   |
|-----------------|-------------------|-------------------|-------------------|-------------------|
| Effective Date: | <u>09/14/2003</u> | <u>09/12/2004</u> | <u>04/16/2006</u> | <u>04/15/2007</u> |
| Start           | 10.05             | 10.05             | 10.05             | 10.05             |
| Step 1          | 10.56             | 10.56             | 10.56             | 10.56             |
| Step 2          | 11.10             | 11.10             | 11.10             | 11.10             |
| Step 3          | 11.66             | 11.66             | 11.66             | 11.66             |
| Step 4          | 12.25             | 12.25             | 12.25             | 12.25             |
| Step 5          | 13.00             | 13.00             | 13.00             | 13.00             |
| Step 6          | 13.92             | 13.92             | 13.92             | 13.92             |
| Step 7          | 14.92             | 14.92             | 14.92             | 14.92             |
| Step 8          | 16.01             | 16.01             | 16.01             | 16.01             |
| Step 9          | 16.79             | 16.79             | 16.79             | 16.79             |
| Step 10         | 17.29             | 17.54             | 17.94             | 18.30             |



**Job #157 (500157) Warehouse Clerk (General Merchandise)**

| Effective Date: | <u>09/14/2003</u> | <u>09/12/2004</u> | <u>04/16/2006</u> | <u>04/15/2007</u> |
|-----------------|-------------------|-------------------|-------------------|-------------------|
| Start           | 8.00              | 8.00              | 8.00              | 8.00              |
| Step 1          | 8.31              | 8.31              | 8.31              | 8.31              |
| Step 2          | 8.63              | 8.63              | 8.63              | 8.63              |
| Step 3          | 9.00              | 9.00              | 9.00              | 9.00              |
| Step 4          | 9.32              | 9.32              | 9.32              | 9.32              |
| Step 5          | 9.68              | 9.68              | 9.68              | 9.68              |
| Step 6          | 10.26             | 10.26             | 10.26             | 10.26             |
| Step 7          | 10.92             | 10.92             | 10.92             | 10.92             |
| Step 8          | 11.68             | 11.68             | 11.68             | 11.68             |
| Step 9          | 12.50             | 12.50             | 12.50             | 12.50             |
| Step 10         | 12.90             | 13.20             | 13.45             | 14.00             |

**Job #057 (500057) Warehouse Clerk (Foods)**

| Effective Date: | <u>09/14/2003</u> | <u>09/12/2004</u> | <u>04/16/2006</u> | <u>04/15/2007</u> |
|-----------------|-------------------|-------------------|-------------------|-------------------|
| Start           | 9.00              | 9.00              | 9.00              | 9.00              |
| Step 1          | 9.28              | 9.28              | 9.28              | 9.28              |
| Step 2          | 9.57              | 9.57              | 9.57              | 9.57              |
| Step 3          | 10.00             | 10.00             | 10.00             | 10.00             |
| Step 4          | 10.31             | 10.31             | 10.31             | 10.31             |
| Step 5          | 10.63             | 10.63             | 10.63             | 10.63             |
| Step 6          | 11.13             | 11.13             | 11.13             | 11.13             |
| Step 7          | 11.78             | 11.78             | 11.78             | 11.78             |
| Step 8          | 12.59             | 12.59             | 12.59             | 12.59             |
| Step 9          | 13.50             | 13.50             | 13.50             | 13.50             |
| Step 10         | 14.00             | 14.00             | 14.00             | 14.00             |
| Step 11         | 14.45             | 14.75             | 15.00             | 15.50             |

**Job #078 (500157) Newport General Warehouse Clerk**

| Effective Date: | <u>09/14/2003</u> | <u>09/12/2004</u> | <u>04/16/2006</u> | <u>04/15/2007</u> |
|-----------------|-------------------|-------------------|-------------------|-------------------|
| Start           | 9.40              | 9.40              | 9.40              | 9.40              |
| Step 1          | 9.82              | 9.82              | 9.82              | 9.82              |
| Step 2          | 10.26             | 10.26             | 10.26             | 10.26             |
| Step 3          | 10.72             | 10.72             | 10.72             | 10.72             |
| Step 4          | 11.20             | 11.20             | 11.20             | 11.20             |
| Step 5          | 11.82             | 11.82             | 11.82             | 11.82             |
| Step 6          | 12.51             | 12.51             | 12.51             | 12.51             |
| Step 7          | 13.39             | 13.39             | 13.39             | 13.39             |
| Step 8          | 14.39             | 14.39             | 14.39             | 14.39             |
| Step 9          | 15.00             | 15.00             | 15.00             | 15.00             |
| Step 10         | 15.45             | 15.84             | 16.33             | 16.84             |

**Job #042 (500042) Warehouse Clerk (Foods Red Circle)****Former Job 043, 044, 046, 076, 077**

| Effective Date: | 09/14/2003 | 09/12/2004 | 04/16/2006 | 04/15/2007 |
|-----------------|------------|------------|------------|------------|
| Start           | 16.76      | 16.76      | 16.76      | 16.76      |
| Step 1          | 16.92      | 16.92      | 16.92      | 16.92      |
| Step 2          | 17.19      | 17.19      | 17.19      | 17.19      |
| Step 3          | 17.75      | 17.75      | 17.75      | 17.75      |
| Step 4          | 18.15      | 18.15      | 18.15      | 18.15      |
| Step 5          | 18.40      | 18.79      | 19.33      | 20.00      |

**Job #035 (500035) Warehouse Clerk (General Merchandise Red Circle)****Former Job 040, 033 (Red Circle)**

| Effective Date: | 09/14/2003 | 09/12/2004 | 04/16/2006 | 04/15/2007 |
|-----------------|------------|------------|------------|------------|
| Start           | 13.84      | 14.08      | 14.43      | 14.72      |
| Step 1          | 14.06      | 14.31      | 14.67      | 14.96      |
| Step 2          | 14.28      | 14.53      | 14.89      | 15.19      |
| Step 3          | 14.62      | 14.88      | 15.25      | 15.56      |
| Step 4          | 14.99      | 15.25      | 15.63      | 15.94      |
| Step 5          | 15.41      | 15.68      | 16.07      | 16.39      |
| Step 6          | 16.00      | 16.28      | 16.69      | 17.02      |
| Step 7          | 16.45      | 16.75      | 17.25      | 17.75      |

For employees hired prior to 09/14/2003 each step represents 700 hours worked and includes hours paid for vacations, PPDs, and holiday pay.

For employees hired on or after 09/14/2003 each step represents 1000 hours worked and includes hours paid for vacations, PPDs, and holiday pay.

It is understood that the 700/1000 hour steps listed in the wage progressions will be effective the Sunday following the completion of the 700/1000 hours. All other adjustments for time in classification rate increases called for in the Agreement will occur in the following week's pay period if an adjustment falls on a Thursday, Friday, or Saturday. Employees receiving an increase based on contractual rate changes on 09/14/2003, 09/12/2004, 04/16/2006 and 04/15/2007 will have their hours reset.

Employees will receive up to 200 hours toward their next scheduled rate increase on 09/14/2003 unless they receive a contractual rate increase on 09/14/2003. If the application of these hours result in an increase, the employee's hours will be set to zero and no hours will be carried over.

\*Job #349 is used only for "B Rate" mileage drivers while performing the switching function for an entire day or week.

Employees in Job #078, #057, and #157 may perform any job function in the Distribution Centers and will receive their regular rate of pay.

Job #057 applies to warehouse clerks in the Grocery, Cold Storage, and Perishable Departments in Lansing. Job #157 applies to warehouse clerks in General Merchandise and other departments in Lansing and Grand Rapids.

All wage adjustments for time in classification rate increases called for in the Agreement will occur in the following week's pay period if an adjustment falls on a Thursday, Friday, or Saturday.

Distribution Center employees shall receive thirty-five cents (35¢) per hour for work performed between the hours of 5:00 p.m. and 5:00 a.m.

Only those employees who were working in the Lansing Cold Storage Department as of 11/05/91 will continue to receive a premium of twenty cents (20¢) per hour above their regular hourly rate for as long as they continue to work in Lansing Cold Storage.

Employees who bid, transfer or hire into a General Merchandise Distribution facility such as DC 92 and the DC 93 Cross-Dock facility will not be eligible for shift premium and will be placed in the appropriate Job #235, Job #242, or Job #257.

Employees selected by the Employer to be a Product Coordinator will receive one dollar (\$1.00) per hour above their current hourly rate for all hours worked in that assignment.

### **Mileage Driver Wage Schedule**

#### **Mileage System "Schedule A" Mileage Rate:**

| 09/14/2003 | 09/12/2004 | 04/16/2006 | 04/15/2007 |
|------------|------------|------------|------------|
| 0.42       | 0.425      | 0.43       | 0.435      |

#### **Mileage System "Schedule B" Mileage Rate:**

|       | 09/14/2003 | 09/12/2004 | 04/16/2006 | 04/15/2007 |
|-------|------------|------------|------------|------------|
| Start | 0.32       | 0.32       | 0.33       | 0.33       |
| Top   | 0.36       | 0.37       | 0.38       | 0.39       |

"Schedule B" Mileage Drivers will receive a 1¢ per mile increase on 09/14/2003 and have their time reset.

After 09/14/2003 "Schedule B" Mileage Drivers will receive a 1¢ per mile increase for each 12 months worked until they reach the top rate as listed in the "Schedule B" Mileage rate schedule. Schedule Mileage Drivers receiving an increase based on contractual rate changes on 09/12/2004, 04/16/2006 or 04/15/2007 will have their time reset.

## **ARTICLE 9: PAID TIME OFF BENEFITS**

### **9.1 Eligibility and Benefit Calculations**

- A. The Benefits described in this Article 9 have been modified as of September 14, 2003. For employees hired prior to September 14, 2003, benefit improvements to Bereavement Leave (9.5) and Jury Duty (9.6) will take immediate effect. However, the eligibility requirements for all Benefits described in this Article will change for all employees hired prior to September 14, 2003, on the employee's anniversary date commencing on or after January 1, 2004, and will be subsequently adjusted on the employee's anniversary date commencing on or after January 1, 2005, pursuant to the Paid Time Off "fringe day hours average" requirement described in Section 9.7A. Employees hired on and after September 14, 2003, will have the eligibility provisions applied during their first year of service and in subsequent years as defined in Section 9.7B.
- B. For the purpose of calculating benefits that are based on an employee's fringe day amount, this is calculated by taking the employee's total Active Service Hours (ASHs) during the previous anniversary year, divided by fifty-two (52) weeks, and then divided by five (5) days. There is no maximum applied to this calculation. This equals the fringe day hours average. The fringe day amount is equal to the fringe day hours average times the employee's rate of pay in effect when the benefit is payable. An Active Service Hour (ASH) is any hour that the employee is

paid for active work, Holiday pay, Paid Vacation, Personal Paid Days, Bereavement Leave pay, or Jury Duty pay.

For the purpose of using the fringe day amount for benefits paid during the first year of employment, an employee's fringe day amount will be calculated after the completion of thirteen (13) weeks of service, based on total ASHs at that time, divided by thirteen (13) weeks of employment, divided by five (5) days.

## 9.2 Paid Holidays

- A. The holidays covered by this Agreement are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.
- B. Eligible full-time and part-time employees will be granted paid holidays according to the schedules listed below.
  1. Full-time and part-time employees hired prior to September 14, 2003:

|                                      |  |
|--------------------------------------|--|
| After completing:                    | Eligible employees receive holiday pay for:  |
| Six (6) months of continuous service | New Year's Day<br>Memorial Day<br>Independence Day<br>Labor Day<br>Thanksgiving Day<br>Christmas Day |
  2. Full-time and part-time employees hired on or after September 14, 2003:

|  |   |
|--|---|
| After completing:                          | Eligible employees receive holiday pay for:                     |
| Six (6) months of continuous service       | Christmas Day<br>Thanksgiving Day                               |
| Eighteen (18) months of continuous service | New Year's Day<br>Memorial Day<br>Independence Day<br>Labor Day |
- C. An eligible employee who has completed the service requirement listed in subsection 9.2B before the holiday, who has worked his entire shift on his last scheduled day before the holiday and on his first scheduled day after the holiday, and who has worked at least one (1) day during the week in which the holiday falls, shall receive holiday pay in an amount equal to the fringe day amount. The fringe day amount will be calculated and paid in accordance with subsection 9.1B.
- D. An employee who is scheduled to work on a holiday, but fails to do so, forfeits holiday pay. An employee who is absent all or part of his scheduled day before or his scheduled day after the holiday will not receive holiday pay unless the absence is excused in advance in writing or is caused by proven illness. However, if absent such day before or day after the holiday due to any reason other than paid vacation as provided in Section 9.4, an employee must actually work at least one (1) day in the week in which the holiday falls in order to receive holiday pay.
- E. Work performed on a holiday shall be compensated at one and one half (1-1/2) times the regular straight time hourly rate excluding any and all premiums in addition to the holiday pay as specified above.

