

# AGREEMENT

Between

# KROGER LIMITED PARTNERSHIP I GROCERY CONTRACT

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UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL 2008

Effective

June 30, 2002, through June 24, 2006

JA -1597

# UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL 2008 7924 Interstate 30, Suite A Little Rock, Arkansas 72209-2969 Phone (501) 565-6306

When you have a grievance or a question about your contract, see your steward immediately.

PLEASE NOTIFY THE UNION OFFICE IF YOU HAVE A CHANGE OF ADDRESS.

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# UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL 2008

# LITTLE ROCK CLERKS

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TERM: JUNE 30, 2002, THROUGH JUNE 24, 2006

#### **AGREEMENT**

This Agreement has been entered into between Kroger Limited Partnership I, hereinafter designated as the "Employer," and the United Food and Commercial Workers Union, Local No. 2008, chartered by the United Food and Commercial Workers International Union, hereinafter designated as the "Union."

#### **ARTICLE 1 - INTENT AND PURPOSE**

Section 1.01: The Employer and the Union each represent that the purpose and intent of this Agreement is to promote cooperation and harmony, to recognize mutual interests, to provide a channel through which information and problems may be transmitted from one to the other, to formulate rules to govern the relationship between the Union and the Employer, to promote efficiency and service, and to set forth herein the basic agreements covering rates of pay, hours of work, and conditions of employment.

<u>Section 1.02:</u> This Contract represents the entire Agreement between the parties and both agree that they have exercised their rights in negotiations and neither has the right to add to or subtract from the

items covered by this Contract without the mutual consent of the parties.

# ARTICLE 2 - RECOGNITION OF THE UNION AND BARGAINING UNIT

Section 2.01: The Union shall be the sole and exclusive bargaining agent for all full-time and part-time employees in the towns presently covered by this Agreement at its execution and in towns where stores may be operated by the Little Rock Division of Kroger in the State of Arkansas, including Delicatessen Departments not already covered by another Contract within the jurisdiction of Local Union 2008, excluding store managers, co-managers, meat department employees, guards, and supervisors as defined in the Labor-Management Relations Act (LMRA) of 1947 as amended.

Section 2.02: The Employer agrees not to enter into any agreement or contract with his employees, written or oral, individually or collectively, which in any way conflicts with the terms and provisions of this Agreement.

Section 2.03: All work and services connected with or incidental to the handling or selling of merchandise (except potato chips, beverages, cookies, dairy, and bakery products, rack jobbers) offered for sale to the public in the Employer's retail establishments covered by this Agreement shall be performed only by employees of the bargaining unit. This Agreement shall not be construed as restricting representative from inspecting anv and merchandise of his respective company for spoilage or replacement, nor shall it apply to new or remodeled stores. There shall be no expansion of the present practice which might tend to erode bargaining unit employment during the life of this Agreement. The Employer may utilize whatever vendor services are utilized by any competitor organized by UFCW Local 2008

#### **ARTICLE 3 - UNION STORE CARD**

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

displayed in a conspicuous area accessible to the public in each establishment covered by this Agreement.

#### **ARTICLE 4 - UNION SECURITY**

Section 4.01: The Employer shall for the term of this Agreement deduct initiation fees as authorized and shall deduct union dues from the second pay of each month of employees who are members of the Union and who individually certify in writing authorization for The authorization for such such deductions. deductions may be revoked on any anniversary date of this authorization or on the expiration date of any collective bargaining agreement between Employer and the Union by written notice to the Employer and the Union at least thirty (30) days and not more than forty-five (45) days prior to such anniversary date or such expiration date. requested to do so by the Union, the Employer will deduct union dues and initiation fees on a weekly basis. The Employer shall promptly remit all sums deducted in this manner to the President of UFCW Local No. 2008. The Employer will deduct from its employees who have certified in writing authorization to do so, a uniform weekly political deduction and forward it to the President of UFCW Local No. 2008 by check separate from dues.

Section 4.02: Should there be any change in Arkansas law or federal law to permit the Union Shop, the following will be effective the week following the effective date of such change:

It shall be a condition of employment that all employees of the Employer covered by this Agreement who are members of the Union in good standing on the execution date of this Agreement shall remain members in good standing, and those who are not members on the execution date of this Agreement shall, on the thirty-first (31st) day following the execution date of this Agreement, become and remain members in good standing in the Union. It shall also be a condition of employment that all employees covered by this Agreement and hired on or after its execution date shall, on the thirty-first (31st) day following the beginning of such employment, become and remain members in good standing in the Union.

Section 4.03: In the interest of promoting cooperative relations, the Employer agrees that within the first forty-eight (48) hours of employment of a new employee, a management representative of the store shall introduce the new employee to the store

steward and give reasonable amount of time to explain the Union Contract and answer questions.

Section 4.04: Each month the Employer will furnish the name, position for which hired, starting rate, address, work location, social security number, birth date, and employment date of each new employee. The Employer shall also furnish the names of employees terminated each month along with the reasons for termination.

<u>Section 4.05:</u> Union representatives shall be allowed to visit the store during working hours. The representative shall make his presence known to the person in charge of the store. Such visits shall not interfere with the normal operations of the store.

#### ARTICLE 5 - MANAGEMENT RIGHTS

The management of the business and the direction of the working forces, including the right to plan, direct, and control store operations; hire, suspend, or discharge for proper cause; transfer or relieve employees from duty because of lack of work or for other legitimate reasons; the right to study or introduce new or improved production methods or facilities; and the right to establish and maintain rules and regulations covering the operation of the stores,

a violation of which shall be among the causes for discharge, are vested in the Employer; provided, however, that these rights shall be exercised with due regard for the rights of the employees, and provided, further, that it will not be used for the purpose of discrimination against any employee.

#### **ARTICLE 6 - DISCHARGE AND DISCRIMINATION**

<u>Section 6.01:</u> The Employer shall not discharge or discriminate against an employee for upholding the Union principles or serving on a committee of the Union or any of its organizations.

Section 6.02: The Employer shall not discharge any employee without just cause and shall give at least one (1) written notice of the specific complaint or complaints against such employee, to the employee and to the Union, except that no warning notice need be given to any employee before discharge if the cause of such discharge is proven dishonesty, falsification of application drunkenness. employment [discharge for falsification of application for employment must be within sixty (60) days from date of hire], recklessness resulting in a serious accident while on duty, refusal of any employee to accept a job assignment, use of illegal drugs, initiating a physical attack on another person,

violation of laws relating to the sale of alcohol, tobacco, and amphetamines while on duty, and sexual harassment.

Section 6.03: Warning notices shall be void after six (6) months from date of issue.

<u>Section 6.04:</u> Upon discharge of any non-probationary employee (layoff and reductions in hours not deemed to, in any way, be considered a discharge), the Employer will give written notice of the discharge to the Union within seven (7) days. Subsequently, if requested to do so by the Union, the Employer will give the reasons for the discharge to the Union.

Section 6.05: The Union may file a written complaint with the Employer within ten (10) days after notification from the Employer asserting that a discharge was improper. Such complaint must be taken up promptly, and discussions of the complaint will ensue. After discussions have commenced, either party may decide (and so notify the other in writing) that further discussions will, in their opinion, be non-productive and the matter may then be referred to arbitration.

#### **ARTICLE 7 - SENIORITY**

#### Section 7.01 - Definition:

- A. Seniority shall be defined as the length of continuous service of the employee with the Employer, or the last date of entry into the bargaining unit. No employee shall suffer a loss of seniority by reason of approved leave of absence as defined in this Agreement.
- B. No employee shall acquire any seniority rights until the employee has been in the bargaining unit for sixty (60) days, and, provided further, that after sixty (60) days, the seniority date shall revert back to the date the employee entered the bargaining unit.
- C. Seniority shall be by classification as shown in the Wage Schedule of this Agreement. Full-time seniority shall be applied on the following basis: store - city - zone and then division within the geographical jurisdiction of the Union. Part-time seniority shall be on a store basis only. Part-time employees transferred shall retain their seniority in the new store.

