

**ALBERTSON’S LLC AND UNITED FOOD AND COMMERCIAL WORKERS LOCAL 1564
STORE 686 MEAT**

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Between

ALBERTSON'S, LLC
(Clovis, New Mexico)
Store #686 (Meat)

and

UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL NO. 1564

Chartered By:

United Food and Commercial Workers International Union, AFL-CIO

June 10, 2018 through and including June 11, 2022

THIS AGREEMENT is entered into by and between UNITED SUPERMARKETS, LLC, hereinafter referred to as the "Company" or the "Employer", and the United Food and Commercial Workers International Union, AFL-CIO, LOCAL UNION NO. 1564, hereinafter referred to as the "Union".

INTENT AND PURPOSE

The Company and the Union each represents 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 Company, to promote efficiency and service, to create mutual respect between management and employees covered by this Agreement, and to set forth herein the basic agreements covering rates of pay, hours of work, and conditions of employment.

ARTICLE 1 RECOGNITION

Section 1: The Employer recognizes the Union as the exclusive bargaining agent for Head Meatcutter, all Journeymen Meatcutters, Apprentice Meat Cutters, Journeymen Meatwrappers and apprentice Meatwrappers employed in the Meat Department of the United Supermarkets, L.L.C., supermarkets located at 1905 N Prince, Clovis, New Mexico; excluding all other employees, including other employees, guards, watchmen, and supervisors as defined by the Act.

Section 2: No employees of the Employer, other than employees under the jurisdiction of the Union, will be permitted to cut and wrap meat in the Roswell store, except for instruction, business needs, cutting tests, store openings and remodelings. The Employer shall assure that meat cases shall be stocked by members of the bargaining unit to assure an adequate supply of meat for sale. Outside suppliers or salesmen shall not be permitted to stock or price merchandise in the meat cases. When scheduling, the Employer shall anticipate in good faith the persons necessary to adequately stock meat cases for anticipated business. If, however, unexpected business reduces the inventory in the meat cases below normal and there is no meat employee available to restock from already wrapped and prepared inventory, then the Employer can stock such merchandise with supervisors instead of exercising a less than four (4) hour call-in. Outside suppliers or salesmen may stock or price items in the meat cases

when the Deli section is being remerchandised and may also rotate and pull outdated and spoiled product.

Section 3 - Union Shop: It shall be a condition of employment that all employees of the Employer covered by this Agreement shall as a condition of employment, pay the regular dues and initiation fees of the Union after the thirtieth (30th) day following the effective date of this Agreement, and shall do so thereafter. It shall also be a condition of employment that all employees covered by this Agreement who are hired on or after its effective date shall pay regular monthly dues and initiation fees of the Union after the thirtieth (30th) day following the beginning of such employment and shall do so thereafter.

(a) Employees may satisfy their obligation under this Section to become or remain a member of the Union by tendering to the Union that portion of periodic dues and initiation fees universally required as a condition of acquiring or retaining full membership in the Union which is expended on activities which are necessary to performing the Union's duties as an exclusive bargaining representative.

(b) Seven-Day Notice: Upon the failure of any employee to tender his initiation fee or dues to the Union within the period, and under the conditions specified in Section 3.1 above, the Union shall notify the Employer and the employee in writing of such notice, and not more than seven (7) days thereafter, the Employer shall discharge such employee, unless the Union has notified the Employer that the employee has satisfied the requirements for good standing.

(c) The Union agrees to indemnify and hold the Employer harmless from and against any and all demands, claims, damages, losses, liability or expenses, including and without limiting to the generality of the foregoing, attorney's fees, arising from or growing out of the application of Section 3 and 4 by the Employer, provided the Employer gives written notice to the Union within ten (10) days of receiving such demand, claim, allegation of damages, losses, liability or expenses and the Employer retains the right to approve the defense of any such matter and does not oppose the intervention of the Union in any proceeding pertaining to said Claim. Disputes arising from this Article shall not be subject to any grievance and arbitration procedure except for issues pertaining to the deduction and transmission of employee's money that has been duly authorized by the employee pursuant to this Article.

For the purpose of Section 3.1 above, the execution date of this Agreement shall be considered as its effective date.

Section 4 - Check-Off: The Company will deduct from their wages and turn over to the President of the Union the regular current monthly membership dues (plus any arrears) and regular initiation fees in such amount as the Union shall certify in writing, of such members of the Union covered by this Agreement as individually and voluntarily certify by dated written assignment that they authorize such deductions.

All regular monthly dues, plus any arrears and initiation fees deducted by the Employer shall be withheld each week and shall be remitted to the Union, if possible, no later than the twenty-fifth (25th) day of the calendar month in which such deductions are made.

The Company will not deduct membership dues from wages of any employee unless proper assignment is in the hands of the Company at his main office at least five (5) days before the end of the pay period in which such deductions are to begin. All sums deducted by the Company shall be remitted to the President of the Local Union, if possible, not later than five (5) days following the closing of the third (3rd) pay period in the calendar month.

Previously signed and unrevoked written authorizations shall continue to be effective as to employees reinstated following layoff or leave of absence; previous authorizations of other employees rehired or reinstated shall not be considered to be effective.

The Union agrees to indemnify and hold the Employer harmless from and against any and all demands, claims, damages, losses, liability or expenses, including and without limiting to the generality of the foregoing, attorney's fees, arising from or growing out of the application of Section 6 by the Employer, provided the Employer gives written notice to the Union within ten (10) days of receiving such demand, claim, allegation of damages, losses, liability or expenses and the Employer retains the right to approve the defense of any such matter and does not oppose the intervention of the Union in any proceeding pertaining to said Claim. Disputes arising from this Article shall not be subject to any grievance and arbitration procedure except for issues pertaining to the deduction and transmission of employee's money that has been duly authorized by the employee pursuant to this Article.

Section 7: The Company shall have the right to place Management personnel in the Meat Departments for the purpose of receiving on-the-job training and instructions, up to a maximum of eighty (80) hours per person, provided no regular employees are laid off or suffer a reduction in their normal hours, and such Management personnel will not be required to become members of the Union. It is further agreed that the Union will not attempt to impose any restrictions or penalties upon an Employer for exercising his right.

ARTICLE 2 JOB DESCRIPTIONS

Section 1 - Head Meatcutter: The Head Meatcutter shall be a qualified Journeyman. He shall be allowed to perform all duties within the meat sections, in addition to all special duties required pertaining to the meat section by the Company. All such work shall be performed during working hours.

Section 2 - Assistant Head Meatcutter: The assistant head meatcutter would have responsibility for the department in absence of the head meatcutter. When openings occur for Assistant Head Meatcutter positions, Journeyman Meatcutters shall be given first consideration provided they have requested such promotion in writing. The decision to promote shall be based upon the Employer's assessment of the employee's judgment, skills, ability, and other qualifications.

If an Assistant Head Meat Cutter is working forty hours a week or more, then a more senior part-time meat cutter in that department will also be scheduled forty hours. United Supermarkets, L.L.C. will meet with the union every nine months to review solely issues relating to the Assistant Head Meat Cutter scheduling.

Section 3 - Journeyman: A Journeyman is a skilled meatcutter who has served his apprenticeship in accordance with this Agreement.

Section 4 - Apprentice: An Apprentice must be eighteen (18) years of age or older, learning all details and developing skills for performing the duties of a Journeyman Meatcutter. The Company agrees to assign each Apprentice to various jobs in order to give him the opportunity to qualify as a Journeyman at the end of his apprenticeship period.

In cases where the Union and the Company mutually agree that the Apprentice cannot qualify to become a Journeyman at the end of his three (3) year training period, they may agree to extend him an additional six (6) month period of training and this extra time of training shall be paid for at the top apprenticeship bracket.

To use an Apprentice, the market must employ at least one (1) full-time Journeyman other than the Head

Meatcutter. An additional Apprentice may be used in each market for every additional full-time Journeyman working in the market.

No Apprentice shall be employed in the self-service department or markets as a Wrapper or Packager for more than forty percent (40%) of his weekly hours worked.

Section 5 - Wrapper: A Wrapper is a person employed in a self-service market engaged in wrapping, weighing, sealing, pricing, and displaying of products handled in the meat section of the Company's store.