### 9.3 Personal Paid Days

- A. Eligible employees will be granted PPDs according to the schedule listed below, to be used prior to their next anniversary date.

1. Those employees hired prior to April 1, 1983, will be granted eight (8) PPDs to be used during the subsequent anniversary year.
2. Those employees hired on or after April 1, 1983, but prior to November 5, 1995, will be granted PPDs according to the schedule listed below, to be used during the subsequent anniversary year.

| <u>YEARS OF CONTINUOUS SERVICE</u> | <u>PPDs</u> |
|------------------------------------|-------------|
| 1 year but less than 4 years       | 4           |
| 4 years but less than 18 years     | 6           |
| 18 years or more                   | 8           |

3. Those employees hired on or after November 5, 1995, will be granted PPDs according to the specific schedule listed below, to be used prior to their next anniversary date.

| <u>YEARS (OR MONTHS) OF CONTINUOUS SERVICE</u> | <u>PPDS</u> |
|--|-------------|
| 15 months (65 weeks) but less than 2 years     | 3           |
| 2 years but less than 15 years                 | 4           |
| 15 years but less than 18 years                | 6           |
| 18 years or more                               | 8           |

- B. Personal Paid Days shall be paid at the fringe day amount. The fringe day amount will be calculated and paid in accordance with subsection 9.1B. Pay for Personal Paid Days shall not be counted as time worked for purposes of overtime compensation.

- C. An employee may request an available Personal Paid Day(s) either by the employee requesting in writing no later than noon Wednesday of the preceding week, or if requested by the employee in writing after an unavoidable absence. Payments will not be made automatically. Employees shall not be entitled to receive pay for a Personal Paid Day for time for which any wages are paid to them by the Employer.

Advanced requests for Personal Paid Days will be granted at the discretion of the Employer as business operations permit.

Requests for advanced Personal Paid Days will not normally be granted during a holiday week, or on the day before or after a holiday.

In no event may an employee take a Personal Paid Day during a layoff or leave of absence. Pay for a Personal Paid Day will be made in the employee's check for work in the week such day was taken.

### 4.4 Paid Vacation

- A. Eligible employees will be granted vacation week(s) on each successive seniority anniversary date according to the following schedule:

| <u>YEARS OF CONTINUOUS SERVICE</u> | <u>PAID VACATION</u> |
|------------------------------------|----------------------|
| 1 year but less than 3 years       | 1 week               |
| 3 years but less than 8 years      | 2 weeks              |
| 8 years but less than 15 years     | 3 weeks              |
| 15 years but less than 18 years    | 4 weeks              |
| 18 years or more                   | 5 weeks              |

- B. All paid vacation is available for use on a weekly basis. However, an employee may use up to two (2) weeks of this vacation as ten (10) single vacation days. This provision is not intended to expand the number of days that an employee may be away from work. Employees who use paid vacation to be away from work for a week will be paid for at least one full week (5 days) of vacation, provided they have a week (5 days) or more of vacation available for use. When using vacation time in single day increments, at least one day must actually be worked during the week in which a vacation day(s) is granted. This provision is not intended to allow employees to combine single vacation days and non-paid time off in order to increase the number of full weeks off per year.
- C. An employee's seniority anniversary date for all purposes of vacation eligibility shall be the day and month of the employee's seniority date as established in the seniority provisions of this Agreement, unless his seniority anniversary date for purposes of vacation eligibility was otherwise set by a change from part-time to full-time or full-time to part-time under the practices in existence prior to August 9, 1969.
- D. Weekly or daily vacation pay will be determined on the basis of the employee's total ASHs paid during the previous vacation anniversary year as defined in subsection 9.1B.
1. Weekly vacation hours and pay is computed by taking the employee's total hours paid as defined above and dividing by 52 (weeks) times the employee's base rate of pay in effect when the vacation is paid.
  2. Daily vacation hours and pay is computed by taking the weekly vacation hours and pay as computed in subsection 9.4D1 above, and dividing by 5 (days).
- E. Vacation pay for a vacation week(s) taken shall be paid in advance if requested in writing by the employee, so that the employee may have the money at the beginning of his vacation. Requests must be made in writing three (3) weeks in advance of the beginning of the vacation. Advanced vacation pay is not available for vacation days.
- F. All vacations will be granted at the discretion of the Employer as business operations permit. In order to facilitate the granting of vacations, a blank vacation schedule shall be posted January 1 of each year and remain posted until March 1 for all employees to designate vacation week(s) desired. During the months of June, July and August a minimum of one (1) week (or 5 days) of vacation will be granted to employees who are eligible and desire vacation during this time period, if business operations permit. Consideration will be given to the wishes of the employees according to their seniority, within Department, Classification, (and work group in the case of the Distribution Centers) provided that such wishes can be carried out in accordance with the efficient operations of the business. The remaining weeks (or days) of vacation available during the June, July, August period will be distributed to the more senior employees based on requests received on the blank vacation schedule. It is understood that the posting of a vacation schedule and the granting of requested vacation shall be separate for full-time and part-time employees. Once an employee's request for vacation is approved and such approval is reflected on that department's vacation schedule after the posting period, the employee's vacation will not be changed by management and no other em-

ployee may exercise seniority rights to displace the employee from the scheduled vacation.

It is understood that employees may choose not to indicate desire for vacation week(s) or days on the posted schedule. However, those employees' vacation requests will be granted solely at the discretion of management, so long as the vacation week(s)/days available as of the last seniority anniversary date will be granted during the current vacation anniversary year.

- G. All vacations are to be taken in the year following qualification. A vacation may not be carried over and taken advantage of during any following year, nor can any be taken prior to being eligible. However, if an employee is unable to schedule available vacation time before his next seniority anniversary date because of business conditions or unusual circumstances beyond the control of the employee and/or the Employer, and is subject to lose unused vacation, up to one week of unused vacation may be paid without taking the corresponding time off from work.
- H. Termination of service because of misconduct involving violations of Company rules, policies, procedures or guidelines or other conduct which is detrimental to or which demonstrates a disregard for customers, employees or Company interests results in forfeiture of all vacation privileges; vacation pay in such cases shall not be granted.

Unused vacation pay (that became available on the last seniority anniversary date) of any employee voluntarily leaving the Employer's service or terminated for reasons other than misconduct (as described in this subsection 9.4H above), death, or retirement (if the employee has at least one (1) year of service), will be paid after termination only when a minimum of two (2) weeks advance written notice is given to the Employer and the employee completes the remainder of his scheduled shifts prior to the end of his employment.

The unused vacation pay of any employee whose service has been terminated by death is to be paid to the employee's beneficiary as shown in the employee's group life insurance policy (or, if the employee is not insured, it is to be paid to his spouse or to his estate).

The unused vacation pay of any employee whose service has been terminated by retirement is to be paid at retirement.

- I. Vacations normally will not be granted during the holiday weeks due to business demands.
- J. Employees may not receive pay in lieu of vacation, except as provided by subsection 9.4G above. Vacations earned must be taken unless otherwise agreed to due to unusual circumstances.
- K. If a holiday as recognized by the Agreement occurs during a week in which the employee is using a vacation week, holiday pay, in addition to vacation pay, will be given rather than additional vacation time.

## 9.5 **Bereavement Leave**

- A. After the completion of three (3) months of service, eligible employees will be granted Bereavement Leave with pay for scheduled time lost as described below.
  - 1. Employees will receive three (3) days of Bereavement Leave benefits for the death of an employee's spouse, child, or parent.

2. Employees will receive two (2) days of Bereavement Leave benefits for the death of an employee's sister, brother, stepparent, or the child or parent of the employee's spouse.
  3. Employees will receive one (1) day of Bereavement Leave benefits for the death of the employee's grandparent, grandchild, or the sister or brother of the employee's spouse.
- B. Bereavement Leave must be requested of the immediate supervisor and granted prior to commencement thereof. The immediate supervisor may give additional days off without pay.
  - C. If an employee is notified of a death in his immediate family (spouse, parent, child) while at work, he shall be granted the remainder of the day off and paid for scheduled work hours. This shall not be counted as part of the above provided days.
  - D. Bereavement Leave days shall be paid at the fringe day amount. The fringe day amount will be calculated and paid in accordance with subsection 9.1B. Bereavement Leave pay shall be included in an employees normal work week, such that they do not exceed their weekly schedule of hours for the week in which such day(s) is taken and do not qualify for overtime payment as a result of this leave. Pay for Bereavement Leave shall not be counted as time worked for purposes of overtime compensation.

#### 9.6 **Jury Duty**

- A. After the completion of three (3) months of service, eligible employees will be granted Jury Duty benefits for scheduled time lost as described below.
- B. This benefit provides payment for scheduled time missed because of involuntary jury duty service for up to thirty (30) accumulative days in any anniversary year. This benefit will be paid in addition to any payments made by the court for jury duty service.
- C. The benefit payment equals the employee's current regular rate of pay times scheduled hours missed because of jury duty service. The employee's jury duty benefit will not be reduced by any payments received from the court for jury duty service.
- D. Employees must inform their supervisor of their selection for jury duty, as well as any scheduled days for jury duty or days they are to be available for jury duty. Employees may be scheduled for work in such a manner as to reduce the probability of conflict between work schedules and jury duty service.
- E. In order to receive jury duty pay, the employee must submit the court payment voucher for any payment received from the court for jury service. This payment voucher will be used to verify jury duty service. The jury duty benefit will not be paid without court issued documentation of all jury duty service.

#### 9.7 **Eligibility for Paid Time Off Benefits**

Employees will be eligible for the Paid Time Off benefits described in Article 9 of this Agreement as defined in subsections 9.7A and B below. The fringe day hours average is calculated as described in subsection 9.1B.

- A. Employees hired prior to September 14, 2003:
  1. Commencing on an employee's anniversary date on or after January 1, 2004, a 4.0 fringe day hours average must have been earned during the previous anniversary year (requires 1,040 ASHs) to be eligible for Paid Time Off ben-



efits during the subsequent anniversary year. After the first thirteen (13) weeks of employment, a 4.0 fringe day hours average must have been earned (requires 260 ASHs) to be eligible for Paid Time Off benefits during the first year of employment.

2. Commencing on an employee's anniversary date on or after January 1, 2005, a 4.8 fringe day hours average must have been earned during the previous anniversary year (requires 1,248 ASHs) to be eligible for Paid Time Off benefits during the subsequent anniversary year.

**B. Employees hired on and after September 14, 2003:**

Commencing on an employee's first anniversary date, a 4.8 fringe day hours average must have been earned during the previous anniversary year (requires 1,248 ASHs) to be eligible for Paid Time Off benefits during the subsequent anniversary year. After the first thirteen (13) weeks of employment, a 4.8 fringe day hours average must have been earned (requires 312 ASHs) to be eligible for Paid Time Off benefits during the first year of employment.

## **ARTICLE 10: HEALTH AND WELFARE BENEFITS**

### **10.1 Health Benefit Coverage**

- A. Available Health Plans.** The Employer shall make health coverage available to eligible employees, pursuant to such insurance plans and self-insured plans presently in effect or pursuant to any plan the Employer may adopt in the future. Each employee who participates in any of these Health Plans is entitled to receive a Summary Plan Description/Plan Document of the Plan(s) elected.