#### Section 7.02 - Application:

Α In the application of seniority, separate lists of full-time and part-time employees shall be established and maintained and records shall be available to the Union at all times. A separate seniority list shall also be maintained for the Delicatessen Department and the General Merchandise Department (formerly Sav-On) covered bv the Agreement, and employees working in those departments shall have seniority only among themselves. No other employee covered by the Agreement shall have the right to exercise his or her seniority to claim work in the Delicatessen Department or the General Merchandise Department. When Delicatessen Department General Ô٢ Merchandise Department employee transferred by management to another department within the bargaining unit, they will carry their seniority with them.

When a Delicatessen or General Merchandise employee is being transferred by management, consideration will be given to the employee's wishes. Where ability is

reasonably equal, an employee having seniority may elect not to transfer.

Any Delicatessen or General Merchandise employee on the top rate of pay who desires consideration for transfer to another department shall notify the Zone Manager, in writing, with a copy to the Human Resources Department and the Union.

The Employer shall furnish a revised seniority list each three (3) months, if requested to do so by the Union.

- B-1. A full-time employee is defined as one hired or subsequently reclassified by the Employer to work the basic work week as defined in Article 9, Section 9.02. Full-time employees shall have the right to exercise seniority over less senior full-time employees and over all part-time employees. A full-time employee who is reduced to part-time shall retain his or her seniority.
- B-2. In the event of a layoff and/or reduction in hours of a full-time employee, then the affected full-time employee shall have the right to become the senior part-time

employee within the store or may displace the least senior full-time employee within the city, zone, or jurisdiction of the Local Union.

- C-1. A part-time employee is defined as one hired or subsequently reclassified by the Employer to work less than the basic work week as defined in Article 9, Section 9.02. Part-time employees shall have the right to exercise seniority only over less senior part-time employees.
- C-2. Part-time seniority shall be on a store basis only, except that if a part-time employee does not work for one (1) week, or would be laid off, that employee may replace the least senior part-time employee in the city, zone, and then division, or be considered for any future opening in the seniority areas based on the employee's seniority date.
- D. In stores in which the part-time/full-time ratio language applied as of June 18, 1989, employees who were full-time as of June 25, 1989, will not be reduced to part-time as a result of making the ratio language inoperative.

#### Section 7.03 - Choice of Schedules and Hours:

- A. Employees by classification and job assignment may exercise a preference and claim a total weekly schedule by seniority. This claim must be made by 12 noon Saturday after posting of the schedule for the succeeding week's hours of work. Such schedule shall not be arbitrarily or capriciously changed by the Employer.
- B. Full-time employees by classification within a store, and where the employee is qualified to do the work available, will be given the weekly schedule with the most hours by seniority.
- C. Part-time employees by classification and where the employee is qualified to do the work available, with the most seniority within a store, will be given the next weekly schedule with the most hours by seniority.
- D. Where additional hours in a store become necessary to schedule due to employee's absence, increased volume, etc., it will be done by seniority as defined in this article. Employees will not necessarily be called in

unless the additional hours exceed four (4) hours or more or the additional hours would run into evertime

- E. Any grievance arising out of scheduling must be presented by 4 P.M. on Saturday of the week the schedule is posted by the employee involved; otherwise, said employee will be deemed not to have a valid grievance.
- F. In a general layoff or where inequities exist, the Employer and the Union will meet and such arrangements worked out will be final and binding on all parties.
- G. Part-time employees with demonstrated ability to do the job shall be given preference for full-time employment over applicants.
- H. The Employer agrees not to schedule two (2) employees where one (1) could be scheduled to do the work available and said employee is qualified and available.
- Within each store and by job assignment, overtime for work on an extra day shall be offered by seniority. Daily overtime not

previously scheduled shall be offered by seniority to the employees, by job assignment, available when the need for overtime arises. Nothing in this provision will require the Employer to work employees on overtime.

J. The Employer agrees to make every effort to continue to maximize the number of full-time jobs during the term of this Agreement.

Section 7.04 - Vacation Choice: The date of hire shall apply in choice of vacation times. The Employer will not block out any weeks of eligibility for vacations. Employee's vacation choice will be granted as long as the number of employees off at any one time does not interfere with the efficient operation of the store.

Section 7.05 - Sunday and Holiday Rotation: Sunday and holiday work shall be rotated among volunteers insofar as possible. When store staffing requires non-volunteers to work, they will be scheduled by inverse seniority. Non-volunteers will not be required to work successive Sundays unless required by store staffing needs, in which case they will be scheduled by inverse seniority.

#### Section 7.06 - Promotions and Transfers:

- A. In the matter of promotions or transfers from one type of work to the other, the Employer shall have the right to exercise his final judgment after giving due regard to seniority.
- B. In the matter of transfers from one store to another, the Employer shall have the right to determine whether the employees in that job classification are qualified for the available assignment. All circumstances being reasonably equal, the job shall be offered to the most senior employee. In the event that the most senior employee refuses the transfer, the junior employee can be transferred in inverse seniority order.
- C. Employees desiring a transfer from one store to another will submit a request in writing to the Union, the Employer Human Resources Office, and Zone Manager. The request will remain on file for a period of six (6) months. Transfers shall be granted when a job vacancy exists provided the employee is qualified and available to perform the work.

- D. Any employee who desires consideration for promotion shall notify his Zone Manager in writing with a copy to the Human Resources Department and the Union. Employees will be considered from those who apply in accordance with seniority.
- E. Employees within a store may transfer from night stock work to day work or vice versa, where vacancies occur within their classification on the basis of seniority, provided said employee is qualified to perform the work after given a reasonable length of time to train for the job involved.

# <u>Section 7.07 - Loss of Seniority:</u> Seniority will be broken if an employee:

- 1. Quits:
- Is discharged for just cause;
- Is laid off continuously for a period of more than six (6) months;
- Fails to report to work within one (1) week following a call back to work after a layoff;

 Fails to return to work upon completion of a leave of absence as defined in the Contract

<u>Section 7.08:</u> Store stewards will be the last transferred from a store by classification.

<u>Section 7.09:</u> Any dispute over whether the Employer has given due regard to seniority as set forth in this Agreement shall be subject to the dispute procedure.

#### **ARTICLE 8 - DISPUTE PROCEDURE**

<u>Section 8.01:</u> The Union shall have the right to designate a store steward for each store.

<u>Section 8.02:</u> Should any differences, disputes, or complaints arise over the interpretation or application of the contents of this Agreement, there shall be an honest effort on the part of both parties to settle such promptly through the following steps:

Step 1. By conference between the aggrieved employee, the store steward, business agent, or both, and the manager of the store.

- Step 2. By conference between the store steward or business agent of the Union and the Zone Manager, who shall meet within thirty (30) days of Step 1 and answer within fifteen (15) days of the meeting, unless mutually waived by both parties. Before being considered in Step 2, the grievance must be submitted to the Employer in writing.
- Step 3. By conference between an official or officials of the Union and the Marketing Area President or a representative of the Employer delegated by the Marketing Area President, or both, who shall meet within thirty (30) days of Step 2 and answer within fifteen (15) days of the meeting, unless mutually waived by both parties.
- Step 4. In the event the preceding step fails to settle the complaint, the Union may refer the matter to arbitration; however, any such request for arbitration must be made not more than thirty (30) calendar days after the Employer gives its answer in writing in Step 3.

Grievance settlements at Steps 1 and 2 shall be nonprecedent setting, unless the parties agree otherwise.

<u>Section 8.03:</u> An official of the Employer and an official of the Union shall select an arbitrator.

Section 8.04: In the event said officials cannot agree upon an arbitrator, the Union and the Employer shall jointly request the Director of the Federal Mediation and Conciliation Service to supply a panel of arbitrators from which the arbitrator may be chosen. The decision of the arbitrator shall be binding upon the Union, the Employer, and the aggrieved employee. The fee of the arbitrator, his necessary expenses, and the cost of the hearing room, if any, shall be paid equally and jointly by the Employer and the Union. Any other costs shall be borne by the parties incurring them.

