

AGREEMENT

By and Between
Pioneer Select Market
and
United Food and Commercial Workers No. 367
Chartered By
United Food and Commercial Workers International Union

This Agreement is entered into by and between Pioneer Select Market referred to hereinafter as the "Employer", and the United Food and Commercial Workers Union Local No. 367, chartered by the United Food and Commercial Workers International Union, AFL-CIO & CLC referred to hereinafter as the "Union".

It is the intent and purpose of the Employer and the Union to promote and improve Labor Management relations between them and to set forth herein the basic terms of Agreement covering wages, hours and conditions of employment to be observed by the parties to this Agreement. Unless otherwise specified, all contract language changes shall be effective the second Sunday after signing of this Agreement.

In consideration of the mutual promises and agreements between the parties hereto, and in consideration of their mutual desire in promoting the efficient conduct of business and in providing for the orderly settlement of disputes between them, the parties to this Agreement agree as follows:

ARTICLE 1 RECOGNITION AND BARGAINING UNIT

1.1 Pioneer Select Market hereby recognizes United Food and Commercial Workers Union Local No. 367 as the sole and exclusive Collective Bargaining Agency for a unit consisting of all employees employed in the Employer's present and future grocery stores, including concessions under the direct control of the Employer party to this Agreement, located in the Raymond/South Bend area State of Washington, with respect to rates of pay, hours, and other conditions of employment except and excluding employees whose work is performed within a meat, culinary, prescription or bakery production department location of the retail establishment, supervisory employees within the meaning of the *Labor Management Relations Act of 1947* as amended. Subject to the preceding exclusions and the terms of Section 15.1 of Article 15, all work of handling and selling of merchandise in such retail stores covered by this Agreement shall be performed only by employees of the Employer within the unit referred to above for which United Food and Commercial Workers Union Local No. 367 is recognized as the sole Collective Bargaining Agency by the Employer.

1.2 United Food and Commercial Workers Union Local No. 367 for and on behalf of its members, hereby recognizes Pioneer Select Market as the sole and exclusive Collective Bargaining Agency designated as party to this Agreement.

1.3 Pioneer Select Market which, as of the execution of this Agreement, has authorized David W. Duncan, Esq., to represent them shall continue to be bound by this Agreement for its duration even though such Employer may hereafter cancel or withdraw such authorization.

1.4 The Employer confirms the Union's right to designate their Union Stewards. The parties also agree that such designation of authority or responsibility shall not interfere with the normal performance of the employee's work.

1.5 The Employer agrees to allow the posting of Union meeting notices in the store at a location designated by the Employer. The notice will state the date, time, and place of the Union meeting.

ARTICLE 2 UNION SECURITY

2.1 Pursuant to and in conformance with Section 8(a)3 of the *Labor Management Relations Act of 1947*, as amended, it shall be a condition of employment that all employees covered by this Agreement who are members of the Union in good standing and those who are not members on the effective date of this Agreement shall, on the thirtieth (30th) 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 thirtieth (30th) day following the beginning of such employment, become and remain members in good standing in the Union. For the purpose of this Article, the execution date of this Agreement shall be considered as its effective date.

2.1.1 The tendering of initiation fee and periodic dues uniformly required as a condition of continued membership shall constitute good standing in the Union for the purpose of this Article.

2.2 The Employer shall discharge any employee as to whom the Union, through its authorized representative, delivers to the Employer a written notice that such employee is not in good standing in conformity with this Article. For the purpose of establishing uniform rules for the application of this paragraph of the Agreement, the parties agree as follows:

2.2.1 If a newly hired employee fails to apply for Union membership, or if an employee fails to comply with the requirements of continued membership as set forth above, the Union will serve a letter upon the Employer requesting that such employee be terminated.

2.2.2 Upon receipt of a letter requesting termination of an employee who has not complied with Article 2 of the Agreement, the Employer shall (on the same date, if the employee is working on that date) immediately notify such employee that if he/she has not

complied with the Union membership requirements of Article 2 of the Agreement prior to the end of his/her next regular shift, his/her employment shall automatically be terminated.

2.2.3 The Union agrees to withdraw any letter of termination if an employee, with respect to whom such letter has been served, shall complete his membership requirements within the time limit specified in 2.2.1 and 2.2.2.

2.2.4 Whenever the Union requires the discharge of any employee in connection with the Union security clause of this Contract, the Union shall hold the Employer harmless and shall indemnify the Employer against loss, as a result of relying upon the direction of the Union in terminating any employee. The Employer agrees that when the Union notifies the Employer within three (3) days of the original notice, that the reason for the termination was a bona fide clerical error, the Employer will reinstate the employee to his former position on the next weekly schedule.

2.3 Each month, the Employer shall provide an electronic report of all new hires and terminations. Such report shall include the employees' first name, middle initial and last name, social security number, phone number (home and/or cell) address, email (if available), store number/work location, department, job classification, wage rate, date of hire/rehire and/or date of termination.

2.3.1 Each quarter, the Employer shall provide an electronic report of all employees covered under the current bargaining agreement. Such report shall include the employees' first name, middle initial and last name, social security number, , phone number (home and/or cell), address, email (if available), store number/work location, department, job classification, wage rate, and date of hire/rehire.

2.4 No employee shall be disciplined or discharged except for just cause. The Employer shall be the judge of the competency and qualifications of his employees and shall make such judgment fairly. The Employer's judgment is subject to review by an Arbitrator.

2.4.1 There exists one ninety (90) calendar day probationary period for new employees. If an employee is terminated during this probationary period, such terminations are not subject to Article 17 of this Agreement. This ninety (90) day period shall be extended by the amount of time the employee is absent from or unavailable for work due to medical reasons during the probationary period. The Employer must notify both the employee and the Union in writing, prior to the completion of the probationary period of their intent to extend the probationary period.

2.5 No employee shall be discharged or discriminated against for any lawful Union activity, including performing service on a Union committee outside of business hours or for reporting to the Union the violation of any provisions of the Labor Agreement, providing such activities shall not interfere with the normal performance of the employee's work.

2.6 The Employer agrees that it will not require any employee or prospective employee to take a polygraph (lie detector) test as a condition of employment or continued employment.

**ARTICLE 3
SENIORITY AND AVAILABLE HOURS**

3.1 Attainment of Seniority

3.1.1 All employees shall attain seniority after ninety (90) calendar days with the Employer.

3.1.2 Upon completion of this period, seniority shall date back to the last date of hire.

3.2 Application of Seniority

3.2.1 Seniority shall be applicable on an individual store basis, except as otherwise provided for under Sections 3.2.2, 3.3, and 3.4, and shall apply to the extent provided for in this Article.

3.2.2 An employee's seniority shall not be broken in cases where the employee transfers to a different store with the same Employer within the geographic jurisdiction covered by the Collective Bargaining Agreements between the Employer and United Food and Commercial Workers Union Local No. 21, United Food and Commercial Workers Union Local No. 367 and Teamsters Union Local No. 38.

3.3 Layoff

3.3.1 Where, on an individual store basis, there is a reduction of the number of employees holding seniority within such a store, the last employee hired shall be the first employee laid off, provided qualifications and ability are equal. The affected employee so reduced may displace the most junior employee of the Employer in the same classification, i.e., clerks, helper clerks and courtesy clerks, within the geographic jurisdiction covered by this Agreement, provided qualifications and ability are equal. A layoff is defined as two consecutive weeks that an employee is not shown on the weekly work schedule. In the event of a store closure, the affected employees shall be considered laid off at the time of the closure.

3.4 Rehire

3.4.1 Where there is an increase in the number of employees within a job classification, the last employee laid off by the Employer, within the geographic jurisdiction covered by this Agreement, will be the first employee rehired, provided qualifications and ability are equal. In the cases where two or more employees are laid off on the same day, the senior employee shall be the first rehired, provided qualifications and ability are equal.

3.4.2 Employees shall be required to inform the Employer in writing of their current address and phone number, and with the exception of temporary rehires, employees rehired in accordance with 3.4.1 shall be notified in writing to report to work.

3.5 Loss of Seniority

3.5.1 Except as otherwise provided for in Article 4 - Leave of Absence, seniority shall be broken and the employee's service shall be terminated for the following reasons:

3.5.2 Voluntary quit;

3.5.3 Discharge in accordance with Section 2.4;

3.5.4 Absence caused by a layoff in excess of sixty (60) consecutive calendar days.

3.5.5 Absence caused by an illness or non-occupational accident of more than nine (9) months.

3.5.6 Absence caused by an occupational accident of more than eighteen (18) consecutive months unless a longer period is agreed upon between the Employer and the Union;

3.5.7 Failure to report to work within seventy-two (72) hours following the postmark of the written notice referred to in Section 3.4.2 mailed to employee's last known address; and,

3.5.8 Failure to report to work immediately following a Leave of Absence as provided for under Article 4.

3.6 Reduction of Hours

3.6.1 Regular employees shall not have their hours arbitrarily reduced for the purpose of increasing the working hours of regular part-time employees or assigning such hours to new hires or extra employees.

3.7 Available Hours

3.7.1 The Employer may arrange weekly work schedules to accommodate the needs of the business, and senior employees shall be offered the most weekly hours up to a maximum of forty (40) hours per week; provided qualifications and ability are equal; the senior employee is available to perform the work; and the employee has notified management in writing of his or her desire for additional hours of work. Nothing herein shall be construed as a guarantee of daily or weekly hours of work or pay for time not worked. It shall be the obligation of the Employer to promptly investigate alleged abuses

upon presentation, and to rectify such abuses when justified within the meaning of this section.

3.7.2 The Employer agrees that the provisions of Section 3.7.1 shall not be applied in an arbitrary manner and the Employer shall, at the request of the Union, provide business reasons for the scheduling of employees in that given store.

3.8 Definitions

3.8.1 "Provided Qualifications and Ability are Equal" -- It is understood and agreed that the term "provided qualifications and ability are equal" shall mean that if two (2) employees have the same qualifications and abilities, the senior employee has priority.

3.9 Liability

3.9.1 It is understood and agreed that the employee will not be entitled to request wages under the provisions of this Article except to the extent of time lost, commencing with the weekly work schedule next following receipt of the Union's written notification to the Employer of the claim, in accordance with Article 17, provided that if less than three (3) days remain prior to the posting of the weekly work schedule in accordance with Section 5.9 when the Employer receives notification, the Employer's liability, if any, for time lost shall commence with the second next work schedule and thereafter until resolved.

3.10 Permanent Job Openings

3.10.1 Employees desiring to be considered for permanent individual job openings in their store will indicate their desire by submitting in writing a request for consideration. The notification will remain in force for six months unless withdrawn by the employee. The Employer(s) will not be arbitrary or capricious in considering such employee requests.

ARTICLE 4 LEAVE OF ABSENCE

4.1 Employees with one (1) year or more of continuous service shall be entitled to a leave of absence without pay for the following bona fide reasons:

4.1.1 Bona fide illness or non-occupational injury which requires absence from work in excess of fourteen (14) calendar days.

4.1.2 Pregnancy.

4.1.3 Serious illness or injury in the employee's immediate family.

4.1.4 A doctor's certificate verifying the absence must be furnished if requested by the Employer.

4.2 Leaves for personal reasons may be granted at the sole discretion of the Employer to regular employees regardless of length of service.

