

AGREEMENT

Between

SMITH'S FOOD & DRUG CENTERS, INC.

and

UNITED FOOD AND COMMERCIAL WORKERS UNION LOCAL NO. 1564

Chartered By:

United Food and Commercial Workers International Union

Meat Agreement – Statewide, excluding Price Rite

Effective: June 10, 2018 through January 29, 2022

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THIS AGREEMENT is entered into by and between Smith's Food & Drug Centers, Inc., hereinafter referred to as the "Company" or the "Employer", and the United Food and Commercial Workers Union Local No. 1564, chartered by the United Food and Commercial Workers International Union, referred to hereafter as the "Union".

INTENT AND PURPOSE

The Company and the Union each represents that the purpose and the intent of this Agreement is to promote cooperation and harmony, to recognize mutual interest, 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, and to set forth herein the basic agreements covering rates of pay, hours of work, and conditions of employment.

SECTION 1.

RECOGNITION OF THE UNION

1.1 – Bargaining Unit. The Company recognizes the Union as the exclusive bargaining agent for all employees engaged in the retail and wholesale distribution of all fresh meats and all other meat products, including rabbits, fish and domestic fowls of all kinds, regardless of their origin, within the boundaries of the state of New Mexico in the following counties:

Bernalillo County (Includes Edgewood #424)
Cibola County
Los Alamos County
Taos County

Sandoval County
San Juan County
Santa Fe County
Socorro County

and such other counties as may be added from time to time; presently under and within the jurisdiction of the Union. In addition to stores historically covered by this Agreement, this Agreement shall cover all stores owned or operated by Smith's Food & Drug Centers, Inc. within a sixty-five miles radius of the City of Albuquerque. Seniority shall be the county with the exception of Bernalillo/Sandoval Counties, which will be one seniority area. The Company may open warehouse stores in New Mexico; however, no existing conventional store may be converted into a warehouse store without prior negotiations with the union.

1.2 – Bargaining Unit Work. No employees of the Company, other than employees under the jurisdiction of the Union, will be permitted to cut and wrap meat, except for instruction, business needs, cutting test, store openings and remodeling. The Company 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 store. Meat department employees shall continue to stock all items currently being stocked as of June 6, 2009, unless such items are discontinued or the Employer first bargains with the Union over the effects of any proposed change.

Notwithstanding anything contained herein to the contrary, the Employer shall not be restricted in, or prohibited from, obtaining and offering for sale fresh, smoked, cured, cooked and frozen meats, poultry, fish or seafood which have been cut, ground, prepared, processed, packaged, weighed and/or priced off the Employer's premises ("pre-cut / pre-wrapped meat").

Smith's agrees that the future introduction of "pre-cut / pre-wrapped meat" will not result in a reduction of hours or a layoff for those meatcutters (including head meatcutters, journey-person meatcutters, and apprentice meatcutters) and meatwrappers who were employed on or before November 1, 1998, and who were covered by this collective bargaining agreement between Smith's and UFCW Local 1564. The employer shall have the right to transfer and/or schedule meatcutters in more than one store within the bargaining unit as may be necessary to prevent such a reduction or lay-off, except that the Employer shall not schedule such employees for split shifts. The employer's ability to reduce hours or layoff employees shall in all other ways remain intact.

1.3 – 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.

1.4 – If the Employer either opens or acquires any additional stores in the State of New Mexico, bargaining unit employees presently working for the Employer shall be offered positions created by the store opening or acquisition before jobs are offered to any other applicants. The Employer shall consider such existing bargaining unit employees on the basis of their qualifications and skills as criteria for a decision to transfer such existing employee(s) to a new or additional store. Once the Employer has considered existing bargaining unit employees, the Union shall be allowed to refer other applicants that may have experience. The Employer shall then consider them for such openings before the Employer seeks applicants from other sources.

SECTION 2. UNION SECURITY

2.1 – It shall be a condition of employment that all employees of the Employer covered by this Agreement who are members of the Union in good standing on the effective date of this Agreement shall remain members in good standing, and those who are not members on the effective date of this Agreement shall, on the thirty-first (31st) day following the effective date of this Agreement become and remain members in good standing in the Union. It shall also be a condition of employment that all employees covered by this Agreement and hired on or after its effective date shall, on the thirty-first (31st) day following the beginning of such employment become and remain members in good standing in the Union. For the purpose of this Section, the execution date of this Agreement shall be considered as its effective date. Employees may satisfy their obligation under this Article 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.

- (a) 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 (a) 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.

- (b) The Union agrees to hold the Employer harmless from any liability which may arise from the application of this Section.

SECTION 3. CHECK-OFF

3.1 – The Employer agrees that upon receipt of a "check-off Authorization Card" from the employees of the Employer who are members of the bargaining unit who have voluntarily authorized the employer to deduct union dues, fees and active ballot club deductions, the Employer shall deduct from the wages of such employees such amount certified by the Union as applicable to members in good standing. The "Check-off Authorization Card" shall comply with both State and Federal laws.

3.2 – All regular monthly dues 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 Employer will deduct from the pay of employees in any month only the regular monthly Union dues and initiation fees becoming due and payable in such month.

3.3 – The Union agrees to indemnify and hold the Employer harmless from and against any and all demands, claims, damages, losses, liability or expenses, including without limiting the generality of the foregoing attorneys' fees, arising from or growing out of the application of this Section by the Employer.

SECTION 4. DISCHARGE AND SUSPENSION

4.1 – The Company shall not discharge, nor suspend, nor take disciplinary action as respects any seniority employee without just cause.

4.2 – 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, with a copy to the Union affected, 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 on Company property, failure to perform work as assigned, or recklessness resulting in serious accident while on duty. The employee so notified may be required to sign a receipt of the notice which will in no way be construed to be an admission of any misconduct or agreement with the contents of such notice. If any employee refuses to date and sign such notice, the employee shall be given an opportunity to contact the Local Union and to comply, and if they still fail to date and sign such notice, they may be suspended until such time as they do date and sign the notice.

- (a) Discharge, suspension or other disciplinary action must be by written notice to the employee and the Union involved.
- (b) Warning notices shall have no force and effect after six (6) months from date of issue.
- (c) Employees suspended pending an investigation will be paid their regularly scheduled hours and appropriate benefits if the Company or an arbitrator determines the suspension was unwarranted and the employee returns to work.

4.3 – Any employee may request an investigation as to his discharge, suspension, or other disciplinary action. Should such an investigation prove that an injustice has been done an employee, he shall be reinstated, and subject to the facts, he may be compensated at his usual rate of pay while he has been out of work, or otherwise made whole for loss or injury suffered as a result of an unjust discharge, suspension, or other disciplinary action. Appeal from discharge, suspension, or other disciplinary action must be filed under the provisions of Section 15, Grievance and Arbitration.

4.4 – Notwithstanding the above, with regard to chronic tardiness or absenteeism, the following disciplinary action shall be taken:

- (a) First unexcused absence or tardiness.....verbal warning;
- (b) Second unexcused absence or tardiness first written warning notice;
- (c) Third unexcused absence or tardiness a second written warning and three day suspension;
- (d) Fourth unexcused absence or tardiness subject to discharge.

4.5 – All warning notices will be personally delivered to the employee and the contents thereof explained at that time.

SECTION 5. GENERAL PROVISIONS

5.1 – Laundry. The Company agrees to furnish and supply laundered aprons and uniforms without cost to the employee.

5.2 – Inventory. The Company agrees that all inventory of merchandise shall be taken during working hours.

5.3 – Polygraph. No employee shall, as a condition of employment, be required to submit to a Polygraph Test or other similar electronic test without approval of the Union and the employee involved.

5.4 – 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 unless specifically provided for in this Agreement or required by State or Federal statutes of law.

5.5 – Working Rules. The Union recognizes the right of the Employer to establish reasonable work rules connected with the work of the Employer, provided that such rules are not in conflict with the terms and provisions of this Agreement and further provided that no such rules shall become effective without notification to the Union. Application of such rules shall be made equally to all members of the bargaining unit. The Employer may enforce compliance with such rules by appropriate disciplinary action up to and including discharge.

5.6 – Employees who are absent because of illness beyond three (3) days shall be required to show a doctor's certificate verifying illness if requested to do so by the 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.

SECTION 6. RIGHTS OF MANAGEMENT

6.1 – The management of the Company and the directions of the working force, including the right to plan, direct, and control retail operations, to hire, lay-off or relieve

employees from duties, to maintain the discipline and efficiency of the employees and to require employees to observe Company rules and regulations, demote or discharge employees for cause, are to be the sole right of, and function of the Employer.

6.2 – The parties agree that the foregoing enumeration of management's rights shall not be deemed to exclude other functions not specifically set forth. The Employer therefore, retaining all rights not otherwise specifically covered in this Agreement.

6.3 – The exercise of the foregoing rights shall not alter any of the specific provisions of this Agreement, nor shall they be used to discriminate against any member of the Union.

SECTION 7. UNION AFFAIRS

7.1 – Union 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. Employees shall be allowed to wear their union buttons.

7.2 – Union Notification. The Company agrees to notify the Union in writing of all permanent changes made in job rates, market transfers, layoffs, discharges, recalls and new employees being hired promptly.

