

**Local**

3/1/20 - 2/28/23

Wage & Working Agreement

Aberdeen Office Equipment

322 East First Street

Aberdeen, WA 98520

**United Food** & **Commercial Workers Union Local 367 6403 Lakewood Drive W., Tacoma, WA98467**

**1-253-589-0367 or 1-800-562-3645**

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3/1/20- 2/28/23

ABERDEEN OFFICE EQUIPMENT

WAGE & WORKING AGREEMENT

This Agreement is mutually made and entered into by and between Aberdeen Office Equipment, hereinafter referred to as the “Employer’ and the United Food and Commercial Workers Union Local No. 367 of Tacoma, Washington, chartered by the United Food and Commercial Workers International Union, CLC, hereinafter referred to as the “Union”.

**SECTION 1**

**Jurisdiction and Union Security**

1.01 The employees under the jurisdiction of the Union are those employees of the Employer engaged in selling merchandise, office work and stock room work. Those employees exempt from the Union’s jurisdiction are: the owner-manager (in the case of equal cooperative partnerships, not more than two (2) persons shall be classified as management exemptions), supervisors and confidential employees as defined by the Act of 1947, employees covered under other collective bargaining agreements, casual employees, and other exemptions agreed upon between the parties in writing.

1.02 The Employer recognizes the Union as the sole collective bargaining agent for its employees coming under the Union’s jurisdiction.

1.03 All employees not holding membership in the Union at the time of their employment shall become and remain members of the Union thirty-one (31) days from the date of their employment as a condition of their continued employment.

1.04 The Employer agrees not to keep in his employ those under the Union’s jurisdiction whose membership in the Union has been terminated because of failure to tender periodic dues or initiation fees uniformly required as a condition of acquiring or retaining membership in the Union.

1.05 All employees failing or refusing to secure or retain membership in the Union as provided above shall, upon written demand of the Union, be released from the employ of the Employer.

1.06 Any person or persons operating but not owning a permanent concession (in Union store) in which no salespeople are employed shall be members of the Union.

1.07 The Employer agrees to furnish the Union and each employee a notice outlining the provisions of Section 1. The original of such notice shall be delivered to the Union and the first copy to the employee not later than fifteen (15) days following the date of employment. This form shall be supplied by the Union.

1.08 Casual employees are excluded from the bargaining unit. A casual employee is defined as an employee hired for temporary or seasonal employment for a period less than forty-six (46) consecutive calendar days. No casual employees shall be rehired by the same Employer until after thirty (30) days following the termination of employment unless such rehiring is within forty-five (45) days from the initial hiring. In such latter event, such casual employee shall not be employed beyond forty-five (45) days from the initial hiring date.

1.09 High school and full-time college students shall be excluded from the bargaining unit provided, there shall be no more than one (1) such employee for every three (3) salespersons/office clerk employees.

**SECTION 2**

**Hours of Work**

2.01 Forty (40) hours per week, consisting of five (5) days of eight (8) consecutive hours each (exclusive of a lunch period) shall constitute the maximum straight-time work week.

2.02 All time worked in excess of eight (8) hours per day, forty (40) hours per week or on the sixth (6th) day in any one week (Monday through Saturday) shall be paid for at the rate of time and one-half (1-1/2).

2.03 All work performed on Sunday shall be paid at the rate of twice the regular rate of pay, except (1) for any Sundays worked after Thanksgiving and through December 31, and (2) Employees who are especially employed for Sunday work and that is understood at the time of their employment. Sunday work performed pursuant to the aforesaid exceptions shall be paid at the rate of one and one-half (1-1/2) times the employee’s regular rate of pay. An Employer may request but may not require an employee to work on Sunday except for those employees who are especially employed for Sunday work.

2.04 Employees shall not be permitted to take time off in lieu of receiving overtime pay.

2.05 Bona fide students employed while attending school during a regular school term (which does not include vacations unless otherwise agreed) may work six (6) days per week at straight-time. This may be done only by written agreement between the Employer, the affected employee, and the Union.