It is expressly understood that Wrappers are not permitted to use any tools of the trade which include knife, cleaver, hand or electric saw, slicing machine, meat grinder, minute steak tenderizer, or hamburger patty machine. Wrappers may be used to weigh, wrap, price and display, and all work incidental thereto, and perform their usual clean-up duties. Assignments will be rotated so the Wrappers will learn all phases of the job.

Section 6 - Meat Clerks: A Meat Clerk is an individual who is engaged in the handling, pricing, displaying and otherwise servicing of the cold deli section or cases which include luncheon meats, cheeses, tortillas, etc. It is agreed between the parties that the Company will be free to transfer employees in the Meat Clerk classification into Meatwrapper or Meatcutter jobs.

Section 7 - Butcher Block Clerk: A Butcher Block Clerk shall perform work in the designated service area where meat, poultry, fish, or seafood is dispensed to customers on an employee service basis rather than a self-service basis.

ARTICLE 3 HOURS OF WORK

Section 1: (a) All full-time employees shall be guaranteed forty (40) hours of work in regular workweeks consisting of not more than five (5) days, not necessarily consecutive, and thirty-two (32) hours in holiday weeks of not more than four (4) days, not necessarily consecutive. Any employee who is absent or tardy according to his work schedule may lose his guarantee for that day as shown on the work schedule.

(b) In the event that two (2) holidays fall in the same workweek, the guaranteed workweek shall be twenty-four (24) hours to be worked in three (3) days, not necessarily consecutive.

(c) The Company may count work performed on a holiday towards the weekly guarantee.

(d) Part-time employees shall, when scheduled, work a minimum of four (4) hours.

Section 2: A full-time employee is defined as an employee who has been paid forty (40) hours or more for six (6) consecutive weeks, regardless of store location while the employee is assigned to this bargaining unit. Hours paid shall include pay for vacation, holiday, jury duty and funeral leave. A full-time employee will remain full-time until he or she separates from the Company or has been paid less than forty (40) hours in six (6) consecutive weeks, regardless of the store location while the employee is assigned to his bargaining unit. Hours paid shall include pay for vacation, holiday, jury duty and funeral leave. Employees who meet the definition herein on the date this Agreement is ratified shall be considered full-time.

Section 3: A work schedule for the succeeding week shall be posted in the market not later than noon on **Thursday** of the current week. All work performed off the work schedule shall be paid for at one and one-half (1½)

times the employee's basic straight-time rate of pay. Such pay shall be considered as Penalty Pay except when such work is performed before and/or after the daily work schedule of the employee in which case such work shall be paid at the basic straight-time rate of pay without penalty to the employer as long as such hours do not exceed forty (40) hours per week or eight (8) hours in a day. The work schedule can be changed after the initial posting, only with the written consent of the employees involved. Any employee who fails to report as scheduled shall lose his right for premium pay provided under this Section for that day as set out in this schedule. When part-time employees volunteer to work off their work schedule, such work shall be paid for at their basic straight-time rate of pay without penalty to the Company.

Section 4: When an employee is scheduled actual work hours of seven (7) hours or more, one (1) uninterrupted hour shall be granted each employee for lunch, without pay, without any restrictions being applicable to the employee's personal liberty during such period of time. The lunch period shall be scheduled at approximately the middle of the working shift. Any employee who does not wish to be scheduled for an hour lunch for any day(s) of a particular week must make such a request to waive the lunch or take a thirty (30) minute lunch period, which shall be honored by the Company. Such requests must be submitted in writing at the time special requests are due and are valid and on-going until changed in writing by the employee.

Section 5: (a) All hours worked by employees in excess of thirty-two (32) hours in a week which contains one (1) holiday or after twenty-four (24) hours in a week which contains two (2) holidays shall be paid for at the rate of one and one-half (1½) times the employee's regular straight-time rate of pay.

(b) Work on the holiday shall count toward making up the forty (40) hours in computing overtime over forty (40) hours actually worked, but shall not count as a day worked as one of the four (4) days of work, or as time worked in determining overtime for work in excess of thirty-two (32) hours as set out above. It shall also not count as a day worked as one of the three (3) days of work, or as time worked in determining overtime for work in excess of twenty-four (24) hours as set out above when two (2) holidays occur in the same workweek.

Section 6: Employees required to work more than eight (8) hours in any one day, or more than forty (40) hours in any week shall be paid for such work at one and one-half (1½) times the employee's regular straight-time rate of pay, except for holiday weeks when additional penalties are added.

Section 7: No split shifts shall be required of any employee. Longer lunch periods than specified herein, except when mutually agreed on by the employee and Company or scheduling daily work hours non-consecutively will constitute a split shift.

Section 8: Any employee called to work shall be guaranteed a maximum of four (4) hours of work or pay in lieu thereof and such pay in lieu of work shall be at the basic rate of pay, provided such employee is available and can work the minimum of four (4) hours.

Section 9: If employees are required to attend store meetings outside the scheduled daily or weekly work hours, such time will be considered as time worked for purposes of computing amount of pay, but not for split shift, call-in pay, or other similar purposes.

Section 10: Employees shall be granted rest periods based on the number of hours worked during a workday.

0 to 6 hours

one 15 minute rest period

6 to 10 hours one 30 minute or two 15 minute rest period
10 hours or more one additional 15 minute rest period

If an employee is released by the Company earlier than scheduled, the employee will not be penalized or disciplined for having taken break(s) based upon the above schedule and/or his or her scheduled hours prior to being notified of his or her release. Provided the employee may not take his or her break(s) at the very end of the shift so that the employee can end the shift earlier than scheduled.

Section 11: Overtime work, night work, Sunday work and holiday work, where applicable and practicable, shall be distributed equally among employees in each classification. Such equalization shall be maintained within a calendar month on a store-by-store basis.

Section 12: Employees shall have a specific pay day and each employee shall be furnished a Company receipt each pay day specifying his gross earnings, total hours worked, and any and all deductions made from his gross pay.

Section 13: Employees, with exception of Apprentices who must be worked on all jobs, who perform the work and assume the responsibilities of a higher paid classification, shall receive the pay schedule for such higher paid classification while performing the work and assuming the responsibilities for a period of more than two (2) days.

Section 14: All work performed on Sunday shall be paid for at the rate of one and one-half (1½) times the regular straight-time rate of pay, such pay to be considered as Penalty Pay. Employees hired on or after June 4, 2006 shall not be eligible for Sunday premium.

Section 15: All work performed on a holiday shall be paid for at the rate of double times (2x) the regular straight-time rate of pay which shall be in addition to regular holiday pay, such pay to be considered as Penalty Pay. Employees hired on or after June 4, 2006 shall received \$1.00 per hour for hours worked on a holiday.

Section 16: All employees shall be given at least one (1) day off each week.

Section 17: There shall be no pyramiding of overtime and/or premium pay except that hours worked on Sunday shall be included as hours worked for the purpose of computing weekly overtime. Penalty pay shall be considered premium pay for these purposes.

Section 18: Overtime must be authorized by the Company.

Section 19: Overtime at one and one-half (1½) times the employee's regular straight-time rate of pay shall be paid for all work performed on the sixth (6th) day of the employee's workweek.

Section 20: The Company will schedule all work for part-time employees based on seniority within their classification within their store not to exceed eight (8) hours in any one (1) day or forty (40) hours in any one (1) week provided the employee is available for at least four (4) consecutive hours when the work is available and that this scheduling does not conflict with or prohibit the simultaneous scheduling of another part-time employee. However, this scheduling is not intended to mean that the Company must schedule so as to incur additional premiums or penalties or violate any provision of this Agreement. The part-time employee with seniority must advise the Store Manager that he is available for a posted schedule within twenty-four (24) hours after the store

schedule is posted or he has no claim on such schedule of hours.

Section 21: Thirty-Five cents (35¢) per hour over the regular rate of pay shall be paid for all work performed after 6:00 p.m. and before 7:00 a.m. The parties specifically agree that for the purposes of the Fair Labor Standards Act and related state and federal legislation or regulations, the night premium provided in this Section shall not be included in "regular rate of pay" for purposes of computing overtime. Employees hired on or after June 4, 2006 shall not be eligible for Night Work premium.

Section 22: Employees who are absent because of illness beyond three days shall be required to show a doctor's certificate verifying illness if requested to do so by management. The Employer shall have the right to require proof of an employee who has a history of calling in sick or where a reasonable doubt exists.