7.3 – Bulletin Board. The Company will provide a Bulletin Board or other suitable arrangements within the establishment where the Union may post notices of Union recreational affairs, social affairs, and notices of election and deaths, appointments and results of Union elections pertaining to the establishment and notices of Union meetings, and copy of this Agreement.

7.4 – Union Visitation. The Union representative(s) shall be admitted at all reasonable times to interview employees on duty. Union Representatives and Store Stewards shall be allowed to view the computerized time system to verify the recording of time and the accuracy of employees payroll at reasonable and mutually agreeable times.

7.5 – 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.

- (a) The Shop Steward shall be authorized to investigate grievances and shall do so without disturbing the Company's operation.
- (b) The Company shall have the right to call a conference with the Shop Steward or Union official 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.
- (c) The Shop Steward shall not have the authority to settle any grievance in a manner that is contrary to the terms of this Agreement.

7.6 – Union Leave. Employees shall be allowed time off without pay for the purpose of attending Agreement negotiations, arbitration, or for Union meetings and conventions. Such leave shall be granted to not more than one employee per store, not to exceed one (1) week; provided, notice for such leave is given in advance sufficient to provide adequate replacement for the employee to be on leave. Upon request, employees may, at the Employer's discretion, be granted union leaves without pay for up to six months. The Union agrees to provide the Company with two weeks notice when a union leave is completed to allow the Employer to schedule an employee on extended leave. Extensions may be granted up to an additional six months.

SECTION 8.

HOURS OF WORK

8.1 – Work Schedule. A work schedule for the succeeding week shall be posted in markets on Thursday morning of each work week but not later than 12:00 noon, of the current week. 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 forth in this schedule. All employees shall be given at least one (1) day off each week.

If the work schedule is not posted in accordance with the terms of this Agreement, on the first violation, the Personal Director shall be notified. If there is a second violation of this

provision, the Personal Director shall be notified. If there are any further occurrences of a violation of this provision, each employee listed on the work schedule for the department of the violation shall be paid one hour of penalty pay. Should there be no violations for one year, the process shall begin again.

Any employee who needs a specific day or days off for personal business will make the store manager aware of the need at least seventy-two (72) hours prior to the posting of the next week's schedule. Every reasonable effort will be made to grant such requests with no loss of hours or otherwise changing the schedule. When two (2) or more employees request the same specific days off, seniority shall apply.

8.2 – Full-time Schedules. Full-time employees are defined to be employees who are regularly scheduled to work forty (40) hours or more per week. Regularly scheduled shall mean any six (6) consecutive work weeks.

- (a) For regular work weeks, all full-time employees shall be guaranteed forty (40) hours of scheduled work consisting of not more than five (5), eight (8) hour days, not necessarily consecutive;
- (b) For holiday work weeks with one holiday, all full-time employees shall be guaranteed thirty-two (32) hours of scheduled work to be worked in four (4), eight (8) hour days, not necessarily consecutive;
- (c) For holiday work weeks with two holidays, all full-time employees shall be guaranteed twenty-four hours of scheduled work, to be worked in three (3), eight (8) hour days, not necessarily consecutive;

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

Full-time employees may be reduced to part-time status in order of seniority and the guarantee of forty (40) hours would have no further effect until the employee is once again re-classified to full-time status.

8.3 – Full-time Employees. Full-time employees are defined to be employees who are regularly scheduled to work forty (40) hours or more per week. Regularly scheduled shall mean

any six (6) consecutive work weeks. Full-time employees may be reduced to part-time status in order of seniority and the guarantee of forty (40) hours would have no further effect until the employee is once again reclassified to full-time status.

8.4 – Part-time Schedules. Part-time employees are those employees who are regularly scheduled less than forty hours per week and will be assigned to the schedules with the most hours in order of seniority within the Bargaining Unit.

- (a) All Head Meat Cutters, Meat Cutters and Meat Wrappers working in Bernalillo /Torrance Counties shall be scheduled to work a minimum of six (6) hours on each workday.

Scheduling of employees shall be by seniority within the bargaining unit, classification and department. In accordance with the above, the Employer shall maximize weekly schedules, in order of seniority, up to forty (40) hours per week, based upon the available hours as determined weekly by management in sufficient numbers to allow the work to be performed. Nothing in this Agreement shall limit management's right to determine the number of employees to be scheduled during any given time period in any store, classification and department.

Call-In. Any employee called to work shall be guaranteed a minimum of six (6) hours of work or pay in lieu thereof except as set forth below and such pay in lieu of work shall be at the basic rate of pay, provided such employees are available and can work the minimum of six (6) hours. Lead Sea Food Clerks, and Sea Food Clerks shall only be guaranteed four (4) hours work or pay in lieu thereof.

- (b) Part-time employees not listed in paragraph (a) above shall be scheduled to work a minimum of six (6) hours on each work day; however, where a part-time employees is scheduled to work on five (5) work days, the Employer may then schedule the part-time employee for two (2), four (4) hour work days. 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.

Call-In. Such employee called to work shall be guaranteed a minimum 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 employees are available and can work the minimum of four (4) hours.

Nothing in this Agreement requires the Employer to float Seafood employees, or Butcher Block employees.

8.5 – New employees may be allowed to receive up to forty (40) training hours in a one week period that are not subject to the seniority and scheduling provisions of this Agreement; provided such training is a legitimate recognized training program and such training hours do not adversely affect the hours of any regular employee.

8.6 – 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. 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.

8.7 – Lunch Period. No employee shall work more than five (5) hours without a lunch period. Lunch period shall be no less than thirty (30) minutes and no more than sixty (60) minutes in duration. The lunch period may be waived if mutually agreeable by the Employer and the employee.

8.8 – Over-time. Employees required to work more than eight and one-quarter (8.25) 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. Overtime must be authorized by the Company.

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

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 work week.

Time and one-half (1½) overtime pay shall not be pyramided for both daily and weekly overtime. Penalty Pay shall not be considered as overtime pay.

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 work week.

8.9 – Split Shift. A broken or split shift shall be defined as any period of time where not less than nine (9) hours have elapsed from the termination of an employee's previous shift. There shall be no split shifts except in cases where the employee is a school student and the student, the Union and the Employer agree hereto. In the event a violation of the split occurs, the employee shall be paid for all time worked during the split at time-and-one-half (1½).

8.10 – Store Meetings. 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. No employee shall be disciplined for failing to attend a store meeting on an approved personal holiday, vacation or requested day off.

8.11 – Rest Periods. Employees shall be granted two (2) uninterrupted fifteen (15) minute rest periods, with pay, each day; one (1) rest period to be taken in the shift worked prior to lunch and one (1) rest period to be taken in the shift worked after the lunch period. If an employee works more than ten (10) hours in any one day, a third fifteen (15) minute paid rest period shall be granted.

8.12 – 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.

8.13 – Pay Day. 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.

8.14 – Employees, with the exception of Apprentice Meat Cutters, who must be worked on all jobs, who perform the work and assume the responsibilities of a higher paid classification while performing the work, and who assumes the responsibilities for a period of more than one (1) week or more, shall be paid the rate of pay of such higher classification.

8.15 – Sunday Work. 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 1, 2005 shall be paid at straight time for all hours worked on Sunday.

- (a) Farmington Sunday Work. – 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. All employees hired on or after October 24, 2004 but before June 1, 2005, shall receive a premium of \$1.00 per hour for all work performed on Sunday. Employees hired on or after June 1, 2005 shall be paid at straight time for all hours worked on Sunday.

8.16 – Holiday Work. All work performed on a holiday shall be paid for at the rate of double (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 after June 1, 2005 shall receive \$1.00 per hour.

8.17 – Farmington Holiday Work. All work performed on a holiday shall be paid for at the rate of double (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 October 24, 2004 shall receive a one-dollar (\$1.00) per hour for all work performed on Sunday.

8.18 – Night Work. Thirty-five cents (\$0.35) 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 purpose 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 the purpose of computing overtime. Employees hired on or after June 1, 2005 shall not be eligible for Night Work premium.

8.19 – No Show/No Call. Any employee who fails to report for work on a scheduled work day must provide the Store Manager or manager-in-charge with a sufficient reason to have prevented the employee from reporting to work or they may be considered a no call/no show and suspended for five days and shall be given written corrective action notice. An employee will be considered to be a no call/no show if they fail to call the manager-in-charge at the store or show up to work prior to the end of their scheduled shift. If the employee repeats the infraction within two years, the employee may be terminated. If an employee fails to call to notify management that he or she is going to be late or fails to report to work within one hour following their scheduled starting time, the employee will forfeit the shift and the company may then call in another employee.

8.20 – All employees shall report for and be ready for work at their scheduled starting time. The term "ready for work" shall include appropriate or required dress, including name tag and all other uniform components complete and worn, personal items stored away from the work area in a secure area provided by the Company, and restroom visits completed prior to signing in for their shift.

8.21 – The parties agree the schedule will not be used for arbitrary, capricious or retaliatory scheduling of employees.

SECTION 9.

SENIORITY

9.1 – For the purpose of this Agreement, seniority shall prevail in filling permanent vacancies, transfers, lay-offs, 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 to the last date of employment. In addition to the above, part-time employees must work one hundred eighty (180) hours to complete their probationary period.