1. Prior to April 1, 2004, the available Health Plans, the eligibility and contribution requirements, and the benefit coverage levels currently in effect will continue as provided in the 1999—2003(4) Agreements.
2. Effective April 1, 2004, the health coverage available to eligible employees will include one or more of the Health Plans listed below.
  - a. The Comprehensive Health Plan (CHP) including Prescription Drug (Rx) Coverage.
  - b. The Primary Care Medical Plan (PCMP) that provides coverage for specified Primary Care Services plus Diagnostic Testing, and Prescription Drug Coverage for Generic drugs.
  - c. A comprehensive Major Medical Plan (MMP) providing extended medical benefits and additional Prescription Drug coverage. The MMP may only be elected in conjunction with the PCMP.
  - d. A Dental / Optical Plan.
  - e. A Health Flexible Spending Account (Health FSA) pursuant to Section 125 of the Internal Revenue Code, which allows pre-tax payment of qualified health care expenses.

The available Health Plans listed above will provide benefit coverage levels at least equal to those described in this Section 10.1.

3. In addition to the Plans listed in subsection 10.1A2 above, the Employer may make available to employees various other Medical Plan alternatives (such as HMOs), as selected by the Employer, for the purpose of providing a choice of Medical Plans.

Employees electing coverage under the CHP will have Rx coverage as described in subsection 10.1H1b. Employees who are eligible to participate in the CHP, but elect coverage under an HMO, will have Rx coverage as provided by the HMO or, at the Employer's discretion, Rx coverage will be provided as described in subsection 10.1H1b. Employees electing coverage under the PCMP and the MMP will have coverage for prescription drugs only as specifically provided under those Plans.

- B. Enrollment.** The following requirements and procedures will apply to enrollment into the available Health Plans.
1. An eligible employee who wishes to participate in any of the available Health Plans, may only begin participation on the effective date of coverage after the completion of the eligibility service requirement (as defined in subsections 10.1C and D) and the minimum average weekly hours requirement (as defined in subsections 10.1E).
  2. The enrollment period for coverage under each of the Health Plans offered by the Employer is for one Plan Year beginning on April 1 and ending on March 31. A new employee can make this election at the time of the initial enrollment as described above, and the election shall apply until the end of the Plan Year (March 31). An employee can revoke an election and make a new election for the remaining portion of the Plan Year only if both the revocation and the new election are on account of and consistent with a change in family status (e.g., marriage, divorce, death of spouse or child, birth or adoption of a child, loss of other coverage, etc.) and the new election is made within thirty (30) days of the family status change.
  3. A regular full-time employee who is eligible and elects to participate in the health coverage (a Medical Plan and/or the Dental/Optical Plan), may include coverage for one or more of his eligible dependents. If coverage is elected for dependents, the employee and dependents must be enrolled in the same Plan(s). A part-time employee who is eligible to participate in health coverage may elect coverage for himself only, except as provided under subsection 10.1C2.
  4. More detailed information regarding enrollment procedures, participation requirements, definition and coverage rules applicable to dependent coverage is contained in and controlled by the Summary Plan Description/Plan Document.
- C. Service Eligibility Requirements: Hired Before September 14, 2003.** Effective April 1, 2004, regular part-time and full-time employees hired prior to September 14, 2003, must satisfy the applicable service eligibility requirement to be eligible to participate in any of the available Health Plans as defined in subsections 10.1C1, 2, 3, 4, and 5.
1. Full-time employees will become eligible to participate in the CHP / Rx coverage on the first day of the calendar month following three (3) months of service. Full-time employees may elect coverage for themselves or for themselves and their eligible dependents.
  2. Part-time employees will become eligible to participate in the CHP / Rx coverage on the first day of the calendar month following six (6) months of service. Upon initial enrollment, part-time employees may elect coverage for themselves only. However, on the first day of the Plan Year following twenty-four (24) months of service, part time employees may enroll their

eligible dependent children in the CHP / Rx coverage or a CHP Alternative Medical Plan (such as an HMO). Eligible dependent children of a part-time employee may also be included as a covered dependent for the purposes of the Health FSA.

Only those part-time employees who are participating in the CHP as of April 1, 2004 (or a CHP Alternative Medical Plan such as described in subsection 10.1C3 below) will be able to continue their participation in the CHP or the Alternative Medical Plan. After April 1, 2004, part-time employees who are not current participants in the CHP or an Alternative Medical Plan, or who discontinue their participation for any reason, will not be eligible to subsequently enroll / participate in these Plans as a part-time employee. These part-time employees will be able to participate in the PCMP or the PCMP/MMP as described below. As of April 1, 2004, or during a subsequent Open Enrollment Period, part-time employees may enroll in the PCMP or the PCMP and MMP. These additional Medical Plans are available and the Employer contribution to the cost of this coverage will be made in accordance with subsections 10.1H2b and 10.1H3b.

3. Alternative Medical Plans (such as HMO Plans that are offered by the Employer) may be elected as an alternative to the CHP only on the first day of the Plan Year following twenty-four (24) months of service. However, on and after April 1, 2004, only those part-time employees who are participating in the CHP (or a CHP Alternative Plan), will be able to continue their participation in either of these Plans.
  4. Full-time and part-time employees are eligible for coverage under the Dental/Optical Plan on the first day of the Plan Year (April 1) following twenty-four (24) months of service. Full-time employees may elect coverage for themselves or for themselves and their eligible dependents. Part-time employees may elect coverage for themselves only. However, only those part-time employees who are participating in the Dental/Optical Plan as of April 1, 2004, will be able to continue their participation in this Plan. After April 1, 2004, part-time employees who are not current participants in the Dental/Optical Plan, or who discontinue their participation for any reason, will not be eligible to subsequently enroll/participate in this Plan as a part-time employee.
  5. Full-time and part-time employees who are eligible to enroll in the CHP or the Dental/Optical Plan will also be eligible to enroll and participate in the Health FSA as of the first day of the Plan Year (April 1). Part-time employees, who are eligible to enroll in the PCMP and qualify for Employer contributions, will also be eligible to enroll and participate in the Health FSA, as of the first day of the Plan Year (April 1). However, to enroll in the Health FSA, an employee must also enroll in one of the other available Health Plans.
- D. Service Eligibility Requirements: Hired On / After September 14, 2003.** Regular full-time and part-time employees hired on or after September 14, 2003 must satisfy the applicable service eligibility requirement to be eligible to participate in any of the available Health Plans as defined in subsections 10.1D1, 2, 3, 4, and 5.
1. Full-time employees will become eligible to participate in the CHP on the first day of the Plan Year (April 1) following six (6) months of service. Effective April 1, 2004, full-time employees may participate in the PCMP during the CHP service eligibility waiting period. However, in order to participate in the

PCMP, a full-time employee must enroll in accordance with the requirements described in subsection 10.1D2 below. Full-time employees who enroll in any of the Medical Plans available, may elect coverage for themselves or for themselves and their eligible dependents.

At the end of the CHP service eligibility waiting period, full-time employees may not enroll or continue to participate in the PCMP. Full-time employees must enroll in the CHP (or a CHP Alternative Medical Plan) in order to continue participation in a Medical / Prescription Drug Plan). Full-time employees who do not enroll in the CHP (or CHP Alternative Medical Plan) will not have Medical or Prescription Drug coverage.

2. Part-time employees (and full-time employees) will become eligible to participate in the PCMP on the first day of the month following the receipt and processing of their completed enrollment information by the Plan Administrator, provided this enrollment information was returned within the first 45 days of employment. Part-time employees may also enroll during a subsequent Open Enrollment Period with coverage beginning on April 1. Full-time employees may enroll during a subsequent Open Enrollment Period, only if they have not met the service eligibility requirement to enroll in the CHP.

On the first day of the Plan Year (April 1) following twenty-four (24) months of service, part-time employees who are enrolled in the PCMP, and have satisfied the annual minimum average weekly hours requirements, as described in subsection 10.1E1, will be eligible for the Employer's contribution, as described in subsection 10.1H2b.

On the first day of the Plan Year (April 1) following thirty-six (36) months of service, part-time employees who are enrolled in the PCMP, and have satisfied the annual minimum average weekly hours requirements, as described in subsection 10.1E1, will be eligible to enroll in the MMP, which includes the Employer's contribution, as described in subsection 10.1H3b.

Part-time employees may elect coverage for themselves only.

3. Alternative Medical Plans (such as HMO Plans that are offered by the Employer) may be elected by full-time employees as an alternative to the CHP on the first day of the Plan Year (April 1) following twenty-four (24) months of service.
4. Full-time employees are eligible for coverage under the Dental/Optical Plan on the first day of the Plan Year (April 1) following twenty-four (24) months of service. Full-time employees may elect coverage for themselves and their eligible dependents.
5. Full-time employees who are eligible to enroll in the CHP or the Dental/Optical Plan, will also be eligible to enroll and participate in the Health FSA, as of the first day of the Plan Year (April 1). Part-time employees, who are eligible to enroll in the PCMP and qualify for Employer contributions, will also be eligible to enroll and participate in the Health FSA, as of the first day of the Plan Year (April 1). However, to enroll in the Health FSA, an employee must also enroll in one of the other available Health Plans.

#### **E. Average Weekly Hours Requirements.**

1. Effective April 1, 2004, an employee must satisfy an annual minimum average hours worked per week requirement to be eligible to participate in

the CHP, a CHP Alternative Medical Plan (such as an HMO offered by the Employer), the MMP, and/or the Dental/Optical Plan. Part-time employees may enroll in the PCMP without meeting this requirement, but will not be eligible for an Employer contribution to the cost of this coverage. The minimum average weekly hours requirements are listed below:

|                     |                 |
|---------------------|-----------------|
| Effective 4/1/2004: | 20 hours / week |
| Effective 4/1/2005: | 24 hours / week |

2. The minimum average weekly hours requirements for enrollment and/or eligibility for Employer contributions will be calculated by taking an employee's total Active Service Hours (ASHs) paid for actual work, Vacation, Personal Paid Days, Holiday pay, Jury Duty pay, and Bereavement Leave pay and dividing these total hours by the number of the employee's Active Service Weeks (ASWs) during the previous Payroll calendar year. An ASW is any week for which an employee receives pay as described above.
3. Employees must also maintain the minimum average weekly hours requirement to continue their participation in these Health Plans. Employees participating in and qualifying for Employer contributions for any of the available Health Plans will have their average weekly hours computed at the end of each Payroll accounting quarter. This will be computed by taking an employee's total ASHs paid during the Payroll accounting quarter for actual work, Vacation, Personal Paid Days, Holiday pay, Jury Duty pay, and Bereavement Leave pay and dividing these total hours by the number of the employee's ASW during the Payroll accounting quarter.
4. Employees who do not maintain the minimum average weekly hours requirement during two (2) consecutive Payroll accounting quarters, will not qualify for Employer contributions for health coverage and will be subject to a cancellation of coverage on the last day of the month in which the second consecutive quarter with insufficient hours ends. Employees losing coverage as a result of this provision may become eligible for coverage again on the first day of the month following the completion of one accounting quarter during which the employee has maintained the required minimum average weekly hours, provided the employee is on active status on that date.
5. Employees who have had health coverage canceled because the minimum average weekly hours requirements were not maintained as defined in this subsection 10.1E, may reinstate their coverage, without lapse, pursuant to the requirements for continuation of coverage as described in subsection 10.1G.

#### **F. Contribution Requirements.**

The weekly pre-tax contribution amount required for participation is determined by the established cost of the Plan and the employee/dependent coverage category elected, less the amount the Employer will contribute to the cost of this coverage, as described in subsections 10.1H1c, 10.1H2b, 10.1H3b, and 10.1H4b.

The cost of the various Plans have been established on the basis of the actual cost experience of previous claims, adjusted by an actuarial projection of future claims and costs, the benefit coverage levels provided, plus administration expenses. The

established cost for some of the Plans (such as an HMO or other Alternative Medical Plans) is the actual insurance premium charged for the coverage.

**G. Termination / Continuation of Coverage Provisions.**

1. Health coverage under any of the available Health Plans will terminate as described below:
  - a. If an employee fails to make the required contributions to the cost of any of the Health Plans elected, coverage will terminate as of the last day of the calendar month for which all required contributions were made.
  - b. If an employee fails to maintain the required minimum average weekly hours, coverage will terminate as described in subsection 10.1E above.
2. Additional information regarding the termination and/or continuation of coverage during a Leave of Absence, layoff, termination of employment, or retirement is contained in and controlled by the Summary Plan Description/ Plan Document. Employer contributions will continue as required during an approved Leave of Absence that qualifies as covered under the Family and Medical Leave Act. In all cases of health coverage termination, continuation of coverage will be available as required by the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA).
3. An employee whose coverage terminates for any reason is to return all Health Plan Identification cards to the Employer immediately. In addition, if an employee owes the Employer any amount for unpaid employee contributions toward health coverage, for benefits paid in error, or for any other reason, the Employer may deduct such amount owed by the employee from the employee's accrued unpaid wages and benefits.