4.2.1 Union stewards may be granted up to two (2) unpaid days off per calendar year to attend Union functions. Only one (1) shop steward per store location may be granted this time off.

4.2.2 Upon request of the Union, leave of absence without pay for Union business not to exceed nine (9) months may be granted by the Employer to employees regardless of length of service.

4.3 Any request for a leave of absence under the terms of Sections 4.1 and 4.2 shall be in writing and state the following information:

4.3.1 Reason for such request;

4.3.2 Date leave is to begin; and,

4.3.3 Date of return to work.

4.4 Any leave of absence, with the exception of Sections 4.1.3 and 4.5, may run to a maximum of nine (9) months.

4.5 Leaves due to occupational injuries that result from employment with the current Employer regardless of length of service, shall be granted for a period up to eighteen (18) months unless a longer period is agreed upon between the Employer and the Union.

4.6 The employee must be qualified to resume his regular duties upon return to work from an approved leave of absence.

4.6.1 A doctor's certificate verifying that the employee is able to resume his normal duties must be furnished if requested by the Employer.

4.6.2 The employee shall then return to the job previously held or to a job comparable with regard to rate of pay, on the first weekly schedule prepared after the Employer has received notice in writing of the employee's availability.

4.7 Any employee who fails to return to work at the end of a leave of absence shall be terminated.

4.8 Any employee found to have abused the "leave of absence" by falsification or misrepresentation shall thereupon be subject to disciplinary action.

ARTICLE 5
HOURS OF WORK AND OVERTIME

5.1 Forty (40) hours per week consisting of five (5) days of eight (8) consecutive hours each (exclusive of not more than one (1) hour out for lunch each day) shall constitute the basic straight-time workweek.

5.2 Holidays, either worked or not worked, shall not be considered as days worked for the purpose of computing weekly overtime except in the case of employees who normally work six (6) days per week, totaling at least forty-four (44) hours per week.

5.3 All hours worked in excess of eight (8) hours per day and forty (40) hours per week shall be paid for at the rate of time and one-half (1-1/2). Where six (6) days, Monday through Saturday are worked in any one week, time and one-half (1-1/2) shall be paid for work on the day the least number of hours are worked.

5.4 A minimum of ten (10) hours shall be required between shifts. Otherwise, the premium of time and one-half (1-1/2) will be required for any hours that may be worked over ten (10) within a twenty-four hour (24) hour period.

5.5 Premium Work: Work performed by employees on any of the following days or between the hours specified below shall be considered as premium work and paid for according to the premium rates set forth herein.

5.5.1 The employee in charge of the store shall be paid fifty cents (50¢) per hour in addition to the applicable rate while in charge. However, any hour paid at time and one half (1-1/2) or greater on Sunday shall not count as a qualifying hour for daily or weekly overtime.

5.5.2 Holiday: Time worked on any holiday specified in this Agreement shall be paid for at time and one-half (1-1/2) the employee's straight-time wage rate in addition to any holiday pay to which the employee is otherwise entitled to under Article 7. This clause does not apply to the employee's personal holiday.

5.5.3 Employees required to work after 6:00 p.m. on New Year's Eve or Christmas Eve shall be entitled to time and one-half (1-1/2) for all hours worked after 6:00 p.m. on such days.

5.5.4 6:00 p.m. to 9:00 p.m.: The employee's regular rate of pay plus twenty cents (20¢) per hour. Schedules may be set for those employees designated to complete their shift at fifteen (15) minutes after 9:00 p.m. to facilitate closing the store, without the application of the premium set forth in Section 5.5.5.

5.5.5 9:00 p.m. to 6:00 a.m.: The employee's regular rate of pay plus fifty cents (50¢) per hour. Night stocking employees shall receive such premium (50¢) per hour for their entire shift if their schedule shift begins at 9:00 p.m.; or after or on or before 4:00 a.m.

5.5.6 Sunday Premium: Employees hired prior to May 1, 2011, shall continue to receive 1.2 times the straight-time hourly rate for all hours worked on Sunday. Employees hired on or after May 1, 2011, shall receive \$1.00 per hour over the employees regular straight-time wage rate for all hours worked on Sunday. However, any hour paid at time and one-half (1-1/2) or greater on Sunday shall not count as a qualifying hour for daily or weekly overtime.

5.5.7 No Pyramiding: There shall be no compounding or pyramiding of premium pay and overtime pay and only the highest applicable rate shall be paid for an hour of work performed under this Agreement.

5.6 Rest Period: Employees shall be allowed a rest period of not less than ten (10) minutes, on the Employer's time, for each four (4) hours of working time. Rest periods shall be scheduled as near as possible to the mid-point of the work period. No employee shall be required to work more than three (3) hours without a rest period. Employees who work a freestanding five (5) hour shift (with no lunch) shall be entitled to a fifteen (15) minute rest period during the shift.

5.7 Store Meetings: Required store meetings shall be paid for at the straight-time hourly rate, and shall be considered time worked for the purpose of computing overtime in accordance with Article 5.3 of the Agreement. Articles 5.4, 5.10, and 6.4 shall not apply to this provision.

5.7.1 Employees required to attend such meetings on their day off, or who have been called back after an hour of off-duty time shall receive a minimum of a two (2) hour call-in for such meetings.

5.8 Wage Statements: The Employer agrees to furnish each employee, on regular established paydays, a wage statement showing the name of the employee, period covered, hours worked, rate of pay, total amount of wages paid and deductions made.

5.9 Work Schedules: The Employer recognizes the desirability of giving his employees as much notice as possible in the planning of their weekly schedules of work and, accordingly, agrees to post a work schedule not later than 6:00 p.m. on Thursday preceding the start of the workweek. It is understood that the work schedule may not be used to guarantee any specified number of hours of work to any employee and that the schedule may be changed in case of emergency; or by forty-eight (48) hours' notice to the employee; or by mutual agreement between the Employer and the employee, provided however, no employee shall be discriminated against for failure to enter into such mutual agreement.

5.9.1 The weekly work schedule shall include the period designated as the meal periods required by this Agreement. Lunch hours shall be as close to the middle of the shift as possible.

5.9.2 In the event the employee works more than eight (8) hours, the highest applicable premium shall apply and there shall be no compounding of premium and/or overtime pay.

5.9.3 An Employer will utilize qualified employees from other classifications within a store, when available, to relieve checkers for lunch periods.

5.10 The Employer shall not schedule any employee for a split shift.

5.11 Scheduled Days Off

5.11.1 When an employee requests a day off in advance of the schedule being written and the request is granted, the Employer will endeavor to work with the employee so that there is not a reduction in hours because of the request. This provision shall not be subject to the grievance procedure.

**ARTICLE 6
CLASSIFICATIONS AND MINIMUM RATES OF PAY**

6.1 The classifications and hourly rates of pay shall be set forth in Appendix "A", attached hereto and by this reference made a part hereof.

6.2 For the purpose of computing months of experience and determining length of service wage adjustments under Section 6.1 of this Article 6 - One hundred seventy-three and one third (173-1/3) hours of employment with the current Employer shall be counted as one (1) month's experience provided that no employee shall be credited for more than one hundred seventy-three and one third (173-1/3) hours of experience in any one calendar month. All wage adjustments required by the application of this Section shall be effective on the following Sunday.

6.2.1 The apprentice pay bracket formula is based entirely on actual hours of comparable experience in the retail industry, experience which is absolutely essential for proper understanding of the responsibilities and satisfactory performance of the job or position. However, for those apprentices who go into the military service prior to becoming a Journeyman, such an employee will be reemployed at the next higher wage rate above his rate at the time of entry into the military service, if the employee applies for reemployment within ninety (90) days following discharge.

6.3 Where an employee is hired where comparable past experience is applicable, all past experience for an apprentice shall apply if the comparable past experience has been within two (2) years previous to employment. Past experience must be claimed by an employee on his or her

employment application in order to claim wage adjustments for incorrect payment by the Employer. Applicable past experience is defined as comparable work performed in the retail grocery industry.

6.3.1 Comparable past experience for employees who were formerly Journeypersons shall be applied as follows:

Those employees who have not worked for the past:

- 0 - 2 years shall be considered Journeypersons
- 2 - 3 years shall be considered Step 6 Apprentice
- 3 - 4 years shall be considered Step 4 Apprentice
- Over 4 years shall be considered Step 1 Apprentice

6.3.2 This shall not preclude an Employer from hiring new employees at a scale in excess of the aforementioned brackets.

6.4 All employees, except those in the classification Courtesy Clerk and Helper Clerk, and except in cases of emergency beyond the Employer's control or where the employee is unable to work four (4) hours on a particular day, shall receive not less than four (4) continuous hours' work or equivalent compensation in any one (1) day ordered to report for work, compensation to begin at the time of reporting for duty.

6.4.1 Helper Clerks, when scheduled, shall be guaranteed a minimum of two (2) hours' work, or equivalent compensation, Monday through Friday and four (4) hours' work, or equivalent compensation, on Saturdays, Sundays and Holidays.

6.5 Employees who are employed in any of the classifications covered by this Agreement and who are temporarily assigned to the work of Relief Manager, shall be compensated for straight-time hours while so temporarily assigned at the Senior Journeyperson's rate and overtime shall be paid at the rate of time and one-half (1-1/2) the Senior Journeyperson's rate.

6.6 It is expressly understood that employees receiving more than the minimum compensation or enjoying more favorable working conditions than provided for in this Agreement, shall not suffer by reason of signing or adoption; however, the terms of this Agreement are intended to cover only minimums of wages and other employee benefits. The Employer may place superior wages and other employee benefits in effect and reduce the same to the minimum herein prescribed without the consent of the Union.

6.7 For employees employed in Non-Food operations as defined herein, which are operated in a food store.

6.7.1 Definitions: The definition of food items set forth for the interpretation and application of this provision is based on the historical practice of each Employer. In the

event a dispute arises as to the interpretation of "food" or "non-food", the current order guides will be used as a guide.

6.7.2 All terms and conditions of this Agreement except hourly wage rates will apply to non-food employees.

6.7.3 The wage rates of non-food employees will be defined in Appendix "B" of this Agreement.

6.7.4 All employees who are classified as non-food employees shall devote their time exclusively to the non-food operation. All employees who do any work in foods shall receive the grocery rates of pay. This shall include but not be limited to work in the central check-stand (except bagging and carry-out) checking, receiving, stocking, marking of grocery or produce merchandise. Credit for past experience for non-food employees shall be given on the basis of experience in comparable non-food merchandise and in accordance with the provisions of Section 6.3 of Article 6 of the Agreement, or past experience in retail work with the same Employer, whichever is greater.

6.7.5 A bona fide non-food operation which is sufficiently large in terms of floor area, number of employees, and lines of non-food merchandise that such operation standing by itself could reasonably be expected to operate as an individual store, may have an employee in charge of such non-food operation who is excluded from the bargaining unit under the terms of Section 1.1 of Article 1 of this Agreement, provided such non-food operation will also have a non-food Senior Journeyman paid in accordance with 6.7.3, above.

6.7.6 After two (2) years of service in non-foods, non-foods employees who notify their Employer in writing that they are desirous of a transfer to food operations or other classifications shall be provided the first opportunity for available openings prior to hiring new hires in their store, subject to qualifications and ability.