<u>Section 8.05:</u> No grievance will be discussed unless the outlined procedure has been followed. It is agreed that Steps 1 and 2 may be waived if acceptable to both the Employer and the Union.

<u>Section 8.06:</u> Group discussions between employees and representatives of the Union, including the store steward, or among themselves concerning disputes, shall not take place during

working hours. Any discussions shall be carried out without interfering with the Employer's business.

Section 8.07: Grievances must be taken up promptly, and no grievance will be considered or discussed which is presented later than fourteen (14) calendar days after such has happened, except in those cases where a monetary obligation exists.

Section 8.08: The parties agree that grievances may arise of a general nature affecting or tending to affect several employees, and that such grievances may be initiated at any of the above-mentioned steps deemed appropriate by the parties.

<u>Section 8.09</u>: The arbitrator shall not have the authority to alter or modify the terms of the Agreement.

Section 8.10: The arbitrator will render a decision within thirty (30) days, where possible, after receipt of briefs from both parties.

<u>Section 8.11:</u> No employee will be required to take a polygraph test.

#### **ARTICLE 9 - WORKING CONDITIONS**

<u>Section 9.01:</u> The hours for employees shall be scheduled by the Employer.

Section 9.02: There shall be a guarantee for all regular full-time employees of forty (40) hours (or pay in lieu thereof) to be worked in five (5) eight (8) hour shifts, except in holiday weeks when the guarantee will be thirty-two (32) hours, to be worked in four (4) shifts, Sunday through Saturday. It is understood that this guarantee is contingent on no infraction of Employer rules, lateness, or other personal reasons of the employee. It is further understood that this guarantee shall not apply in the case of partial or complete shutdown resulting from fire, flood, strike, or other circumstances, which are beyond the control of the Employer. Schedules will not be changed to avoid the payment of overtime.

Section 9.03: Work schedules for all employees shall be posted by 12 noon Friday for the following week, and such schedules shall not be changed during the week unless such requirement is necessitated because of sickness or other emergency, subject to the grievance procedure outlined in Article 8 of this Agreement. Full-time employees required to work on their scheduled shift

off will receive time and one-half (1½) for all work performed that shift. A scheduled shift off is the one posted on Friday. Part-time employees working their scheduled shift off shall be paid time and one-half (1½). Time to be regulated by the time standard policy, a copy to be posted in all stores.

Section 9.04: The schedule shall be posted in ink or other permanent type print and shall show the last name, initial of the employee, the employee's starting and quitting times, and the scheduled shift off. Such schedule shall be accessible to the Union.

Section 9.05: All work performed in excess of eight (8) hours in any shift and forty (40) hours per week [thirty-two (32) hours in a holiday week] shall be paid for at one and one-half (1½) times the employee's straight-time hourly rate of pay. Overtime will be paid on the shift or on the week, whichever is greater, but in no case on both. Hours paid for at premium pay (other than hours included in the night premium) will be set aside for the purpose of computing weekly overtime. Notwithstanding the above, employees may voluntarily work up to forty (40) hours in a holiday week at the straight-time hourly rate of pay.

Section 9.06: There shall be no split shifts scheduled for employees, except part-time

employees, where mutually agreed upon between the Employer, the Employee, and the Union. The Employer will not use this language to circumvent scheduling hours to employees by seniority.

<u>Section 9.07:</u> Each employee shall have a full shift off during the week to be given within the practical operation of the individual store schedule.

Section 9.08: No employee shall be required to work less than four (4) hours or more than five (5) hours without a lunch period of one (1) hour. Lunch hours will be posted on the weekly work schedule.

Section 9.09: An employee will have a minimum of ten (10) hours off between scheduled shifts. If an employee is called back between these hours, he will be paid for those hours at the rate of time and one-half (1½). These provisions will not apply when voluntarily waived by an employee, but in no case will an employee be scheduled less than (8) hours between shifts. The Employer will not use this language to circumvent scheduling hours to employees by seniority.

Section 9.10: All employees, except those working before and after school hours, on weekdays, who are

instructed to report to work shall be guaranteed at least four (4) hours' work.

Section 9.11: There shall be an uninterrupted fifteen (15) minute rest period in the morning and an uninterrupted fifteen (15) minute rest period in the afternoon of all workdays, or each four (4) hours worked. Employees who work ten (10) or more hours in a workday shall receive a third uninterrupted fifteen (15) minute rest period. The Employer will endeavor to schedule the rest period during the second and third hours of each such period worked.

Employees who work six (6) hours but less than eight (8) hours who are not required to take a lunch period will receive a second fifteen (15) minute break. It is understood that this provision does not affect the application of Section 9.08 above as to the requirement for employees to take scheduled lunch periods.

Section 9.12: Part-time employees will be scheduled for a minimum of fifteen (15) hours per week if the employee is available or if the part-time employee called in on Saturday (who has not previously worked that week) will be scheduled for the hours from the time called in to the time of store closing. For those part-time employees who are not scheduled during

the week, and who are called in on Saturday, will be guaranteed five (5) hours of work, or pay in lieu thereof.

Section 9.13: Employees shall perform any work which the manager of the store or the Zone Manager may direct with the understanding that when an employee is assigned to a job with a lesser rate, he will be entitled to this regular rate of pay, unless due to a decrease of work, he has been regularly assigned to a lower rated job and desires to retain such job rather than accept a layoff. Employees will not be required to work in the Meat Department.

Section 9.14: Night work, wherever practical, will be rotated on an equal basis among employees of equal status and classification.

Section 9.15: Sunday work shall be compensated for at the premium rate of one dollar (\$1) per hour. Employees hired after August 3, 1992, will not receive Sunday premium pay.

Section 9.16: If agreeable between the employee, the Employer, and the Union, an employee may be scheduled four (4) ten (10) hour shifts, not necessarily consecutive, without incurring daily

overtime after eight (8) hours. (For night stock crews.)

Section 9.17: Employees shall not be required to furnish their own transportation to conduct any business of the Employer. Employees who are authorized to use their own transportation to conduct any business of the Employer shall be reimbursed at the rate of thirty-four and one half cents (34.5¢) per mile.

#### ARTICLE 10 - LEAVES OF ABSENCE

Section 10.01: Requests for leaves of absence must be made by the employee in writing to the Employer's Human Resources Office with a copy to the Union. Such requests must be made at least two (2) weeks prior to the desired date of leave, except in cases of sickness or injury or as otherwise specified below.

<u>Section 10.02 - Personal Leave:</u> Employees may be granted a personal leave of absence not to exceed sixty (60) days. The Employer will not arbitrarily deny such request.

Section 10.03 - Sickness, Pregnancy, or Injury: A leave of absence because of sickness, pregnancy, or injury will be granted to any employee not to exceed

ninety (90) days upon written request supported by medical evidence. Extensions of ninety (90) days [not to exceed one (1) year total] will be granted upon written request supported by proper medical evidence prior to each extension; provided, however, than an employee may request to be considered for additional leave as a reasonable accommodation beyond one (1) year, which will be considered on a case-by-case basis. The employee will give the Employer one (1) week's notice in writing of his desire to return to work supported by a doctor's release.

Section 10.04 - Injury on the Job: An employee with one (1) or more years' continuous service shall be allowed a maximum of one (1) week's leave of absence with pay in any one (1) calendar year for injury or injuries sustained on the job when such absence is authorized by the Employer's designated doctor, provided the accident is reported promptly to management. Employees hired after August 3, 1992, will not qualify for this leave of absence with pay.

<u>Section 10.05 - Military Leave:</u> Military leaves will be given in accordance with applicable federal laws. The Employer will endeavor to reschedule days off for employees required to attend regularly scheduled weekend military training assemblies.

Section 10.06 - Union Business: The Employer will grant the necessary leave of absence without pay for employees appointed to or elected to union office or a delegate to a union activity. Such leave in no case shall exceed three (3) years.

Section 10.07 - Funeral Leave: Up to three (3) days' leave with pay shall be granted for time necessarily lost from work, in the event of a death in the immediate family of any full-time employee, provided that the employee attends the funeral. In no case, however, will the employee receive more than his basic weekly pay. By immediate family is meant parent, brother, sister, wife, husband, child, stepchild, mother-in-law, father-in-law, grandparents, spouse's grandparents, grandchildren, or any other relative residing with the employee.