ARTICLE 4 DISCHARGE AND SUSPENSION

Section 1: The Company shall not discharge, nor suspend, nor take disciplinary action as respects any seniority employee without just cause. In respect to discharge, suspension, or other disciplinary action, the employee shall be given at least one (1) written warning notice of the complaint(s) against such employee, except that no warning notice need be given to an employee before he is discharged for cause such as dishonesty, drinking or being under the influence of alcoholic beverages or illegally using or being under the influence or possession of illegal drugs on Company property, failure to perform work as assigned, or recklessness resulting in serious accident while on duty. Warning notices for unsatisfactory performance of job duties shall have no force or effect after one (1) year unless another warning notice of a similar or related occurrence is received within a year's time. Warning notices shall only be valid if given to the employee within twenty-one (21) calendar days of when the Company discovers or should have discovered by reasonable diligence of the alleged incident.

Section 2: With regard to chronic tardiness or absenteeism, the following disciplinary action shall be taken:

- (a) First unexcused absence or tardiness first written warning notice.
- (b) Second unexcused absence or tardiness..... second written warning notice.
- (c) Third unexcused absence or tardiness.....one week layoff without pay.
- (d) Fourth unexcused absence or tardiness.....subject to discharge.

ARTICLE 5 HOLIDAYS

Section 1: The following days shall be considered as holidays for non-probationary employees working twenty-four (24) or more hours per week for which there shall be no reduction in pay:

- | | |
|------------------|-----------------------------|
| New Year's Day | Christmas Day |
| Independence Day | Labor Day |
| Thanksgiving Day | Three (3) Personal Holidays |

Effective January 1, 1981, an additional Personal Holiday shall be considered a holiday. Effective January 1, 1989, an additional Personal Holiday shall be considered a holiday.

Section 2: Personal holidays, when scheduled, may be changed only by agreement between the Company and the employee except when required by legitimate business necessity. The Employer reserves the right to limit the number of Personal Holidays in any given week. Personal Holidays shall only apply to employees actively on

the payroll for twelve (12) months.

The Company shall be given written notice by the employee at least two (2) work weeks prior to the Personal Holiday. In the event a holiday named herein falls on Sunday, the following Monday shall be observed. No Personal Holidays will be observed in a week where a common holiday is observed. The Personal Holiday must be mutually agreed upon between the Company and the employee.

If a scheduled Personal Holiday has to be changed subsequently by the Company due to business necessity, the employee can reschedule the holiday to a mutually agreed upon date within sixty (60) days of the originally scheduled date, notwithstanding any other language in this Agreement.

Section 3: Employees absenting themselves from work without acceptable reasons on the day before a holiday, the day of the holiday, if scheduled, and/or the day after a holiday shall not be paid for the holiday. Acceptable reasons would include the following situations:

- (a) Death in the immediate family (spouse, child, mother, father, brother, sister, grandmother, grandfather, and in-law relationship or any relative residing permanently in the employee's immediate household).
- (b) Wife giving birth to child.
- (c) Meetings with the Company as representative of the Union.
- (d) Absence excused by the Company.

Section 4: In the event a holiday named herein falls within an employee's vacation period, the employee shall be given an extra day off for the holiday or pay in lieu thereof.

Section 5: Eight (8) hours of pay at straight time hourly rate will be allowed each full-time employee who qualifies for such pay in accordance with the above provisions. Part-time employees shall receive Holiday Pay based on the average number of hours paid during the last two (2) full weeks prior to the holiday week according to the following schedule. "Full weeks" will not include any week that has no paid hours or when an employee was off work due to workers compensation. Hours paid shall include all hours worked and hours paid for holiday, jury duty, vacation and funeral leave.

<u>Average Hours</u>	<u>Holiday Pay</u>
6 but less than 12 hours	2 hours
12 but less than 24 hours	4 hours
24 but less than 32 hours	6 hours
32 or more	8 hours

When a part-time employee who is otherwise eligible for holiday pay allowance under the conditions as prescribed above is scheduled to work on a recognized holiday and fails to report for work, or to work the hours as scheduled on a holiday, or to work the scheduled day before or day after the holiday, such employee shall not be eligible to receive any holiday pay allowance.

Section 6: The following holidays shall be considered as paid holidays for all qualifying part-time employees working less than twenty-four hours per week:

New Year's Day
Independence Day
Labor Day

Thanksgiving Day
Christmas Day

after one (1) year of service, three (3) Personal Holidays.

Bargaining Note: The intent is for employees not to lose their floating personal holidays.

Section 7. Three weeks prior to such holiday listed in section 1, the Employer shall post a work roster, and employees may sign such roster if they wish to work the holiday, up to the Wednesday before the schedule is to be posted. Employees who sign the roster shall be assigned such holiday work in order of seniority. Should there not be sufficient volunteers; the Employer may assign work in inverse order of seniority.

Section 8. Notwithstanding anything else in this Article, employees hired on or after June 4, 2006 shall only be eligible for **Easter Sunday**, Independence Day, Labor Day, Thanksgiving and Christmas holidays (after having worked their probationary period), and three (3) personal holidays effective the first of the calendar year following one (1) full year of service.

ARTICLE 6 WAGES

Section 1: Exhibit "A" contains the Wage Schedule which shall be paid employees covered by this Agreement. Exhibit "A" is attached hereto and is hereby made an integral part of the Agreement.

Section 2: Experience shall be credited retroactively for a maximum of sixty (60) days from the date of acceptance of verification which can be submitted up to one hundred twenty (120) calendar days after employment, provided previous service has been within the last **ten (10)** years and has been comparable work in the retail market.. Prospective employees may waive the crediting of prior experience provided the waiver is reduced to writing prior to the employee being hired.

Section 3: Time spent by an employee traveling during his work day between two (2) stores of the Employer at the request of the Employer shall be counted as time worked. Any employee who is authorized and agrees to use his or her personal vehicle shall receive reimbursement pursuant to the **IRS guidelines and rates. Employees may decline to use their own personal vehicle without being issued discipline of any kind. Travel time must be preapproved by store management on duty.**

Section 4: Nothing shall restrict the right of the Company to advance an Apprentice to Journeyman in less than three (3) years, if, in the Company's opinion, any Apprentice is qualified to perform the duties of a Journeyman.

Section 5: Employees enjoying wages in excess of those stipulated herein shall not receive a reduction during the life of this Agreement except in the case of reassignment to another job in accordance with the provisions of this Agreement.

Section 6: Part-time employees shall work 1040 hours in order to be eligible for progression increases.

ARTICLE 7 GRIEVANCE PROCEDURES

Section 1: The Union or any employee in the Bargaining Unit who has any dispute or disagreement of any kind or character arising out of or in any way involving the interpretation or application of this Agreement shall submit such dispute or disagreement for resolution under the procedures and in the manner set forth in this Section.

Section 2: The dispute or disagreement shall be submitted to the following:

- (a) Step 1. The Union or the employee, as the case may be, shall discuss the dispute or disagreement promptly, but no more than ten (10) calendar days, after the occurrence of the event giving rise to the dispute or disagreement with the Manager of the store where the grievance arose. An employee having a dispute or disagreement shall be entitled to be accompanied by a representative of the Union in this Step 1. The Union can process Step 1 with a representative of the Labor Relations Department when a dispute or disagreement affects more than one United Supermarkets, L.L.C. store, recognizing each store has a different bargaining agreement.
- (b) Step 2. If the dispute or disagreement is not settled in a manner satisfactory to the Union and the Employer, the Union shall reduce the grievance to writing and deliver it or mail it to the Employee Relations Representative of the Employer, delivered or postmarked no more than seventeen (17) calendar days after the occurrence of the event giving rise to the dispute or disagreement.

The written grievance shall include a statement of the nature of the grievance, date of the occurrence, parties involved, and the provision(s) of the Agreement alleged to have been violated. No grievance may be considered unless the written grievance contains each and every element. Upon receipt of a written notice setting forth the four required grievance elements, the representatives of the Employer and the Union shall confer twice a month on mutually agreeable dates but no later than the 15th and 30th of each month to attempt to settle or resolve the matter. Such resolution may be accomplished by telephone. Both parties shall submit to the other, at this Step 2 conference the reasoning behind their positions. At the conclusion of the Step 2 conference, the Employer or the Union shall submit a statement stating that the grievance has or has not been settled. The Employer shall provide a written response.

- (c) Step 3. If a grievance is not settled at Step 2, the Union may request arbitration. Such request must be made within fourteen (14) calendar days after the Step 2 conference and Company written denial.