6.8 Promotion. Appendix "B" or "C" employees who are promoted to another position under Appendix "B" or "C" shall remain at their current wage rate, but shall be given credit for prior hours of experience toward their new progression.

Appendix "B" or "C" employees who are promoted to a position under Appendix "A" shall remain at their current wage rate until accumulating 2080 hours and then shall progress to the next higher rate in the progression and then continue their progression under Appendix "A". This clause does not apply to Courtesy Clerks, Helper Clerks or other employees covered under separate Appendices or LOU's.

ARTICLE 7
HOLIDAYS

7.1 The following days shall be considered holidays for all employees who have been employed for ninety (90) consecutive calendar days: New Year's Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. For employees hired on or after May 1, 2011, the initial wait for holiday eligibility shall be six (6) consecutive months.

7.1.1 The holidays set forth in Section 7.1 shall be observed as holidays on the date established for each by Federal legislation.

7.1.2 Work on Christmas Day shall be on a voluntary basis, however, if there are insufficient volunteers, employees shall be scheduled on an inverse seniority basis.

7.2 Employees with one (1) year of continuous service with the Employer shall be entitled to a personal holiday. By mutual agreement between the Employer and employee, the employee may receive payment in lieu of such holiday in accordance with Section 7.3. Employees shall give the Employer a thirty (30) day notice prior to their personal holiday. The personal holiday shall not be carried over into the next year.

7.3 Employees, provided they normally work the hours as specified below, who work during the week in which the holiday occurs, and report for work their last scheduled working day preceding and their next scheduled working day immediately following the holiday, shall be paid for holidays, specified in Sections 7.1 and 7.2 of this Article, not worked on the following basis, provided that in any event if the preceding qualifications for holiday pay are met by the employee and he works thirty two (32) or more hours in the holiday week he shall receive eight (8) hours of holiday pay.

7.3.1 Hours normally worked per week shall mean the employee's average weekly hours for the last eight (8) weeks of work prior to the holiday (week) or date of hire, whichever is applicable.

7.3.2 The requirement to work sometime during the holiday week shall be waived when the involuntary absence is due to a bona fide illness or injury, provided that the employee has worked within the seven (7) calendar days preceding the holiday and within the seven (7) calendar days following the holiday.

<u>Hours Normally Worked Per Week</u>	<u>Hours of Holiday Pay</u>
12 to 24	4
24 to 32	6
32 or more	8

7.4 Employees who qualify for holiday pay as specified in Section 7.3 of this Article shall be paid time and one-half (1-1/2) in addition to such holiday pay for work performed on holidays

named in Section 7.1 of this Article. Employees who do not qualify for holidays pursuant to Section 7.3 of this Article shall receive time and one-half (1-1/2) for work performed on such holidays, provided; this shall not apply to the employee's personal holiday.

7.5 Holidays, either worked or not worked, shall not be considered as days worked for the purpose of computing weekly overtime except in the case of employees who normally work six (6) days per week, totaling at least forty-four (44) hours per week. In the case of the employee's personal holiday, the week in which the personal holiday is observed shall be considered as the holiday week.

ARTICLE 8
VACATIONS

8.1 Employees on the first anniversary date of their employment (after the first year of continuous employment) shall be entitled to a vacation with pay at their straight-time hourly rate based upon the number of hours worked in the preceding twelve (12) months as follows:

<u>Hours Worked</u>	<u>Hours of Paid Vacation</u>
800 to 1200	20
1200 to 1600	24
1600 to 2080	32
2080 or more	40

8.2 Employees on the second and each subsequent anniversary date of their employment to the fifth (5th) anniversary date of their employment (after the second and each subsequent year to the fifth (5th) year of continuous employment) shall be entitled to a vacation with pay at their straight-time hourly rate based upon the number of hours worked in the preceding twelve (12) months as follows:

<u>Hours Worked</u>	<u>Hours of Paid Vacation</u>
800 to 1200	40
1200 to 1600	48
1600 to 2080	64
2080 to 2288	80
2288 to 2496	88
2496 or more	96

8.3 Employees on the fifth (5th) and each subsequent anniversary date of their employment to the twelfth (12th) anniversary date of their employment, and each subsequent year to the twelfth (12th) year of continuous employment, shall be entitled to vacation pay at their straight-time hourly rate based upon the number of hours worked in the preceding twelve (12) months as follows:

<u>Hours Worked</u>	<u>Hours of Paid Vacation</u>
800 to 1200	60

1200 to 1600	72
1600 to 2080	96
2080 to 2288	120
2288 to 2496	132
2496 or more	144

8.4 Employees on the twelfth (12th) and each subsequent anniversary date of their employment shall be entitled to vacation with pay at their straight-time hourly rate based upon the number of hours worked in the preceding twelve (12) months as follows:

<u>Hours Worked</u>	<u>Hours of Paid Vacation</u>
800 to 1200	80
1200 to 1600	96
1600 to 2080	128
2080 to 2288	160
2288 to 2496	176
2496 or more	192

8.5 It is hereby understood and agreed that in computing “hours of paid vacation” for employees who regularly appear on the payroll for thirty-two (32) or more hours per week, the terms of Sections 8.1, 8.2, 8.3 and 8.4 of this Article shall be applied so that working time lost up to a maximum of one hundred sixty (160) hours due to temporary layoff, verified cases of sickness or accident, or other absence from work approved by the Employer (in addition to vacation and holiday time off earned and taken by the employee) shall be counted as time worked.

8.6 Employees who average twenty (20) hours or more per week, who terminate or are terminated (discharge for dishonesty excepted) after the first or any subsequent anniversary date of their employment and prior to their next anniversary date of employment shall be entitled to vacation pay at their straight-time hourly rate based upon the number of hours worked since the last anniversary date of their employment at the following rates for each full one hundred (100) hours worked: After the first to fifth (5th) anniversary date, four (4) hours’ vacation pay; after the fifth (5th) to the twelfth (12th) anniversary date, six (6) hours’ vacation pay; and after the twelfth (12th) anniversary date, eight (8) hours’ vacation pay.

8.7 Vacation may not be waived by employees nor may extra pay be received for work during that period, provided, however, that by prior mutual agreement between the Employer, employee, and Union this provision may be waived.

8.8 Employees whose vacations are scheduled during a holiday week shall receive holiday pay provided for under the terms of Article 7 of this Agreement in addition to vacation pay.

8.9 The Employer agrees to pay earned vacation pay prior to vacation if requested by the employee on a timely basis.

8.10 All vacations shall be scheduled by seniority and all employees entitled to two (2) weeks' vacation shall have such weeks scheduled consecutively. Employees entitled to three (3) or four (4) weeks' vacation, who wish all such weeks scheduled consecutively must make arrangements with management for this prior to the February 1st preceding the vacation period.

ARTICLE 9
SICK LEAVE

9.1 Employees, during each twelve (12) months following their last date of employment, (after the first (1st) and each succeeding year of continuous employment with their current Employer) shall be entitled, as set forth below, to paid sick leave at their current regular straight-time hourly rate for bona fide illness or injury off-the-job.

9.2 Sick leave pay shall be accrued by an employee depending upon the number of straight-time hours worked, including vacation and holiday hours, by the employee with his current Employer in each twelve (12) months as follows:

<u>Hours Worked</u>	<u>Hours of Sick Leave Pay</u>
1248 to 1679	24
1680 to 1999	32
2000 or more	40

9.3 Sick leave pay, to the extent it has been earned, shall begin on the third (3rd) normally scheduled working day of illness or injury off-the-job or the first (1st) normally scheduled working day, if the employee is hospitalized on such first (1st) day of illness thereafter, or if the employee has a full sick leave bank one hundred and sixty (160 hours), and shall be in an amount per day equal to the average number of straight-time hours worked per day by the employee during the past twelve (12) months; provided, 1) the daily total of sick leave pay under this Article and disability payments provided by the Health and Welfare Plan shall not exceed the current regular straight-time rate for the employee's average hours up to eight (8) hours per day; and, 2) not more than five (5) days' sick leave pay shall be required in any one (1) workweek. For purposes of this Article, disabling outpatient surgery will be treated as hospitalization.

9.4 Sick leave pay shall be cumulative from year to year, but not to exceed a maximum of one hundred and sixty (160) hours. Sick leave pay must be earned by employment with one Employer.

9.5 A doctor's certificate or other authoritative verification of illness may be required by the Employer and, if so, must be presented by the employee not more than forty-eight (48) hours after return to work. If the employee is absent more than two (2) scheduled days, such verification must be presented prior to the employee's return to work, provided the Employer has given reasonable advance notice.

9.5.1 The Employers agree that they will not automatically require doctor's notes when employees call in sick.

9.6 Any employee found to have abused sick leave benefits by falsification or misrepresentation shall thereupon be subject to disciplinary action, reduction or elimination of sick leave benefits (including accumulated sick leave) and shall further restore to the Company amounts paid to such employee for the period of such absence or may be discharged by the Company for such falsification or misrepresentation.

9.7 Sick leave benefits shall apply only to bona fide cases of illness and injury off-the-job and shall not apply to on-the-job accidents which are covered by Article 13 of this Agreement. Sick leave may be used to supplement Worker's Compensation to the extent it has been accumulated; however, the total of sick leave pay, disability payment under any insurance plan, and Worker's Compensation benefits paid to an employee in any calendar week shall not exceed the average earnings of the employee for the six (6) weeks prior to his/her absence.

9.8 Family Leave: Employees shall be permitted family leave in accordance with RCW 49.12 on the same terms and conditions (including eligibility requirements) as provided in Section 9.1 through 9.7 above.

ARTICLE 10
BEREAVEMENT LEAVE

10.1 Employees with less than six (6) months of employment will be allowed time off without pay for death in the immediate family as defined below. After six (6) months of employment, employees who are regularly employed twenty (20) hours or more per week shall be allowed up to three (3) days off with pay for loss of their normal scheduled hours of work for death in the immediate family as defined below. Bereavement leave will be paid only with respect to a workday on which the employee would otherwise have worked and shall not apply to an employee's scheduled days off, holidays, vacation, or any other day in which the employee would not, in any event, have worked. Scheduled days off will not be changed to avoid payment of bereavement leave. Bereavement leave shall be paid for at the employee's regular straight-time hourly rate. Immediate family shall be defined as spouse, son, daughter, mother, father, mother-in-law, father-in-law (existing spouse), grandparents, brother, sister, stepchildren, grandchildren, current step-mother, current step-father, domestic partner or relatives residing with the employee.

ARTICLE 11
JURY DUTY

11.1 After their first (1st) year of employment, employees who are regularly employed twenty (20) hours or more per week who are called for service on a District Court, Superior Court, Municipal Court or Federal District Court jury shall be excused from work for the days on which they serve and shall be paid the difference between the fee they receive for such service and the amount of straight-time earnings lost by reason of such service up to a limit of eight (8) hours per day and forty (40) hours per week and one hundred twenty (120) hours within any calendar year;

provided, however, an employee called for jury duty who is temporarily excused from attendance at court must report for work if sufficient time remains after such excuse to permit him to report to his place of work and work at least one-half (½) of his normal workday. Employees who have served a full day as juror, and who are scheduled to commence work after 5:00 p.m., shall not be required to report to work that day. In order to be eligible for such payments, the employee must furnish a written statement from the appropriate public official showing the date and time served and the amount of jury pay received. Employees may receive compensation on one (1) panel per year.