- (a) There shall be five (5) seniority groups as follows:

1. Head Meat Cutter;
2. Sausage Maker/Smoker, Journeyman and Apprentice Meat Cutter;
3. Wrapper;
4. Lead Butcher Block Clerk;
5. Butcher Block Clerk

- (b) Each county, as set out in Section 1.1 of this Agreement, shall be one (1) seniority area with the exception of Bernalillo and Sandoval Counties which will be one seniority area. Scheduling of employees shall be by seniority within the store, classification and department, subject to skill and ability being relatively equal.

Effective January 1, 2015, the Employer shall honor the original Price Rite hire date of any current Price Rite employee who successfully transfers to an opening at a Smith's store in accordance with the transfer provisions. Following such transfer, that employee's Price Rite date shall be used by the Company for all purposes in this Agreement.

9.2 – Seniority Lists. 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. Employees hired on the same day shall have their seniority broken by using the first letter of their last name on the date they were hired in alphabetical order (starting with A).

9.3 – Loss of Seniority. Seniority will be broken if an employee:

- a. quits;
- b. is discharged for just cause;
- c. Transfers out of the bargaining unit for more than sixty (60) days;
- d. Is promoted out of the Bargaining Unit unless they return within one hundred eighty (180) days, then they shall suffer no loss of seniority;
- e. 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 on Company records;

- f. has been laid off from the Company for one (1) year; or
- g. has been on an approved leave of absence for longer than one year (two years for industrial leaves of absence).

9.4 – Full-time. Part-time workers shall have first choice for full-time work based on their seniority, provided they have the ability to perform the work.

9.5 – 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 recalling, the last person laid off shall be the first person recalled, provided they have the ability to perform the work.

9.6 – Transfers. Transfers are permitted between establishments of the Company in this seniority area provided seniority is followed. An employee working at a store in Bernalillo County shall not be transferred to a store in Sandoval County without the employee's voluntary written permission and an employee working at a store in Sandoval County shall not be transferred to a store in Bernalillo County without the employee's voluntary written permission. Transfer of Head Meat Cutters and employees receiving promotions shall not be subject to the Seniority clause. When offered a transfer within the County where the employee currently works, a Head Meat Cutter shall have the option of accepting the transfer or being reduced to Journeyman Meat Cutter classification.

9.7 – Head Meat Cutters and Lead Meat/Butcher Block Clerks shall be allowed to voluntarily return to their former classification without loss of seniority upon giving thirty (30) days' written notice to the Company or who returns to their former classification shall carry his/her original seniority date into that classification.

9.8 – Filling Vacancies. 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 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 bid on permanent job openings shall submit their request in writing to the Personnel Department and District Manager specifying the store location desired.
- c. Apprentice Meat Cutters and Head Meat Cutters 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.

9.9 – All Apprentice Meat Cutter openings shall first be offered to those employees in the Wrapper classification. 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 re-assigned to the Wrapper classification rather than accept the lay-off. 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.

SECTION 10. VACATIONS

10.1 – Employees who have been on the payroll of the Company for

- a. One (1) year shall be entitled to one (1) week of vacation with full pay (40 Hours).
- b. Three (3) years of service shall be entitled to two (2) weeks of vacation with full pay (80 Hours).
- c. Seven (7) years of service shall be entitled to three (3) weeks of vacation with full pay (120 Hours).
- d. Fifteen (15) years of service shall be entitled to four (4) weeks of

vacation with full pay (160 Hours).

- e. Twenty (20) years of service shall be entitled to five (5) weeks of vacation with full pay (200 Hours).

Employees hired on or after June 1, 2005 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, and three (3) weeks' vacation after seven (7) years of continuous service.

10.2 – Computing Vacation Pay. All full-time employees shall receive forty hours pay for each week of vacation the employee is entitled. All part-time employees shall receive vacation pay based upon the employee's average weekly earnings during the twelve-month period immediately preceding the vacation for each week of vacation the employee is entitled to. (Twelve month's earnings divided by the number of weeks actually worked.)

10.3 – The Company retains the right to schedule vacations. Such vacations, once scheduled, may be changed only by agreement between the Company and employee except where required by legitimate business necessity. The Employer retains the right to determine the number and classification of employees who may be on vacation at any given time. Subject to such considerations, Employees may select their vacation schedule by seniority, provided the employer is given no less than forty-five (45) days advance notice in writing from the beginning date of such vacation. Employees shall be personally notified in writing of the Employer's decision regarding their vacation request no less than thirty (30) days prior to the beginning date of such vacation. If a conflict arises between employees as to vacation preference, and the employees in question have complied with the above notice provision, seniority shall govern within the department, the classification and store. If a conflict arises between employees as to vacation preference, and one or more employees have not complied with the above notice provision, vacation shall be awarded on a first come, first serve basis as to those employees. Employees shall receive their vacation pay not earlier than the week prior to taking the scheduled time off. Vacation shall be used in the year for which it is earned or it shall be forfeited.

10.4 – 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 vacation pay, together with any other wages due upon leaving, unless said employee has been terminated for dishonesty in connection with his/her employment or place of work.

10.5 – Employees shall not be given pay in lieu of a vacation unless mutually agreed between the Union, the Employee and the Company. Where employees are paid vacation pay on their anniversary date, they shall take unpaid vacation scheduled in accordance with the provisions of Section 6.

10.6 – 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 prorata 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 prorata vacation is to be paid only for vacation earned but not taken.

10.7 – 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 1 through 5 of this Section. Such continuous work shall include paid vacation time

SECTION 11. WAGES

11.1 – Exhibit "A", "B", "C", and "D" contains the Wage Schedule which shall be paid employees covered by this Agreement. Exhibit "A", "B", "C", and "D" is attached hereto and is hereby made an integral part of this Agreement.

11.2 – Prior Experience Credit. Employees shall be given previous service credits on the pay schedule thirty (30) days after employment, provided previous service has been within the last five (5) years and has been comparable work in a retail meat market. Prospective employees may waive this subsection, in whole or in part, provided the waiver is reduced to writing prior to employment. A copy of this waiver will be provided to the Union, upon request.

11.3 – 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, and the employees who are authorized to use their own transportation shall receive thirty-two cents (\$0.32) per mile for the distance involved.

11.4 – Nothing shall restrict the right of the Company to advance an Apprentice Meat

Cutter to Journeyman Meat Cutter in less than three (3) years, if, in the Company's opinion, an Apprentice Meat Cutter is qualified to perform the duties of a Journeyman Meat Cutter.

11.5 – 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 re-assignment to another job in accordance with the provisions of this Agreement.

11.6 – Any employee who is promoted to a higher paying classification shall be slotted into the rate equal to or up to twenty cents (\$.20) higher than the rate they left. An employee may be held for up to 2080 hours following the promotion to allow their work experience to catch the employee, then they shall then be adjusted to the next higher wage progression and shall progress thereafter each six months in accordance with the collective bargaining agreement.

Bargaining Note (added 6-10) – Notwithstanding, a higher classified employee of the bargaining unit may perform work in a lower classification within their bargaining unit without restriction.

11.7 – Employees will be allowed to request to verify their time worked records over the last 60 days with the store manager at his/her convenience. Such review will be conducted within a reasonable period of time following request.

SECTION 12. JOB DESCRIPTIONS

12.1 – Head Meat Cutter. The Head Meat Cutter shall be a qualified Journeyman Meat Cutter. 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. The Head Meat Cutter may designate the person to be in charge of the Meat Department in the absence of the Head Meat Cutter, provided that a more senior meat cutters' hours may not be reduced as a result of the designation.

When openings occur for Head Meat Cutter positions, employees 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 the Employer determines the employee is not qualified to be a Head Meat Cutter, the Employer must inform the employee of the reason that the employee is not being given the position in writing, and if there are no interested or qualified employees, the

Employer may select another person who is qualified for the position, without regard to seniority. The Employer shall make employees aware of promotional opportunities. Any promotion that is given without following this procedure shall be rescinded and this procedure shall then be followed.

12.2 – Lead Smoke And Sausage Maker. Duties of a Lead Smoke and Sausage Maker are to prepare all product for smoking and making fresh sausage; package and scale all product and to stock and display product in the Gourmet section of the meat department.

12.3 – Journeyman Meat Cutter. A Journeyman Meat Cutter is a skilled meat cutter who has serviced his apprenticeship in accordance with this Agreement.

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

To use an Apprentice Meat Cutter, the market must employ at least one (1) full-time Journeyman Meat Cutter other than the Head Meat Cutter. An additional Apprentice Meat Cutter may be used in each market for every additional full-time Journeymen Meat Cutter working in the market. No Apprentice Meat Cutter 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.

12.5 – Wrapper. A Wrapper is a person employed in a self-service market engaged in wrapping, weighing, selling, pricing, and displaying of products handled in the meat section of the Company's stores. 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. Where, as of June 6, 2009, the Employer employs a full-time wrapper, the Employer will continue to do so as long as the Employer, using its management discretion, deems the amount of underlying wrapping work would support such scheduling. In those stores where a full-time wrapper is not employed, the Employer shall use good faith reasonable efforts to schedule a full-time wrapper

where, using its management discretion, it deems the amount of underlying wrapping work would support such scheduling.