Part-time employees with one (1) or more years of continuous service will, under the same conditions and stipulations in the above paragraph, receive prorata funeral pay to be determined by averaging the hours worked on the days in question for the previous four (4) weeks.

<u>Section 10.08 - Jury Duty:</u> Any employee serving on a duly constituted jury or appearing in court and/or the police department on behalf of the Employer will

be paid for hours necessarily absent from work. Such pay shall not exceed the employee's basic weekly pay. The employee shall notify the Employer promptly of any such necessary arrangements.

Any employee required to appear in legal proceedings on behalf of the Employer shall be paid for any time necessary for that purpose, including travel time to the proceedings from the store, and shall be reimbursed for parking fees resulting from parking for such proceedings. Parking receipts must be presented to receive reimbursement.

Section 10.09: Time spent on leave of absence will not be counted as time worked for the purpose of contract benefits, except as otherwise specifically provided therein, but will not result in loss of seniority. Failure to follow the terms of the leave of absence or to report back to work at the end of a leave, or to accept gainful employment elsewhere (other than Union business) while on leave, shall result in the employee being considered a voluntary quit.

Section 10.10: Any employee who is scheduled to work eight (8) hours on election days and who is registered to vote shall be allowed time off to vote in all state and federal elections (without pay).

Section 10.11: Eligible employees (as defined by law) will be eligible for leaves of absence under the terms of the Family and Medical Leave Act of 1993. The conditions of such leaves shall be those prescribed by the law unless existing leave provisions in this contract provide more generous terms.

### **ARTICLE 11 - VACATIONS**

### Section 11.01 - Eligibility:

- A. Eligibility for an employee's first vacation [one (1) week] and for his subsequent increase in vacation will be determined by the anniversary date of his employment. Arrangements must be made to permit employees to enjoy such earned vacation between the actual employment anniversary date and the end of the year in which it occurs. Where necessary, vacations due in the 12th or 13th periods may be carried over to the first period of the next year.
- B. The following schedule will apply: "Service" means continuous employment as a regular employee: 1 year 1 week; 3 years 2 weeks; 6 years 3 weeks; 15 years 4 weeks; 20 years 5 weeks.

The following schedule will apply to employees hired after June 24, 1989, only: 1 year - 1 week; 4 years - 2 weeks; 10 years - 3 weeks; 18 years - 4 weeks.

Employees who are eligible for at least two (2) weeks of vacation may take up to one (1) week of their vacation one day at a time on mutually agreeable dates. The Employer retains the right to limit the number of employees off in any one (1) week.

- C. Employees who have completed the required service prior to January 1 of any year are eligible for an additional week or weeks of vacation as of January 1 in accordance with the above schedule.
- D. If an employee qualifies for one (1) week's vacation as of January 1 and is due to complete the service necessary for an additional week or weeks of vacation later in the year, he may take the first week early or wait and take it all together.
- E. Vacations must be taken during the calendar year unless, due to emergency, the management finds it necessary to request

postponement. Vacation pay will be paid in advance.

- F. If any employee who has not taken his vacation earned by his service leaves (regardless of whether he gives notice) or is separated for any reason other than dishonesty, he will receive his vacation pay at the time of leaving.
- G. Leaves totaling ninety (90) days or less in any calendar year shall not affect vacation earned in that year; leaves totaling more than ninety (90) days but not over one hundred eighty (180) days shall reduce vacation and vacation pay by one-fourth (½); leaves totaling more than one hundred eighty (180) days but not over two hundred seventy (270) days shall reduce vacation and vacation pay by one-half (½); leaves totaling more than two hundred seventy (270) days shall disqualify for vacation.
- H. "Regular" for the purpose of this schedule refers to the Employer's definition of a "regular employee."

I. When an employee's status is changed from part-time to full-time, they will have their continuous service, for the purpose of determining their second week of vacation only as a full-time employee, dated from their last beginning date of employment rather than the date of their qualifying as a full-time employee.

#### Section 11.02 - Vacation Pay:

- Full-time employees shall be paid their straight-time earnings for their basic work week.
- B. Part-time employees shall be given vacation pay on a pro-rata basis computed by dividing the total number of hours worked in the vacation qualifying year by fifty-two (52), with the number of weeks of eligibility to be determined in the same manner as for those full-time employees defined in this article as "regular" by Employer definition.

#### **ARTICLE 12 - HOLIDAYS**

<u>Section 12.01:</u> The following shall be considered holidays: New Year's Day, Independence Day, Labor

Day, Thanksgiving Day, and Christmas Day, or days celebrated in lieu thereof **Full-time** employees who work their scheduled day immediately preceding a holiday and their scheduled day immediately following a holiday shall receive eight (8) hours' pay in addition to the hours worked. Full-time employees who are absent on their scheduled day immediately preceding a holiday, the holiday (if scheduled), or their scheduled day immediately following a holiday shall not be paid , holiday pay unless absence is due to proven illness or the absence is excused by the Employer, in which case the employee shall receive holiday pay. provided he worked any part of the holiday week. The basic work week in such holiday week shall be thirty-two (32) hours. Holiday work shall compensated for at premium rate of one dollar (\$1) per hour.

Employees hired after June 24, 1989, will become eligible for holidays only after completion of one (1) year of continuous service.

Add two (2) personal holidays in 1999 to be scheduled on mutually agreeable dates.

Add Martin Luther King, Jr.'s, Birthday in 2001.

Section 12.02: A part-time employee who is eligible for holiday pay shall be entitled to holiday pay for the holidays set forth in Article 12 of this Agreement, provided he was scheduled for work in the holiday week and worked his scheduled hours in the holiday week. Employees who are absent of their own accord during a holiday week shall be paid only for the hours actually worked, except where absence is caused by proven illness or is excused by the Employer, the employee shall receive the holiday pay provided he worked any part of the holiday week. Holiday pay for eligible part-time employees will be:

Average Hours Worked	Holiday Pay
Under 12	2 hours
12 - 24	4 hours
24 - 32	6 hours
32 and over	8 hours

Section 12.03: No employee shall be required to work beyond 6 P.M. on Christmas Eve, except as necessary to handle the customers remaining in the store after that hour or in the case of serious emergencies.

Section 12.04: No employee shall be required to work on Christmas Day.

Section 12.05: Full-time employees who are scheduled to work on a holiday shall be given the number of hours that the store is open, not to exceed eight (8) hours and exclusive of lunch hours.

<u>Section 12.06:</u> Should a holiday fall during an employee's vacation, he shall receive an additional day off with pay immediately following his vacation period.

# ARTICLE 13 - NO STRIKE, NO LOCKOUT

Section 13.01: During the term hereof, the Union agrees that there shall be no strike or any other interference with or interruption of the normal conditions of the Employer's business by the Union or its members. The Employer agrees that there shall be no lockout.

Section 13.02: No employee shall be required to cross a legal labor picket line of a union involved in a primary labor dispute with the Employer. Before the Local Union gives official recognition to any picket line, it shall discuss such action with the Employer.

### **ARTICLE 14 - WAGES**

Section 14.01: Rates of pay and pay schedules as set forth in Wage Schedule "A" attached hereto shall remain in effect for the life of this Agreement. All employees currently making above contract rates will receive like increases on their personal rates.

Section 14.02: If an employee is assigned to the job of Head Produce Clerk, Head Checker, Head Clerk, Head Delicatessen Clerk, General Merchandise Department Head, Lead File Maintenance Clerk, or Lead Floral Clerk, on a relief basis, he shall receive during the time of such relief the contractual rate of pay for that store.

## ARTICLE 15 - SEPARATION PAY

An employee who is separated for incompetence or is permanently separated due to discontinuance of the job, store closing, or reduction of force shall be given one (1) week's notice or one (1) week's pay in lieu of notice. Such notice or pay in lieu of notice shall not apply to any employee who is discharged for proper cause.