11.1.1 Witness Duty: Employees required to appear in court or in legal proceedings on behalf of their Employer during unscheduled hours, shall receive compensation at their regular straight-time hourly rate of pay only for the time spent in making such appearance, less any witness fees received. No other provision in this Agreement shall apply to this Section.

11.1.2 If an employee is required to appear on behalf of his/her Employer during regular scheduled hours, he/she shall receive compensation at their regular straight-time hourly rate of pay for the time spent in making such appearance, less any witness fees. In this event, these hours will be considered compensable hours under the terms of this Agreement.

ARTICLE 12 HEALTH AND WELFARE

12.1 Each Employer and the Union agrees to be bound by the terms and provisions of that certain Trust Agreement creating the Sound Health and Wellness Trust (formerly known as the Retail Clerks Welfare Trust), initially executed June 18, 1957, and all subsequent revisions or amendments thereto, and by all policies and other conditions of participation and eligibility, which may be established from time to time by the Plan Document, the Trust's Rules and Regulations, the Summary Plan Description, and other pertinent procedures, practices, and Trustee actions. Each Employer accepts as his representatives for the purpose of managing this Trust Fund, the Employer Trustees serving on the Board of Trustees of said Trust Fund and their duly appointed successors. The Union accepts the Labor Organization Trustee members of the Board of Trustees, and their duly appointed successors, as its representatives for purposes of managing the Trust. Each Employer and the Union also agree to be bound by the terms of the parties' Health & Welfare and Pension Agreement.

12.2 The Employer and the Union agree to be bound by the Health and Welfare Labor Agreement, effective May 6, 2007, by and between Allied Employers, Inc., and UFCW Union Locals No 21, 44, 81, 367, 1439, UFCW International (AFL-CIO), and Teamsters Union Local 38, and by all subsequent revisions or amendments thereto.

12.3 The Employers party to this Agreement shall continue to pay on a per compensable hour basis (maximum of one hundred and seventy-three (173) hours per calendar month per employee)

into the Sound Health and Wellness Trust for the purpose of providing the employees with hospital, medical, surgical, vision, group life, accidental death and dismemberment, weekly indemnity benefits and dental benefits in accordance with the contribution rates and related provisions established by the separate Health and Welfare Agreement between Allied Employers, Inc., and various Local Unions dated April 1, 1977, and as subsequently amended,.

12.4 The details of the benefit programs including a description of exact benefits to be provided, and the rules under which employees and their dependents shall be eligible for such benefits, shall be determined by the Trustees of the Sound Health and Wellness Trust in accordance with the terms and provisions of the Trust Agreement creating the Retail Clerks Welfare Trust, dated June 18, 1957, and as may be subsequently amended.

12.5 The contribution referred to shall be computed monthly and the total amount due for each calendar month shall be remitted in a lump sum not later than twenty (20) days after the last day of the month in which the contributions were earned.

12.5.1 Notwithstanding the foregoing Section, the Board of Trustees of the Sound Health and Wellness Trust shall have the authority to establish and enforce a method for reporting contributions on an accounting period basis, rather than a calendar month basis. In such a case, the one hundred and seventy-three (173) hour maximum shall be appropriately adjusted, as directed by the Trustees, provided that in no event shall the Employer's total obligation be different than what it would have been on a calendar month basis. Further, the total contributions due for each approved accounting period shall be remitted in a lump sum not later than twenty (20) days after the end of the accounting period.

12.6 The term "compensable hour" shall mean any hour for which any employee receives any compensation required by this Agreement.

12.7 All hours worked through September 30, 2019, the Employer will contribute the required rate as determined by the Trust as needed, up to a maximum of \$5.10 per compensable hour.

12.8 Effective for October 1, 2019 hours, the Employer will contribute to the Sound Health and Wellness Trust as follows:

The Employer's current contribution rate(s) shall be reduced by twenty-one cents per hour except that, effective for hours upon notice by the Sound Health and Wellness Trust, the Employer's contribution rate shall further decrease on a temporary basis in order to allow for an increase in the Employer contribution rate to the Sound Retirement Trust under Section 14.14.

Additionally, beginning with the month following notice from the Trustees of the Health and Wellness Trust that a temporary reduction in the Employer's contribution rate is authorized, the amount of such reduction shall be added as a monthly employer contribution to the Sound Retirement Trust on behalf of all eligible employees as described in Section 14.14. The payment of such reduced contributions shall continue until the earlier of the thirteenth month following the

effective date of the reduction or when the Trustees determine, in their sole discretion, that the amount of surplus assets in the Health and Wellness is reduced to or anticipated to be reduced to zero. The Health and Wellness Trust shall provide notice of such determination. However, in no event shall the Employer's contribution rate to the Health Trust be reduced below \$4.65 per hour if the Trust excess assets (above the required reserves) are anticipated to fall below 2½ months of excess reserves before such date.

Starting October 2020, every six months through March 2022, the consultants will project Plan expenses and income and report these amounts to the Trustees. Based on those projections, the Trustees will set the contribution rate (with a minimum rate of the initial hourly rate before the temporary decrease) and up to a maximum rate of \$4.86) that is anticipated to result in an excess reserve of \$52 million by April 30, 2022. Each recalculated rate shall become effective for the Employer as of the effective date determined by the Trustees and the Employer shall pay the recalculated as of such effective date.

In March 2022, the consultants will determine the actual current hourly cost of the plan based on (1) the most recent 12 months of incurred plan expenses adjusted to reflect trend to the 12-month period ending April 30, 2022, (2) the most recent 12 months of employee contributions, (3) the most recent 12 months of hours, and (4) expected investment income. The contribution rate will be set based on this hourly cost analysis and shall become effective with April 2022 hours, provided that the hourly rate shall not exceed \$5.19 and not be less than \$4.86. However, for January through March 2022, the Employer's contribution rate will be temporarily reduced from this contribution rate by such amount as to redirect the total amount of \$15 million for all employers to the Variable Annuity Plan.

The buy-up rate, if applicable, also will be decreased and increased accordingly.

12.9 All other Trust programs shall continue unless modified by the Trustees based on the terms of the Trust and Plan documents.

ARTICLE 13 STATE INDUSTRIAL INSURANCE

13.1 All employees shall be covered under Washington State Workmen's Industrial Accident Compensation or guaranteed equal coverage.

ARTICLE 14 RETIREMENT PROGRAM

14.1 Each Employer and the Union agree to be bound by the terms and provisions of that certain Trust Agreement creating the Sound Retirement Trust Fund (formerly known as the Retail Clerks Pension Trust Fund) dated January 13, 1966, and as subsequently amended, and by all policies and other conditions of participation and eligibility, which may be established from time to time by the Trust's Plan Document, Summary Plan Description, and other pertinent rules, regulations, and

Trustee actions. Further, each Employer accepts as his representatives, for the purpose of such Trust Fund, the Employer Trustees who will be appointed by Allied Employers, Inc., to serve on the Board of Trustees of said Trust Fund and their duly appointed successors. Each Employer and the Union also agree to be bound by the terms of the parties' Health & Welfare and Pension Agreement.

14.2 All contributions shall be paid on compensable hours with a maximum of one hundred seventy-three (173) hours per calendar month per employee. The term "compensable hour" shall have the same meaning as set forth in Article 12.

14.3 The contribution referred to in Section 14.5 shall be computed monthly and the total amount due for each calendar month shall be remitted in a lump sum not later than twenty (20) days after the last day of the month in which the contributions were earned.

14.3.1 Notwithstanding the foregoing Section, the Board of Trustees of the Sound Retirement Trust shall have the authority to establish and enforce a method for reporting contributions on an accounting period basis, rather than a calendar month basis. In such a case, the one hundred and seventy-three (173) hour maximum shall be appropriately adjusted as directed by the Trustees, provided that in no event shall the Employer's total obligation be different than what it would have been on a calendar month basis. Further, the total contributions due for each approved accounting period shall be remitted in a lump sum not later than twenty (20) days after the end of the accounting period.

14.4 The provisions of Section 17.3 of Article 17 of this Agreement shall, in no way, apply to or affect the Employer's obligation to pay contributions to this Trust Fund.

14.5 This Agreement is to be subject to the Plan Year Rehabilitation Plan of the Sound Retirement Trust Preferred Schedule adopted by the Board of Trustees as updated December, 2019, as follows.

2019 RP/ Appendix C /Table 4	Pioneer Select Markets - Low Rate	Pioneer Select Markets - Mid Rate	Pioneer Select Markets - High Rate	Pioneer Select Markets - Meat Wrappers
Current CBA Period	5/2017-5/2020	6/2017-6/2020	6/2017-6/2020	3/2017-3/2020
Accrual Rate	0.250	0.250	0.550	0.45
Pre-Rehab Rate	0.100	0.100	0.100	0
Current Rehab Rate	1.484	1.484	1.484	0.914
Non-benefit redirect from retiree welfare	0.01	0.01	0.01	0.01
TOTAL	1.844	1.844	2.144	1.374

Jan 2021 Rehab Rate	1.620	1.620	1.620	0.99
July 2021 Rehab Rate	1.720	1.720	1.720	1.09
Jan 2022 Rehab Rate	1.856	1.856	1.856	1.166
July 2022 Rehab Rate	1.956	1.956	1.956	1.266
Jan 2023 Rehab Rate	2.092	2.092	2.092	1.342
July 2023 Rehab Rate	2.192	2.192	2.192	1.442
Jan 2024 Rehab Rate	2.222	2.222	2.222	1.472

The pre-PPA supplemental contribution is based on the parties' pension agreement.

14.6 In accordance with the Preferred Schedule, the Employer agrees to pay an additional supplemental contribution in an amount equal to the hourly rates contained in Section 14.5, with the understanding that the supplemental contributions will not result in any pension credit for the covered employees. Supplemental contributions increase to be effective with the following hours worked.

14.7 Until the effective date of the new future service defined benefit variable plan under Section 14.18, the Employer will continue to make contributions to the Sound Retirement Trust as described in this Section and the Employer's active participants will continue to earn benefit accruals until such effective date. The Employer shall make contributions on behalf of all eligible employees to the Sound Retirement Trust under this Section.

14.8 Upon the effective date of the new future service defined benefit variable plan under Section 14.8, future benefit accruals under the SRT will cease and the SRT plan will be frozen; as a result, the funding of 125% of the employer's base contribution for the SRT for the Employer's employees is discontinued once future benefit accruals commence under the VAP and all hourly contribution rates paid to the SRT will be reduced by this adjusted base contribution under Section 14.18.

14.9 The Employer will continue to contribute to the SRT and not incur a withdrawal from the SRT solely as a result of the cessation of future benefit accruals under the SRT.

14.10 The SRT Employer liabilities will be funded under an updated Rehabilitation Plan designed with the objective that the Plan will move to the green zone and achieve 102% funding by 2030. This updated Rehabilitation Plan will include the current scheduled increases plus an additional contribution of three (\$.03) cents per hour in annual increases over a new ten-year period beginning January 1, 2020 (January hours/February payment). Such accelerated funding in this agreement shall apply to the SRT liabilities and shall remain in effect regardless of the Zone status of the Plan.