The Employer may utilize the Wrapper classification for the Club Pack Section provided that no meat cutter may have their hours affected as a result thereof.

12.6 – Lead Butcher Block Clerk/Seafood Clerk. Duties of a Lead Butcher Block Clerk/Seafood clerk shall be to direct, control and manage all employees and operations within the Butcher Block/Seafood Department and to perform all of the duties of a Butcher Block Clerk / Seafood Clerk.

12.7 – Butcher Block Clerk/Seafood Clerk. A Butcher Block/Seafood Clerk shall perform work in the designated service area where meat, poultry, fish, and seafood are dispensed to customers on an employee service basis rather than a self-service basis. In addition, they may handle, wrap, stock, and display fresh, frozen and pre-packaged fish and seafood products for sale in the self-service cases. Butcher Block/Seafood employees may slice or otherwise prepare product in these cases incident to customer request, unless product needs to be cut on the saw.

12.8 – Clean-up. Courtesy Clerks or Porters may be used for clean-up duties, not including the tools of the trade. Such duties may include floors, walls, counters, windows, trays, lugs, and wrapping stations.

12.9 – The Lead Smoker and Sausage Maker and Lead Butcher Block Clerk shall be selected by the Employer on the basis of qualifications, skills and abilities as determined by the Employer. The Employer must give first consideration to the most senior journey person with the department who has made known his desire to be promoted in writing. If the Employer determines the employee is not qualified as determined by the Employer, the Employer must inform the employee of the reason that the employee is not being given the position in writing, and if there are no interested or qualified employees, the Employer may select another person who is qualified for the position, without regard to seniority. The Employer shall make employees aware of promotional opportunities. Any promotion that is given without following this procedure shall be rescinded and this procedure shall then be followed.

SECTION 13. HOLIDAYS

13.1 – The following days shall be considered as holidays for which there shall be no reduction in pay: The Holiday article shall not apply to probationary employees.

New Year's Day	Christmas Day
Independence Day	Employee's Birthday
Labor Day	Employment Anniversary Day
Thanksgiving Day	Three (3) Personal Holidays

13.2 – In the event a holiday named herein falls on Sunday, the following Monday shall be observed; provided, the store is open for business on Sunday.

13.3 – Personal holidays and birthday holidays shall only apply to employees actively on the payroll for twelve (12) months.

- (a) Employee's Birthday and Anniversary Day. The Employee's Birthday and Anniversary Day Holiday shall be observed on a mutually agreeable day during the calendar month in which the Employee's Birthday or Anniversary Day falls. To schedule these holidays, the employee must give the Employer two week's written notice of the day the employee wants to observe the holiday. The Company reserves the right to limit the number of Personal Holidays, Birthdays, and Anniversary Dates in any given week. If two or more employees request the same day off, the senior employee in the classification shall have first choice. If the employee and the Employer are unable to agree on a date, the day must be set within ten days before or after the date sought. Such holidays, when scheduled, may be changed only by agreement between the Company and employee, except when required by legitimate business necessity.
- (b) Personal Holidays. To schedule these holidays, the employee must give the Employer two weeks written notice of the day the employee wants to observe the holiday. Every reasonable effort will be made to accommodate an employee's request. The Company reserves the right to limit the number of Personal Holidays, Birthdays, and Anniversary Dates in any given week. If two or more employees request the same day off, the senior employee in the classification shall have first choice. Such holidays, when scheduled, may be changed only by

agreement between the Company and employee, except when required by legitimate business necessity.

13.4 – 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, an 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.

13.5 – 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.

13.6 – Holiday Pay. Full-time Employees. Eight (8) hours 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. Any employee who shall have received compensation for an average of over twelve (12) hours per week during the four (4) calendar weeks immediately preceding any such work week in which the holiday falls, and who works during the work week during which the holiday occurs shall receive as holiday pay that amount that equals the average of hours worked during the preceding four (4) calendar weeks divided by five (5).

13.7 – Employees hired on or after June 1, 2005 shall only be eligible for 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 1 full year of service; effective after the employee's 3rd anniversary date of employment, Fourth of July, and New Year's Day.

13.8 – Employees hired on or after June 1, 2005 shall receive a Holiday Premium of \$1.00 per hour for work performed on either Thanksgiving or Christmas.

SECTION 14. STRIKE OR LOCKOUT

14.1 – During the term of this Agreement, neither the Union nor any employee will encourage authorize, participate in or condone any strike. Strikes include any work stoppage, slowdown, picketing or sympathy strike which would interrupt or limit the performance of services, customer utilization or other use of facilities.

14.2 – The Union will use its best efforts to prevent any violation of this section and to terminate any violation should one occur. If a violation of this section occurs, the Union will publicly denounce the strike and will provide the Company and employees with written notice that the strike is not honored. If the Union carries out its obligations under this section it shall have no financial liability for any such violation.

14.3 – The Employer has the right to take disciplinary action against any employee who violates this section.

14.4 – In the event of a claim by the Company of a violation of this section written or telegraphic notice shall be given to the Union. The Company may thereupon request the American Arbitration Association to appoint an arbitrator to hear and decide the claim on an emergency basis. The hearing shall be held within forty-eight hours or as soon hereafter as possible. The parties may not file and the arbitrator shall not receive post hearing briefs with respect to the issuance of an immediate restraining order. The arbitrator shall have the authority to continue the hearing and to request post-hearing briefs with respect to the issues of damages.

14.5 – No Lockout. The Employer agrees that there shall be no lockout of any bargaining unit employee for any reason.

SECTION 15. GRIEVANCE AND ARBITRATION

15.1 – 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.

15.2 – 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 fifteen (15) days after the occurrence of the event giving rise to the dispute or disagreement with the Store Director at the Store. This Step shall include a full discussion of the issue of the grievance and both parties shall make every reasonable effort to resolve the grievance at this step. Any settlement reached at this step shall not establish any precedent and shall be without prejudice. An employee having a dispute or disagreement shall be entitled to be accompanied by a Representative of the Union in Step 1 of this Section 15.2.
- (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, no more than ten (10) days from the meeting at Step 1.

The written grievance shall include a statement of the grievance, date of occurrence, parties involved, and (if possible) the provisions of the Agreement alleged to have been violated. The Employer Representative shall have fourteen (14) working days upon receipt of the written grievance to answer said grievance.

- (c) Step 3. If the dispute is not settled to the satisfaction of the Union, or the Employer representative does not respond within the fourteen (14) day limit, the Union may request arbitration.
 - i) Request for Arbitration. In order to request arbitration, the Union must submit a request in writing to the Employer Representative. That request must be post-marked no more than 30 calendar days after the Union receives the Employer's denial of the grievance or the expiration of the fourteen (14) day time limit.
 - ii) Pool of Arbitrators. Rather than receiving arbitration panels from the Federal Mediation and Conciliation Service, the Union and the Company will create a pool of forty (40) arbitrators by selecting twenty (20) different arbitrators each. The parties recognize that arbitrators may leave the panel from time to time, and as such each recognizes the right of the other to maintain its respective share of the pool of arbitrators at twenty

(20) arbitrators each through the appointment of a replacement as may be needed. In order to be eligible for the pool, those arbitrators must be members of the National Academy of Arbitrators who maintain an office in Colorado, Oklahoma, Texas, New Mexico, Arizona, Utah, Nevada, or California. Each of the arbitrators in the pool will be assigned a number from one through forty.

- iii) Selection of arbitrators. Within 7 business days of the Company's receipt of the Union's written request for arbitration, the Company and Union (or their respective counsel) will meet to attempt to mutually agree on the selection of an arbitrator, or, if that fails, to select a panel of seven arbitrators from the pool of arbitrators. This selection will be accomplished through the use of a random number generator program mutually agreeable to the parties. The seven numbers selected will correspond to the numbers of seven arbitrators from the pool. Those seven arbitrators will comprise the panel.
- iv) Striking Arbitrators. Within 7 business days of the panel selection, the Company and the Union (or their respective counsel) will select an arbitrator from the panel by alternately striking arbitrators from the panel. The aggrieved party shall strike first
- v) The Union and the Company (or their respective counsel) shall jointly contact the selected arbitrator.

15.3 – 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 an 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.

15.4 – 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 15.1, 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.

15.5 – 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, difficulty or dispute further if in the judgment of the Executive Board such grievance or dispute lacks merit or lacks justification under the terms of this Agreement to the satisfaction of the Union's Executive Board.

15.6 – 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.

SECTION 16.

HEALTH AND WELFARE

16.1 – 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 Fry’s Food and Drug 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.

16.2 – Employer Contributions. The Employer shall continue to contribute to the Arizona 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 Fry's Food and Drug collective bargaining agreement, except that such contributions shall continue to be made on a Per Eligible Per Month (PEPM) basis. Employer Contributions will make contributions on all eligible employees, in all plans, regardless of opt out status. Such contributions shall be made to the Arizona Health Fund. In the event Fry's Food and Drug 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 Fry's group. Contribution increases will continue to match the percentage increases of Smith's/Fry's in Arizona.

16.3 – Eligible Employees. Eligibility for coverage shall be as defined in the Fry's Food and Drug collective bargaining agreement and by the Arizona Health Fund.