#### **ARTICLE 16 - UNION COOPERATION**

Section 16.01: The Union agrees to cooperate with the Employer in maintaining and improving safe working conditions and practices, in improving the cleanliness and good housekeeping of the stores, and in caring for equipment and machinery.

Section 16.02: The Union agrees to uphold the rules and regulations of the Employer in regard to punctual and steady attendance, proper and sufficient notification in case of necessary absence, conduct on the job, and all other reasonable rules and regulations established by the Employer. Any new rules and regulations or methods shall be discussed with the Union before installation.

<u>Section 16.03:</u> The Union agrees to cooperate in correcting inefficiencies of members, which might otherwise necessitate discharge.

Section 16.04: 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.

#### **ARTICLE 17 - HEALTH AND WELFARE**

The Employer shall contribute to the established South Central United Food and Commercial Workers Unions and Employers Health and Welfare Trust Fund for all hours paid, not to exceed forty (40) hours per week, after thirty (30) calendar days of employment. Such contributions shall be used to provide Health and Welfare benefits as determined by the Trustees as provided in the South Central Division United Food and Commercial Workers Unions and Employers Health and Welfare Trust Agreement.

Beginning with the August Health and Welfare contribution, the Employer will contribute \$1.85 for all eligible hours to the South Central Health and Welfare Trust Fund. For each year beginning July, 2003, the Employer will increase its Health and Welfare contribution rate up to a maximum of 12 percent (12%) each year. This includes carry over through the contribution made July, 2005. A new clerks benefit plan design supported by the new contribution level will be implemented by August 1, 2002. Such Health and Welfare contributions shall be used to provide Health and Welfare Benefits for the Arkansas 2008 Retail Clerks as determined by the Trustees as provided in the South Central United

Food and Commercial Workers Unions and Employers Health and Welfare Trust Agreement. It is understood that the contributions, reserves, claims experience, and other related expenses associated with the Arkansas 2008 Clerks shall not be commingled with any other Health and Welfare Plan's experience within the South Central Trust Fund.

Working spouse/dependent coordination of benefits provisions for clerks (ala: Atlanta H&W provisions effective 1-1-03).

Two spouses that work for Kroger will not be penalized by coordination of benefits.

The parties agree to explore mutually beneficial possibilities for health care changes under the auspices of the South Central United Food and Commercial Workers Unions and Employers Health and Welfare Trust Fund. No changes can be made unless the Union agrees. The Employer will not propose, as a result of this Agreement, any changes in health care during the first year of this labor Agreement.

#### **ARTICLE 18 - PENSION**

Section 18.01: The Employer agrees to contribute to a jointly administered Trust Fund known as the United Food and Commercial Workers Unions and Employers Pension Fund the sum of thirty-five cents (35¢) per hour for all hours paid up to forty (40) hours per week for all employees in the bargaining unit upon the completion of twelve (12) months of continuous service. Hours paid shall include paid hours of vacation, holidays, and other hours or leave paid for by the Employer. Such contributions shall be made on or before the twentieth (20th) day of each month for the preceding month. Upon payment of monthly contributions, the Employer shall report to the Union and the Trust Fund all hours worked by all employees for which contributions were required during the preceding month.

Section 18.02: The contributions provided for in Section 18.01 hereof shall be for the purpose of providing such pension benefits for eligible employees and other eligible persons as are determined from time to time by the Trustees of the aforesaid Trust Fund pursuant to the terms of a Trust Agreement and Declaration of Trust, which copies have been exchanged by the parties concerned.

#### **ARTICLE 19 - TIME RECORDS**

<u>Section 19.01:</u> Employees will be responsible for recording or punching their own time and will be paid in accordance with such time records.

Upon reasonable request to store management, the business representative and/or store steward shall be allowed to examine and verify the recorded store time information. Such requests will not be made more than once daily, and the Union will be given a copy, if requested.

Section 19.02: The Employer and the Union agree that working before punching in or after punching out may subject such an employee to disciplinary action up to and including discharge.

Section 19.03: When an employee fails to record his time, or when an error is recorded, the employee shall follow the designated procedure for reporting and correcting such an error.

## **ARTICLE 20 - GENERAL PROVISIONS**

Section 20.01 - Store Meetings: Employees will be compensated at their regular contractual rate of pay

for any meetings where their attendance is required by the Employer.

Section 20.02: When an employee is injured on the job or suffers a job-related illness and is certified as ready and able to perform all regular duties but required to follow up medical treatment as a result of the same injury or illness, the Employer shall adjust the work schedule without penalty to the employee, insofar as is consistent with good store operations to provide the time, without pay, for the required medical care.

<u>Section 20.03:</u> Only persons authorized by the manager will cash checks. Authorized persons following proper procedure shall not be required to make checks good.

Section 20.04: If the city or state required a health examination of a regular or non-regular Kroger employee covered under the terms of this Agreement, the renewal examination will be paid for by the Employer up to the amount of five dollars (\$5) per year.

Section 20.05: Any uniform or apron deemed necessary by the Employer for its employees shall be furnished and laundered by the Employer. Where

dacron or similar type uniforms are furnished to female employees, such uniforms shall be laundered by the employee.

#### **ARTICLE 21 - SEPARABILITY**

Any provision of this Agreement, which may be adjudged by a court of final jurisdiction to be in conflict with any federal, state, or local law, shall become inoperative to the extent and duration of such conflict. Since it is not the intent of either party hereto to violate any such law, it is agreed that in the event of a conflict between any provision of this Agreement and such federal, state, or local law, the remainder of this Agreement shall remain in full force and effect. The Employer and the Union agree that substitute provisions shall be negotiated promptly to replace those provisions coming into conflict with the laws herein described. The Employer and the Union further agree, that if they are unable to reach an agreement on the substitute provisions, to arbitrate any differences concerning a substitute provision.

### ARTICLE 22 - BAGGER/CARRYOUT CLERK

A Bagger/Carryout Clerk is an employee whose work is restricted by this Agreement to the performance of

limited duties within specified work areas of the Employer's retail establishments, as follows:

<u>Section 22.01:</u> Maintain the area of the checkstands and customer entrances in an orderly condition through clean-up work and the stocking of supplies in the check-stands, which shall not include merchandise for sale.

<u>Section 22.02:</u> Assistance to customers in the "bagging" of their orders and in transporting merchandise purchased by them to their automobiles on the store's parking lot.

<u>Section 22.03:</u> The collection of shopping carts on the premises.

<u>Section 22.04:</u> Sort empty bottles or containers returned by customers and put in proper area for return, and sweeping floors.

<u>Section 22.05:</u> Verify prices against shelf merchandise and return rejected perishable merchandise to shelf. Cleaning of parking lot, exterior of store, rest rooms, lunch rooms, sweeping, mopping, dusting of store, and cleaning windows.

#### Section 22.06:

- In the event of any violation of this section, A. the Union shall notify the Employer in writing, stating the store in which the violation occurred. If the violation is substantiated, the most senior clerk in this classification will be paid for all hours worked on the day the violation took place at the appropriate regular clerk rate. event of a second violation of this section occurring within the same store, the Union have the right to terminate the shall Bagger/Carryout classification for a period of three (3) months in the store involved.
- B. In the event a third violation should occur in a store, then the Union shall have the right to terminate the Bagger/Carryout classification for a period of one (1) year in the store in which the violations have occurred.
- C. Where the Union exercises its right to terminate the Bagger/Carryout classification, then those employees working in the store under the Bagger/Carryout classification shall be promoted to the appropriate clerk

classification and that rate shall prevail thereafter for such employees.

#### **ARTICLE 23 - STORE CLOSING**

Section 23.01: In the event the Employer closes or sells a store and employees are terminated as a result thereof, pro-rata vacation and severance pay equal to one (1) week's pay for each year of continuous service commencing with the third year of continuous service for employees up to, but not to exceed, eight (8) weeks' pay at their regular rate. However, those employees who have an incomplete year of continuous service as an employee will receive pro-rata severance pay for that year as follows:

- 0-3 months equals twenty-five percent
   (25%) of a week's pay
- 3-6 months equals fifty percent (50%) of a week's pay
- 6-9 months equals seventy-five percent (75%) of a week's pay
- Over 9 months equals one (1) week's pay

Severance pay shall be computed based on the average hours worked per week for the fifty-two (52) weeks preceding a voluntary layoff or termination.