14.11 The Employer shall continue to pay all of the scheduled contribution increases under the updated Rehabilitation Plan, as set forth above, through the term of this CBA, regardless of the zone status of the SRT. All hourly contributions to the SRT shall continue to be made on behalf of all compensable hours above regardless of whether the employee participates in the SRT prior to the freeze date. In addition, the Parties ask the Trustees of the Plan to explore adopting specific language that all additional contributions will not be used in calculations of the employers' share of the unfunded vested benefits, to the extent permitted by law.

14.12 The parties recognize that this global solution for the pension funding liabilities is contingent on the full implementation of the agreement between Safeway/Albertson's and the Union and the full implementation of the agreement between Kroger and the Union, including the transfer of liabilities and assets from the SRT to the UFCW Consolidated Fund under the MOU between Kroger and the Union. If either the SRT, the PBGC or the UFCW Consolidated Fund does not approve the global solution, the bargaining parties will meet to discuss other alternatives.

14.13 The parties agree to request that the Actuaries for the SRT review and update, as they determine is appropriate, the current withdrawal liability methods used by the Fund.

14.14 In part in order to ensure the prudent funding of the Sound Retirement Trust, the Employers, in total, agree to redirect health & welfare trust contributions up to the total amount of \$100 million to the SRT commencing with January 2020 hours.

14.15 The parties will cooperate in seeking approval by the relevant parties for this global solution for accelerated funding of the unfunded liabilities of the SRT, including the SRT Board of Trustees, the PBGC and the UFCW Consolidated Fund Board of Trustees.

14.16 To that end, the parties agree to ask that the SRT Trustees consider the following:

- i. Continue to extend cash-matched period under Beta portfolio as the situation warrants in order to continue to reduce investment risk in the SRT;
- ii. Reduce the valuation assumption to 6.5% net of investment expenses; and
- iii. Invest the \$165 million in assets to be transferred from the SRT to the UFCW Consolidated Pension Fund at a risk free rate of return from the ratification date of the collective bargaining agreement until the date of transfer. (Subject to final agreement on the details of any Kroger transaction.)

14.17 This agreement is contingent on the bargaining parties reaching an overall collective bargaining agreement, including an agreement between the Employer and the Union for a new future service defined benefit variable plan for all current employees affected by this transfer.

14.18 Variable Annuity Plan.

As of the effective date of the new future service defined benefit variable annuity plan (VAP), future service benefit accruals will be earned in the VAP, a multiemployer variable annuity defined benefit plan. Participants' service earned under the Sound Retirement Trust (SRT) and the VAP will be recognized for participation, vesting and benefit eligibility purposes in both plans. In the event of a short plan year running from the transfer date to December 31, the benefit guarantee will apply for the short plan year and the subsequent initial full plan year ending December 31, 2021. The VAP shall operate on a calendar plan year basis.

14.18.1 The Employer will contribute the base rates set forth below for each eligible active participant to the VAP, commencing with the VAP effective date:

	Appendix A Including Red Circled Appendixes B & C	Appendix B & C Except Red Circled	Helper Clerks And Courtesy Clerks
Base	\$0.55	\$0.40	\$0.25

Contributions will be made on behalf of current active employees and future newly hired employees in classifications for whom contributions have been made under the current collective bargaining agreement. Salary shall be gross wages per payroll period. Contributions shall be remitted monthly.

In addition, the Employer will contribute three cents (\$.03) per hour for each eligible active participant to the VAP, commencing with the effective date of the VAP through the end of the initial first full Plan Year.

14.18.2 The benefit accrual under the VAP will be periodically reviewed (but at least every three (3) years) to ensure that the plan is designed to maintain full funding of all benefit liabilities, with the first review no later than December 31, 2021. Notwithstanding the above, for the term of this contract, all actuarial assumptions of the plan will be reviewed and adjusted as necessary on an annual basis for the term of this CBA.

14.18.3 The eligibility, rights and features of the benefit design of the VAP on the effective date of the VAP will replicate the current benefit design of the SRT, except that the benefit accrual will be based on a formula that utilizes total contributions made on the employee's behalf and a percentage accrual factor that reflects the VAP characteristics (to be reviewed jointly by the parties). For the short plan year and the first full plan year, there shall be a floor benefit and the benefit accrual of the VAP cannot be less than what the participant would have earned in the same period under the SRT benefit formula. Thereafter, the earned benefit accrual will be adjusted annually up or down based on performance to a 5.5% hurdle rate which will also be used to discount the benefit liabilities.

The Employer agrees to promptly provide, on a periodic basis, such salary data for employees intended to be covered by the VAP to allow the actuaries for the parties developing the VAP to determine the benefit accrual rate from the VAP that can be funded with such contributions determined above and in the future as the VAP operates to allow administration of the VAP.

14.18.4 Annual benefit improvements will be capped at 3.0% above the 5.5% hurdle rate. Any surplus investment return between the 5.5% and the 8.5% cap will fund benefit improvements and any surplus investment return over 8.5% shall be allocated to the stabilization reserve.

14.18.5 The VAP board of trustees will formulate a stabilization reserve policy which will define the board's discretion to manage the stabilization reserve and determine how and when it is used to support benefit accruals in years in which the plan investments underperform the hurdle rate. The Employer will contribute to the stabilization reserve from January through March, 2022 in accordance with Section 12.8.

It is the intent of the parties that the stabilization reserve policy will be used to stabilize benefits for active and retired participants in the event of returns of 2% or lower ("the Floor Return") and maintained in order to address the VAP investment and demographic experience and the level of assets/benefits accrued under VAP. It is not the intent that the stabilization reserve be used in the event of investment returns higher than the Floor Return.

14.18.6 The Governance of the VAP will be modeled after the SRT Trust Agreement document, as appropriate and agreed to by the plan sponsor.

ARTICLE 15 GENERAL CONDITIONS

15.1 The Employer shall not permit demonstrators, salesmen or other employees of a supplier to perform work of store clerks. Demonstrators assigned to a store by a supplier shall confine themselves to the particular items being demonstrated and wear clothing or carry some badge identifying them with the particular product or firm for which the demonstration is made.

15.2 All gowns, aprons and uniforms required by the Employer shall be furnished and kept in repair by the Employer and, except where the garment is of drip dry materials, the Employer shall pay for laundering of same.

15.3 In the event any employee covered by this Agreement shall be called or conscripted for the Army, Navy, Marine Corps, or other branch of the United States Military Service, he shall retain, consistent with his physical and mental abilities, all seniority rights hereunder for the period of this Agreement or any renewal or extension thereof, provided application for reemployment is made within ninety (90) days after being honorably discharged from such military service, current law to govern at time of application.

15.4 It is the desire of both the Employer and the Union to avoid, wherever possible, the loss of working time by employees covered by this Agreement. All contacts will be handled so as to not interfere with the employee's duties or with service to the customers.

15.5 The Union may issue a Union Store Card and/or Window decals to the Employer. Such Union store cards and decals are and shall remain the property of the United Food and Commercial Workers International Union, and the Employer agrees to surrender said Union Store Cards and/or decals to an authorized representative of the Union on demand in the event of failure by the Employer to observe the terms of this Agreement.

15.5.1 The Employer shall display such Union Store Cards and/or decals in conspicuous areas accessible to the public in each establishment covered by this Agreement.

15.6 The Employer shall furnish to the Union, on written request, a copy of the payroll records of all bargaining unit employees, but not more than one (1) payroll record need be furnished during a twelve (12) month period.

15.7 If any employee is required to travel from one place to another during the course of the performance of the day's work, said employee shall be compensated for such time and for any legitimate expenses incurred. Such employees shall be reimbursed for public transportation expense if used or be granted mileage allowance at the IRS allowable rate per mile, if the employee provides the vehicle to be used.

15.8 Where the masculine or feminine gender has been used in any job classification or in any provision of this Agreement, it is used solely for the purpose of illustration and shall not in any way be used to designate the sex of the employee eligible for the position or the benefits of any other provision.

15.9 If the addition of a second U-Scan unit in any store has a material impact on any of the bargaining unit employees, the parties will agree to bargain over the effects of the installation of the second U-Scan unit in that store. A "unit" is defined as a bank with one to four self-scanners.

15.10 The Employer will notify the Union prior to implementation of any new technology or methods that may have a material effect on the wages, hours, or working conditions of any bargaining unit employee. When practicable such notice will be given at least 60 days prior to implementation.

15.11 Drug Testing: The Employer may require the employee to submit to a legally recognized drug or alcohol test at the Employer's expense if the Employer has reasonable grounds to believe the employee is under the influence of alcohol or drugs. Reasonable grounds will not be required for drug or alcohol testing when an employee suffers an on-the-job injury. An employee who tests positive shall be entitled to have a second test performed using a different disclosure method to verify the accuracy of the test results. Time spent in such testing shall be on Company time; however, any employee refusing to submit to a drug or alcohol test shall be taken off the clock

effective with the time of the Employer's request. An employee who refuses to take a drug or alcohol test upon request shall be subject to termination.

ARTICLE 16
NON-DISCRIMINATION

16.1 The parties to this Agreement acknowledge their responsibilities under *Title VII of the Civil Rights Act of 1964* and the *Age Discrimination in Employment Act of 1967*, and do hereby agree not to discriminate on the basis of race, color, religion, sex, national origin or age, honorably discharged veteran or military status, sexual orientation, or the presence of any sensory, mental or physical disability or any reason mandated by state or federal or city statute.

ARTICLE 17
GRIEVANCE PROCEDURE

17.1 DISPUTE RESOLUTION

All parties would benefit from a dispute resolution procedure that is both more timely and more efficient. To that end, the parties agree to the following:

1. All disputes that are resolved at the store level (whether a formal grievance has been filed or not) shall be on a non-precedent basis (unless otherwise expressly stated in writing) and shall not be used by any party in any other situation or procedure regarding another employee or union agent and any manager or supervisor at the store or regional level.
2. The parties should strive to share factual details regarding a grievance (or pre-grievance issue) as early as possible in the process. The filing party should provide as much detail as possible in the original grievance or soon thereafter. The responding party should provide as much detail as possible with its response. This will allow both parties to more effectively investigate and assess the grievance and hopefully resolve the matter short of needing an in person grievance meeting.
3. Written warnings need not be processed beyond the union filing a grievance in order to reserve the union's right to challenge the warning if it is used as progressive discipline in the future.

17.2 GRIEVANCE PROCEDURE

Any grievance or dispute concerning the application or interpretation of this Agreement must be presented in writing by the aggrieved party to the other party within thirty (30) days from the date of the occurrence giving rise to such grievance or dispute, except in cases of discharge which must be presented within fifteen (15) days; otherwise, such right of protest shall be deemed to have been waived. Such grievances shall be adjusted by accredited representatives of the Employer and the

Union. In the event of the failure of these parties to reach a satisfactory adjustment within twenty-one (21) days from the date the grievance is filed in writing by the aggrieved party, the matter must be referred by the moving party for final adjustment to a Labor Relations Committee consisting of two (2) members from the Employer and two (2) members from the Union and the decision of the Labor Relations Committee shall be final and binding on all parties. In the event the Labor Relations Committee fails to reach an agreement within seven (7) days from the date a grievance is considered by the Committee, the moving party must, within seven (7) days thereafter, refer the grievance to arbitration by written notice to the other party.

The moving party shall request a panel of thirteen (13) arbitrators from FMCS. When selecting an arbitrator, the parties shall take turns striking names off the list until one remains. The moving party shall notify the arbitrator of their selection and request dates of availability.