Grievances concerning terminations, scheduling issues or other issues as mutually agreed to by the parties on an individual basis that cannot be resolved at Step 1 or Step 2 may be submitted to an expedited arbitration process. Following the final determination in either Step 1 or Step 2 of the grievance procedure, either party may place the matter into expedited arbitration. In order to submit any such grievance to expedited arbitration the parties will take the following steps:

1. Either party may place the matter into expedited arbitration by notifying the other party of the desire to submit this matter to expedited arbitration and choosing a mutually agreeable arbitrator from the expedited panel. If an arbitrator cannot be chosen by mutual agreement, the parties shall strike from the list of arbitrators and select the remaining arbitrator after all others have been stricken. If striking the arbitration panel becomes necessary, it will take place within ten (10) working days after the matter is submitted to expedited arbitration. The penalty for failure of a party to timely participate to strike a panel is that party will pay the full cost of the arbitration hearing room facility. Selection shall be made by telephone, and the parties shall jointly contact the

arbitrator at the time of selection.

2. The following eleven (11) arbitrators from the previously established list of forty (40) arbitrators designated by the parties have agreed to the expedited terms contained in this section, including an agreement to schedule the hearing within forty-five days, and have agreed to issue an expedited decision within fifteen days from the close of the hearing or from the submission of post-hearing briefs, whichever is later.

(Add list of 11, Company and Union to select 11 from 40 prior to ratification.)

3. The parties will arrange their schedules to ensure that the arbitration can be scheduled in a reasonably prompt manner, preferably within forty-five days of receipt of the request for expedited arbitration.

4. Post hearing briefs may be filed by either party within fifteen days from the close of the hearing.

5. The Arbitrator will render his or her award as set forth above. If an arbitrator fails in two separate arbitrations to meet the deadlines set forth in this expedited procedure either party may request that his/her name be removed from the eleven-member panel described in paragraph 1 of this expedited procedure, and the parties shall then immediately agree upon a replacement.

Section 3: The decision of the arbitrator shall be final and binding upon each party; however, the arbitrator shall not have the power to add to, subtract from, or in any way modify the terms of this Agreement, and shall limit his decision strictly to an interpretation of the language of this Agreement. In the event arbitrator awards back pay, he shall reduce such award by all earnings, including unemployment compensation received by the aggrieved party during the period of the award. The expenses of the arbitrator shall be shared equally between the Employer and the Union.

Section 4: No grievance may be submitted to arbitration by the Union under Step 3, unless the time limit set forth in Step 2 for the filing of the grievance in writing has been strictly complied with. Any grievance which is submitted after such time limit has expired shall be forfeited and waived by the aggrieved party. Failure by the Union or the employee, as the case may be, to observe the time limit set forth in Step 1, shall not constitute a waiver, unless such failure is willful. Time limits may be extended only by mutual agreement in writing signed by both the Union and the Employer.

Section 5: At any Step in this grievance procedure, the Executive Board of the Local Union shall have the final authority, in respect to any aggrieved employee covered by this Agreement, to decline to process a grievance complaint, or dispute further if in the judgment of the Executive Board such grievance or dispute lacks merits or lacks justification under the terms of this Agreement.

Section 6: The arbitration procedure herein set forth is the sole and exclusive remedy of the parties hereto and the employees covered hereby for any claimed violations of this Contract, and for either party during the term of this Agreement, and such arbitration procedure shall be (except to enforce, vacate, or modify awards) in lieu of any and all other remedies or forums of law, in equity or otherwise which will or may be available to either of the parties.

ARTICLE 8 SENIORITY

Section 1: (a) For the purpose of this Agreement, seniority shall prevail in filling permanent vacancies, transfers, layoffs, and recalls of employees. Probationary employees shall not acquire seniority for the first sixty (60) days; however, if retained beyond said sixty (60) days, the employee's seniority shall be dated back to the last date of employment. There shall be six (6) seniority groups as follows:

- (1) Head Meatcutter
- (2) Assistant Head Meatcutter
- (3) Journeymen & Apprentice Meatcutters
- (4) Meatwrappers
- (5) Meat Clerks
- (6) Butcher Block Clerks

(b) The seniority area shall be the City of Roswell.

(c) The Head Meatcutter will retain his original seniority date when he returns to the Journeyman Meatcutter classification.

Section 2: The Company shall post a seniority list in each market, said lists to be revised and reported to the Local Union every six (6) months. In addition thereto, the Company will cause to be mailed to the Local Union a duplicate copy of seniority listings. When seniority listings are posted and there are no complaints as to their accuracy within fifteen (15) days after they are posted, said lists become official.

Section 3: Seniority will be broken if an employee (1) quits; (2) is discharged for just cause; (3) fails to return to work within seventy-two (72) hours after being recalled by the Company by Certified Mail-Return Receipt Requested to his last known address on Company records; (4) has been laid off from the Company for one (1) year.

No employee shall be entitled to any of the benefits of the Agreement while on layoff, and if not rehired within one (1) year, the employee will be terminated.

Section 4: All employees, in the event of a layoff or transfer, shall be laid off or transferred in accordance with their established seniority within their respective seniority group provided the employees retained or transferred have the ability to perform the work. In rehiring, the last person laid off shall be the first person rehired provided they have the ability to perform the work.

Section 5: Transfers are permitted between establishments of the Company in this seniority area provided seniority is followed.

Section 6: Part-time workers shall be given consideration for full-time work based on their seniority, provided they have the ability to perform the work.

Section 7: Seniority status of employees hired on the same day shall be determined by the Company with notice to the Union.

Section 8: Transfer of Head Meatcutters and employees receiving promotions shall not be subject to the Seniority Clause. When offered a transfer, a Head Meatcutter shall have the option of accepting the transfer or being reduced to Journeyman Meat Cutter classification.

Section 9: Head Meatcutters and **Assistant Head Meatcutters** shall be allowed to voluntarily return to the Journeyman Meat Cutter classification without loss of seniority upon giving thirty (30) days written notice to the Company.

Section 10: A permanent vacancy shall be filled in accordance with the following procedure:

- (a) Journeyman Meat Cutter and Wrapper vacancies shall be filled by seniority from among those employees who have requested consideration via the posting process and who have the ability to perform the job. The Company shall have the right to fill temporary vacancies without regard to seniority.
- (b) Employees desiring to apply for job openings shall submit their request application via the posting process specifying the store location desired.
- (c) Apprentice Meat Cutters, Head Meatcutters and Assistant Head Meatcutters shall not be allowed to bid their assignments.
- (d) For the purpose of this Section, the Company shall determine ability subject to the No Discrimination Clause of this Agreement.

Section 11: All Apprentice Meat Cutter openings shall first be offered to those employees in the Wrapper classification who have the physical capacity to perform the work. When a Wrapper is assigned to the Journeyman Meat Cutter or Apprentice Meat Cutter classification, the Wrapper will retain seniority in the Wrapper classification for a period of one (1) year.

After one (1) year if the former Wrapper continues to be assigned to the Apprentice Meat Cutter or Journeyman Meat Cutter classification, his or her seniority date will be the date assigned as an Apprentice Meat Cutter or Journeyman Meat Cutter. If the former Wrapper is to be laid off, the former Wrapper may elect to be reassigned to the Wrapper classification rather than accept the layoff. If the former Wrapper elects this option, his or her seniority date shall be the date originally assigned as a Wrapper.

If the former Wrapper has returned to the Wrapper classification and is recalled to the Journeyman Meat Cutter or Apprentice Meat Cutter classification, the Wrapper may accept the recall or remain in the Wrapper classification without further recall rights.

ARTICLE 9 LEAVE OF ABSENCE

Section 1: A Leave of Absence shall be granted to non-probationary employees in writing upon written request for the following reasons.

- (a) Illness or Injury. As a result of a verifiable non-occupational illness or injury supported by medical evidence of continuing disability up to the extent of recovery but not to exceed six (6) months.

Extensions of such leaves shall be granted by the Employer, solely upon the presentation by the employee of written request for extension supported by medical evidence of continuing disability and medical evidence of a reasonable expectation to return to work within no more than one (1) year's total leave.

- (b) Occupational Illness or Injury. As a result of a verifiable work related illness or injury supported by medical evidence of continuing disability up to the extent of recovery but not to exceed six (6) months.