<u>Section 23.02:</u> Employees terminated as a result of a store closing shall receive, in addition to severance pay, pro-rata vacation pay.

Section 23.03: The Employer shall continue contributions to the Pension and Health and Welfare Trust Fund for three (3) full months following termination on an hourly basis in direct relationship to the severance pay received for those employees who receive severance pay, except those employees who secure employment with a contributing Employer in the Pension and Health and Welfare Trust Fund.

Section 23.04: All monies due employees including severance pay shall be paid in a lump sum upon termination.

Section 23.05: The Employer agrees to give to the employees and the Union four (4) weeks' notice in advance of a store closing or sale. When such notice is given, an employee shall remain with the Employer until the store closes or forfeits his rights under this article, unless mutually agreed to by the employee, Employer, and the Union.

Section 23.06: No benefits shall accrue under the terms of this article unless the Employer makes a business decision to close or sell a store. If a store closing is caused by fire, flood, storm, land condemnation, or remodeling, then this article shall not apply.

Section 23.07: No benefits shall accrue under the terms of this article if the employee refuses a transfer within a twenty-five (25) mile radius.

<u>Section 23.08</u>: Any employee who is terminated and who is eligible for and accepts severance pay forfeits all seniority and recall rights. An employee who does not accept severance pay shall retain his recall rights for a period of six (6) months, and if still not recalled by the Employer, shall then receive his severance pay and has no further recall rights.

## ARTICLE 24 - TECHNOLOGICAL CHANGE

The parties recognize that automated equipment and technology is now available for the retail food industry. The Employer recognizes that there is a desire to protect and preserve work opportunities. At the same time, the Union recognizes that the Employer has the right to avail itself of modern

technology. With this common objective, the parties agree as follows:

In the event the Employer introduces major technological change, which for the purpose of this article is defined as price marking and electronic scanner, which would have a direct material impact affecting bargaining unit work, sixty (60) days' advance notice of such change will be given to the Union.

#### In addition, the parties agree:

- The Employer has the right to instalt such equipment.
- Any training or necessary retraining will be furnished expense free by the Employer to affected employees.
- Where employees would be displaced by such installation, the Employer will make every effort to affect a transfer.
- If an employee is not retrained or transferred and would be displaced as a direct result of major technological change, as defined

above, then the employee would qualify for separation pay if:

- A. The employee had two (2) or more years' continuous service.
- B. Does not refuse a transfer within a twenty-five (25) mile radius.
- Does not refuse to be retrained.
- Such action does not occur more than one (1) year from date of installation.
- Severance pay would be paid at the rate of one (1) week's pay for each year of service in excess of two (2) years, not to exceed eight (8) weeks.
- Severance pay would equate the average number of hours worked the fifty-two (52) weeks preceding displacement, not to exceed forty (40) hours straight-time pay.

#### **ARTICLE 25 - NON-DISCRIMINATION**

The Employer and the Union agree that neither shall discriminate against any employee because of age,

race, creed, color, sex, disability, veteran's status, or national origin. It is understood that wherever there appears a reference in this Agreement to male or female gender, the intent is to interpret this Contract as to having no reference to a specific sex.

## **ARTICLE 26 - EXPIRATION**

Section 26.01: This Agreement shall continue in effect from June 30, 2002, through June 24, 2006. Sixty (60) days prior to June 24, 2006, this Agreement may be opened by either party for discussion of any changes or revisions desired. If neither party notifies the other, this Agreement shall be extended from year to year.

Section 26.02: All new provisions of this Agreement, other than wage rates, or unless otherwise provided herein, are to become effective the week following signing of this Agreement; except that it is understood that as a part of this Agreement's overall economic improvements, that changes agreed to will be implemented only to the extent permissible by law and with the prior approval of the appropriate governmental agencies.

IN WITNESS WHEREOF, the said parties have caused duplicate copies hereof to be executed by their duly authorized representatives this 15th day of November, 2002.

#### FOR THE UNION

Michael T. Keen Charles Lee Linda Barnhart Barbara Bradley Danita Castleberry Joe Clark Leta Ferricher David Fielding Peggy Flatt Mamie Foster Glen Gibbons **Dinah Guillory** Billy Haynes Kim Humphreys Kenny Johnson Stephanie Leach Steven Lewis Lesa McGhee Bobby Morgan Sue Myers Randy Rutledge Alan Schnebelen Bruce Short Trena Smith Curtis Steele Christie Watson Chris Williams

#### FOR THE EMPLOYER

William H. Platten Rufus Wilson

#### SCHEDULE "A" WAGES

CLASSIFICATIONS	EFFECTIVE DATES			
	6/30/02	6/29/03	6/27/04	6/26/05
DELICATESSEN/GENER MERCHANDISE CLERKS AT 7.25				
(Red-Circled)	8.70	8.95	9.20	9.45
DELICATESSEN/GENER MERCHANDISE CLERKS HIRED OR PROMOTED_ AFTER 8/03/94	5			
0 - 6 months	5.75	5.75	5.75	5.75
6 - 12 months	5.75			
12 - 18 months	5.75			
18 - 24 months	5.75			
24 - 36 months	6.25			

\*Based on either 9 month or 6 month progression steps each progression level will increase by twenty-five cents (.25¢) up to \$6.75. After \$6.75 the next progression would take you to the thereafter rate.

#### Thereafter

- Part-Time Hired				
after 7/01/98 (a.)	7.60	7.85	8.10	8.35
- All Other	8.10	8.35	8.60	8.85

## SCHEDULE "A" WAGES (cont'd.)

CLASSIFICATIONS	E1 6/30/02	FFECTIVE	6/27/04	6/26/05
	OTOGTOL	O/LO/OO	0/2//04	0/20/03
BAGGER/CARRYOUT CLERK				
0 - 6 months	5.25	5.25	5.25	5.25
6 - 12 months	5.40	5.40	5.40	5.40
Thereafter	5.55	5.55	5.55	5,55
HEAD CHECKER	•			
Up to \$50,000	12.89	13.14	13.39	13.64
\$50,000 and over	13.09	13.34	13.59	13.84
HEAD PRODUCE/GROCERY				
\$ 0 - \$37,500	12.69	12.94	13.19	13.44
\$37,500 - \$75,000	12.89	13.14	13.39	13.64
\$75,000 - over	13.09	13.34	13.59	13.84
HEAD DELICATESSEN				
CLERK	12.69	12.94	13.19	13.44
CLERKS AT 8.75 (Red-Circled)	10.20	10.45	10.70	10.95
CLERKS AT 10.515 (Red-Circled)	11.97	12.22	12.47	12.72

## SCHEDULE "A" WAGES (cont'd.)

CLASSIFICATIONS	EI <u>6/30/02</u>	F <b>FECTIVE</b> 6/29/03	DATES 6/27/04	6/26/05
CLERKS HIRED OR PROMOTED FROM 8/04/94 TO 7/01/98 (Red-Circled)	9.20	9.45	9.70	9.95
CLERKS HIRED OR PROMOTED AFTER 7/01/98				
0 - 6 months	5.75	5.75	5.75	5.75
6 - 12 months	5.75		• • •	
12 - 18 months	5.75			
18 - 24 months	5.75			
24 - 30 months	6.25			
30 - 36 months	6.85			
- Part-Time Hired				
after 7/01/98	7.60	7.85	8.10	8.35
- All Other	9.20	9.45	9.70	9.95

<sup>\*</sup>Based on either 9 month or 6 month progression steps each progression level will increase by twenty-five cents (.25¢) up to part-time thereafter rate. All employees will go to 6 month progression beginning 30-36 month step.

\*No present employee to have hours reduced as a result of the adoption of this Agreement [Upon request the Employer to furnish six (6) months' average hours]. (For any Clerk on the payroll as of 2/19/84 to have their hours reduced, first all Clerks hired after that date must be laid off in that store.)