**H. Health Plan Benefit Schedules/ Contribution Schedules/ Summary Information.**

Summary information for each of the Health Plans available to eligible employees as of April 1, 2004 is provided in this subsection 10.1H. This includes the Benefit Schedules (or coverage summary) and Contribution Requirements applicable to each Plan. Each of the Plans will operate on the basis of a Plan Year which begins on April 1 and ends on the following March 31.

1. Comprehensive Health Plan (CHP) with Prescription Drug (Rx) Coverage.
  - a. Coverage Summary:

The CHP makes available to participants a Preferred Provider Network (PPN). When participants use such Preferred Providers (In-Network) for covered services, the benefits payable under the Plan are enhanced according to the "In-Network Payment Formula." When participants use providers who are not designated as Preferred Providers under the Plan (Out-of-Network), covered services will be paid according to the "Out-of-Network Payment Formula" which provides a lesser benefit. The In-Network and Out-of-Network Payment Formulas and other benefit features are described in the CHP Coverage Summary:

## CHP Coverage Summary

|  | <b>In-Network<br/>Payment Formula<br/>(Effective 4-1-2004)</b> | <b>Out-of-Network<br/>Payment Formula<br/>(Effective 4-1-2004)</b> |
|--|--|--|
| Plan Year Deductible                   | \$250 per person<br>\$500 per person                           | \$500 per family<br>\$1,000 per family                             |
| Plan Coinsurance<br>Payment Percentage | 80% of Reasonable and<br>Available Charges (R&A)               | 60% of Reasonable and<br>Available Charges (R&A)                   |
| Plan Year Maximum<br>Co-Payment        | \$1,500 per person<br>\$3,000 per person                       | \$3,000 per family<br>\$6,000 per family                           |
| Physician Office Visit<br>Co-Pay       | \$20.00  | Applied to Out-of-Network<br>Payment Formula                       |
| Urgent Care Co-Pay                     | \$35.00  | Applied to Out-of-Network<br>Payment Formula                       |
| Emergency Room<br>Co-Pay               | Applied to In-Network<br>Payment Formula                       | Applied to Out-of-Network<br>Payment Formula                       |
| Plan Year Maximum                      | \$500,000 per person   | \$250,000 per person   |
| Lifetime Maximum                       | \$1,000,000 per person   | \$500,000 per person   |

The following Wellness / Preventive Services are covered according to the In-Network / Out-of-Network Payment Formulas, but have enhanced coverage provisions as listed below.

|   | <b>In-Network<br/>Payment Formula<br/>(Effective 4-1-2004)</b>  | <b>Out-of-Network<br/>Payment Formula<br/>Effective (4-1-2004)</b>   |
|---|---|--|
| Wellness /<br>Preventive Services:<br>Routine exams /<br>well care, Preventive<br>Immunizations, Health<br>Screens: Pap Smear,<br>Mammogram,<br>Prostate exam,<br>Sigmoidoscopy,<br>Colonoscopy | Plan Year Deductible is<br>waived: 80% of Reasonable<br>and Available Charges<br>(R&A) up to a maximum of<br>\$1,000 / person / Plan Year | Plan Year Deductible is waived:<br>60% of Reasonable and Available<br>Charges (R&A) up to a maximum<br>of \$500 / person / Plan Year |

b. Prescription Drug (Rx) Coverage

Employees who participate in medical coverage through the CHP or a CHP Alternative Medical Plan (if Rx Coverage is not included in that Plan), are also covered for prescription drug expenses as defined below. Coverage applies to any eligible dependents covered with the employee under this Plan.

- (1) The co-pay amount for each prescription or refill will be based on a percentage of the Plan's cost for the drug, subject to certain "minimum" and "maximum" dollar amounts. The applicable percentage of cost, minimum dollar amount, and maximum dollar amount are different for Generic Drugs, Formulary Brand Name Drugs, and Non-Formulary Brand Name Drugs as listed on the Rx Coverage Benefit Schedule displayed at the end of this subsection 10.H1b. For the purpose of this Rx Coverage, drugs will be classified as Generic, Formulary Brand Name, or Non-Formulary Brand Name based on the determination of the Pharmacy Benefit Manager (PBM) vendor designated by the Plan for prescription claim processing and management.
- (2) The maximum supply that may be dispensed under the Plan for each prescription or refill is described below:
  - (a) not more than a 30 day supply for all covered prescription drugs unless specifically listed on the Plan's Maintenance Drug List
  - (b) not more than a 90 day supply for drugs that have been placed on the Plan's Maintenance Drug List
  - (c) the supply may not exceed the amount prescribed by the Physician
  - (d) the supply may not exceed manufacturer's maximum dispensing recommendation / safety tested dispensing limits
  - (e) other specific limitations per drug as defined in the current Summary Plan Description/Plan Document
- (3) Cosmetic Drugs, drugs that are prescribed for cosmetic purposes, or any drug that is not medically necessary, is not covered by this Prescription Drug Benefit.
- (4) The "Maximum Out Of Pocket" (MOOP) amount of co-pay expense incurred under this Prescription Drug Benefit will be limited to \$1,200 / Person / Plan Year. The MOOP does not apply to co-pay expenses for Non-Formulary Drugs, Lifestyle Drugs, or drugs prescribed for infertility or weight loss. The MOOP also does not apply to expenses incurred for Brand Name Drugs when there is a Generic substitute available, or for any prescription drugs that are not covered by the Plan.
- (5) There is not a maximum dollar amount (Maximum Benefit Amount) that is payable during each Plan Year or per Lifetime.
- (6) A Prescription Drug Card will be issued and can be used at Meijer Pharmacies. If any other pharmacy is used, a reimbursement claim form is available. However, the Plan will not pay more than what the cost of the drug would have been if dispensed (purchased) from a Meijer Pharmacy, minus the applicable co-pay amount.



## Rx Coverage Benefit Schedule

|   | Generic  | Brand<br>(Formulary)              | Brand<br>(Non-Formulary) |
|---|--|-----------------------------------|--------------------------|
| Co-pay Percentage   | 10%  | 20%                               | 50%                      |
| Minimum Co-pay  | \$10.00  | \$20.00                           | \$35.00                  |
| Maximum Co-pay  | \$30.00  | \$60.00                           | \$100.00                 |
| Minimum Brand Co-pay<br>(when Generic Not Available)              | NA   | \$20.00                           | \$35.00                  |
| Maximum Brand Co-pay<br>(when Generic Not Available)              | NA   | \$60.00                           | \$100.00                 |
| Minimum Brand Co-pay<br>(when Generic is Available)               | The Generic Co-pay plus the difference between the Generic cost and the Brand cost as determined by the PBM processor* |                                   |                          |
| Maximum Brand Co-pay<br>(when Generic is Available)               | NA   | The Maximum Co-pay Does Not Apply |                          |
| Co-pay Percentage for:<br>Infertility<br>Weight Loss<br>LifeStyle | 50%  | 50%                               | 50%                      |
| Minimum Co-pay  | \$10.00  | \$20.00                           | \$35.00                  |
| Maximum Co-pay  | The Maximum Co-pay Does Not Apply  |                                   |                          |

\*Prescription claims are processed by a Pharmacy Benefit Manager (PBM) vendor who will calculate the applicable difference in cost between the Brand Drug dispensed and a Generic substitute cost.

### c. Employer/Employee Contributions:

- (1) The required contribution for full-time or part-time employees, hired prior to September 14, 2003, who are participating in the CHP / Rx coverage, will be the percentage of the established cost of the Plan for each of the Plan Years as listed below:

|   | Employee<br>Coverage | Dependent<br>Coverage<br>Full-time | Dependent<br>Coverage<br>Part-time |
|---|----------------------|------------------------------------|------------------------------------|
| Effective 4/1/2004<br>(Plan Year 2004/2005) | 20% of cost          | 30% of cost                        | 50% of cost                        |
| Effective 4/1/2005<br>(Plan Year 2005/2006) | 23% of cost          | 33% of cost                        | 50% of cost                        |
| Effective 4/1/2006<br>(Plan Year 2006/2007) | 24% of cost          | 34% of cost                        | 50% of cost                        |
| Effective 4/1/2007<br>(Plan Year 2007/2008) | 25% of cost          | 35% of cost                        | 50% of cost                        |
| Effective 4/1/2008<br>(Plan Year 2008/2009) | 30% of cost          | 40% of cost                        | 50% of cost                        |

- (2) The required contribution for full-time employees, hired on or after September 14, 2003, who are participating in the CHP / Rx coverage, will be the percentage of the established cost of the Plan for all Plan Years as listed below:

|  | <b>Employee Coverage</b> | <b>Dependent Coverage (F/T only)</b> |
|--|--------------------------|--------------------------------------|
| Effective 4/1/2004<br>(Plan Year 2004/2005 through<br>Plan Year 2008/2009) | 30% of cost              | 40% of cost                          |

- (3) For employees who are eligible and elect coverage in an Alternative Medical Plan with Rx coverage, rather than the CHP with Rx coverage, the Employer's contribution requirement will be the same amount that would have been contributed for coverage in the CHP / Rx (equal dollar funding). The employee's required contribution to the cost of the Alternative Medical Plan / Rx elected will be the difference between the Employer's contribution and total cost of the coverage elected in the Alternative Medical Plan / Rx.
- (4) Notwithstanding the above provisions, it is the policy of the Employer that any employee participating in a Medical Plan offered by the Employer shall contribute on a weekly basis to the cost of the coverage of the plan elected. Therefore, the employee contribution for an Alternative Medical Plan / Rx shall not be less than fifty percent (50%) of the amount the employee is required to contribute for participation in the Comprehensive Health Plan / Rx.

2. Primary Care Medical Plan (PCMP)

a. Coverage Summary:

Effective April 1, 2004, the Employer will make available to eligible employees a Primary Care Medical Plan that provides coverage for physician office visits, urgent care, emergency room services, diagnostic services, accidental expense benefits, and prescription drug coverage for generic drugs.

Prior to each annual open enrollment that precedes April 1, the Employer will provide a summary of the coverage to the Union for review. However, the plan design will be structured to balance affordability with coverage levels.

b. Employer / Employee Contributions:

- (1) Effective April 1, 2004 and after, full-time and part-time employees hired on or after September 14, 2003, who enroll for coverage following their date of hire, as described in subsection 10.1D1 and 2, are required to contribute an amount equal to the group rate cost of the Plan.
- (2) Effective April 1, 2004 and after, part-time employees hired prior to September 14, 2003, who have met all the eligibility requirements and enroll in the PCMP, will qualify for Employer contributions to the cost of this coverage, subject to the requirements defined in subsection 10.1C2 and 10.1E. Part-time employees hired on or after

September 14, 2003, who have met all the eligibility requirements and enroll in the PCMP, will qualify for Employer contributions to the cost of this coverage, subject to the requirements defined in subsections 10.1D2 and 10.1E. The Employer's contribution will be at least equal to the amount defined in the Summary Plan Description/Plan Document. The employee's required contribution to participate is equal to the difference between the Employer's contribution and the group rate cost of the Plan. Each Plan Year, the enrollment information provided to eligible employees will list the specific participation amount that an employee must contribute each week.

### 3. Major Medical Plan (MMP)

#### a. Coverage Summary:

Effective April 1, 2004, the Employer will make available to eligible employees a Major Medical Plan that provides comprehensive coverage for inpatient/outpatient services, and Prescription Drug coverage. Prior to the payment of Major Medical Benefits, the Plan has an initial Plan Year Deductible that applies to eligible expenses that are not paid by the PCMP. After the Deductible has been satisfied, the Plan will pay covered expenses up to the Plan Year Maximum as defined in the Summary Plan Description / Plan Document.

Prior to each annual open enrollment that precedes April 1, the Employer will provide a summary of the coverage to the Union for review. However, the plan design will be structured to balance affordability with coverage levels.