Extensions of such leaves shall be granted by the Employer, solely upon the presentation by the employee of written request for extension supported by medical evidence of continuing disability and medical evidence of a reasonable expectation to return to work within no more than one (1) year's total leave.

- (c) Personal Leave. Leaves of absence without compensation for reasonable periods may be granted by the Employer at its discretion to employees who have completed one (1) year of service.
- (d) Family Leave. Leaves of Absence of up to one year shall be granted to any employee who upon request shows that they need to provide care for a member of the employee's immediate family. Leaves shall be granted only for the duration of care for which it was initially approved.

Employees may use but are not required to use any unused earned vacation pay, PTO, or personal day(s) during any period of unpaid approved FMLA leave.

- (e) Military Leave. Leaves of Absence shall be granted to employees entering military service or called to military service in accordance with applicable laws.
- (f) Union Leave. Upon written request, a Leave of Absence without pay for Union business, not to exceed six (6) months, will be granted by the Employer to employees who have completed one (1) year of service or more. This leave may be extended by an additional six months. An employee on a Union Leave of Absence may receive pay from the Union.

Section 2: Seniority rights shall not be broken when an employee is on a leave of absence. However, if any employee, while on a leave of absence, accepts any other job or goes into business for himself, he automatically terminates his employment and loses all rights with the Company.

ARTICLE 10 VACATIONS

Section 1: Full-time employees who have been on the payroll of the Company for one (1) year shall be entitled to one (1) week of vacation with full pay (40 hours).

Section 2: After three (3) years of service on the payroll of the Company, all full-time employees shall be entitled to two (2) weeks of vacation with full pay (80 hours).

Section 3: After seven (7) years of service on the payroll of the Company, all full-time employees shall be entitled to three (3) weeks of vacation with full pay (120 hours).

Section 4: After fifteen (15) years of service on the payroll of the Company, all full-time employees shall be entitled to four (4) weeks of vacation with full pay (160 hours).

Section 5: After twenty (20) years of service on the payroll of the Company, all full-time employees shall be

entitled to five (5) weeks of vacation with full pay (200 hours).

Section 6. Employees hired on or after June 4, 2006 shall receive one (1) week paid vacation after one (1) year of continuous service, two (2) weeks paid vacation after three (3) years of continuous service, three (3) week of vacation after seven (7) years of continuous service, **and four (4) weeks of vacation after fifteen (15) years of continuous service.**

Section 7: Employees with the oldest seniority dates on an individual store basis shall be given preference on vacation dates. The Company retains the right to schedule vacations. Such vacation, once scheduled, may be changed only by agreement between Company and employee except where required by legitimate business necessity.

Section 8: Any employee who has earned his vacation before he has been given an opportunity to take said vacation and leaves the employ of the Company for any reason shall be paid his or her vacation pay together with any other wages upon leaving, unless the employee has been terminated for dishonesty related to Company business.

Section 9: Employees shall not be given pay in lieu of a vacation unless mutually agreed between the Union, the employee and the Company.

Section 10: In case the Company closes a meat department or store and cannot place employees who are displaced, either full-time or part-time, the Company agrees to pay such employees who have one (1) year or more service with the Company a pro rata vacation based on one-twelfth (1/12) or major fraction thereof of the vacation he would have earned for each month worked in that anniversary year prior to the closing. This pro rata vacation is to be paid only for vacation earned but not taken. No non-contractual bonuses shall be included in the above computation of vacation pay.

Section 11: Upon completion of one (1) full year of employment, all part-time employees eligible for vacation shall have their weekly vacation pay based on their average hours paid per week, during the fifty-two (52) weeks preceding their last anniversary date, excluding from the "52 week period" calculation any week that had no paid hours or when the employee was off work due to workers compensation, and not exceed forty (40) hours per week. Hours paid shall include hours worked and hours paid for holiday, jury duty, vacation and funeral leave. No non-contractual bonuses shall be included in the above computation of vacation pay.

Section 12: Employees "on the payroll" or providing "service on the payroll" shall be those employees who have worked continuously for their Employer for the required number of years as specified in Sections 1 through 5 of this Article. Such continuous work shall include paid vacation time.

Section 13: Employer shall not block out days unavailable for vacation selection except for the following holidays and the day before: Christmas Day, Thanksgiving Day, Memorial Day, Labor Day, Independence Day and New Year's Day.

ARTICLE 11 JURY DUTY

The Company agrees to pay the difference between any government allowance and full day's pay at straight-time hourly classification rates for each day, up to a maximum of ten (10) days in any calendar year, an employee is required to serve and does serve on any jury, provided the employee is scheduled to work on the day or days actually served on the jury.

In order to be eligible to receive payment under this Section, an employee must notify his Store Director on his first workday after receipt of the notice to report for jury duty and must furnish satisfactory evidence that jury duty was performed and of the amount of compensation received for such service on the days for which payment is claimed.

ARTICLE 12 FUNERAL LEAVE

In the event of a death in the employee's immediate family (spouse, child, step-child, father, step father, mother, step mother, brother, sister, grandmother, grandfather, grandchildren, or any similar in-law relationship with his/her current spouse or any relative living permanently in the employee's immediate household), the employee shall be entitled to be absent from work for such time as is necessary to make arrangements for and attend the funeral and return if required and will be allowed up to a maximum of three (3) days of funeral leave pay. During such absence, the employee shall be compensated at his straight-time hourly classification rate for such regular working time lost and such time to be considered as actual time worked and paid for as such. Such absentee compensation shall not include pay for lost overtime, vacation time, or premium pay; it shall include holiday pay. It is understood that an employee will be allowed one (1) day off to attend the funeral of aunts, uncles, nieces, nephews and first cousins, such time to be considered as actual time worked and paid for as such, provided the employee is scheduled to work on the day of the funeral.

ARTICLE 13 MISCELLANEOUS PROVISIONS

Section 1 - Laundry: The Company agrees to furnish and supply laundered aprons and uniforms without cost to the employee, except employees will be required to launder drip-dry garments, and except where employees are allowed to wear their own clothes.

Section 2 - Inventory: The Company agrees that all inventory of merchandise shall be taken during working hours.

Section 3 -Financial Deductions: No employee shall be required as a condition of employment to have deducted from his pay or to make any financial donation or contribution to or for any cause not specifically provided for in this Agreement or required by State or Federal statutes of law.

Section 4 – Meat department employees shall continue to cut and stock all items currently being cut and stocked as of 11/24/14 unless such items are discontinued or the Employer first bargains with the Union over the effects of any proposed changes.

ARTICLE 14 UNION AFFAIRS

Section 1 - Union Market Cards: In all markets covered by this Agreement, the official Union Market Card shall be displayed where visible to all customers provided there are no violations of this Agreement. Such cards shall remain the property of the Union and shall be surrendered upon written demand at any time only if the Employer has refused to comply with the final decision of an arbitrator reached in accordance with the provisions of this Agreement.

Section 2 - Union Notification: The Employer agrees to notify the Union within one (1) week from the date of employment of any employees subject to this Agreement, of the name of such employee, his or her classification, store where employed and the date of employment. The parties agree that, should the Employer fail to meet the obligation in this respect, the Union will not seek reimbursement of lost dues and fees.

Section 3 - Bulletin Board: The Company will provide a Bulletin Board or other suitable arrangement within the establishment where the Union may post notices of Union recreational affairs, social affairs, and notices of

elections and deaths, appointments and results of Union elections pertaining to the establishment and notices of Union meetings, and a copy of this Agreement.

Section 4 - Union Representatives: No more than two (2) Union representatives shall be admitted at all reasonable times to interview employees on duty. Such visits shall not unreasonably interfere with the efficient operation of the Employer's business.

An employee may request a representative of the Union to be present during interrogation by management, which the employee believes may result in discharge or suspension. The Union agrees to make a representative available within a reasonable time during the same day such request is made.

Section 5 - Shop Steward: It is understood that the Union shall have the authority to designate and/or remove from among the full-time seniority employees in the bargaining unit a Shop Steward. There shall be a Shop Steward in each retail chain covered by this Agreement.

The Shop Steward shall be authorized to investigate grievances and shall do so without disturbing the Company's operations. The Company shall have the right to call a conference with the Shop Steward or Union officials for the purpose of discussing complaints raised by the Company and time spent on such meetings by the Shop Steward shall be paid for as time worked.

The Shop Steward shall not have the authority to settle any grievance in a manner that is contrary to the terms of this Agreement.