16.4 – The Company's Welfare Plan, life insurance, hospital and surgical-medical insurance, weekly health and accident insurance and sick leave plan have previously been discontinued. Prior accrued sick leave benefits were frozen on the prior termination date and employees shall be eligible for past-earned benefits under the plan as frozen at that time but no further sick leave shall accrue. Sick leave shall not be paid except for those days not provided for by any weekly income benefits which would be paid by the Health and Welfare Plan. Accrued sick leave is not convertible to cash.

16.5 – 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.

SECTION 17. LEAVES OF ABSENCE

17.1 – Upon request, the Employer shall grant a written leave of absence to any employee who needs one for the following reasons:

- (a) Illness or Injury - As a result of non-occupational illness or injury 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 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 work related illness or injury 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 a reasonable expectation to return to work within no more than eighteen (18) months total leave.
- (c) Personal Leave - Leaves of absence without compensation for reasonable periods may be granted by the Employer at his 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.

- (e) Military Leave - Leaves of absence shall be granted in accordance with Federal or State laws to employees going into the military.
- (f) Family Medical Leave Act - When an employee takes a leave of absence pursuant to the FMLA it shall be the employee's decision whether to also concurrently take vacation or personal days.

17.3 – An employee may not accept other employment while on leave of absence and may be terminated for violation of this provision, except where written consent has been obtained from the Employer.

17.4 – All leaves of absence, except where expressly provided, are understood to be leaves without pay. Holiday pay shall not be paid to any employee on leave of absence.

17.5 – This Section shall not be used to justify or support excessive absenteeism, and, should the Employer wish to verify an employee's illness or his ability and/or inability to perform the work required, it may employ a doctor of its choosing for such purpose, paying all charges for such doctor's services.

17.6 – Seniority shall continue to accrue while on any type of leave of absence.

SECTION 18.

FUNERAL LEAVE

18.1 – In the event of a death in the employee's immediate family, 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. Immediate family shall be defined as the employee's spouse, child, step-child, father, step-father, mother, step-mother, brother, sister, grandmother, grandfather, grandchildren, any in-law relationship and any relative living permanently in the employee's immediate household. All hours paid for funeral leave shall be counted towards hours worked for the purpose of health and welfare eligibility and vacation calculation.

18.2 – During such absence, the employee shall be compensated at his straight time hourly classification rate for such regular working time lost. Such absentee compensation shall not include pay for lost overtime, vacation time, or premium pay; it shall include holiday pay.

18.3 – It is understood that an employee will be allowed one (1) day off to attend the funeral of other close relatives down to and including 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.

SECTION 19. JURY DUTY

The Company agrees to pay the difference between any Government allowance and a full day's pay at straight time hourly classification rates for each day 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.

SECTION 20. PENSION

20.1 – (a) For employees hired prior to September 1, 2005, 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 International Union – Industry Pension Fund by the twentieth (20th) of the month for each of its employees who on the first of each month has been employed for three (3) calendar months or more 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. Effective July 1, 2010, the monthly contribution rate shall be one hundred fifty nine dollars (\$159.00).

(b) Effective July 2009 for employees hired on or after September 1, 2005 and before June 7, 2009, the Company shall contribute the sum of One Hundred Fifty-Nine Dollars (\$159) per month per eligible employee to the United Food and Commercial Workers International Union – Industry Pension Fund by the twentieth (20th) of the month for each of the employees who on the first of each month has been employed for three (3) calendar months or more 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.

(c) For employees hired on or after June 7, 2009, the Company shall contribute the sum of One Hundred Nineteen Dollars (\$119) per month per eligible employee to the United Food and Commercial Workers International Union - Industry Pension Fund by the twentieth (20th) of the month for each of the employees who on the first of each month has been employed for three (3) calendar months or more and has averaged thirty-two (32) 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 thirty-two (32) hours or more per week for at least four (4) consecutive weeks.

20.2 – Contributions to the Pension Fund shall be discontinued as of the first 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 of the month following return from layoff or leave of absence.

20.3 – Contributions to the Pension Fund shall be continued under the following conditions:

- (a) In case of non-work accident, one (1) month's contribution following the month in which the employee incurred the accident.
- (b) In cases of illness, two (2) month's contribution following the month in which the illness occurs.
- (c) In case of compensable injury, three (3) month's contribution following the month the injury occurs.
- (d) The Company agrees to pay the contribution to the Pension Fund for eligible employees for one (1) month following termination of employment.

If, as of the date of ratification, the Employer has made a contribution to the meat pension on behalf of an employee in the Service Deli or Wall Deli classification, it shall continue to do so (according to the terms of the pension provision of the respective meat agreement) for the duration of that employee's continuous employment with the Employer within the Service Deli or Wall Deli classification (as the case may be); but these employees shall be covered under the retail agreement for all other purposes.

20.4 – Parties to this Agreement do hereby ratify and re-affirm all acts by the Trustees done pursuant to the Agreements and Declarations of Trust, as amended.

20.5 – The Company shall begin Pension contributions on new employees on the first day of the month immediately following completion of the employee's probationary period.

20.6 – 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). For employees hired on or after June 7, 2009, the term "eligible employee" shall mean an employee who has worked an average of thirty-two (32) hours for a period of four (4) consecutive calendar weeks (one hundred twenty-eight (128) hours).

20.7 – (a) Effective June 21, 2009, a monthly contribution of thirty dollars (\$30.00) 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 in Section 20.1), but who have been employed one (1) year, attained age 21, and worked eight hundred seventy (870) hours in a plan year.

(b) Upon qualification, the monthly contributions will be made if the employee averages seventy-two and one-half (72.5) hours per month. Each plan year (July 1 through June 30), the employee's hours will be reviewed to determine if eight hundred seventy (870) hours were worked during this time frame. If hours are worked of eight hundred seventy (870) or more a retroactive contribution will be made for any months in which the employee did not initially qualify.[Bargaining note: The language of this provision, is subject to review by co-counsel of the Fund]

SECTION 21. 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 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.

SECTION 22. STORE CLOSING

22.1 – In the event the Employer closes or sells the majority of its stores in the State of

New Mexico or Bernalillo County, the Employer agrees to provide the Union with at least sixty days written notice and to meet with the Union for the purpose of negotiating the severance of the employees thus affected.

22.2 – In the event of a sale or transfer of a store or stores, the Employer shall use good faith best efforts to have any successor employer retain all employees covered by this agreement and the Employer shall request that the new owner or transferee make reasonable effort to fill his employment needs in such store or stores from those employees of the seller or transferor who were employees in the stores sold or transferred.

SECTION 23.

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 re-assignment to another classification in accordance with the seniority provision of this Agreement; further, the provisions of the Article do not cover bonus pay for Head Meat Cutters.

SECTION 24.

NO DISCRIMINATION

The Company and its representatives shall not discriminate against any employee on account of race, sex, sexual orientation, creed, nationality, age, disability 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.

It is agreed between the parties that they will meet at once in order to resolve any and all EEOC problems of which they are aware. It is further agreed between the parties that nothing contained in this section or otherwise in this agreement shall in and of itself operate to waive the rights of covered employees to a judicial forum for claims of employment discrimination.

SECTION 25.

SAFETY AND HEALTH

The Employer agrees to meet, upon request, with a Health and Safety Committee

appointed by the Union to discuss and to recommend implementation of issues employees find to be of concern to their safety and health. This includes, but is not limited to safety measures to protect employees who periodically work outside the store and includes employees coming to and leaving from work.

**SECTION 26.
MUTUAL RESPECT OF THE PARTIES**

It is hereby agreed that members of management and members of the bargaining unit shall make every effort to treat each other with mutual respect. It is specifically agreed by all parties to this Agreement that the use of profanity, raised voices and harassment will not be tolerated in the workplace.

**SECTION 27.
TERM OF THIS AGREEMENT**

This Agreement shall remain in full force and effect from June 10, 2018 through January 29, 2022, and for a period of one (1) year thereafter unless either the Company or the Union desire changes in this Agreement at its 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 change to the other party to this Agreement.

Signed this _____ day of _____ 2020.

FOR THE EMPLOYER:

FOR THE UNION:

Smith's Food & Drug Centers, Inc

**United Food and Commercial
Workers Union, Local No. 1564**

By: _____
Senior Director of Labor Relations

By: _____
Greg Frazier, President

By: _____
Janet Lucero, Secretary-Treasurer

Bargaining Notes

General: Proposals made, but dropped or modified, by either party during negotiations shall not be used as evidence of proper contract interpretation in any dispute or legal proceeding.

Section 15: The parties agree that the union's acceptance of the change here will not be used as evidence of proper contract interpretation in future proceedings which may arise under section 15.

Farmington: Smith's recognizes that some of the new hire changes proposed herein have already been incorporated into the Farmington Agreement. To the extent that such previously agreed to changes are not mentioned in this proposal Smith's does not intend to have the effective date of those previously agreed to changes superseded by any dates mentioned herein.

LETTER OF UNDERSTANDING

This letter of Understanding is made on this _____ day of December 2002 and is executed by and between United Food and Commercial Workers Union Local No. 1564 and Smith's Food & Drug Centers, Inc.