#### b. Employer / Employee Contributions:

Effective April 1, 2004 and after, part-time employees hired prior to September 14, 2003, who have met all the eligibility requirements and enroll in the MMP, will qualify for Employer contributions to the cost of this coverage, subject to the requirements defined in subsections 10.1C2 and 10.1E. Part-time employees hired on or after September 14, 2003, who have met all the eligibility requirements and enroll in the MMP, will qualify for Employer contributions to the cost of this coverage, subject to the requirements defined in subsections 10.1D2 and 10.1E. The Employer's contribution will be at least equal to the amount defined in the Summary Plan Description/Plan Document. The employee's required contribution for participation is equal to the difference between the Employer's contribution and the group rate cost of the Plan. Each Plan Year, the enrollment information provided to eligible employees will list the specific participation amount that an employee must contribute each week.

4. The Dental/Optical Plan.

a. Coverage Summary:

The Schedule of Benefits available under this Dental/Optical Plan is summarized below. With respect to the Dental Coverage, the Employer will establish a Dental Preferred Provider Network (DPPN). When participants use such Preferred Providers (In-Network) for covered services, the Plan Year Deductible that applies to all Non-Preventive Services will be waived. Benefits for covered services will then be paid as described below. In addition, the participant co-pay amounts will often be lower when Preferred Providers are used because these Providers have agreed to accept fees that will usually be less than the fees charged by other Providers, or the fee that would have been charged without the Preferred Provider Agreement.

(1) Dental Schedule:

|   |   |
|---|---|
| Preventive Services<br>(maximum two exams and cleanings per Plan Year and diagnostic x-rays)            | 100% R & A  |
| Restorative, Endodontic, Periodontal, Prosthodontia, and Oral Surgery Services<br>Maximum per Plan Year | 50% R & A after the \$25/person/Plan Year Deductible has been met.<br>\$1000 per person |
| Orthodontics:<br>Dependent Child(ren) Only<br>Orthodontic Lifetime<br>Maximum                           | 50% R&A<br>\$1000 per person  |

(2) Optical Schedule:

|                           |                  |
|---------------------------|------------------|
| Exam                      | 100% R&A         |
| Frames, lenses & contacts | 50%              |
| Maximum per Plan Year     | \$150 per person |

b. Employer / Employee Contributions:

The required contribution for full-time or part-time employees hired prior to September 14, 2003 and full-time employees hired on or after September 14, 2003, who are participating in the Dental/Optical Plan, will be the percentage of the established cost of the Plan as listed below for all Plan Years:

|  | <b>Employee Coverage</b> | <b>Dependent Coverage (F/T only)</b> |
|--|--------------------------|--------------------------------------|
| Effective 4/1/2004<br>(Plan Year 2004/2005 through<br>Plan Year 2008/2009) | 50% of cost              | 50% of cost                          |

## 5. The Health Flexible Spending Account (Health FSA)

The Employer agrees to establish a Health FSA pursuant to Section 125 of the Internal Revenue Code. Effective April 1, 2004, this will be available to eligible employees as defined in subsection 10.1C5 or 10.1D5, who are participating in any Health Plan made available by the Employer (CHP, CHP Alternative Medical Plan, PCMP, MMP, Dental/Optical Plan). The Health FSA will allow enrolled employees to pay for their own or their dependents' qualified medical, prescription, dental, and optical expenses with pre-tax dollars. Participating employees will make pre-tax deposits into their Health FSA through payroll deductions. Health care expenses that are incurred, but are not covered or only partially covered by the other Health Plans, can be paid from the Health FSA.

1. A more complete description of the health benefit coverage available under each Health Plan described in 10.1H1 through 5 above is provided in the Summary Plan Description/Plan Document applicable to these plans, which will be available to employees who enroll for coverage. This includes, but is not limited to important information on the following coverage requirements, administration practices, limitations and exclusions:
  1. Enhanced Coverage for Home Health Care provided in lieu of Hospitalization
  2. Additional coverage for specialized services related to Second Surgical Opinions, Home Health Care, Convalescent Hospitalization, Mental Health/Alcohol / Substance Abuse services, Chiropractic Care, Non-surgical foot care, and Treatment related to TMJ
  3. Pre-certification and Medical Review of Inpatient/Outpatient Medical Services and Supplies
  4. Coverage / Exclusions applicable to Pre-existing Conditions
  5. Pre-determination of Coverage for Dental Services and Supplies
  6. Reasonable and Available Expense Allowance
  7. Non-Duplication Coordination of Benefits

Each Health Plan will be administered according to the specific terms and conditions of the Plan, and in case of any questions regarding benefit payment or eligibility, the terms and conditions of the Summary Plan Description/Plan Document will govern.

## 10.2 Life Insurance

- A. Full-time employees hired before September 14, 2003 will become eligible for Employer-paid Life Insurance on the first day of the month following three (3) months of service. Part-time employees hired before September 14, 2003 will become eligible for Employer-paid Life Insurance on the first day of the month following six (6) months of service.
- B. Full-time employees hired on or after September 14, 2003 will become eligible for Employer-paid Life Insurance on the first day of the Plan Year (April 1) following six (6) months of service.
- C. Prior to April 1, 2004, the Life Insurance coverage in effect will continue as provided in the 1999-2003(4) Agreements. As of April 1, 2004, the Life Insurance that is provided solely at the Employer's cost to eligible employees will be equal to approximately one year's annual wage, up to a maximum of

\$150,000 of coverage. The initial amount will be determined by annualizing the employee's wages. Subsequent amounts will be effective each April 1st, based on the employee's wages in the previous Payroll calendar year.

- D. Effective April 1, 2004, employees who are eligible for Employer-paid Life Insurance as defined in subsections 10.2A and B above will also be eligible to participate in a voluntary employee-paid Insurance program that offers additional Term Life Insurance, Accidental Death & Dismemberment (AD&D) Insurance and Dependent Term Life / AD&D Insurance for an employee's spouse and children. All coverage is optional and is available at competitive group rates through payroll deduction. Any coverage elected will be in addition to the Employer-paid coverage described in subsection 10.2C above. An annual open enrollment period for this voluntary Insurance coverage will be available prior to April 1, each year. However, after an employee's initial opportunity to enroll for coverage, proof of insurability will be required to enroll or to increase coverage, unless this requirement is specifically waived by the Insurance Carrier.
- E. Benefits summarized above will be provided in accordance with specific terms and conditions of the Plan, and in case of questions regarding benefit payment or eligibility, the terms and conditions of the Group Insurance Contract will govern.

### 10.3 Short Term Disability (STD) Plan

- A. Prior to April 1, 2004, eligibility, coverage, benefits, and all other features of this STD Plan will continue as defined in the 1999—2003(4) Agreements. The terms and conditions of the Short Term Disability Plan as set forth in this Section 10.3 will become effective on April 1, 2004.
- B. As of April 1, 2004, eligible full-time and part-time employees hired prior to September 14, 2003, will become eligible for coverage on the same basis as they become eligible for the CHP. Therefore, these employees will become eligible to enroll for coverage on April 1, 2004, provided they have met the eligibility requirements defined in subsections 10.1C1 or 2, and 10.1E1.

Full-time employees hired on or after September 14, 2003, will become eligible for coverage on the same basis as they become eligible for the CHP as defined in subsections 10.1D1 and 10.1E1.

- C. All employees who are eligible to participate in the STD Plan on and after April 1, 2004, as described in subsection 10.3B above, must enroll in order to be covered by the STD Plan. For this purpose, there will be an annual open enrollment period preceding the first day of the Plan Year (April 1). Any employee who is not eligible to enroll in the STD Plan for coverage beginning on April 1, or chooses not to enroll, will have an opportunity to enroll during the annual open enrollment period each year, provided all eligibility requirements have been met.
- D. Effective April 1, 2004, eligible employees who choose to participate will be required to finance a portion of the Employer's expense through weekly pre-tax contributions. An employee's contribution is based on the established cost of the coverage, the weekly wages that will be covered, and the required percentage of cost that must be contributed.
  - 1. The cost of the Plan will be determined based on actual claims experience, expected claims, and other actuarial considerations that may influence the frequency or severity of claims. As of April 1, 2004, the cost for this Plan has been established at \$1.00 per \$100.00 of average weekly wages.

2. For the purpose of determining a participant's contribution requirement, average weekly wages will be calculated by taking the participant's total wages during the last four (4) payroll quarters (the previous Payroll year) and dividing that by the number of weeks during the same base period in which wages were paid to the participant (as recorded by the Employer on the participant's payroll record).
3. For full-time and part-time employees hired prior to September 14, 2003, the Employer will contribute 75% of the established cost for their coverage. For full-time employees hired on or after September 14, 2003, the Employer will contribute 50% of the established cost for their coverage. Prior to the beginning of each Plan Year, the cost of coverage will be established for each "wage bracket" listed below. The employee contribution will be determined based on the established cost for the appropriate wage bracket less the percentage of that cost paid by the Employer, as illustrated on the sample chart below.

| Average Weekly<br>Wage Bracket | Weekly Costs<br>04/01/2004<br>to<br>03/31/2005 | Hired Before<br>09/14/2003<br>25% of Cost | Hired On/After<br>9/14/2003<br>50% of Cost |
|--------------------------------|--|---|--|
| \$0-\$149 .....                | \$1.00 .....                                   | \$0.25/week .....                         | \$ 0.50/week                               |
| \$150-\$249 .....              | \$2.00 .....                                   | \$0.50/week .....                         | \$ 1.00/week                               |
| \$250-\$349 .....              | \$3.00 .....                                   | \$0.75/week .....                         | \$ 1.50/week                               |
| \$350-\$449 .....              | \$4.00 .....                                   | \$1.00/week .....                         | \$ 2.00/week                               |
| \$450-\$549 .....              | \$5.00 .....                                   | \$1.25/week .....                         | \$ 2.50/week                               |
| \$550-\$649 .....              | \$6.00 .....                                   | \$1.50/week .....                         | \$ 3.00/week                               |
| \$650-\$749 .....              | \$7.00 .....                                   | \$1.75/week .....                         | \$ 3.50/week                               |

The chart shown above illustrates the actual required weekly contribution amounts for each wage bracket and percentage factor. These are the wage brackets and percentage factors that will apply throughout the term of this Agreement. However, the actual employee contribution amounts may change based on the established cost for the coverage. This chart may be extended as necessary by applying the actual cost of the coverage to each additional \$100 wage bracket, times the appropriate percentage factor.

- E. Short Term Disability benefits are payable for scheduled time lost from work for eligible and enrolled employees who become and remain totally disabled while not on layoff or leave of absence, and are under the care and treatment of a duly qualified physician because of a non-work related illness or injury. The term "physician" shall mean an individual who is properly licensed and recognized by the law of the state in which treatment is received and is performing within the scope of his license.
- F. Following the completion of the eligibility requirements, enrolled employees who have less than 5 years of continuous service will have 13 weeks (65 days) of coverage during the Plan Year. Enrolled employees with 5 or more years of continuous service will have 26 weeks (130 days) of coverage during the Plan Year.
- G. The weekly benefit will be calculated on the basis of the employee's average hours worked during the last two (2) complete accounting quarters immediately preceding the disability, up to a maximum of forty (40) hours per week times seventy percent (70%) of the employee's straight time hourly rate at the time the disability occurs.

- H. The benefit will begin after seven (7) calendar days from the date the disability began due to a covered accident or illness. During a week in which an employee qualifies for STD benefits and also works part of the same week, a maximum of five (5) days pay (composed of either benefit pay and/or scheduled work) will be allowed in that week. No benefits will be paid unless and until the Employer receives the employee's application completed by the attending physician on the form available from the Employer and information sufficient for the Employer to determine that a disability exists. In order to be eligible for any benefits, this application must be delivered to the Employer no later than thirty (30) days after the disability began, unless it was not reasonably possible to do so and the application was delivered as soon as reasonably possible. No benefits will be paid for the period prior to the time the disability began and the employee came under the care and treatment of the physician for the disability.
- I. The Employer reserves the right to offer favored work within medical restrictions if an employee is unable to return to regular job duties. If the employee refuses the work offered, Short Term Disability benefits will cease. If the employee is returned to restricted work and/or hours, partial disability benefits may apply. The Short Term Disability benefit will be equal to the employee's regular calculated benefit rate minus seventy percent (70%) of the income the employee earned at work.
- J. If an employee is on leave and collecting benefit payment through the Short Term Disability Plan, and is also eligible for unpaid time under the Family and Medical Leave Act (FMLA) of 1993, the time off for both will run concurrently.
- K. These benefits will be provided in accordance with the specific terms and conditions of the Plan, and in case of any questions regarding payment or eligibility, the terms and conditions of the Plan Document will govern.