The Labor Relations Committee and the Arbitrator shall have no power to add to, subtract from, or change or modify any provision of this Agreement, but shall be authorized only to interpret existing provisions of this Agreement as they apply to the specific facts of the issue in dispute. The decision of the Arbitrator shall be final and binding on all parties..

17.2.1 The losing party shall pay the cost of the arbitrator. The parties agree that the arbitrator has the authority to determine appropriate proration of this cost in the event of a split decision and award. The arbitrator should be made aware of the requirements of this provision at the conclusion of the arbitration hearing.

17.2.2 In cases where it is concluded that an employee has been improperly discharged, the arbitrator may reinstate the improperly discharged employee. The arbitrator may not render an award which requires the employer to pay an improperly discharged or suspended employee for time that the employee has not actually worked in excess of the wage and benefits the employee would have earned had he worked his normal schedule during the one hundred and eighty (180) calendar days immediately following the date of discharge or suspension.

17.3 During the process of making adjustments under the rules and procedures set forth in 17.1 above, no strike or lockout shall occur.

17.4 Except as provided in 17.1, grievances shall not be recognized unless presented in writing within thirty (30) days from the date of the occurrence causing the complaint or grievance, except in cases where report of the grievance has been suppressed through coercion by the Employer.

17.4.1 In the event the claim is one for additional wages, any such claim shall be limited to wages, if any, accruing within the sixty (60) day period immediately preceding the date upon which the grievance was filed in writing.

17.4.2 Where there is an automatic wage bracket adjustment (failure to progress the employee in classification in accordance with the hours worked formula of Appendix "A"

due under the terms of the Appendix “A”, the period of adjustment shall be one (1) year from the date the grievance was filed in writing.

17.5 It is understood that any of the foregoing time limits may be waived by mutual agreement, if the time limits are not mutually waived, failure to comply constitutes waiver.

17.6 The Employer and the Union shall make available to the other, pertinent data necessary for the examination of all circumstances surrounding a grievance. The Arbitrator shall be empowered to effect compliance with this provision by requiring the production of documents and other evidence.

ARTICLE 18
NO STRIKES OR LOCKOUTS

18.1 During the life of this Agreement the Union agrees not to engage in any strike or stoppage of work and the Employer agrees not to engage in any lockout. It shall not be a cause for discharge or discipline and it shall not be a violation of this Agreement for an employee to refuse to cross a primary labor union picket line at the Employer's premises that has been established to support a legal strike, provided the picket line is approved by Local No. 367.

ARTICLE 19
SEPARABILITY

19.1 It is hereby declared to be the intention of the parties to this Agreement that the sections, paragraphs, sentences, clauses and phrases of this Agreement are separable and if any phrase, clause, sentence, paragraph or section of this Agreement shall be declared invalid by the valid judgment or decree of a court of competent jurisdiction because of the conflict with any Federal or Washington State law, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Agreement and the balance of this Agreement shall continue in full force and effect.

19.2 The parties hereto agree that substitute provisions conforming to such judgment and decree shall be incorporated into this Agreement within thirty (30) days thereafter.

ARTICLE 20
NO FREE TIME

20.1 The Employer shall be responsible for payment for all hours worked, and an employee shall only work those hours specifically authorized by the Employer. Accordingly, it is intended that there shall be no "free or time-off-the-clock" work practices under this Agreement. Any employee found by the Employer or the Union to be engaging in such practice shall be subject to discipline, which may include termination.

ARTICLE 21
DURATION OF AGREEMENT

21.1 This Agreement shall be in full force and effect from and after, May 3, 2020, through May 1, 2023, at which time it shall be automatically renewed for a period of one (1) year from said date, and thereafter for each year upon each anniversary of said date without further notice; provided, however, that either party may open this Agreement for the purpose of discussing a revision no later than sixty (60) days prior to said expiration date of each anniversary thereof upon written notice being served upon either party by the other.

21.2 If during the second year of this Agreement, the United States becomes engaged in a nationally recognized wartime emergency, the parties hereto agree that upon sixty (60) days; notice in writing either party may reopen this Agreement.

David W. Duncan, Esq.
On behalf Pioneer Select Market

UFCW Union Local No. 367

David W. Duncan, Esq. Date

Angel F. González Irizarry, President Date

COURTESY CLERKS - HELPER CLERKS

1. Duties:
 - a. Bag or box the merchandise after it has been checked out and take it to the customer's vehicle.
 - b. Cleanup in and around the store so long as the cleanup does not result in the handling of any merchandise except in the event of spillage and in that event merchandise may be moved in conjunction with the cleanup activities.
 - c. Collect and line up shopping carts and return them to the store from the parking lot.
 - d. Stock the bags in the checkstands.
 - e. Collect bottles, take them to the designated area and sort them.
 - f. Change the reader board.
 - g. Return merchandise from the checkstand area to its display area.
 - h. Verify prices.
 - i. Pull cardboard.
 - j. Water plants and flowers.
 - k. Cover produce and frozen food cases.
2. Duties: Helper Clerk - An employee who may perform all of the duties in the store except checking.

Not more than twenty percent (20%) of the total man-hours worked by employees in the bargaining unit shall be employed as Courtesy or Helper Clerks.

Helper Clerks who notify their Employer in writing that they are desirous of a transfer to Appendix "A" progressions shall be provided the first opportunity for available openings over new hires, provided qualifications and ability are equal.

APPENDIX “A”
GROCERY WAGE CLASSIFICATIONS AND WAGE RATES

Classifications	Current	5/22/20	1/1/21[^]	5/21/21[^]	1/1/22[^]	5/20/22[^]	1/1/23[^]
Sr. Journeyperson*	\$20.75	\$21.30	\$21.30	\$21.85	\$21.85	\$22.40	\$22.40
Journeyperson	20.50	21.05	21.05	21.60	21.60	22.15	22.15
	Current	3/22/20	1/1/21[^]	3/21/21[^]	1/1/22[^]	3/20/22[^]	1/1/23[^]
Next 520	14.30	14.30					
Next 1040 hrs.	14.20	14.20					
Next 1040 hrs.	14.10	14.10					
Next 1040 hrs.	14.00	14.00					
Next 1040 hrs.	13.90	13.90					
Next 1040 hrs.	13.80	13.80					
Next 1040 hrs.	13.70	13.70					
1 st 1040 hrs.	13.60	13.60					
Helper Clerk							
Thereafter	13.80	13.80					
Next 1040 hrs.	13.70	13.70					
1 st 520 hrs.	13.60	13.60					
Courtesy Clerk							
Thereafter	13.70	13.70					
1 st 1040 hrs.	13.60	13.60					

[^]Wage rates TBD based on minimum wage at that time.

*This classification of employee shall not be required in a store wherein less than a total of one hundred (100) man hours are worked in a payroll week by the unit of employees covered by this Agreement. When a total of one hundred (100) man hours are worked in a payroll week by the unit of employees covered by this Agreement, then one (1) of such employees shall be classified and compensated by the Employer as a Senior Journeyperson. For each additional two hundred (200) man hours worked in such week by the unit of employees covered by the Agreement, one (1) additional employee shall be classified and compensated as a Senior Journeyperson. Senior Journeyperson shall be employees normally working full-time. One employee of this classification shall be assigned to night work if night work is performed, provided the store is closed for business.

All wage increases shall be across the board so that employees paid above scale will receive the wage increases. The exceptions to this rule are (a) employees being paid an over scale rate due to an increase in the Washington State minimum wage and (b) employees who have transferred into another classification and have had their wage rate frozen at an above-scale level.

In no event shall any wage classification be less than ten cents (10¢) per hour above the then current Washington State minimum wage. Effective January 1, 2016, each rate will be at least ten cents (10¢) per hour higher than the previous rate in the progression schedule.

For employees hired prior to May 8, 2005: The progression step hours were not printed, however they still exist for employees that were hired prior to 2004 that transfer between Appendices.

APPENDIX “B”
NON-FOOD WAGE CLASSIFICATION

Classifications	Current	3/22/20	1/1/21^	3/21/21^	1/1/22^	3/20/22^	1/1/23^
Journey person	16.30	16.90	16.90	17.50	17.50	18.10	18.10
Next 520	14.30	14.30					
Next 1040 hrs.	14.20	14.20					
Next 1040 hrs.	14.10	14.10					
Next 1040 hrs.	14.00	14.00					
Next 1040 hrs.	13.90	13.90					
Next 1040 hrs.	13.80	13.80					
Next 1040 hrs.	13.70	13.70					
1 st 1040 hrs.	13.60	13.60					

^Wage rates TBD based on minimum wage at that time.

All wage increases shall be across the board so that employees paid above scale will receive the wage increases. The exceptions to this rule are (a) employees being paid an over scale rate due to an increase in the Washington State minimum wage and (b) employees who have transferred into another classification and have had their wage rate frozen at an above-scale level.

In no event shall any wage classification be less than ten cents (10¢) per hour above the then current Washington State minimum wage. Effective January 1, 2016, each rate will be at least ten cents (10¢) per hour higher than the previous rate in the progression schedule.

MEMORANDUM OF UNDERSTANDING

The Industry's long-standing practices with respect to the interpretation and application of Section 1.1 of Article 1 – Recognition and Bargaining Unit of this Agreement will continue in effect except as clarified below:

1. Manufacturer's Representatives, Book or Advance Salesmen: "Manufacturer's Representatives" and "Book or Advance Salesmen" will be allowed to perform only the following functions in retail food stores covered by this Agreement:

- a. Take orders.
- b. Check code dates and, thereafter, return said merchandise to the shelf in a neat and orderly manner. Remove outdated merchandise from the shelf.
- c. Remove returnable merchandise from a central location in the storage area (backroom) of the store.
- d. Remove from shelves merchandise which has been determined by a manufacturer, processor, supplier or distributor to be contaminated and which, thereby presents a health hazard or which has been ordered removed by a Federal, State or Municipal authority.
- e. Construct, assemble or place mechanical, electric or electronic displays.
- f. Build initial promotional displays at specifically designated locations, not to include normal shelf display, which may include merchandise for selection or pick-up by customers. If such displays require replenishment of merchandise because of customer pick-up, such merchandise replenishment shall be performed by employees covered by this Agreement.

This will not preclude the Employer from utilizing the services of individuals not covered by this Agreement, including, but not limited to "Book or Advance Salesmen", outside suppliers, employees, etc., to perform any necessary work in the store in conjunction with the opening of a new store, remodeling or extensive re-merchandising of an existing store (or part thereof).

2. Driver Salesmen: Driver-Salesmen may perform any work that is necessary to merchandise the merchandise that their Company supplies a store with, including but not limited to ordering, stocking, pricing, rotating of such merchandise, building of displays, etc., at the time of their delivery of such merchandise. Driver-Salesmen will not be permitted to make call-backs for the purpose of merchandising food merchandise that has been stored in the store.

The above understanding and clarifications will not alter in any respect the Industry's prevailing practices with respect to the merchandising of soft drink, beer and ale products, and ice cream.

MEMORANDUM OF UNDERSTANDING
RESOLUTION OF UNIT CLARIFICATION - PETITION No. 19-UC-534

Pioneer Select Market and United Food and Commercial Workers Local No. 367, agree that, Notwithstanding the prior practice of the application of Article 1.1 of the Agreement, the following exemptions shall not be required to be members of the Union nor shall they be covered by the terms of the Agreement:

1. Pioneer Select Market shall be allowed three (3) exemptions per store, in addition to the two owners, who, pursuant to the historical practice of the parties are permitted to perform bargaining unit work without restrictions.