- (a) The Retail Collective Bargaining Agreement(s) for stores operating under the Smith's name shall remain separate from the Retail Collective Bargaining Agreements(s) for stores operating under the Price Rite name.
- (b) Seniority shall be defined as in Section 9.1 of the Smith's and Price Rite Retail Collective Bargaining Agreements.
- (c) Notwithstanding the above, in the event of a Price Rite store closure or conversion to traditional format, Price Rite employees hired on or before August 1, 2001, shall bridge their seniority and service time within the Bernalillo Bargaining Unit with either Smith's or Price Rite for purposes of scheduling, bumping and claiming with regard to those Smith's employees hired on or after August 2, 2001.
- (d) Employees hired through the acquisition of Furr's stores shall have seniority date for purposed of scheduling, bumping and claiming as the original hire date with Smith's Food and Drug Centers, Inc. Section 9.2 shall apply for purposes of breaking seniority.
- (e) Each former Furr's employee hired through the acquisition of Furr's stores shall retain their original date of hire by Furr's for purposes of calculating amount of vacation and computing vacation pay. Such employees must work one year for Smith's before being eligible for vacation.

[LIST to be attached]

SMITH'S FOOD AND DRUG CENTERS

UNITED FOOD AND COMMERCIAL WORKERS, LOCAL 1564

BY: _____

BY: _____

DATE: _____

DATE: _____

Journeyperson	\$12.55	\$12.85	\$12.85	\$13.15	\$13.15	\$13.45
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Meat Cutters

Step 1 (first 2000 hours worked)	\$10.66	\$10.66	\$10.66	\$10.66	\$10.66	\$10.66
Step 2 (next 2000 hours worked)	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00
Step 3 (next 2000 hours worked)	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00
Step 4 (next 2000 hours worked)	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
Step 5 (next 2000 hours worked)	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00
Journeyperson	\$17.80	\$18.10	\$18.10	\$18.40	\$18.40	\$18.70

Lead Butcher Block/Seafood	\$14.57	\$14.87	\$14.87	\$15.17	\$15.17	\$15.47
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Head Meatcutter	\$22.47	\$22.77	\$22.77	\$22.57	\$22.57	\$22.87
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Upon execution by both parties, this Appendix shall be incorporated into the Meat Agreement.

SMITH'S FOOD AND DRUG CENTERS

**UNITED FOOD AND COMMERCIAL
WORKERS, LOCAL 1564**

BY: _____

BY: _____

DATE: _____

DATE: _____

LETTER OF AGREEMENT

**Between
Smith's Food And Drug Centers
And
UFCW Local Union No. 1564**

Minimum Wage

In the event the City, State or Federal minimum wage increases to a rate greater than seven dollars and twenty-five cents per hour (\$7.25), each rate, for the specific area impacted by the minimum wage increase, then the entry rate for each affected classification, will be set equal to the minimum wage and each rate thereafter will be at least twenty cents (\$0.20) higher than the previous rate in the progression schedule, except Courtesy Clerks shall be paid the minimum wage.

The above minimum wage letter of Agreement shall not apply to Smith's Los Alamos Marketplace store.

SMITH'S FOOD AND DRUG CENTERS

**UNITED FOOD AND COMMERCIAL
WORKERS, LOCAL 1564**

BY: _____

BY: _____

DATE: _____

DATE: _____

APPENDIX "A"

All of New Mexico Except For: Albuquerque, Santa Fe, Los Alamos, and Farmington New Mexico

Employees hired before June 1, 2005

<u>Classification</u>	<u>Current</u>	<u>2/17/19</u>	<u>1/1/20*</u>	<u>2/16/20*</u>	<u>1/1/21*</u>	<u>2/14/21*</u>	<u>1/1/22*</u>
<u>Head Meat Cutter</u>							
Average Weekly Sales							
\$0-\$10,000	\$21.89	\$22.19	\$22.19	\$22.49	\$22.49	\$22.79	\$22.79
\$10,000 - \$20,000	\$22.18	\$22.48	\$22.48	\$22.78	\$22.78	\$23.08	\$23.08
\$20,000 & Above	\$22.47	\$22.77	\$22.77	\$23.07	\$23.07	\$23.37	\$23.37
<u>Meat Cutters</u>							
Journeyperson	\$21.01	\$21.31	\$21.31	\$21.61	\$21.61	\$21.91	\$21.91
Apprentices							
Step 1 (first 1040 hours worked)			Removed				
Step 2 (next 1040 hours worked)			Removed				
Step 1 (first 1040 hours worked)	\$10.27	\$10.27	\$10.27	\$10.27	\$10.50	\$10.50	\$11.50
Step 2 (next 1040 hours worked)	\$10.72	\$10.72	\$10.72	\$10.72	\$10.72	\$10.72	\$11.70
Step 3 (next 1040 hours worked)	\$13.72	\$13.72	\$13.72	\$13.72	\$13.72	\$13.72	\$13.72
Step 4 (next 1040 hours worked)	\$16.73	\$16.73	\$16.73	\$16.73	\$16.73	\$16.73	\$16.73
<u>Wrappers</u>							
Journeyperson	\$17.86	\$18.16	\$18.16	\$18.46	\$18.46	\$18.76	\$18.76
Apprentices							
Step 1 (first 1040 hours worked)			Removed				
Step 2 (next 1040 hours worked)			Removed				
Step 1 (first 1040 hours worked)	\$ 9.34	\$ 9.34	\$ 9.34	\$ 9.34	\$10.50	\$10.50	\$11.50
Step 2 (next 1040 hours worked)	\$11.03	\$11.03	\$11.03	\$11.03	\$11.03	\$11.03	\$11.70
Step 3 (next 1040 hours worked)	\$12.44	\$12.44	\$12.44	\$12.44	\$12.44	\$12.44	\$12.44
Step 4 (next 1040 hours worked)	\$13.98	\$13.98	\$13.98	\$13.98	\$13.98	\$13.98	\$13.98
<u>Lead Butcher Block / Seafood</u>							
(Where designated by Management)	\$14.57	\$14.87	\$14.87	\$15.17	\$15.17	\$15.47	\$15.47
<u>Butcher Block / Seafood Clerk</u>							
Journeyperson	\$14.30	\$14.60	\$14.60	\$14.90	\$14.90	\$15.20	\$15.20
Apprentices							
Step 1 (first 1040 hours worked)			Removed				
Step 2 (next 1040 hours worked)			Removed				
Step 1 (first 1040 hours worked)	\$ 8.14	\$ 8.14	\$ 9.00	\$ 9.00	\$10.50	\$10.50	\$11.50
Step 2 (next 1040 hours worked)	\$ 8.81	\$ 8.81	\$ 9.20	\$ 9.20	\$10.70	\$10.70	\$11.70
Step 3 (next 1040 hours worked)	\$ 9.46	\$ 9.46	\$ 9.46	\$ 9.46	\$10.90	\$10.90	\$11.90
Step 4 (next 1040 hours worked)	\$10.15	\$10.15	\$10.15	\$10.15	\$11.10	\$11.10	\$12.10

*Some of the wage rates identified in this Appendix are based upon anticipated minimum wage increases. Those rates may be modified pursuant to parties' Minimum Wage Letter of Agreement.

Classification	Current	2/17/19	1/1/20*	2/16/20*	1/1/21*	2/14/21*	1/1/22*
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New Hires (hired on or after June 1, 2005)

Wrappers / Seafood / Butcher Block

Step 1 (first 1040 hours worked)			Removed				
Step 2 (next 1040 hours worked)			Removed				
Step 1 (first 1040 hours worked)	\$ 7.70	\$ 7.70	\$ 9.00	\$ 9.00	\$10.50	\$10.50	\$11.50
Step 2 (next 1040 hours worked)	\$ 7.80	\$ 7.80	\$ 9.20	\$ 9.20	\$10.70	\$10.70	\$11.70
Step 3 (next 1040 hours worked)	\$ 7.90	\$ 7.90	\$ 9.40	\$ 9.40	\$10.90	\$10.90	\$11.90
Step 4 (next 1200 hours worked)	\$ 8.25	\$ 8.25	\$ 9.60	\$ 9.60	\$11.10	\$11.10	\$12.10
Step 5 (next 1200 hours worked)	\$ 8.75	\$ 8.75	\$ 9.80	\$ 9.80	\$11.30	\$11.30	\$12.30
Step 6 (next 1200 hours worked)	\$ 9.25	\$ 9.25	\$10.00	\$10.00	\$11.50	\$11.50	\$12.50
Step 7 (next 1200 hours worked)	\$ 9.75	\$ 9.75	\$10.20	\$10.20	\$11.70	\$11.70	\$12.70
Step 8 (next 1200 hours worked)	\$10.00	\$10.00	\$10.40	\$10.40	\$11.90	\$11.90	\$12.90
Journey person	\$12.55	\$12.85	\$12.85	\$13.15	\$13.15	\$13.45	\$13.45

Meat Cutters

Step 1 (first 1040 hours worked)			Removed				
Step 2 (next 1040 hours worked)			Removed				
Step 1 (first 2000 hours worked)	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00
Step 2 (next 2000 hours worked)	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00
Step 3 (next 2000 hours worked)	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00
Journey person	\$17.80	\$18.10	\$18.10	\$18.40	\$18.40	\$18.70	\$18.70

*Some of the wage rates identified in this Appendix are based upon anticipated minimum wage increases. Those rates may be modified pursuant to parties' Minimum Wage Letter of Agreement.