#### 10.4 Adoption Assistance Benefit

- A. For the duration of this Agreement, the Employer agrees to maintain the Meijer Adoption Assistance Plan for eligible employees in the bargaining unit, subject to the terms and conditions of such Plan.
- B. Full-time employees are eligible for benefits after completing twelve (12) months of service. Part-time employees are eligible for benefits after completing twenty-four (24) months of service. The benefit levels shall be equal to the following:
 

|           | Per adoption | Lifetime maximum |
|-----------|--------------|------------------|
| Full-time | \$2,000      | \$4,000          |
| Part-time | \$1,000      | \$2,000          |
- C. Benefits are available for adoptions that are finalized after the service eligibility requirement has been met. The benefit will comply with the provisions of the Internal Revenue Code (IRC) Section 137, including eligible/ineligible expenses and taxable income.
- D. No reimbursement will be made to an employee if the adoption is not finalized or the employee fails to submit the required documentation within ninety (90) days of the adoption being finalized.



## 10.5 **On-The-Job Injury**

Employees who suffer an on-the-job injury will be compensated for time spent receiving the necessary medical attention during their scheduled shift on the initial day of injury only. In the event there is time remaining on the scheduled shift after treatment is completed, the employee is required to return to work unless the Employer approved treating physician certifies that the employee was totally disabled from performing any work. If the employee elects not to return to work even though they are not totally disabled, then the Employer shall have no responsibility to pay for such time.

If time off is required for subsequent medical treatment resulting from the injury, the employee will only be paid for scheduled hours lost for such treatment if it can be shown that this treatment could not be scheduled outside of scheduled working time. Employees shall make efforts to minimize such lost time by arranging appointments outside their scheduled hours.

## 10.6 **All Benefits**

Benefits as provided in Article 10 are not payable if the loss results from war (declared or undeclared) or any act incident thereto. In the event of a serious epidemic, the Employer reserves the right to pay out only what can be paid without jeopardizing the stability of the Company and its ability to continue to provide employment, in the opinion of the Company management.

## ARTICLE 11: PENSION/401(k) BENEFITS

### 11.1 Pension

- A. For the duration of this Agreement, the Employer agrees to maintain the Meijer Hourly Pension Plan for eligible employees in the bargaining unit, subject to the terms and conditions of such Plan. No matter respecting this Pension Plan shall be subject to the grievance procedure of this Agreement.
- B. An eligible employee becomes a participant in the Plan on the first February 1 or August 1 after attaining age 21 and completing an eligibility computation period during which the employee has at least 1,000 hours of service as described in the Summary Plan Description.
- C. The provisions of the Meijer Hourly Pension Plan are described in the Summary Plan Description, which is available to Plan participants. This includes, but is not limited to, vesting and benefit service requirements, normal, early, and disability retirement provisions, and lump sum payment options.
- D. For Distribution Center participants hired before November 29, 1987, and who retire on or after January 1, 1999, the benefit levels shall be equal to the following:

|  | Service<br>on or After<br>Service<br>Prior to<br>01/01/88 | Service<br>on or After<br>01/01/88<br>and Prior to<br>01/01/92 | Service<br>on or After<br>01/01/92<br>and Prior to<br>01/01/96 | Service<br>on or<br>After<br>01/01/96 |
|--|---|--|--|---------------------------------------|
| First 10 years .....<br>of benefit service | \$29.00 .....   | \$30.00 .....  | \$27.50 .....  | \$28.00                               |
| Next 10 years .....<br>of benefit service  | \$30.00 .....   | \$31.00 .....  | \$28.50 .....  | \$29.50                               |
| Next 25 years .....<br>of benefit service  | \$32.00 .....   | \$37.00 .....  | \$36.00 .....  | \$37.00                               |

- E. For Distribution Center participants hired on or after November 29, 1987, and who retire on or after January 1, 1996, the benefit levels shall be equal to the following:

|   | Service<br>Prior to<br>01/01/92 | Service<br>on or After<br>01/01/92<br>and Prior to<br>01/01/96 | Service<br>on or<br>After<br>01/01/96 |
|---|---------------------------------|--|---------------------------------------|
| First 5 years .....<br>of benefit service | \$23.00 .....                   | \$24.00 .....  | \$24.50                               |
| Next 5 years .....<br>of benefit service  | \$24.00 .....                   | \$26.00 .....  | \$27.00                               |
| Next 10 years .....<br>of benefit service | \$25.00 .....                   | \$27.00 .....  | \$28.00                               |
| Next 25 years .....<br>of benefit service | \$29.00 .....                   | \$31.00 .....  | \$32.00                               |

- F. For Distribution Center participants hired on or after November 29, 1987, and who retire on or after January 1, 2002, the benefit levels shall be equal to the following:

|   | Service<br>Prior to<br>01/01/92 | Service<br>on or After<br>01/01/92<br>and Prior to<br>01/01/96 | Service<br>on or<br>After<br>01/01/96 |
|---|---------------------------------|--|---------------------------------------|
| First 5 years .....<br>of benefit service | \$24.00 .....                   | \$25.00 .....  | \$25.50                               |
| Next 5 years .....<br>of benefit service  | \$25.00 .....                   | \$27.00 .....  | \$28.00                               |
| Next 10 years .....<br>of benefit service | \$26.00 .....                   | \$28.00 .....  | \$29.00                               |
| Next 25 years .....<br>of benefit service | \$30.00 .....                   | \$32.00 .....  | \$33.00                               |

- G. For the purposes of the Pension Plan, a Food employee is any regular full-time or part-time Distribution Center employee in Job No. 048 and Job No. 032 (red circle).

- H. For Food participants hired before November 29, 1987, and who retire on or after January 1, 1999, the benefit levels shall be equal to the following:

|  | Service<br>Prior to<br>01/01/88 | Service<br>on or After<br>01/01/88<br>and Prior to<br>01/01/92 | Service<br>on or<br>After<br>01/01/92 |
|--|---------------------------------|--|---------------------------------------|
| First 10 years .....<br>of benefit service | \$29.00 .....                   | \$30.00 .....  | \$26.50                               |
| Next 10 years .....<br>of benefit service  | \$30.00 .....                   | \$31.00 .....  | \$27.50                               |
| Next 25 years .....<br>of benefit service  | \$32.00 .....                   | \$37.00 .....  | \$35.00                               |

- I. For Food participants hired on or after November 29, 1987, and who retire on or after January 1, 1996, the benefit levels shall be equal to the following:

|                                  |         |
|----------------------------------|---------|
| First 5 years of benefit service | \$23.00 |
| Next 5 years of benefit service  | \$24.50 |
| Next 10 years of benefit service | \$25.50 |
| Next 25 years of benefit service | \$30.00 |

- J. For Food participants hired on or after November 29, 1987, and who retire on or after January 1, 2002, the benefit levels shall be equal to the following:

|                                  |         |
|----------------------------------|---------|
| First 5 years of benefit service | \$24.00 |
| Next 5 years of benefit service  | \$25.50 |
| Next 10 years of benefit service | \$26.50 |
| Next 25 years of benefit service | \$31.00 |

- K. For the purposes of the Pension Plan, a Driver is any regular full-time or part-time employee in Job Nos. 049, 050, 349 and 350.
- L. For Driver participants hired before November 29, 1987, and who retire on or after January 1, 1999, the benefit levels shall be equal to the following:

|  | Service<br>Prior to<br>01/01/88 | Service<br>on or After<br>01/01/88<br>and Prior to<br>01/01/92 | Service<br>on or After<br>01/01/92<br>and Prior to<br>01/01/97 | Service<br>on or<br>After<br>01/01/97 |
|--|---------------------------------|--|--|---------------------------------------|
| First 10 years .....<br>of benefit service | \$31.00                         | \$31.00  | \$27.50  | \$28.60                               |
| Next 10 years .....<br>of benefit service  | \$32.00                         | \$32.00  | \$28.50  | \$30.00                               |
| Next 25 years .....<br>of benefit service  | \$41.00                         | \$41.00  | \$36.00  | \$38.00                               |

- M. For Driver participants hired on or after November 29, 1987, and who retire on or after January 1, 1996, the benefit levels shall be equal to the following:

|   | Service<br>Prior to<br>01/01/92 | Service<br>on or After<br>01/01/92<br>and Prior to<br>01/01/95 | Service<br>on or After<br>01/01/95<br>and Prior to<br>01/01/97 | Service<br>on or<br>After<br>01/01/97 |
|---|---------------------------------|--|--|---------------------------------------|
| First 5 years .....<br>of benefit service | \$23.00                         | \$24.00  | \$27.50  | \$28.60                               |
| Next 5 years .....<br>of benefit service  | \$24.00                         | \$26.00  | \$27.50  | \$28.60                               |
| Next 10 years .....<br>of benefit service | \$25.00                         | \$27.00  | \$28.50  | \$30.00                               |
| Next 25 years .....<br>of benefit service | \$36.00                         | \$36.00  | \$36.00  | \$38.00                               |

- N. For Driver participants hired on or after November 29, 1987, and who retire on or after January 1, 2002, the benefit levels shall be equal to the following:

|   | Service<br>Prior to<br>01/01/92 | Service<br>on or After<br>01/01/92<br>and Prior to<br>01/01/95 | Service<br>on or After<br>01/01/95<br>and Prior to<br>01/01/97 | Service<br>on or<br>After<br>01/01/97 |
|---|---------------------------------|--|--|---------------------------------------|
| First 5 years .....<br>of benefit service | \$24.00                         | \$25.00  | \$28.50  | \$29.60                               |
| Next 5 years .....<br>of benefit service  | \$25.00                         | \$27.00  | \$28.50  | \$29.60                               |
| Next 10 years .....<br>of benefit service | \$26.00                         | \$28.00  | \$29.50  | \$31.00                               |
| Next 25 years .....<br>of benefit service | \$37.00                         | \$37.00  | \$37.00  | \$39.00                               |

- O. The job classifications for Pension purposes are Food, General Merchandise, Property Management and Services, Distribution Center, and Transportation (Drivers). A participant who earns a Pension benefit in more than one job classification shall earn a separate Accrued Benefit for each period of continuous service within a job classification, based on the benefit rates that apply to that job classification. Prior to January 1, 2000, the Accrued Benefit is based on the benefit rates in effect during the year the transfer occurred. Effective January 1, 2000, the Accrued Benefit shall be based on the benefit rates in effect during the year employment ends.
- P. Distribution Center participants described in subsection 11.1D, and Driver participants described in subsection 11.1L, will receive a Pension Supplement Benefit provided that all of the eligibility requirements have been satisfied, as described in this subsection 11.1P. The Pension Supplement Benefit will be equal to 25% of the participant's "Accrued Benefit" as of the date of the participant's retirement and as calculated under the terms of the Meijer Hourly Pension Plan, regardless of the payment option elected. The Pension Supplement will be payable during the participant's lifetime, up to age 65 or to a maximum of 4 years (48 monthly supplement payments), whichever comes first. The Pension Supplement Benefit payment will commence with the participant's first payment of monthly Pension

Benefits. To qualify for this Pension Supplement Benefit, the participant must meet each of the eligibility requirements listed below.

1. The participant must be employed on the effective date of this Agreement.
2. The participant must retire on or after January 1, 2004, but prior to January 1, 2007.
3. The participant must have attained a minimum age of 58 on or before the date of retirement.
4. The participant must have earned thirty-three (33) years of vested service on or before the date of retirement.

The Pension Supplement Benefit described in this subsection 11.1P will not be available to any participant who retired prior to January 1, 2004, and subsequently has returned to work for the Employer in any job, position, or other capacity. This Pension Supplement Benefit also will not be available to any participant who retired on or after January 1, 2007, unless the eligibility for this benefit is extended through the mutual agreement of the Employer and the Union.

- Q. Benefits summarized in subsections 11.1A through P above and in the Summary Plan Description, will be provided in accordance with the specific terms and conditions of the Plan, and in case of any question regarding benefit payment or eligibility, the terms and conditions of the Plan Document will govern.