Section 6- Union Buttons: The Union member will have the right to wear their Union Buttons according to current National Labor Relations Board rules.

ARTICLE 15 SEPARABILITY

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

ARTICLE 16 MANAGEMENT RIGHTS

All rights and powers not expressly restricted or limited by terms of this Agreement shall remain in and may be exercised at the discretion of the Company.

The Employer may require an employee to submit to a drug and alcohol test in the event of an on-the-job injury **or reasonable suspicion of impairment.**

ARTICLE 17 STRIKE OR LOCKOUT

Section 1: It shall not be a violation of this Agreement nor grounds for discipline or discharge for persons covered hereunder to refuse to cross another Union's picket line. The Local, its agents or representatives, shall not interfere in any way with the independent judgment of persons covered herein in this regard. Notwithstanding the

foregoing, no employee shall refuse to cross another Union's picket line until the Employer has received 72 hours written notice thereof. The Local and the employees agree that during the life of this Agreement (excepting the Local when any other contract it may have with the Company in its Store or Stores has expired), or any extension thereof, there will be no strike, stoppage of work, harassment, slow-down, picketing, boycotting, or hand billing of the Company's premises or other forms of economic action.

Section 2: The Company agrees that it will not, during the term of this Agreement or any extension thereof, engage in a lockout.

ARTICLE 18 MAINTENANCE OF STANDARDS

Employees enjoying wages, benefits or working conditions in excess of these stipulated herein, shall not receive a reduction during the lifetime of this Agreement, except in the case of reassignment to another classification in accordance with the seniority provisions of this Agreement; further, the provisions of the Article do not cover bonus pay for Head Meatcutters. Nothing above shall be construed to require maintaining any existing differentials of "red circle" rates, but only to preclude the reducing of existing rates and benefits.

ARTICLE 19 HEALTH AND WELFARE

Section 1 - Trust Fund. Effective June 30, 2015, employees shall cease to participate in the New Mexico UFCW Unions and Employers Health and Welfare Trust Fund ("New Mexico Health Fund"). Effective July 1, 2015, the New Mexico Health Fund shall be merged with, and employees of the bargaining unit and their eligible dependents shall participate in, the United Food and Commercial Workers and Employers Arizona Health and Welfare Trust ("Arizona Health Fund") on the same basis in terms of Plan rules and regulations, eligibility for benefits, benefit designs and employee co-premiums as employees covered under the Arizona Safeway collective bargaining agreement.

The Trustees of the Arizona Health Fund shall establish separate accounting for the New Mexico group with the understanding that contributions from the New Mexico employers shall not be used to provide, or subsidize benefits for the Arizona group and that contributions from the Arizona Employers shall not be used to provide, or subsidize benefits for the New Mexico group. Administrative expenses shall be prorated between the groups as determined by the Trustees of the Fund.

Effective January 1, 2015, the New Mexico Plan A benefits shall be modified to the same benefits as Arizona Plan A, the New Mexico Plan B benefits shall be modified to the same benefit provisions as Arizona Plan B and the New Mexico Plan C benefits shall be modified to the same benefit provisions as Arizona Plan B1, except the co-insurance rates for participants who will be covered under Arizona plan A or B, shall continue to be equal to those co-insurance rates which applied to those participants under the New Mexico Health Fund until otherwise modified by the Trustees of the Arizona Health Fund. Further except, the short term disability benefit for the New Mexico group shall be the same provided under the New Mexico Health Fund. Additionally, effective January 1, 2015, the administration of the New Mexico Health Fund shall be switched to the same administrator handling the Arizona Health Fund.

It is further understood that as a condition of receiving the contributions provided below, the Trustees of the Plan will establish Plan(s) of benefits, which can be supported by the contributions provided herein and such Trustees shall have the authority to modify such benefits as they deem necessary to maintain the Plan in a fully reserved status.

Section 2 – Employer Contributions. The Employer shall continue to contribute to the New Mexico Fund the amounts described below each month by the twentieth (20th) day of the month for each of its eligible employees covered under Plan A, Plan B and Plan C but on the same eligibility basis as is required under the Arizona Safeway’s collective bargaining agreement, except that such contributions shall continue to be made on a Per Employee Per Eligible (PEPM) basis. Employer Contributions will make contributions on all eligible employees, in all plans, regardless of opt out status. Upon merger, in the event Arizona Safeway increases, or decreases, its employer contribution rate into the Arizona Fund, then the employer contribution rates required under this agreement shall be increased, or decreased, by the same percentage and at the same time as the Fry’s rates are increased, or decreased. Employee Contributions to be paid shall be the same as the Arizona Safeway.

Section 3 – Eligible Employees. Eligibility for coverage shall be as defined in the Arizona Safeway’s collective bargaining agreement and by the Arizona Health Fund.

Section 4 – If legislation is enacted which affects Health and Welfare or related benefits, or costs of providing them, this Contract may be opened by either party upon thirty (30) days written notice to the other party for the purpose of negotiating the Section so affected only.

ARTICLE 20 PENSIONS

Section 1: Effective April 1, 1990, the Company shall contribute the sum of one hundred nineteen dollars (\$119.00) per month per eligible employee to the United Food and Commercial Workers Union Industry Pension Plan by the twentieth (20th) of the month. Contributions shall be paid on account of work performed on and after the first (1st) day of the calendar month after such employee has been on the Company's payroll for thirty (30) calendar days and has averaged twenty-four (24) hours or more per week for at least four (4) consecutive weeks. Such contribution shall not be made on any month in which an employee fails to average twenty-four (24) hours or more per week for at least four (4) consecutive weeks. For all employees hired on or after June 4, 2006, eligibility shall be after 3 months not 30 days. Effective with all hours worked in October, 2010, increase contribution rate from one hundred nineteen dollars (\$119.00) to one hundred fifty-nine dollars (\$159.00) for employees hired before June 5, 2009. No change for employees hired after June 5, 2009.

Effective with the hours worked in July, 2020, the Company shall increase the above contribution rates by five dollars (\$5.00) to one hundred sixty-four dollars (\$164.00) per month for all employees hired on or before June 5, 2009 and to one hundred twenty-four dollars (\$124.00) per month for employees hired after June 5, 2009.

Minimum Participation: Effective July 1, 2010, a monthly contribution of forty-eight dollars (\$48.00) will be made on behalf of employees who do not work sufficient hours to be considered an “eligible employee” (and therefore do not receive the contribution specified above), but who have been employed one (1) year, attained the age of 21, and worked eight hundred seventy (870) hours in a plan year.

Section 2: Contributions to the Pension Fund shall be discontinued as of the first (1st) of the month immediately following a layoff or leave of absence of thirty (30) calendar days or more. Contributions to the Pension Fund discontinued shall be resumed as of the first (1st) of the month following return from layoff or leave of absence.

Section 3: Contributions to the Pension Fund shall be continued under the following conditions:

- (1) In case of non-work accident, one (1) month's contribution following the month in which the

employee incurred the accident.

- (2) In case of pregnancy, two (2) months contribution after the month in which the employee begins her pregnancy leave of absence.
- (3) In cases of illness, two (2) months contribution following the month in which the illness occurs.
- (4) In case of compensable injury, three (3) months contribution following the month in which the injury occurs.
- (5) The Company agrees to pay the contribution to the Pension Fund for eligible employees for one (1) month following termination of employment.

Section 4: Parties to this Agreement do hereby ratify and reaffirm all acts by the Trustees done pursuant to the Agreement and Declaration of Trust, as amended.

Section 5: The Company shall begin Pension contributions on new employees on the first (1st) day of the month immediately following completion of the employee's probationary period.

Section 6: The term "eligible employee" shall mean an employee who has worked an average of twenty-four (24) hours for a period of four (4) consecutive calendar weeks (96 hours).

ARTICLE 21 NO DISCRIMINATION

Section 1: The Company and its representatives shall not discriminate against any employee on account of race, sex, creed, nationality, age, or on account of Union affiliation or on account of any legitimate Union activity. The Union, its officers, and members shall not intimidate or coerce employees into joining the Union, and shall not discriminate against any employee on account of race, sex, creed, nationality, age or on account of Union affiliations.

ARTICLE 22 STORE CLOSURE

In the event the Employer closes the majority of its stores in the Bargaining Unit, the Employer agrees to meet with the Union for the purpose of negotiating the severance of the employees thus affected.