APPENDIX "B"

City of Albuquerque, New Mexico

Employees hired before June 1, 2005

Classification	Current	2/17/19	1/1/20*	2/16/20*	1/1/21*	2/14/21*	1/1/22*
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Head Meat Cutter

Average Weekly Sales

\$0-\$10,000	\$21.89	\$22.19	\$22.19	\$22.49	\$22.49	\$22.79	\$22.79
\$10,000 - \$20,000	\$22.18	\$22.48	\$22.48	\$22.78	\$22.78	\$23.08	\$23.08
\$20,000 & Above	\$22.47	\$22.77	\$22.77	\$23.07	\$23.07	\$23.37	\$23.37

Meat Cutters

Journeyman	\$21.01	\$21.31	\$21.31	\$21.61	\$21.61	\$21.91	\$21.91
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Apprentices

Step 1 (first 1040 hours worked)			Removed				
Step 2 (next 1040 hours worked)			Removed				
Step 1 (first 1040 hours worked)	\$10.27	\$10.27	\$10.27	\$10.27	\$10.50	\$10.50	\$11.50
Step 2 (next 1040 hours worked)	\$10.72	\$10.72	\$10.72	\$10.72	\$10.72	\$10.72	\$11.70
Step 3 (next 1040 hours worked)	\$13.72	\$13.72	\$13.72	\$13.72	\$13.72	\$13.72	\$13.72
Step 4 (next 1040 hours worked)	\$16.73	\$16.73	\$16.73	\$16.73	\$16.73	\$16.73	\$16.73

Wrappers

Journeyman	\$17.86	\$18.16	\$18.16	\$18.46	\$18.46	\$18.76	\$18.76
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Apprentices

Step 1 (first 1040 hours worked)			Removed				
Step 2 (next 1040 hours worked)			Removed				
Step 1 (first 1040 hours worked)	\$ 9.34	\$ 9.34	\$ 9.35	\$ 9.35	\$10.50	\$10.50	\$11.50
Step 2 (next 1040 hours worked)	\$11.03	\$11.03	\$11.03	\$11.03	\$11.03	\$11.03	\$11.70
Step 3 (next 1040 hours worked)	\$12.44	\$12.44	\$12.44	\$12.44	\$12.44	\$12.44	\$12.44
Step 4 (next 1040 hours worked)	\$13.98	\$13.98	\$13.98	\$13.98	\$13.98	\$13.98	\$13.98

Lead Butcher Block / Seafood

(Where designated by Management)	\$14.57	\$14.87	\$14.87	\$15.17	\$15.17	\$15.47	\$15.47
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Butcher Block / Seafood Clerk

Journeyman	\$14.30	\$14.60	\$14.60	\$14.90	\$14.90	\$15.20	\$15.20
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Classification	Current	2/17/19	1/1/20*	2/16/20*	1/1/21*	2/14/21*	1/1/22*
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Apprentices

Step 1 (first 1040 hours worked)			Removed				
Step 2 (next 1040 hours worked)			Removed				
Step 1 (first 1040 hours worked)	\$ 9.20	\$ 9.20	\$ 9.35	\$ 9.35	\$10.50	\$10.50	\$11.50
Step 2 (next 1040 hours worked)	\$ 9.30	\$ 9.40	\$ 9.55	\$ 9.55	\$10.70	\$10.70	\$11.70
Step 3 (next 1040 hours worked)	\$ 9.46	\$ 9.60	\$ 9.75	\$ 9.75	\$10.90	\$10.90	\$11.90
Step 4 (next 1040 hours worked)	\$10.15	\$10.15	\$10.15	\$10.15	\$11.10	\$11.10	\$12.10

New Hires (hired on or after June 1, 2005)

Wrappers / Seafood / Butcher Block

Step 1 (first 1040 hours worked)			Removed					
Step 2 (next 1040 hours worked)			Removed					
Step 1 (first 1040 hours worked)	\$ 9.20	\$ 9.20	\$ 9.35	\$ 9.35	\$10.50	\$10.50	\$11.50	
Step 2 (next 1040 hours worked)	\$ 9.30	\$ 9.40	\$ 9.55	\$ 9.55	\$10.70	\$10.70	\$11.70	
Step 3 (next 1040 hours worked)	\$ 9.40	\$ 9.60	\$ 9.75	\$ 9.75	\$10.90	\$10.90	\$11.90	
Step 4 (next 1200 hours worked)	\$ 9.50	\$ 9.80	\$ 9.95	\$ 9.95	\$11.10	\$11.10	\$12.10	
Step 5 (next 1200 hours worked)	\$ 9.60	\$10.00	\$ 10.15	\$ 10.15	\$11.30	\$11.30	\$12.30	
Step 6 (next 1200 hours worked)	\$ 9.70	\$10.20	\$ 10.35	\$10.35	\$11.50	\$11.50	\$12.50	
Step 7 (next 1200 hours worked)	\$ 9.80	\$10.40	\$ 10.55	\$10.55	\$11.70	\$11.70	\$12.70	
Step 8 (next 1200 hours worked)	\$10.00	\$10.60	\$ 10.75	\$10.75	\$11.90	\$11.90	\$12.90	
Journeyman	\$12.55	\$12.85	\$12.85	\$13.15	\$13.15	\$13.45	\$13.45	

Meat Cutters

Step 1 (first 2000 hours worked)			Removed					
Step 2 (next 2000 hours worked)			Removed					
Step 1 (first 2000 hours worked)	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00
Step 2 (next 2000 hours worked)	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00
Step 3 (next 2000 hours worked)	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00
Journeyman	\$17.80	\$18.10	\$18.10	\$18.40	\$18.40	\$18.70	\$18.70	\$18.70

*Some of the wage rates identified in this Appendix are based upon anticipated minimum wage increases. Those rates may be modified pursuant to parties' Minimum Wage Letter of Agreement.

APPENDIX “C”

Farmington, New Mexico only- The following items contained in this appendix apply only to the Smith’s store operated in Farmington, New Mexico.

Employees hired before October 24, 2004 (current journeyperson employees frozen/red circled at former Smith’s rate):

Classification	Current	2/17/19	1/1/20*	2/16/20*	1/1/21*	2/14/21*	1/1/22*
<u>Head Meat Cutter</u>	\$21.62	\$21.92	\$21.92	\$22.22	\$22.22	\$22.52	\$22.52
<u>Meat Cutters</u>							
Journeyperson	\$20.16	\$20.46	\$20.46	\$20.76	\$20.76	\$21.06	\$21.06
Apprentices							
Step 1 (first 1040 hours worked)			Removed				
Step 2 (next 1040 hours worked)			Removed				
Step 1 (first 1040 hours worked)	\$ 9.96	\$ 9.96	\$ 9.96	\$ 9.96	\$10.50	\$10.50	\$11.50
Step 2 (next 1040 hours worked)	\$10.40	\$10.40	\$10.40	\$10.40	\$10.72	\$10.72	\$11.70
Step 3 (next 1040 hours worked)	\$13.32	\$13.32	\$13.32	\$13.32	\$13.32	\$13.32	\$13.32
Step 4 (next 1040 hours worked)	\$16.25	\$16.25	\$16.25	\$16.25	\$16.25	\$16.25	\$16.25
<u>Wrappers</u>							
Journeyperson	\$17.06	\$17.36	\$17.36	\$17.66	\$17.66	\$17.96	\$17.96
Apprentices							
Step 1 (first 1040 hours worked)			Removed				
Step 2 (next 1040 hours worked)			Removed				
Step 1 (first 1040 hours worked)	\$ 9.03	\$ 9.03	\$ 9.03	\$ 9.03	\$10.50	\$10.50	\$11.50
Step 2 (next 1040 hours worked)	\$10.68	\$10.68	\$10.68	\$10.68	\$10.70	\$10.70	\$11.70
Step 3 (next 1040 hours worked)	\$12.05	\$12.05	\$12.05	\$12.05	\$12.05	\$12.05	\$12.05
Step 4 (next 1040 hours worked)	\$13.55	\$13.55	\$13.55	\$13.55	\$13.55	\$13.55	\$13.55

*Some of the wage rates identified in this Appendix are based upon anticipated minimum wage increases. Those rates may be modified pursuant to parties’ Minimum Wage Letter of Agreement.