## 11.2 401(k) Retirement Plan

- A. The Employer has established a defined contribution type of retirement plan known as a 401(k) Plan. A 401(k) Plan permits a participant to defer part of the participant's pay and have the Employer contribute the amount of pay deferral to the Plan instead of paying it to the participant in his paychecks.

Each participant in the Plan will have accounts in his name. All participants' accounts are invested together in certain investment funds. The amount of a participant's benefits from the Plan is based upon the amount in the participant's accounts. The amount of the participant's accounts will depend upon the amount of pay deferral contributions and the performance of the investment funds.

B. The Plan will include the following features:

1. Regular full-time employees will become eligible to participate in the Plan on the first day of the calendar month following three (3) months of service. Regular part-time employees will become eligible to participate in the Plan on the first day of the calendar month following six (6) months of service.
2. A participant may contribute from 1% to 75% of their pay.
3. A participant will have a choice of at least four mutual funds for investment of the participant's accounts.
4. A participant may receive a distribution of benefits from the Plan if the participant terminates employment with the Employer, or becomes totally and permanently disabled. A distribution of benefits to the participant's 401(k) Plan beneficiary of record may be made if the participant dies.
5. Benefits will be provided in accordance with the specific terms and conditions of the Plan and in case of any question regarding benefit payment or eligibility, the terms and conditions of the Plan Documents will govern.

## **ARTICLE 12: LEAVES OF ABSENCE**

### **12.1 Personal Leave**

An employee may be granted a personal leave of absence not exceeding thirty (30) days unless extended by agreement between the employee and the Employer if a written request for such leave is approved by the Employer. All requests for leave must be in writing and state the specific reason for the leave requested. The written request must be given to the employee's immediate supervisor. The Employer's response to the requested leave shall be given within ten (10) days from the time the request is received. Seniority shall accrue, except as limited in Section 12.7 during the personal leave.

### **12.2 Military Leave**

Leaves of absence shall be granted to employees for the purpose of serving in the military of the United States. Any employee returning from military service shall be entitled to re-employment in accordance with the provision of applicable Federal law.

### **12.3 Union Leave**

The Employer shall grant a leave of absence to employees for the purpose of full-time employment by the Union. Persons granted such leave will retain and accrue seniority for up to a one (1) year period, after which all seniority rights shall terminate. Contract benefits will not apply during the period of leave for full-time employment by the Union.

In the event of a desired return during the Union leave, the Employer will return the employee to their job or a comparable job that their seniority will allow.

The Company reserves the right to limit the number of leaves granted for full-time employment to no more than ten (10) per year. In the event persons granted leave request a return during the one (1) year period of their leave, the Union may request a replacement person be placed on leave for full-time employment by the Union. Requests from the Union for additional leaves for Union business may be granted to employees by mutual consent.

Such requests must be received at least one (1) week in advance of when they are needed. Upon mutual agreement between the parties, such Union leaves may be extended.

## 12.4 Educational Leave

An educational leave of absence may be granted to employees at the discretion of the Employer for the purpose of attending college or specialized training approved for job related purposes.

Employees on such a leave shall retain past seniority for time in classification and all other purposes except job bidding, scheduling and layoff. Employees returning from educational leave will begin a new seniority date for job bidding, scheduling, and layoff purposes. It is understood that the return of an employee from educational leave is dependent on the availability of open jobs.

An employee may remain on a leave for up to nine (9) months with a three (3) month extension, provided they have contacted the Store/Unit Director with a commitment to return to work prior to the end of the time period.

Failure of the employee to return to work within the nine (9) months of leave or such later date as specified within the extension period shall result in termination.

The Employer may require verification of attendance in order to approve or continue an educational leave of absence. The Employer reserves the right to require any necessary verifications.

- 12.5 **Non-Work Related Disability Leave.** Leaves of absence shall be granted for up to one (1) year for employees who become unable to work because of non-work related illness or injury. This leave shall become effective the first full day off work due to the illness or injury. The illness or injury must be verified by a physician certifying the disability is supported by current objective medical evidence. The course of treatment must be appropriate for the disability. The Employer, however, reserves the right to have the employee examined by a physician of its choice to confirm the illness or injury.

In the event the employee is medically unable to return to work and resume his regular job duties on the date the leave is due to expire, up to a six (6) month extension will be granted at ninety (90) day intervals if the employee's physician submits verification for such extension indicating a time the employee will be able to return to work and assume his regular job duties during the extension period. Additional extensions may be granted by the Employer beyond the six (6) month extension period. The Employer reserves the right to have the employee examined by a physician of its choice to confirm the need for the extension.

Failure of the employee to return to work within the one (1) year period of leave or such later date as is specified within the extension period shall result in termination.

Seniority shall accrue during non-work related disability leaves except as limited in Section 12.7.

- 12.6 **Work Related Disability Leave.** Leaves of absence shall be granted for up to one (1) year for employees who become unable to work because of a work related injury. This leave shall become effective the first full day off work due to the injury and must be verified by a physician certifying the disability is supported by current objective medical evidence. The course of treatment must be appropriate for the disability. The Employer may require certification of injury from a physician of its choice.

In the event the employee is medically unable to return to work and resume his regular job duties on the date the leave is due to expire, up to a six (6) month extension will be granted at ninety (90) day intervals if the employee's physician submits verifica-

tion for such extension indicating a time the employee will be able to return to work and assume his regular job duties during the extension period. Additional extensions may be granted by the Employer beyond the six (6) month extension period. The Employer reserves the right to have the employee examined by a physician of its choice to confirm the need for extension.

Failure of the employee to return to work within the one (1) year period of leave or such later date as is specified within the extension period shall result in termination. Seniority shall accrue during work related disability leaves except as limited in Section 12.7.

- 12.7 Employees on leave of absence of thirty (30) days or less shall maintain their present time in classification for rate increases and other contract purposes. Persons on leave of absence longer than thirty (30) days will not accumulate time in classification for purposes of receiving increases while below top rate within classification.
- 12.8 An employee on leave of absence for reasons other than military leave must return on the date agreed, unless mutually agreed otherwise between the Company and the employee or his employment shall be terminated.
- 12.9 No leave of absence will be granted to any employee for the purpose of trying out another job or to venture into business for himself unless the Employer gives special permission in writing. Failure to comply with this provision shall result in termination of the employee involved.
- 12.10 When an employee leaves the Company on a leave of absence, he shall be paid upon request the vacation pay that became available on his last seniority anniversary date that has not yet been paid.
- 12.11 Employees on a non-work related disability leave, or a work related disability leave, must have medical certification from the treating physician releasing the employee to return to work. "Physician" means an individual who is properly licensed and recognized by the law of the state in which treatment is received and is performing within the scope of that license. Employees who are unable to return and perform fully all the requirements of the job the employee held prior to such disability may be returned to available work consistent with their medical restrictions. The Employer reserves the right to determine the employee's ability to work by obtaining further information from the treating physician or to have the employee examined by a physician of its choice to confirm the ability to work with or without restrictions. Time lost from work additionally may be payable under the Short Term Disability Plan or Workers' Compensation to the extent the employee is eligible for such coverage. The existence of the available work with restrictions will be determined solely by the Employer.

Favored work will be offered to both the employees on work related disability leaves and employees on non-work related disability leave, where such work exists, as determined by the Employer. The favored work will be such that an employee can retain and accrue seniority and receive contractual benefits as defined in Articles 9, 10, and 11. During the period of such favored work assignment, the employee can maintain his Union membership. Compensation for favored work for employees on work related disability leave shall be subject to applicable Workers' Compensation Law. Compensation for favored work for employees on non-work related disability leave shall be based on the partial disability benefit provided under Section 10.3, Short Term Disability, if eligible.



Favored work under this section will not be subject to any posting, bidding, or assignment procedures. However, layoff procedures shall apply when there is a layoff that affects that work assignment and employees returned to work under this provision will not be used to displace other employees. Placement of employees on favored work shall be consistent with their seniority when retained within their regular classification or department. Employees assigned favored work outside their regular job classification will be assigned hours based upon departmental needs and times as required by business conditions. When employees are assigned favored work outside their job classification, their seniority will not take precedence over the regular classification of employees permanently assigned to the department.

When employees are released from their medical restrictions, they will be considered as returning from disability leave and treated accordingly.

- 12.12 Employees returning to work from a disability leave must have medical certification from the treating physician releasing the employee to return to work. "Physician" means an individual who is properly licensed and recognized by the law of the state in which treatment is received and is performing within the scope of that license. Employees who are unable to return and perform fully all the requirements of the job the employee held prior to such disability may be returned to available work consistent with their medical restrictions. The Employer reserves the right to determine the employee's ability to work by obtaining further information from the treating physician or to have the employee examined by a physician of its choice to confirm the ability to work with or without restrictions. Time lost from work additionally may be payable under the Short Term Disability Plan or Workers' Compensation to the extent the employee is eligible for such coverage. The existence of the available work with restrictions will be determined solely by the Employer.

Favored work will be offered to both the employees on leave for work related disability and employees on leave for non-work related disability, where such work exists, as determined by the Employer. The favored work will be such that an employee can retain and accrue seniority and receive contractual benefits as defined in Articles 9, 10, and 11. During the period of such favored work assignment, the employee can maintain his Union membership. Compensation for favored work for employees on leave for work related disability shall be subject to applicable Workers' Compensation Law. Compensation for favored work for employees on leave for non-work related disability shall be based on the appropriate hourly rate for that classification and department, and any partial disability benefit provided under Section 10.3, Short Term Disability benefits, if eligible.

Favored work under this section will not be subject to any posting, bidding, or assignment procedures.

However, layoff procedures shall apply when there is a layoff that affects that work assignment and employees returned to work under this provision will not be used to displace other employees. Placement of employees on favored work shall be consistent with their seniority when retained within their regular classification or department. Employees assigned favored work outside their regular job classification will be assigned hours based upon departmental needs and times as required by business conditions. When employees are assigned favored work outside their job classification, their seniority will not take precedence over the regular classification of employees permanently assigned to the department.

When employees are released from their medical restrictions, they will be considered as returning from disability leave and treated accordingly.

12.13 The employee is responsible for keeping the Employer informed of his medical condition. Failure to comply with this provision shall result in the termination of the employee's employment.

#### 12.14 **Family and Medical Leave**

Employees who are eligible for a leave of absence pursuant to the Family and Medical Leave Act of 1993, will be granted such leave according to the actual terms and conditions defined in the Act. The leave types available as a qualified Family and Medical Leave under the Act are listed below:

1. Disability Leave, both non-work related and work related, described in Sections 12.5 and 12.6.
2. Family Care Leave, described below.

Employees who are eligible under the Act, who have applied for and have been determined to qualify for a disability leave for the purpose of their medical disability and/or pregnancy and childbirth, will be entitled to the benefits and rights provided under the Act. Such employees will also be subject to the employee responsibilities and requirements contained in the Act. In those cases where employees have satisfied such obligations, the entitlements provided by the Act will be incorporated within the administration of the disability leave.

Employees who are not eligible or do not qualify for leave of absence pursuant to the Act, or have exhausted the leave time available under the Act, may still be granted disability leave as described in Sections 12.5 and 12.6. However, such leave would not be a qualified leave under the Act and such employees would not be eligible to receive the specific entitlements provided by the Act. The administration of these leaves would be consistent with the provisions contained in Sections 12.5 through 12.13.

Employees who are eligible for leave under the Act for the purpose of providing care for a family member as described below, who have applied for and have been determined to qualify for leave, will be granted a family care leave. Family care leave is for the purpose of providing care for:

1. The employee's newborn child.
2. A child recently placed with the employee for adoption or foster care.
3. The employee's spouse, child, or parent with a serious health condition.

Employees who are eligible and approved for family care leave will be entitled to the benefits and rights provided under the Act. Such employees will also be subject to the employee responsibilities and requirements contained in the Act. In those cases where employees have satisfied such obligations, the entitlements provided by the Act will be available during a family care leave. When a disability leave has been exhausted, if the team member is eligible for additional time off for the care of the newborn, the additional leave time required by the Act will be granted.

Employees who are not eligible for leave, do not qualify for family care leave, or have exhausted the leave time available under the Act, will not be granted a family care leave. In such cases, the employee may apply for a personal leave as described in Section 12.1. However, such leave would not be a qualified leave under the Act and such employees would not be eligible to receive the specific entitlements provided by the Act. The administration of such leaves would be consistent with the provisions contained in Section 12.1.