ARTICLE 23 TERM OF THIS AGREEMENT

This Agreement shall be effective as of **June 10, 2018** and shall remain in full force and effect until its expiration date **June 11, 2022**, and for a period of one (1) year thereafter unless either the Company or the Union desires changes in this Agreement at its expiration date; in which event, on or before sixty (60) days prior to the expiration date of this Agreement, or one (1) year renewal date, written notice outlining the changes desired shall be given by the party proposing the changes to the other party to this Agreement.

BARGAINING NOTE

The parties agree that language proposed but not agreed to shall not be admissible in an arbitration or other legal proceeding as evidence of either parties' interpretation or position as to the meaning of the contract language.

Signed this _____ day of _____ 2020.

FOR THE COMPANY
ALBERTSON'S LLC

FOR THE UNION
United Food and Commercial Workers
International Union, Local #1564

By: _____
Danny Ma
Vice President, Labor Relations

By: _____
Greg Frazier
President

APPENDIX 'A'
WAGE RATES AND CLASSIFICATIONS

	6/4/17	6/10/2018	6/9/2019	1/1/2020	6/7/2020	1/1/2021	6/13/2021	1/1/2022
Store #686	**	RAISE JP Only	RAISE JP Only	Minimum Wage Increase	RAISE JP Only	Minimum Wage Increase	RAISE JP Only	Minimum Wage Increase
Meat Manager	21.77	22.07	22.37	22.37	22.67	22.67	22.92	22.92
Asst. Head Meatcutter	20.51	20.81	21.11	21.11	21.41	21.41	21.66	21.66
Butcher Block Supervisor	13.97	14.27	14.57	14.57	14.87	14.87	15.12	15.12
Meatcutters								
1st 6 months	8.34							
2nd 6 months	8.91							
3rd 6 months	9.93	9.93	9.93	9.93	9.93	10.70	10.70	11.70
4th 6 months	10.37	10.37	10.37	10.37	10.37	10.80	10.80	11.80
5th 6 months	13.27	13.27	13.27	13.27	13.27	13.27	13.27	13.27
6th 6 months	16.17	16.17	16.17	16.17	16.17	16.17	16.17	16.17
Journey person	20.31	20.61	20.91	20.91	21.21	21.21	21.46	21.46
Meatwrappers								
1st 6 months	7.50							
2nd 6 months	7.50							
3rd 6 months	9.00	9.00	9.00	9.20	9.20	10.70	10.70	11.70
4th 6 months	10.63	10.63	10.63	10.63	10.63	10.80	10.80	11.80
5th 6 months	11.99	11.99	11.99	11.99	11.99	11.99	11.99	11.99
6th 6 months	13.47	13.47	13.47	13.47	13.47	13.47	13.47	13.47
Journey person	17.16	17.46	17.76	17.76	18.06	18.06	18.31	18.31
Meat Stocker, Butcher Block								
1st 6 months	7.50							
2nd 6 months	7.50							

Ratification Date: 11/20/2018
Term: 06/10/18 to 06/11/2022

3rd 6 months	7.50	7.50	7.50	9.20	9.20	10.70	10.70	11.70
4th 6 months	7.82	7.82	7.82	9.30	9.30	10.80	10.80	11.80
5th 6 months	9.28	9.28	9.28	9.40	9.40	10.90	10.90	11.90
6th 6 months	9.97	9.97	9.97	9.97	9.97	11.00	11.00	12.00
Journeyperson	13.70	14.00	14.30	14.30	14.60	14.60	14.85	14.85

New Hires - After May 31, 2003

	6/4/17	6/10/2018	6/9/2019	1/1/2020	6/7/2020	1/1/2021	6/13/2021	1/1/2022
	**	RAISE JP Only	RAISE JP Only	Minimum Wage Increase	RAISE JP Only	Minimum Wage Increase	RAISE JP Only	Minimum Wage Increase
Meat Manager	21.77 **	22.07	22.37	22.37	22.67	22.37	22.92	22.37
Asst. Head Meatcutter	20.51 **	20.81	21.11	21.11	21.41	21.11	21.66	21.11
Butcher Block Supervisor	13.97 **	14.27	14.57	14.57	14.87	14.57	15.12	14.57
Meat Cutters								
0-1040 hours	8.12							
1041-2080 hours	8.40							
2081-3120 hours	9.00	9.00	9.00	9.20	9.20	10.70	10.70	11.70
3121-4160 hours	9.55	9.55	9.55	9.55	9.55	10.80	10.80	11.80
4161-5200 hours	10.40	10.40	10.40	10.40	10.40	10.90	10.90	11.90
5201-6240 hours	11.42	11.42	11.42	11.42	11.42	11.42	11.42	12.00
6241-7280 hours	15.73	15.73	15.73	15.73	15.73	15.73	15.73	15.73
7281-8320 hours	16.24	16.24	16.24	16.24	16.24	16.24	16.24	16.24
Journeyperson	18.50	18.80	19.10	19.10	19.40	19.40	19.65	19.65
Meat Wrappers								
0-1040 hours	7.50							
1041-2080 hours	7.50							
2081-3120 hours	8.40	8.40	8.40	9.20	9.20	10.70	10.70	11.70
3121-4160 hours	10.00	10.00	10.00	10.00	10.00	10.80	10.80	11.80
4161-5200 hours	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.90
5201-6240 hours	12.60	12.60	12.60	12.60	12.60	12.60	12.60	12.60
6241-7280 hours	13.90	13.90	13.90	13.90	13.90	13.90	13.90	13.90
7281-8320 hours	14.25	14.25	14.25	14.25	14.25	14.25	14.25	14.25
Journeyperson	15.95	16.25	16.55	16.55	16.85	16.85	17.10	17.10
Meat Stocker, Butcher Block								
0-1040 hours	7.50							
1041-2080 hours	7.50							

2081-3120 hours	7.50	7.50	7.50	9.20	9.20	10.70	10.70	11.70
3121-4160 hours	7.50	7.50	7.50	9.30	9.30	10.80	10.80	11.80
4161-5200 hours	8.34	8.34	8.34	9.40	9.40	10.90	10.90	11.90
5201-6240 hours	9.51	9.51	9.51	9.51	9.51	11.00	11.00	12.00
6241-7280 hours	10.23	10.23	10.23	10.23	10.23	11.10	11.10	12.10
7281-8320 hours	10.74	10.74	10.74	10.74	10.74	11.20	11.20	12.20
Journey person	12.35	12.65	12.95	12.95	13.25	13.25	13.50	13.50

New Hires – Hired After June 4, 2006

	6/4/17	6/10/2018	6/9/2019	1/1/2020	6/7/2020	1/1/2021	6/13/2021	1/1/2022
	**	RAISE JP Only	RAISE JP Only	Minimum Wage Increase	RAISE JP Only	Minimum Wage Increase	RAISE JP Only	Minimum Wage Increase
Meat Cutters								
Step 1 (2000 Hours Worked)								
Step 2 (next 2000 Hours Worked)								
Step 3 (next 2000 Hours Worked)	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00
Step 4 (next 2000 Hours Worked)	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00
Step 5 (next 2000 Hours Worked)	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00
Journey person	14.95	15.25	15.55	15.55	15.85	15.85	16.10	16.10
Meat Wrappers, Butcher Block, Meat Deli								
Step 1 (1040 Hours Worked)								
Step 2 (next 1040 Hours Worked)								
Step 3 (next 1040 Hours Worked)	7.50	7.50	7.50	9.20	9.20	10.70	10.70	11.70
Step 4 (next 1040 Hours Worked)	7.50	7.50	7.50	9.30	9.30	10.80	10.80	11.80
Step 5 (next 1040 Hours Worked)	7.75	7.75	7.75	9.40	9.40	10.90	10.90	11.90
Step 6 (next 1200 Hours Worked)	8.25	8.25	8.25	9.50	9.50	11.00	11.00	12.00
Step 7 (next 1200 Hours Worked)	8.75	8.75	8.75	9.60	9.60	11.10	11.10	12.10

Step 8 (next 1200 Hours Worked)	9.25	9.25	9.25	9.70	9.70	11.20	11.20	12.20
Step 9 (next 1200 Hours Worked)	9.75	9.75	9.75	9.80	9.80	11.30	11.30	12.30
Step 10 (next 1200 Hours Worked)	10.00	10.00	10.00	10.00	10.00	11.40	11.40	12.40
Journeyman	11.45	11.75	12.05	12.05	12.35	12.35	12.60	12.60

“Living Wage” Ordinances

Any employee earning more than their scheduled rate of pay on account of any “living wage” ordinance or similar local or state minimum wage is ineligible for the Lump Sum Bonus.