\*Bagger/Carryout Clerks with less than eighteen (18) months' service [twenty-seven (27) months' part-time] who are promoted to clerk will get full credit for their service. Those with over eighteen (18) months' service [twenty-seven (27) months' part-time] will go to the eighteen (18) month rate and progress from there.

(a.) Part-time employees hired after July 1, 1998, will not progress beyond part-time thereafter rate. They will remain at that rate until qualifying for full-time.

<u>Section .01:</u> For previous experience to be recognized, the experience must be shown on the application for employment.

New employees will be given credit for previous experience in the following manner:

- Full credit will be given for previous comparable experience at a supermarket represented by UFCW.
- B. A minimum of one-half (½) credit will be given for previous comparable experience at a supermarket not represented by UFCW. Any previous experience over one-half (½) credit must be agreed upon before going to work.
- C. Up to one-half (½) credit for previous experience in work other than that from a supermarket may be given when deemed necessary and appropriate. Any previous experience credit must be agreed upon before going to work.

Section .02: No employee shall have his wages reduced below the rates as listed in Schedule "A" above as a result of the signing of this Agreement.

#### Section .03:

A: Part-time employees progressing to a fulltime status will have the months of part-time service counted as full-time service for the purpose of bracket increase since the last date of increase or date of hire, whichever is later. [For example, an employee who is part-time and has worked in that status for a period of four (4) months since his last date of increase becomes a full-time employee. Said four (4) months of part-time service will be counted as if it were full-time service towards the next date of bracket increase which, in this example, would be in two (2) more months.]

- B. A part-time employee who has worked more than six (6) months since the last date of bracket increase or date of hire, whichever is later, will immediately progress to the next bracket upon becoming regular.
- C. For employees losing full-time status, the process as in B above will be reversed. [For example, if an employee with five (5) months of full-time service since his last bracket increase or date of hire, whichever is later, loses his full-time status, he will not receive a bracket adjustment until nine (9) months of service has been completed since the last date of increase or date of hire, whichever is later.]

- Time spent as a Bagger/Carryout will not be counted for the above purpose.
- E. Employees classified as part-time nonregular receive raises every nine (9) months. Employees classified as part-time regular receive raises every six (6) months.

Section .04: Effective August 9, 1992, the (former) Sav-On employees will be covered by this Little Rock Clerks Agreement. These employees will keep their present seniority dates. They will maintain their seniority dates when management transfers them to other departments (excluding Meat). However, like Delicatessen employees, while working in the General Merchandise Department, these employees will only be able to exercise their seniority among other General Merchandise employees.

Section .05: In the event the Federal Minimum Wage changes during the term of this Agreement and equals or exceeds contract rates, the parties agree to meet and bargain the affected rates of pay.

Section .06: Red-Circled Deli Clerks (former Snack Bar Managers) at \$8.36 as of June 28, 1998, will receive the same increases as other top rated clerks.

Section .07: Effective the Sunday following ratification Lead File Maintenance Clerks will receive a seventy-five cents (.75¢) per hour premium. Lead Floral Clerks, Lead Frozen Clerks, Lead Dairy Clerks, and Lead DSD Clerks will receive a twenty-five cents (.25¢) per hour premium.

Section .08: In stores which have night stock operations, a Head Night Stock Clerk will receive a seventy-five (.75¢) per hour premium. Day stocking stores will not be eligible.

On a regular night shift, forty cents (.40¢) night premium shall be paid. Other regular employees scheduled to work beyond 12 midnight shall be paid night premium for hours worked between 10 P.M. to 6 A.M. Courtesy clerks are not eligible for night premium.

# GENERAL MERCHANDISE DEPARTMENT (PREVIOUSLY COVERED BY SAV-ON CONTRACT)

CLASSIFICATIONS	6/30/02	EFFECTI 6/29/03	VE DATES 6/27/04	6/26/05
CLERKS				
0 - 6 months	5.75	5.75	5.75	5.75
6 - 12 months	5.75			0.10
12 - 18 months	5.75			
18 - 24 months	5.75			
24 - 30 months	5.75			
30 - 36 months	7.00			

\*Based on either 9 month or 6 month progression steps each progression level will increase by twenty-five cents (.25¢) up to \$7.00. After \$7.00 the next progression would take you to the thereafter rate.

Thereafter				
- Part-Time Hired				
after 7/01/98 (a.)	7.60	7.85	8.10	8.35
- All Other	8.70	8.95	9.20	9.45
COSMETICIAN				
1st 6 months	6.15	6.15	6.15	6.15
2nd 6 months	7.20	7.20	7.20	7.20
Thereafter	9.20	9 45	9.70	9 95

# GENERAL MERCHANDISE DEPARTMENT (PREVIOUSLY COVERED BY SAV-ON CONTRACT) (cont'd.)

CLASSIFICATIONS		EFFECTI	VE DATES	
:	6/30/02	6/29/03	6/27/04	6/26/05
DEPARTMENT HEADS*				
Start	7.65	7.65	7.65	7.65
6 - 12 months	8.00	8.00	8.00	8.00
Over 12 months	11.95	12.20	12.45	12.70

\*In the event a store has less than five (5) employees in the General Merchandise Department, the Employer is not required to fill the General Merchandise Department Head position.

(a.) Part-time employees hired after July 1, 1998, will not progress beyond \$7.60. They will remain at that rate until qualifying for full-time.

The following items will apply to the General Merchandise (formerly Sav-On) Department:

- There shall be separate seniority for these employees, as described in Article 7, Section 7.02 (A).

- Professional pharmacy employees and demonstrators are excluded from coverage by the contract.
- Effective August 3, 1992, these employees are covered by Article 18 Pension.
- If an employee is transferred from General Merchandise to foods, he/she will be placed on the next higher rate of pay. Such employee will then follow the appropriate time and rate schedule.
- The Employer may utilize any vendor store assistance on General Merchandise products which are available to the trade without additional costs. General Merchandise products are those items that were normally handled in Kroger Sav-On combination stores, and once a new store is established, the work being performed by the grocery departments, pursuant to Article 2.03 of this Agreement, shall not be transferred to the General Merchandise section of the store unless mutually agreed to by the Union and the Employer.
- These provisions and the former Sav-On wage schedules will apply in stores formerly covered by the Sav-On contract and in combination stores which may be operated under the terms of Article 2 -

Coverage, Section 2.01, of the Little Rock Clerks Agreement.

July 1, 2002

Mr. Michael T. Keen, President UFCW Local 2008 7924 Interstate 30, Suite A Little Rock, Arkansas 72209

Dear Mr. Keen:

This Letter of Agreement should be attached to and become a part of the Agreement between UFCW Local No. 2008, AFL-CIO, and Kroger Limited Partnership I, effective June 30, 2002, through June 24, 2006. It is agreed that:

During the term of this Agreement, should the Employer experience economic difficulties in a store, the Employer may request a meeting with the Union to attempt to negotiate economic relief.

Any agreement reached would be subject to ratification of the Union Executive Board and the employees in the store involved only.

If you concur, please indicate by signing on the space provided below.

Sincerely.

Rufus Wilson, Manager

Human Resources and Labor Relations

RW·lm

FOR THE UNION:

Mr. Michael T. Keen, President UFCW Local 2008 7924 Interstate 30, Suite A Little Rock, Arkansas 72209

Dear Mr. Keen:

This Letter of Agreement should be attached to and become a part of the Agreement between UFCW Local No. 2008, AFL-ClO, and Kroger Limited Partnership I, effective June 30, 2002, through June 24, 2006. It is agreed that:

Restrictions in Article 2, Section 2.03 on persons from outside the bargaining unit doing bargaining unit work do not apply to work done by store supervisors on a temporary, emergency basis necessitated by absences from work of unit employees scheduled to work because of tardiness, bad weather, or illness until another employee available to work can be called in. It is further understood at times in excess of the normal flow of business, the store manager and co-manager would be permitted to assist in front-end duties on a temporary basis to assist in performance of customer service.