In all cases of approved leave of absence which are qualified as covered under the Family and Medical Leave Act, such leaves will be administered according to the actual

terms and conditions of the Act. Exceptions to the requirements or limitations provided by the Act will only occur pursuant to the Employer's specific agreement within this Agreement or in writing outside of this Agreement and only when such exceptions will result in more favorable treatment of employees than the Act requires.

## ARTICLE 13: GENERAL

- 13.1 It is recognized as desirable from both the Employer and the Union's standpoint to encourage employees to shop at Meijer stores. Consequently, the Union and the Employer mutually suggest that the employees buy the bulk of their food and general merchandise from the Meijer stores in order to make each employee's job more secure.
- 13.2 Every employee must record their time in the prescribed manner when reporting for work and when leaving unless given a written exemption. When any employee covered by this Agreement is working on assigned duties, their time must be recorded. Employees will be paid when required to attend a meeting scheduled by the Employer. Such time paid will not be counted for purposes of overtime calculation except as Federal statute requires.
- 13.3 Notices from the Local Union office regarding Union business may be posted on bulletin boards, within each establishment, as follows:  
Bulletin boards in the Distribution Centers and Property Management and Services Department will be for the purpose of posting communications from the Local Union and will remain as they currently exist.  
It is further understood that any material posted shall be identified as official notices of UFCW, Local 951 and will not contain any statements adverse to the Employer or the Employer's business, or be political in nature.
- 13.4 **Uniforms.** Uniforms required by the Employer and necessary protective gear will be provided by the Employer in accordance with Corporate policy, and such uniforms will be maintained by the employee in an appearance acceptable to the Employer.
- 13.5 No employee will be required to take a polygraph or any type of lie detector test.
- 13.6 The Company and the Union mutually agree that there shall be no discrimination contrary to applicable Federal and State laws against any employee. The Company and the Union also mutually agree to support the intent, goals and objectives of the Company's Affirmative Action Program.
- 13.7 Any reference to the male gender contained herein is for illustrative purposes only and shall be deemed to include the female gender.
- 13.8 No employee is to receive a reduction in wage rates as a result of the signing of this Agreement.
- 13.9 This Agreement shall be binding upon the parties hereto and the Employer's successors, administrators, executors and assigns. In the event that Meijer Great Lakes Limited Partnership, is sold, transferred, or taken over by sale, transfer, receivership or bankruptcy, this Agreement shall remain in full force and effect for its term. Meijer Great Lakes Limited Partnership, shall give notice of this Agreement to any purchaser or transferee in writing with a copy to the Union not later than the effective date of sale.
- 13.10 In the event that the Employer contemplates the introduction of major technological change affecting bargaining unit work, advance notice of such change will be given to

the Union. 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.

In any discussions that are forthcoming as a result of technological change, both parties are agreed that they will make every effort to arrive at mutually agreeable decisions with regard to those full-time members of the bargaining unit (on the payroll as of the effective date of this Agreement) who may become displaced as a direct result of the technological change.

- 13.11 Employees transferring between the Distribution Center, Stores, and/or the Property Management and Services Department will commence a new seniority date for all job purposes excluding fringe benefits and layoff. This clause applies to all such transfers on or after August 13, 1972. In instances where full-time employees have the same seniority date, previous store, Property Management and Services or Distribution Center part-time seniority will be the determining factor.

Employees transferring or bidding between Distribution Center facilities shall retain past seniority and accumulate future seniority as an integrated seniority date for all purposes.

- 13.12 An employee who accepts a transfer out of the bargaining unit shall retain, if returned to the bargaining unit, his past seniority for a period of one (1) year after such transfer. In the event the employee is transferred by the Employer back to the bargaining unit after this one (1) year period, the employee's past seniority cannot be used for job bidding, scheduling, or layoff purposes. The parties may meet and discuss modification of the provisions of this section to accommodate special circumstances. The return of such employee shall not result in the displacement of another bargaining unit employee.

- 13.13 Regular full-time employees in the military reserves when assigned to a day's active duty will, to the extent possible, be scheduled to a full work week excluding the day spent in the military reserves, provided that such employees give notice prior to posting of the affected week's schedule.

- 13.14 In recognition of the importance of a drug free work place, a safe working environment and safe work practices, the parties agree to mutually strive to maintain and improve the work environment and support the efforts of a safety committee.

- 13.15 The Company and Union mutually agree that there shall be no discrimination contrary to the applicable Federal and State laws against any employee. In order to ensure the former, both the Company and Union mutually agree to support the intent, goals and objectives of the Union's Community Services Programs regarding women, handicapped, drug abuse, literacy, education, laid off employees and minorities; and the Company agrees to provide, at its discretion, a release from work for a reasonable amount of unpaid time to employees which will enable them to attend such programs.

The Employer recognizes and the Union acknowledges that the Union's efforts to maintain area wage standards are germane to the terms of the contract herein. All efforts as permitted by law will be undertaken by the Union to provide area wage standards.

- 13.16 **Workers' Compensation Benefits** - The Employer shall provide such Workers' Compensation benefits as required by law for eligible employees but may fund such benefits under a welfare benefit trust established to provide such benefits.

## **ARTICLE 14: UNION COOPERATION**

- 14.1 The Union agrees to uphold the rules and regulations of the Employer in regard to punctual and steady attendance, conduct on the job, and all other reasonable rules and regulations established by the Employer.
- 14.2 The Employer and Union agree to cooperate in maintaining and improving safe working conditions and practices, in improving the cleanliness and good housekeeping of the units, and in caring for equipment and machinery.
- 14.3 The Union agrees to cooperate in correcting inefficiencies of members which might otherwise necessitate discipline or discharge.
- 14.4 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.
- 14.5 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.
- 14.6 The Union agrees to support a drug and alcohol free work environment. The Union will cooperate with the Company to support post accident and reasonable cause testing methods.
- 14.7 The Union agrees that any Union button/pin, in addition to a steward and service pin, will not be political in nature and will be small, neat, and inconspicuous. The Union agrees to cooperate with the Company's philosophy of minimizing the number and type of pins worn.
- 14.8 The Union agrees that any materials posted or distributed within the units will comply with the Employer's "No Solicitation" policy.

## **ARTICLE 15: DURATION AND TERMINATION**

- 15.1 This Agreement shall continue in full force and effect for Central Stores #23, #24, #25, #28, #29, #30, #42, #43, #44, #45, #48, #52, #56, #69, #108, #113, #140, #163, #172, #174, #187, #194, Lansing Distribution Center, Transportation, Property Management and Services, up to and including 11:59 p.m. on September 8, 2007, and from year to year thereafter unless either party serves notice in writing upon the other at least sixty (60) days prior to September 8, 2007, or September 8, of any subsequent year, that it desires to terminate or modify such Agreement, in which event this Agreement will expire after said September 8, 2007, unless mutually extended by the parties during negotiations or unless it is modified and continued as a result of negotiations.

This Agreement shall continue in full force and effect for West Stores #03, #11, #12, #16, #19, #20, #21, #22, #26, #36, #41, #47, #50, #71, #119, #158, #171, #175, #179, #180, #191, #193, #195, #196, #201, #203, #205, #221, and the Grand Rapids Distribution Center, up to and including 11:59 p.m. on April 26, 2008, and from year to year thereafter unless either party serves notice in writing upon the other at least sixty (60) days prior to April 26, 2008, or April 26, of any subsequent year, that it desires to terminate or modify such Agreement, in which event this Agreement will expire after said April 26, 2008, unless mutually extended by the parties during negotiations or unless it is modified and continued as a result of negotiations.



This Agreement shall continue in full force and effect for East Stores #27, #32, #34, #35, #46, #53, #54, #55, #57, #63, #64, #65, #67, #68, #70, #72, #105, #109, #122, #123, #145, #173, #177, #185, #188, #197, #222, and the Newport Distribution Center, up to and including 11:59 p.m. on September 6, 2008, and from year to year thereafter unless either party serves notice in writing upon the other at least sixty (60) days prior to September 6, 2008, or September 6, of any subsequent year, that it desires to terminate or modify such Agreement, in which event this Agreement will expire after said September 6, 2008, unless mutually extended by the parties during negotiations or unless it is modified and continued as a result of negotiations.

- 15.2 It is agreed that in the event any article, section or clause hereof shall be deemed invalid under applicable law or regulations that the various remaining articles, sections and clauses of this Agreement shall be deemed to be severable and of continuing effect insofar as they shall not be affected thereby. The parties agree to begin negotiations within thirty (30) days to replace said void part of the contract with a valid provision.
- 15.3 It is understood that the terms and conditions of this Agreement are subject to applicable Federal regulations and rules, if any are enacted or adopted during the life of this Agreement, regarding wage and fringe adjustments and shall be implemented in accordance with and to the extent permitted by such rules and regulations.
- 15.4 When the Employer decides to close a store, unit or a segment of the operation, or transfers a part of the operation to a new location, or introduces a change in the method of operating that will significantly affect a store, unit or a segment of the operation, the Employer shall notify the Union of such closing, transfer or change, and upon the request of either party, the parties shall meet to discuss the closing, transfer, or change. As a result of such discussion, the president of the Local Union and management representatives may upon mutual agreement modify or amend those terms pertaining to the operation and employees affected by the closing, transfer, or change.

#### 15.5 **Economic Relief**

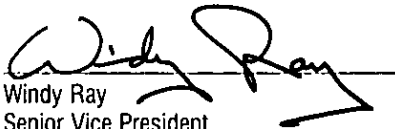
The Employer may request modification of the economic terms of the contract according to the following separate procedures:

- A. After a period of three (3) months from the effective date of the contract, if the Employer establishes sufficient reasons for economic relief for certain units or portions of the operation, the Union shall present the terms of the economic relief to the membership in the affected units and/or operation for their vote.
- B. If at any time during the duration of the contract a competitor opens a discount general merchandise or discount food or combined discount food and general merchandise operation that exceeds 50,000 square feet in size within a fifteen (15) mile radius of one of the Employer's stores, and the economic terms of the competitor's labor costs are substantially less than the Employer's labor costs, the Employer may present a proposal to the Union for economic relief pertaining to the affected store or stores and the Union shall present that proposal to the affected membership in the store or stores to which the proposal applies for their vote within thirty (30) days from receipt of such proposal.

It is specifically understood that relief will not be implemented without the vote of the affected members.

- C. It should be understood that Property Services, Distribution, Transportation and Retail may be impacted by a change in operations in an effort to control the cost of doing business as it relates to Article 15.5. The Company will make necessary changes to any or all of its operations to remain a viable, healthy company in the future. It is the intent of all parties to make changes to position the Company for continued stability and profitability, which provides the best job security for everyone.
- D. The contract proposals from the Company for the Distribution Centers, Transportation and Property Management and Services is not intended to reflect a commitment that these areas will continue to operate in their current form, or continue to operate at all.

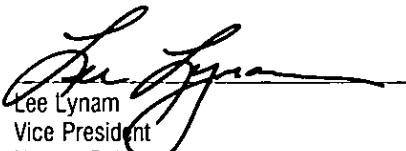
MICHIGAN DISTRIBUTION CENTERS  
(CENTRAL, WEST, & EAST)  
and  
TRANSPORTATION AGREEMENTS  
BY AND BETWEEN  
MEIJER GREAT LAKES LIMITED PARTNERSHIP  
AND  
UNITED FOOD AND COMMERCIAL WORKERS UNION  
LOCAL 951  
AS CHARTERED BY  
UNITED FOOD AND COMMERCIAL WORKERS  
INTERNATIONAL UNION,  
AFL-CIO AND CLC  
CENTRAL EFFECTIVE: SEPTEMBER 14, 2003 – SEPTEMBER 8, 2007  
WEST EFFECTIVE: SEPTEMBER 14, 2003 – APRIL 26, 2008  
EAST EFFECTIVE: SEPTEMBER 14, 2003 – SEPTEMBER 6, 2008



Windy Ray  
Senior Vice President  
Human Resources  
Meijer



Robert Potter  
President  
UFCW, Local 951



Lee Lynam  
Vice President  
Human Relations and  
Corporate Employment  
Meijer



John Cakmakci  
Executive Vice President  
UFCW, Local 951



Matthew Jamrog  
Manager of Collective Bargaining and  
Contract Administration  
Meijer