In the event of a “living wage” ordinance or similar local or state minimum wage with higher wages than contractual rates, the wage rates will be modified as required by law, but the hours and steps as required in the wage scales will remain the same.

Red-circled employees’ wages will be frozen until the contractual wage rate matches or surpasses the rate of the red-circled employees.

In the event of future minimum wage increase after ratification of the 2018-2022 agreement, the first step for the effected classification will be set at least 20¢ above the new minimum wage and each step thereafter will be at a rate that is at least 10¢ higher than the previous progression step.

Wage Adjustments: Employees who are promoted or changed in classification to a classification that has a higher wage rate will be slotted into the new wage rate at no less than one step below the step the employee currently earning. They may then be held in that step up to one year.

EXHIBIT 1 - CURRENT PRACTICE FOR SELECTION OF ARBITRATORS

Instead of requesting panels of seven arbitrators from the Federal Mediation and Conciliation Service, the Company and the Union jointly have created a pool of forty arbitrators from which they generate panels of seven. Each arbitrator in the pool has been assigned a corresponding number from 1 to 40. The pool of 40 represents 20 different arbitrators selected by the Company and 20 different arbitrators selected by the Union. Both the Company and the Union reserve the right to replace one or more of their 20 different selected arbitrators at any time prior to the generation of a panel for a specific grievance. To be eligible, arbitrators must be labor arbitrators who maintain an office in Colorado, Oklahoma, Texas, New Mexico, Arizona, Utah, Nevada, or California.

Because of this change in the selection process, the Union does not request a panel from the Federal Mediation and Conciliation Service when it desires to arbitrate a grievance. It makes that request of the Company. For each such grievance the Company and the Union then generate a panel of seven arbitrators from the pool of 40 by meeting at the offices of the Company's counsel to run a random number generator program. That program randomly selects seven numbers from 1 through 40. By matching those numbers to the numbers assigned to the arbitrators, the panel members for each grievance are identified.

Except for this panel generation methods, the grievance procedures and deadlines remain the same as in the collective bargaining agreement.

**ROSWELL, NEW MEXICO
MEATCUTTERSAGREEMENT**

LETTER OF UNDERSTANDING

Section 1: It is understood and agreed the last sentence of Article 1, Section 2 will be construed in light of the Memorandum Agreement attached hereto, thus applying only to items stocked in the meat cases in the Meat Department.

Section 2: Article 1, Section 4 - Check-off, 2nd paragraph will be construed insofar as United Supermarkets, L.L.C. is concerned so as to require deductions only from the paycheck for the first pay period of each month and without the requirement of carrying forward shortages to be paid in the next month.

Section 3: It is understood United Supermarkets, L.L.C. will not require an employee represented by your Union to take a polygraph examination as a condition of continued employment.

Section 4: Article 9, Section 1 Seniority - This Section will be construed to provide that a probationary employee can be terminated for any reason during such sixty (60) day probationary period.

Section 5: Article 25 - It is agreed this Article will not be construed to require maintaining of any existing differentials "red circle" rates, but only to preclude the reducing of existing rates and benefits.

Section 6: There were other interpretations of language agreed to in the negotiations and set forth in the bargaining notes, but not specified herein.

Section 7: It is the mutual understanding of the Union and the Company that bargaining unit work as it directs itself toward the stocking of meat cases shall be interpreted to mean:

That suppliers and salesmen shall not be permitted to stock or price items in the meat cases; however, such suppliers or salesmen may participate when the deli section is being re-merchandised and may also rotate and pull outdated and spoiled product.

That in scheduling the Employer shall anticipate in good faith the persons necessary to adequately stock meat cases for anticipated business.

That if, however, unexpected business reduces the inventory in the meat cases below normal and there is no meat employee available to restock from already wrapped and prepared inventory, then the Employer can stock such merchandise with supervisors instead of exercising a less than four (4) hour call-in.

Section 8: It is agreed between the parties all EEOC problems concerning EEOC, the parties will meet at once in order to resolve the problems.

Section 9: It is agreed between United Supermarkets, L.L.C. and Local Union No. 1564, as follows:

Section 10: In interpreting the Collective Bargaining Agreement, it is agreed that the Company may ask employees to work over their regular work shift and in such instances such work shall be paid for at their basic straight-time rate of pay, without penalty to the Employer as long as such hours do not exceed forty (40) hours per week or eight (8) hours in a day.

Section 11: The Employer agrees, where possible, to call-in employees by seniority and classification.

Section 12: It is agreed by the Parties that work in the Meat market of slicing, grinding, sawing and cutting of the product sold in the Butcher Block Department will be performed by employees paid appropriate Meat Department rates except for incidental work performed on product at the request of the customer.

Section 13: It is agreed between the Parties that the Company will be free to transfer employees in the Butcher Block Clerk or Meat Clerk classification into Meatwrapper or Meatcutter jobs.

LETTER OF UNDERSTANDING – POLITICAL CHECKOFF

Albertson's ("Employer") agrees to deduct uniform political contributions on a monthly basis from the net wages due an employee each month of each employee covered by this collective bargaining agreement who has provided Albertson's with a voluntary individual written authorization to make such deductions on a form that has been mutually agreed upon by Albertson's and UFCW Local 1564 (Union). The Union agrees to indemnify and hold the Employer fully harmless for any liability that arises out of or by reason of any action taken by the Employer in accordance with this Letter of Understanding. The deduction shall be expressly limited to political contributions only and the Employer shall have no obligation whatsoever to make deductions for any purpose other than dues deductions in accordance with Article 1, Recognition, of the collective bargaining agreement effective June 2003 to June 1, 2006.

Employer shall be notified of the amounts designated by each contributing employee that are to be deducted from his/her paycheck on a monthly basis for all weeks worked. The phrase "weeks worked" excludes any week other than a week in which the employee earned a wage. The Employer shall transmit to the Union, on a monthly basis, in one check, the total amount deducted along with the name of each employee on whose behalf a deduction is made. The Employer shall have no responsibility for the application of the amounts transmitted in accordance with this paragraph.

No deductions will be made from the wages of any such employee until the Employer has received a signed copy of a voluntary written authorization to make such deductions with such authorization to be received by the Employer no later than the first day of the month in which the deductions are to commence in order to be deducted for that month.

Authorization for such deduction is to be entirely voluntary on the part of each such individual employee. Any such employee may revoke his individual voluntary authorization upon giving thirty (30) days' written notice to the Employer and the Union.

IN WITNESS WHEREOF, the parties named have signed their names and affixed the signature of their authorized representative on this _____ day of _____ 2020.

FOR THE COMPANY
ALBERTSON'S LLC

By: _____
Danny Ma
Vice President, Labor Relations

FOR THE UNION
United Food and Commercial Workers
International Union, Local #1564

By: _____
Greg Frazier
President

LETTER OF UNDERSTANDING

UFCW Local 1564 believes it has a good faith working relationship with Albertson’s and will not take any action to depart from that relationship or take any action inconsistent with maintaining that relationship. Consistent with its duty of fair representation under the agreement and their grievance procedures, UFCW Local 1564 will not be party to, instigate or support class action litigation (except charges with the National Labor Relations Board) or engage in any type of corporate campaign against Albertson’s that is directed toward or which will directly impact stores represented by UFCW Local 1564.

The parties recognize that various monies from Local 1564 are paid to UFCW International Funds. Local 1564 does not control such funds. Consequently, the UFCW International Union’s use of those funds for purposes contrary to this agreement will not be a violation of this agreement.

Albertsons believe it has a good faith working relationship with UFCW 1564 and will not present any anti-union information during new hire orientation to discourage union affiliation. This only applies to orientation for union positions.

This letter is an amendment to the current New Mexico Clerks contracts for all stores covered by these contracts.

IN WITNESS WHEREOF, the parties named have signed their names and affixed the signature of their authorized representative on this _____ day of _____ 2020.

FOR THE COMPANY
ALBERTSON’S LLC

FOR THE UNION
United Food and Commercial Workers
International Union, Local #1564

By: _____
Danny Ma
Vice President, Labor Relations

By: _____
Greg Frazier
President