2. The parties agree that selection of all such exemptions are at the sole discretion of the Employer and their assignments shall be at the sole discretion of the Employer."

LETTER OF UNDERSTANDING #1
MOST FAVORED NATIONS

This Letter of Understanding is by and between Pioneer Select Market and UFCW Union Local No. 367 and it should be considered as incorporated by reference as part of the Collective Bargaining Agreement that will go into effect on May 3 , 2020. The Agreement is as follows:

Should the Union at any time after the date of this Agreement enter into a renewal agreement, or any extension thereof, covering any grocery store(s) within the geographic area covered by this Agreement based upon a settlement of new terms negotiated after the date of this Agreement which are more advantageous to such grocery store(s), the Employer party to this Agreement shall be privileged to adopt any such settlement into its entirety, provided the Employer has sent written notice to the Union calling the matter to its attention. (N/A to new store openings.)

LETTER OF UNDERSTANDING #2
CORPORATE CAMPAIGN

This Letter of Understanding is by and between Pioneer Select Market and UFCW Union Local No. 367 and it should be considered as incorporated by reference as part of the Collective Bargaining Agreement that will go into effect on May 3, 2020, The Agreement is as follows:

The Employer signatory hereto and the UFCW Locals, during the negotiations for the Clerks and Meat Cutters Agreement in Puget Sound, believe they have a good faith working relationship and will not take any action to depart from that relationship or take any action inconsistent with maintaining that relationship. Consistent with its duty of fair representation under the Agreements and their grievance procedures, UFCW Local No. 367 and UFCW Local No. 367 will not be a party to, instigate or support class action litigation (except charges with the National Labor Relations Board) or engage in any type of corporate campaign against any involved Employer.

It is also recognized that various monies from the Local Unions are paid to UFCW International Union funds. The Local does not control such funds. Consequently, the UFCW International Union's use of those funds for purposes contrary to this Agreement will not be a violation of this Agreement.

LETTER OF UNDERSTANDING #3
DUES CHECK-OFF

1. Add initiation and uniform dues through payroll deduction as follows:
 - a. **Union Dues Check-Off:** On a monthly basis the Employer agrees to deduct uniform dues and initiation fees from the paycheck of those covered employees whose individual written unrevoked authorizations are on file with the Employer and to transmit the amounts so deducted to the Union within twenty (20) days of such deductions. Said deduction authorizations shall be in such form as to conform with Section 302(c) of the *Labor Management Relations Act of 1947*. Union dues will be deducted from employee paychecks on a prorated weekly basis instead of once a month all at once from one paycheck.
 - b. Authorized initiation fees will be deducted in three (3) equal installments and remitted to the Local Union monthly.
 - c. It is understood the Employer is not liable in any manner if the employee is not on the payroll at the time deductions are being processed.
 - d. **Indemnify and Hold Harmless:** The Union shall indemnify and hold the Company harmless against any and all claims, demands, suits or other forms of liability that shall arise out of or by reason of action taken or not taken by the Company in reliance upon signed authorization cards furnished to the Company by the Union or for the purpose of complying with any of the provisions of this Letter of Understanding.
2. The involved Employer shall be granted a reasonable period to adopt administrative and payroll procedures to accommodate this agreement.
3. **Active Ballot Club:** For employees who voluntarily authorize a contribution to the UFCW Active Ballot Club political action committee, the Employer agrees to deduct the authorized amount each payroll period on a payroll deduction basis and forward same to the union monthly.

LETTER OF UNDERSTANDING #4
OPTIONAL VOLUNTARY BUYOUT

The parties agree that the Employer may offer voluntary buyout opportunities to employees at any time(s) during the term of this agreement. In the event such voluntary buyouts are offered during the term of this agreement, the Company agrees to provide advance notice to the Union concerning the buyout components, the terms of the offer(s), and the timing of any offering(s), and to allow the Union to attend employee meetings regarding this issue.

BAKE-OFF ADDENDUM AGREEMENT

GROCERY
RAYMOND/SOUTH BEND

This is to confirm our understanding that employees performing work under the above-referenced Labor Agreement shall be covered by all terms and conditions of the Raymond/South Bend Grocery Agreement between Pioneer Select Market and United Food and Commercial Workers Union Local No. 367, executed with the following exceptions:

ARTICLE 1
RECOGNITION AND BARGAINING UNIT

1.1 Pioneer Select Market hereby recognizes during the term of this Agreement, United Food and Commercial Workers Union No. 367, chartered by the United Food and Commercial Workers International Union, AFL-CIO & CLC as the sole and exclusive collective bargaining agency for a unit consisting of all Bake-Off Department employees employed by it in its present and future Raymond/South Bend, Washington Retail Food Stores with respect to rates of pay, hours and other conditions of employment, except and excluding the Department Manager, Store Director, Grocery and Produce Department employees, Meat Department employees, janitors, professional employees, confidential employees, office clerical employees, guards, watchmen and supervisors, as defined in the National Labor Relations Act, as amended.

DEFINITION OF BAKE-OFF

A shop will be considered a Bake-Off covered under this Agreement if it is producing less than 45% of the product from scratch dough.

ARTICLE 3
SENIORITY

Bake-Off employees shall be considered as a separate classification under the seniority provisions of the Agreement in accordance with the terms and provisions of Article 3 - Seniority and Available Hours.

ARTICLE 5
HOURS OF WORK AND OVERTIME

5.9.3 An Employer will utilize qualified employees from other classifications within the store, when available, to relieve "Bake-Off employees" during lunch periods.

BAKE-OFF WAGE CLASSIFICATIONS

Classifications	Current	5/5/19	1/1/20	5/3/20	1/1/21[^]	5/2/21[^]	1/1/22[^]
Journeyman	\$16.30	\$16.90	\$16.90	\$17.50	\$17.50	\$18.10	\$18.10
	Current	5/5/19	1/1/20	5/3/20	1/1/21[^]	5/2/21[^]	1/1/22[^]
Next 520	12.80	12.80	14.30	14.30			
Next 1040 hrs.	12.70	12.70	14.20	14.20			
Next 1040 hrs.	12.60	12.60	14.10	14.10			
Next 1040 hrs.	12.50	12.50	14.00	14.00			
Next 1040 hrs.	12.40	12.40	13.90	13.90			
Next 1040 hrs.	12.30	12.30	13.80	13.80			
Next 1040 hrs.	12.20	12.20	13.70	13.70			
1 st 1040 hrs.	12.10	12.10	13.60	13.60			

[^]Wage rates TBD based on minimum wage at that time.

In no event shall any wage classification be less than ten cents (10¢) per hour above the then current Washington State minimum wage. Effective January 1, 2016, each rate will be at least ten cents (10¢) per hour higher than the previous rate in the progression schedule.

All wage increases shall be across the board so that employees paid above scale will receive the wage increases. The exceptions to this rule are (a) employees being paid an over scale rate due to an increase in the Washington State minimum wage and (b) employees who have transferred into another classification and have had their wage rate frozen at an above-scale level.

ADDENDUM AGREEMENT

By and Between
Pioneer Select Market
and
United Food & Commercial Workers Union Local No. 367

Bake-Off/Deli Agreement
5/7/20 – 5/2/23

This is to confirm our understanding that employees performing work under the above-referenced Labor Agreement shall be covered by all terms and conditions of the Pacific County Grocery Agreement between Pioneer Select Market and United Food and Commercial Workers Union Local 367, executed with the following exceptions.

ARTICLE 1 RECOGNITION AND BARGAINING UNIT

1.1 Pioneer Select Market hereby recognizes during the term of this Agreement, United Food and Commercial Workers Union Local No. 367, chartered by the United Food and Commercial Workers International Union, AFL-CIO & CLC as the sole and exclusive collective bargaining agency for a unit consisting of all Bake-Off/Deli Department employees employed by it in its present and future Pacific County, Washington Retail Food Stores with respect to rates of pay, hours and other conditions of employment, except and excluding the Department Manager, Store Director, Grocery and Produce Department employees, Meat Department employees, janitors, professional employees, confidential employees, office clerical employees, guards, watchmen and supervisors, as defined in the National Labor Relations Act, as amended.

DEFINITION OF BAKE-OFF

A shop will be considered a Bake-Off/Deli covered under this Agreement if it is a combination Delicatessen and Bake-Off Bakery and producing less than 10% of their bakery product from scratch dough. Products produced from mixes will be considered made from scratch for purposes of this Agreement.

ARTICLE 3 SENIORITY

Bake-Off/Deli employees shall be considered as a separate classification under the seniority provisions of the Agreement in accordance with the terms and provisions of Article 3 - Seniority and Available Hours.

ARTICLE 5
HOURS OF WORK AND OVERTIME

Amended by substituting the following Sections for Section 5.3 and 5.5.

5.3 All hours worked in excess of eight (8) hours per day and forty (40) hours per week shall be paid for at the rate of time and one-half (1-1/2) the employee's regular straight-time hourly rate of pay. Where six (6) days, Monday through Saturday are worked in any one (1) week, time and one-half (1-1/2) the employee's regular straight-time hourly rate of pay shall be paid for work on the day the least number of hours are worked.

5.5 Premium Work: Work performed by employees on any of the following days or between the hours specified below shall be considered as premium work and paid for according to the premium rates set forth herein:

5.5.1 Employees hired prior to January 27, 2011, (date of ratification) shall continue to receive 1.2 times the straight-time hourly rate for all hours worked on Sunday. Employees hired on or after January 27, 2011, (date of ratification) shall receive \$1.00 per hour over the employee's regular straight-time wage rate for all hours worked on Sunday.

5.5.2 Holidays: Time worked on any holiday specified in this Agreement shall be paid for at time and one-half (1-1/2) the employee's regular straight time hourly rate of pay, in addition to any holiday pay to which the employee is otherwise entitled under the holiday provisions of Article 7 of this Agreement. This clause does not apply to the employee's personal holiday.

5.5.3 Night Premium Pay: All hours of work performed between the hours of 6:00 p.m. and 6:00 a.m. shall be compensated for at the night premium rate of twenty cents (20¢) per hour in addition to the employee's regular straight time hourly rate of pay.

5.5.4 No Pyramiding: There shall be no compounding or pyramiding of premium pay and overtime pay and only the highest applicable rate shall be paid for an hour of work performed under this Agreement.

5.9.3 An Employer will utilize qualified employees from other classifications within the store, when available, to relieve "Bake-Off/Deli employees" during lunch periods.