Classification	Current	2/17/19	1/1/20*	2/16/20*	1/1/21*	2/14/21*	1/1/22*
<u>Butcher Block / Seafood Clerk</u>							
Journeyperson	\$13.65	\$13.95	\$13.95	\$14.25	\$14.25	\$14.55	\$14.55
Apprentices							
Step 1 (first 1040 hours worked)			Removed				
Step 2 (next 1040 hours worked)			Removed				
Step 1 (first 1040 hours worked)	\$ 7.87	\$ 7.87	\$ 9.00	\$ 9.00	\$10.50	\$10.50	\$11.50
Step 2 (next 1040 hours worked)	\$ 8.53	\$ 8.53	\$ 9.20	\$ 9.20	\$10.70	\$10.70	\$11.70
Step 3 (next 1040 hours worked)	\$ 9.17	\$ 9.17	\$ 9.40	\$ 9.40	\$10.90	\$10.90	\$11.90
Step 4 (next 1040 hours worked)	\$ 9.85	\$ 9.85	\$ 9.85	\$ 9.85	\$11.10	\$11.10	\$12.10

New Hires (hired on or after October 24, 2004)

Classification	Current	2/17/19	1/1/20*	2/16/20*	1/1/21*	2/14/21*	1/1/22*
<u>Wrappers / Seafood / Butcher Block</u>							
Step 1 (first 1040 hours worked)			Removed				
Step 2 (next 1040 hours worked)			Removed				
Step 1 (first 1040 hours worked)	\$ 7.70	\$ 7.70	\$ 9.00	\$ 9.00	\$10.50	\$10.50	\$11.50
Step 2 (next 1040 hours worked)	\$ 7.80	\$ 7.80	\$ 9.20	\$ 9.20	\$10.70	\$10.70	\$11.70
Step 3 (next 1040 hours worked)	\$ 7.90	\$ 7.90	\$ 9.40	\$ 9.40	\$10.90	\$10.90	\$11.90
Step 4 (next 1200 hours worked)	\$ 8.25	\$ 8.25	\$ 9.60	\$ 9.60	\$11.10	\$11.10	\$12.10
Step 5 (next 1200 hours worked)	\$ 8.75	\$ 8.75	\$ 9.80	\$ 9.80	\$11.30	\$11.30	\$12.30
Step 6 (next 1200 hours worked)	\$ 9.25	\$ 9.25	\$10.00	\$10.00	\$11.50	\$11.50	\$12.50
Step 7 (next 1200 hours worked)	\$ 9.75	\$ 9.75	\$10.20	\$10.20	\$11.70	\$11.70	\$12.70
Step 8 (next 1200 hours worked)	\$10.00	\$10.00	\$10.40	\$10.40	\$11.90	\$11.90	\$12.90
Journeyman	\$12.25	\$12.55	\$12.55	\$12.85	\$12.85	\$13.15	\$13.15
<u>Meat Cutters</u>							
Step 1 (first 2000 hours worked)			Removed				
Step 2 (next 2000 hours worked)			Removed				
Step 1 (first 2000 hours worked)	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00
Step 2 (next 2000 hours worked)	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00
Step 3 (next 2000 hours worked)	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00
Journeyman	\$17.50	\$17.80	\$17.80	\$18.10	\$18.10	\$18.40	\$18.40

*Some of the wage rates identified in this Appendix are based upon anticipated minimum wage increases. Those rates may be modified pursuant to parties' Minimum Wage Letter of Agreement.

APPENDIX "D"

City of Santa Fe, New Mexico

Employees hired before June 1, 2005

Classification	Current	2/17/19	3/1/19*	2/16/20*	3/1/20*	2/14/21*	1/1/22*
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Head Meat Cutter

Average Weekly Sales

\$0-\$10,000	\$21.89	\$22.19	\$22.19	\$22.49	\$22.49	\$22.79	\$22.79
\$10,000 - \$20,000	\$22.18	\$22.48	\$22.48	\$22.78	\$22.78	\$23.08	\$23.08
\$20,000 & Above	\$22.47	\$22.77	\$22.77	\$23.07	\$23.07	\$23.37	\$23.37

Meat Cutters

Journeyman	\$21.01	\$21.31	\$21.31	\$21.61	\$21.61	\$21.91	\$21.91
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Apprentices

Step 1 (first 1040 hours worked)	\$11.40	\$11.40	\$11.80	\$11.80	\$12.10		
Step 2 (next 1040 hours worked)	\$11.50	\$11.60	\$12.00	\$12.00	\$12.30		
Step 3 (next 1040 hours worked)	\$11.60	\$11.80	\$12.20	\$12.20	\$12.50	\$12.50	\$12.50
Step 4 (next 1040 hours worked)	\$11.70	\$12.00	\$12.40	\$12.40	\$12.70	\$12.70	\$12.70
Step 5 (next 1040 hours worked)	\$13.72	\$13.72	\$13.72	\$13.72	\$13.72	\$13.72	\$13.72
Step 6 (next 1040 hours worked)	\$16.73	\$16.73	\$16.73	\$16.73	\$16.73	\$16.73	\$16.73

Wrappers

Journeyman	\$17.86	\$18.16	\$18.16	\$18.46	\$18.46	\$18.76	\$18.76
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Apprentices

Step 1 (first 1040 hours worked)	\$11.40	\$11.40	\$11.80	\$11.80	\$12.10		
Step 2 (next 1040 hours worked)	\$11.50	\$11.60	\$12.00	\$12.00	\$12.30		
Step 3 (next 1040 hours worked)	\$11.60	\$11.80	\$12.20	\$12.20	\$12.50	\$12.50	\$12.50
Step 4 (next 1040 hours worked)	\$11.70	\$12.00	\$12.40	\$12.40	\$12.70	\$12.70	\$12.70
Step 5 (next 1040 hours worked)	\$12.44	\$12.44	\$12.60	\$12.60	\$12.90	\$12.90	\$12.90
Step 6 (next 1040 hours worked)	\$13.98	\$13.98	\$13.98	\$13.98	\$13.98	\$13.98	\$13.98

Lead Butcher Block / Seafood

(Where designated by Management)	\$14.57	\$14.87	\$14.87	\$15.17	\$15.17	\$15.47	\$15.47
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Butcher Block / Seafood Clerk

Journeyman	\$14.30	\$14.60	\$14.60	\$14.90	\$14.90	\$15.20	\$15.20
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*Some of the wage rates identified in this Appendix are based upon anticipated minimum wage increases. Those rates may be modified pursuant to parties' Minimum Wage Letter of Agreement.

Classification	Current	2/17/19	3/1/19*	2/16/20*	3/1/20*	2/14/21*	1/1/22*
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Apprentices

Step 1 (first 1040 hours worked)	\$11.40	\$11.40	\$11.80	\$11.80	\$12.10	\$12.10	\$12.10
Step 2 (next 1040 hours worked)	\$11.50	\$11.60	\$12.00	\$12.00	\$12.30	\$12.30	\$12.30

Step 3 (next 1040 hours worked)	\$11.60	\$11.80	\$12.20	\$12.20	\$12.50	\$12.50	\$12.50
Step 4 (next 1040 hours worked)	\$11.70	\$12.00	\$12.40	\$12.40	\$12.70		
Step 5 (next 1040 hours worked)	\$11.80	\$12.20	\$12.60	\$12.60	\$12.90		
Step 6 (next 1040 hours worked)	\$11.90	\$12.40	\$12.80	\$12.80	\$13.10	\$13.10	\$13.10

New Hires (hired on or after June 1, 2005)

Wrappers / Seafood / Butcher Block

Step 1 (first 1040 hours worked)	\$11.40	\$11.40	\$11.80	\$11.80	\$12.10	\$12.10	\$12.10
Step 2 (next 1040 hours worked)	\$11.50	\$11.60	\$12.00	\$12.00	\$12.30	\$12.30	\$12.30
Step 3 (next 1040 hours worked)	\$11.60	\$11.80	\$12.20	\$12.20	\$12.50	\$12.50	\$12.50
Step 4 (next 1040 hours worked)	\$11.70	\$12.00	\$12.40	\$12.40	\$12.70	\$12.70	\$12.70
Step 5 (next 1040 hours worked)	\$11.80	\$12.20	\$12.60	\$12.60	\$12.90	\$12.90	\$12.90
Step 6 (next 1200 hours worked)	\$11.90	\$12.40	\$12.80	\$12.80	\$13.10	\$13.10	\$13.10
Step 7 (next 1200 hours worked)	\$12.00	\$12.60	\$12.85	\$13.00	\$13.15	\$13.30	\$13.30
Step 8 (next 1200 hours worked)	\$12.10	\$12.80	\$12.85	\$13.15	\$13.15	\$13.45	\$13.45
Step 9 (next 1200 hours worked)	\$12.20	\$13.00	\$12.85	\$13.15	\$13.15		
Step 10 (next 1200 hours worked)	\$12.30	\$13.20	\$12.85	\$13.15	\$13.15		

Journey person	\$12.55	\$13.40	\$12.85	\$13.15	\$13.15	\$13.45	\$13.45
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Meat Cutters

Step 1 (first 2000 hours worked)	\$11.40	\$11.40	\$11.80	\$11.80	\$12.10		
Step 2 (next 2000 hours worked)	\$11.50	\$11.60	\$12.00	\$12.00	\$12.30		
Step 3 (next 2000 hours worked)	\$12.00	\$12.00	\$12.20	\$12.20	\$12.50	\$12.50	\$12.50
Step 4 (next 2000 hours worked)	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00	\$14.00
Step 5 (next 2000 hours worked)	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00

Journey person	\$17.80	\$18.10	\$18.10	\$18.40	\$18.40	\$18.70	\$18.70
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*Some of the wage rates identified in this Appendix are based upon anticipated minimum wage increases. Those rates may be modified pursuant to parties' Minimum Wage Letter of Agreement.