If you concur, please indicate by signing on the space provided below.

Sincerely

Rufus Wilson, Manager,

Human Resources and Labor Relations

RW:lm

FOR THE UNION:

Muchael Keen

Mr. Michael T, Keen, President UFCW Local 2008 7924 Interstate 30, Suite A Little Rock, Arkensas 72209

#### Dear Mr. Keen:

This Letter of Agreement should be attached to and become a part of the Little Rock Clerks Agreement between Local No. 2008, AFL-CIO, and Kroger Limited Partnership I, effective June 30, 2002, through June 24, 2006. It is agreed that:

- The Union and the Company agree that the Company may conduct post-injury drug and alcohol testing under the following terms and conditions.
- An employee who suffers an on-the-job injury covered by (i.e. "compensable" under) the Arkansas workers' compensation law that results in referral to a doctor or other health care provider at a hospital or clinic is subject to drug and alcohol testing at the Company's expense.
- 3. (a) The Company shall use a laboratory certified under the U.S. Department of Health and Human Services mandatory Guidelines for Federal Workplace Drug Testing Programs for all drug testing. The Company and the lab shall develop and maintain a documented procedure for collection, shipment, and accessing of urine specimens.
  - (b) Drug testing shall use an initial immunoassay for the following drugs and cutoff levels:

Mr. Michael T. Keen July 1, 2002 Page Two

	Cutoff (ng/ml)
Marijuana metabolites	(119/1111)
Cocaine metabolites	300*
Opiate metabolites	300
Phencyclidine	25
	1000
Amphetamines	1000

<sup>\*25</sup>mg/ml if immunoassay specific for free morphine.

All positive tests shall be confirmed using the GC/MS technique at the following cutoff levels, using quantitive analysis:

	Confirmatory test cutoff levels (ng/ml)
Marijuana metabolite	15
Cocaine metabolite	150
Opiates	
Morphine	300
Codeine	300
Phencyclidine	25
Amphetamines	
Amphetamine	500
Methamphetamine*	500

<sup>\*</sup>Specimen must also contain amphetamine at a concentration greater than or equal to 200 ng/ml.

(c) A Medical Review Officer selected by the Company shall receive all drug testing reports and shall report any negative test results. The MRO shall review and interpret confirmed positive test results, including examining Mr. Michael T. Keen July 1, 2002 Page Three

alternate medical explanations for any positive result and giving an employee the opportunity to discuss the test result with the MRO before reporting the test to the Company as positive. The employee shall receive a copy of the lab test results of any test that is reported as positive by the MRO (i.e. a copy of the actual test). The Company shall receive written notice that the test is positive and the drug(s) discovered.

- 4. Alcohol testing shall be performed using a breath testing device that has a quality assurance plan developed by the manufacturer and the calibration of which is maintained and recorded by the Company or contractor performing the tests. A test result showing a blood alcohol level greater than .04% shall be regarded as "positive" and shall be confirmed at that level by a second test using an evidential breath testing device that has a quality assurance plan and is calibrated as provided above. Any negative test result shall be reported.
- An employee refusing to be tested will be subject to discharge without further warning.
- 6. (a) An employee may voluntarily and confidentially inform the Company that (s)he needs assistance regarding drugs or alcohol and enter a rehabilitation program, at the employee's expense. "Voluntarily" means that, at the time of the employee's request for assistance, the employee has not already 1) tested positive; 2) suffered an on-the-job injury that is causing post-injury testing; nor 3) given reasonable cause to believe that he/she is under the influence of drugs or alcohol.
  - (b) Rehabilitation may require a leave of absence until the completion of a drug or alcohol treatment program. As a condition of continued employment, the employee will be required to execute a Compliance Agreement and

Mr. Michael T. Keen July 1, 2002 Page Four

Consent form, as well as a release of information form for purposes of determining whether the employee is indeed following the treatment program.

(c) An employee undergoing rehabilitation may qualify for Family Medical Leave Act (FMLA) leave in accordance with Company policy. Upon completion of the rehabilitation program, the Company will reinstate the employee to his or her prior position or to any equivalent position.

Employees who undergo rehabilitation through counseling or treatment and who continue to work must meet all established standards of conduct and job performance, including rules regarding drugs and alcohol.

- (d) Upon completion of a rehabilitation program, the employee will be subject to drug and alcohol testing before being allowed to resume or continue working.
- 7. This post-injury drug and alcohol testing policy shall be announced and a copy given to each employee at that time at least one month prior to its effective date, and a copy shall be given to each new employee upon hire. During this 30-day period, employees who need assistance regarding drugs or alcohol will be encouraged to inform the Company of such need. In such circumstances, the leave and rehabilitation provision of Paragraph 6(b) and (c) shall apply.
- This Letter of Agreement is effective as of April 30, 1997.
- The negotiations leading to this Agreement involved solely post-accident testing and did not involve the Company's right to conduct reasonable cause drug and alcohol testing. The Company and the Union acknowledge their disagreement as

Mr. Michael T. Keen July 1, 2002 Page Five

to whether the Company may conduct reasonable cause drug and alcohol testing.

If you concur, please indicate by signing on the space provided below.

Sincerety,

Rufus Wilson, Manager,

Human Resources and Labor Relations

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FOR THE UNION:

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Mr. Michael T. Keen, President UFCW Local 2008 7924 Interstate 30, Suite A Little Rock, Arkansas 72209

Dear Mr Keen

This Letter of Agreement should be attached to and become a part of the Little Rock Clerks Agreement between Local No. 2008, and Kroger Limited Partnership I, effective June 30, 2002, through June 24, 2006. It is agreed that the following summarizes our understanding of the agreement reached with regard to establishing the new employee classification of the "Fuel Center Clerk."

A Fuel Center Clerk's responsibilities will be to perform all tasks associated with the operation of the Fuel Center as directed by store management.

The terms of the Collective Bargaining Agreement (except as noted below) shall apply. However, it is understood that health and welfare and pension benefits are not to be provided to Fuel Center Clerks. Seniority within the Fuel Center shall prevail.

Holidays will include Christmas and four (4) floating holidays, which will be eamed after six (6) months of employment but by no later than November 1 of each year. These floating holidays must be taken by November 15 of each year. Full-time employees will receive eight (8) hours of holiday pay and part-time employees will receive four (4) hours of holiday pay. Floating holidays will be scheduled by mutual agreement between the employer and employee.

The employer may utilize any vendor services available to the trade at no additional cost. Management may perform any tasks necessary to ensure the efficient operations of the center.

Mr. Michael T. Keen July 1, 2002 Page Two

A Fuel Center Clerk, after nine (9) months of service, shall be given preference by seniority and the other usual promotional considerations for Store Clerk openings. If Fuel Center Clerk accepts a transfer to Store Clerk, their seniority date will be their original date of hire. All contractual benefits based on seniority will then become effective based on that date.

Store Clerks interested in transferring to the Fuel Center Clerk classification shall put their interest in writing to the Store Manager with a copy to the Union. Working conditions and benefits will be fully explained to any Store Clerk wanting a transfer to the Fuel Center prior to the transfer being approved.

Prior work experience may be considered in determining a new hire's rate of pay.

Fuel Center Clerks will be paid per the Clerk/Cashier wage schedule (Clerks hired or promoted after 7/01/98.) A Lead Clerk will be appointed at each Fuel Center. Such Lead Clerks will be paid a fifty cent (.50¢) an hour premium.

This Agreement supersedes the Agreement of December 14, 1999.

If you concur, please indicate by signing in the space provided below.

Sincerely

Rufus Wilson, Manager,

Human Resources and Labor Relations

RW:lm

FOR THE UNION:

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## LOCAL UNION OFFICERS

#### MICHAEL T. KEEN President

JAMES O. HOWARD Secretary-Treasurer

DERLENE DOFFIN
Vice President

BETTY JEAN HEARON Vice President

JOSIEPHINE NICHOLS
Vice President

Recorder

DONALD FREDERICK Vice President

> CHARLES LEE Vice President

KAY TEAGUE Vice President