ARTICLE 6
CLASSIFICATIONS AND MINIMUM RATES OF PAY

ARTICLE 14
RETIREMENT PROGRAM

Section 14 of the Pacific County Grocery Agreement between Pioneer Select Market and United Food and Commercial Workers Union Local 367 applies in its entirety, subject to the contribution rates to the Sound Retirement Fund and the Variable Annuity Fund under this Addendum. 14.5

Employers will contribute into the Sound Retirement Trust in accordance with the Rehabilitation Plan of the Sound Retirement Trust Preferred Schedule adopted by the Board of Trustees as updated December, 2019, in the following amounts:

2019 RP/ Appendix C /Table 4	Pioneer Select Markets - Low Rate	Pioneer Select Markets - Mid Rate	Pioneer Select Markets - High Rate	Pioneer Select Markets - Meat Wrappers
Current CBA Period	5/2017-5/2020	6/2017-6/2020	6/2017-6/2020	3/2017-3/2020
Accrual Rate	0.250	0.250	0.550	0.45
Pre-Rehab Rate	0.100	0.100	0.100	0
Current Rehab Rate	1.484	1.484	1.484	0.914
Non-benefit redirect from retiree welfare	0.01	0.01	0.01	0.01
TOTAL	1.844	1.844	2.144	1.374
Jan 2021 Rehab Rate	1.620	1.620	1.620	0.99
July 2021 Rehab Rate	1.720	1.720	1.720	1.09
Jan 2022 Rehab Rate	1.856	1.856	1.856	1.166
July 2022 Rehab Rate	1.956	1.956	1.956	1.266
Jan 2023 Rehab Rate	2.092	2.092	2.092	1.342
July 2023 Rehab Rate	2.192	2.192	2.192	1.442
Jan 2024 Rehab Rate	2.222	2.222	2.222	1.472

The pre-PPA supplemental contribution is based on the parties' pension agreement.

14.18 Variable Annuity Plan.

14.18.1 The Employer will contribute .40 for each eligible active participant to the VAP, commencing with the VAP effective date Contributions will be made on behalf of current active

employees and future newly hired employees in classifications for whom contributions have been made under the current collective bargaining agreement. Salary shall be gross wages per payroll period. Contributions shall be remitted monthly.

BAKE-OFF/DELI WAGE RATES

Classifications	Current	5/5/19	1/1/20	5/3/20	1/1/21[^]	5/2/21[^]	1/1/22[^]
Journey person	\$16.30	\$16.90	\$16.90	\$17.50	\$17.50	\$18.10	\$18.10
Next 520	12.80	12.80	14.30	14.30			
Next 1040 hrs.	12.70	12.70	14.20	14.20			
Next 1040 hrs.	12.60	12.60	14.10	14.10			
Next 1040 hrs.	12.50	12.50	14.00	14.00			
Next 1040 hrs.	12.40	12.40	13.90	13.90			
Next 1040 hrs.	12.30	12.30	13.80	13.80			
Next 1040 hrs.	12.20	12.20	13.70	13.70			
1 st 1040 hrs.	12.10	12.10	13.60	13.60			

[^]Wage rates TBD based on minimum wage at that time.

In no event shall any wage classification be less than ten cents (10¢) per hour above the then current Washington State minimum wage. Effective January 1, 2016, each rate will be at least ten cents (10¢) per hour higher than the previous rate in the progression schedule.

All wage increases shall be across the board so that employees paid above scale will receive the wage increases. The exceptions to this rule are (a) employees being paid an over scale rate due to an increase in the Washington State minimum wage and (b) employees who have transferred into another classification and have had their wage rate frozen at an above-scale level.

ADDENDUM AGREEMENT
By and Between
PIONEER SELECT MARKET
AND
UNITED FOOD AND COMMERCIAL WORKERS UNION LOCAL NO. 367
SNACK BAR, TAKE-OUT FOOD, DELI DEPARTMENT, SALAD BAR AND FLORAL
ADDENDUM AGREEMENT

This Addendum Agreement is entered into by and between Pioneer Select Market hereinafter referred to as the “Employer” and the United Food and Commercial Workers Union Local No. 367 hereinafter referred to as the “Union.”

It is understood and agreed by the Employer and the Union that the provisions of the Union’s 2020–2023 food Agreement with Pioneer Select Market hereinafter referred to as the “Agreement” which has an effective date of May 7, 2020, and an expiration date of May 2, 2023, will be fully applicable to the Snack Bar, Take-Out Food, Deli Department, Salad Bar and Floral Department employees employed by the Employer in its Pacific County Retail Food Stores, except as specifically amended and/or modified below:

ARTICLE 1
RECOGNITION AND BARGAINING UNIT

Amended to read as follows:

1.1 Pioneer Select Market hereby recognizes during the term of this Agreement, United Food and Commercial Workers Union Local No. 367, chartered by the United Food and Commercial Workers International Union, AFL-CIO, CLC as the sole and exclusive collective bargaining agency for a unit consisting of all Snack Bar, Take-Out Food, Deli Department, Salad Bar and Floral Department employees employed by it in its present and future Pacific County Washington Retail Food Stores with respect to rates of pay, hours and other conditions of employment, except and excluding the Department Manager, Store Director, Grocery and Produce Department employees, Bakery Sales Department employees Bakery Production Department Employees, Meat Department employees, janitors, professional employees, confidential employees, office clerical employees, guards, watchmen and supervisors, as defined in the National Labor Relations Act, as amended.

ARTICLE 5
HOURS OF WORK AND OVERTIME

Amended by substituting the following Sections for Section 5.3 and 5.5.

5.3 All hours worked in excess of eight (8) hours per day and forty (40) hours per week shall be paid for at the rate of time and one-half (1-1/2) the employee's regular straight-time hourly rate of pay. Where six (6) days, Monday through Saturday are worked in any one (1) week, time and

one-half (1-1/2) the employee's regular straight-time hourly rate of pay shall be paid for work on the day the least number of hours are worked.

5.5 Premium Work: Work performed by employees on any of the following days or between the hours specified below shall be considered as premium work and paid for according to the premium rates set forth herein:

5.5.1 Sunday Premium: All hours of work performed on a Sunday shall be compensated for at the rate of 1.2 the employee's regular straight-time hourly rate of pay. Employees hired on or after May 1, 2011, shall receive \$1.00 per hour over the employee's regular straight-time wage rate for all hours worked on Sunday. The employee in charge of the store shall be paid fifty (50¢) per hour in addition to the applicable rate while in charge. However, any hour paid at time and one-half (1-1/2) or greater on Sunday shall not count as qualifying hour for daily or weekly overtime.

5.5.2 Holidays: Time worked on any holiday specified in this Agreement shall be paid for at time and one-half (1-1/2) the employee's regular straight time hourly rate of pay, in addition to any holiday pay to which the employee is otherwise entitled under the holiday provisions of Article 7 of this Agreement. This clause does not apply to the employee's personal holiday.

5.5.3 Night Premium Pay: All hours of work performed between the hours of 6:00 p.m. and 6:00 a.m. shall be compensated for at the night premium rate of twenty cents (20¢) per hour in addition to the employee's regular straight time hourly rate of pay.

5.5.4 No Pyramiding: There shall be no compounding or pyramiding of premium pay and overtime pay and only the highest applicable rate shall be paid for an hour of work performed under this Agreement.

ARTICLE 6 - CLASSIFICATIONS AND MINIMUM RATES OF PAY

Shall be amended by deleting Section 6.2.2 and Section 6.5.

ARTICLE 14 RETIREMENT PROGRAM

Section 14 of the Pacific County Grocery Agreement between Pioneer Select Market and United Food and Commercial Workers Union Local 367 applies in its entirety, subject to the contribution rates to the Sound Retirement Fund and the Variable Annuity Fund under this Addendum.

14.5 Employers will contribute into the Sound Retirement Trust in accordance with the Rehabilitation Plan of the Sound Retirement Trust Preferred Schedule adopted by the Board of Trustees as updated December, 2019, in the following amounts:

2019 RP/ Appendix C /Table 4	Pioneer Select Markets - Low Rate	Pioneer Select Markets - Mid Rate	Pioneer Select Markets - High Rate	Pioneer Select Markets - Meat Wrappers
Current CBA Period	5/2017-5/2020	6/2017-6/2020	6/2017-6/2020	3/2017-3/2020
Accrual Rate	0.250	0.250	0.550	0.45
Pre-Rehab Rate	0.100	0.100	0.100	0
Current Rehab Rate	1.484	1.484	1.484	0.914
Non-benefit redirect from retiree welfare	0.01	0.01	0.01	0.01
TOTAL	1.844	1.844	2.144	1.374
Jan 2021 Rehab Rate	1.620	1.620	1.620	0.99
July 2021 Rehab Rate	1.720	1.720	1.720	1.09
Jan 2022 Rehab Rate	1.856	1.856	1.856	1.166
July 2022 Rehab Rate	1.956	1.956	1.956	1.266
Jan 2023 Rehab Rate	2.092	2.092	2.092	1.342
July 2023 Rehab Rate	2.192	2.192	2.192	1.442
Jan 2024 Rehab Rate	2.222	2.222	2.222	1.472

14.18 Variable Annuity Plan.

14.18.1 The Employer will contribute the base rates set forth below for each eligible active participant to the VAP, commencing with the VAP effective date:

	Appendix A Including Red Circled Appendixes B & C	Appendix B & C Except Red Circled	Helper Clerks And Courtesy Clerks
Base	\$0.55	\$0.40	\$0.25

Contributions will be made on behalf of current active employees and future newly hired employees in classifications for whom contributions have been made under the current collective bargaining agreement. Salary shall be gross wages per payroll period. Contributions shall be remitted monthly.

SNACK BAR, TAKE-OUT FOOD, DELI DEPARTMENT,
SALAD BAR and FLORAL DEPARTMENT
ADDENDUM AGREEMENT

WAGE CLASSIFICATIONS

Classifications	Current	5/5/19	1/1/20	5/3/20	1/1/21 [^]	5/2/21 [^]	1/1/22 [^]
Journey person	\$16.30	\$16.90	\$16.90	\$17.50	\$17.50	\$18.10	\$18.10
Next 520	12.80	12.80	14.30	14.30			
Next 1040 hrs.	12.70	12.70	14.20	14.20			
Next 1040 hrs.	12.60	12.60	14.10	14.10			
Next 1040 hrs.	12.50	12.50	14.00	14.00			
Next 1040 hrs.	12.40	12.40	13.90	13.90			
Next 1040 hrs.	12.30	12.30	13.80	13.80			
Next 1040 hrs.	12.20	12.20	13.70	13.70			
1 st 1040 hrs.	12.10	12.10	13.60	13.60			

[^]Wage rates TBD based on minimum wage at that time.

In no event shall any wage classification be less than ten cents (10¢) per hour above the then current Washington State minimum wage. Effective January 1, 2016, each rate will be at least ten cents (10¢) per hour higher than the previous rate in the progression schedule.

All wage increases shall be across the board so that employees paid above scale will receive the wage increases. The exceptions to this rule are (a) employees being paid an over scale rate due to an increase in the Washington State minimum wage and (b) employees who have transferred into another classification and have had their wage rate frozen at an above-scale level.

The parties hereby agree to the following:

Memorandum of Understanding: Manufactures Representatives Book or Advanced Salesmen
Memorandum of Understanding: Resolution of Unit Clarification - Petition #19-UC-534
Letter of Understanding #1: Most Favored Nations
Letter of Understanding #2: Corporate Campaign
Letter of Understanding #3: Dues Check-Off
Letter of Understanding #4: Optional Voluntary Buyout
Bake-Off Addendum Agreement
Addendum Agreement: Bake-Off/Deli Agreement
Addendum Agreement: Snack Bar, Take-Out Food, Deli, Salad Bar and Floral Department

David W. Duncan, Esq.
On behalf Pioneer Select Market

UFCW Union Local No. 367

David W. Duncan, Esq. Date

Angel F. Gonzalez Irizarry, President Date