2.06 The Employer has the right to schedule the employee’s day off. Before any change is made in an employee’s days off schedule, notice of such change shall be given in the prior week except in case of emergency, or where the change is mutually agreed upon by the Employer and the affected employee.

2.07 All employees shall be placed on a schedule of hours which shall be posted by the close of business the Thursday preceding the start of the workweek. There shall be no change in the work schedule except in cases of emergency or where the change is mutually agreed upon by the Employer and the affected employee.

2.08 An “emergency” is an unusual or abnormal condition beyond the Employer’s control and a condition beyond his reasonable power to remove or overcome.

2.09 All employees called or scheduled to work shall be guaranteed four (4) hours’ work or equivalent compensation if such employee has four (4) hours’ time available.

2.10 All hours of employment shall be consecutive, except for rest periods and meal periods. Employees shall continue to properly serve the trade in the store at the time of closing.

**SECTION 3**

**Holidays**

3.01 Holiday pay shall be given to eligible employees for the following holidays:

New Year’s Day (January 1)

President’s Day (3rd Monday in February)

Memorial Day (Last Monday in May)

Independence Day (July 4)

Labor Day (1st Monday in September)

Thanksgiving Day (4th Thursday in November)

Christmas Day (December 25)

One (1) Personal Holiday

Martin Luther King Day\*

\*This holiday will be observed on either the Friday proceeding the holiday or the Monday Holiday. By seniority, employees shall select the day they wish to observe the holiday with no more than 50% of the employees off on either Friday or Monday to ensure proper levels of staffing for the store to remain open for business.

3.02 If any of the above-named holidays fall on Saturday the preceding Friday shall be recognized as the holiday. If the holiday falls on a Sunday, the following Monday shall be substituted as the holiday.”

3.03 The Personal Holiday shall be taken at any time mutually agreeable to the Employer and the employee.

3.03.1 Employees with twelve years or more of service shall receive two longevity based personal holidays per year. Employees with sixteen years or more of service shall receive three additional (for a total of five) longevity based personal holidays per year. These personal holidays may only be taken in one or two day increments. Upon mutual agreement between the Employer and employee, these days may be added to scheduled vacation periods.

3.04 To be eligible for holiday pay, an employee shall have worked his last scheduled workday before, and his first scheduled workday following such holiday, provided that the employee has worked within the seven (7) calendar days preceding the holiday or within seven (7) calendar days following the holiday. The Employer may waive any of the foregoing requirements.

3.05 Any employee who does not qualify for a holiday because he did not work his last scheduled workday before the holiday and/or his first scheduled workday following the holiday, because of illness or accident, shall be excused from such requirement as the result of such illness or accident, upon giving his Employer a true and satisfactory explanation of such illness or accident.

3.06 An Employer may request, but may not require, an employee to work on a contract holiday. If an employee works on a contract holiday, he shall be paid at the rate of time and one-half (1-1/2) and shall receive in addition thereto his contract holiday pay.

3.07 Holiday pay for hourly employees shall be computed based on the average number of hours worked per day during the employee’s last eight (8) weeks or since date of hire, whichever period is the shorter. Holiday pay for hourly employees will be paid at their current hourly rate. Any employee who works five (5) days in a week, in which any of the above-named holiday’s fall, shall receive six (6) day’s pay at the straight-time rate.

3.08 When a holiday falls during an employee’s vacation, his vacation shall be extended one (1) day, or he may be paid an extra day’s pay if he does not take the time off.

3.09 If an employee works on a contract holiday, he shall be paid at the rate of time and one-half (1-1/2) and shall receive in addition thereto his contract holiday pay. Work on any and all holidays shall be offered based on the employee’s seniority. In the event the Employer is unable to fill the work schedule, then the Employer shall have the right to schedule by inverse seniority.

3.10 Any employee laid off a day prior to or the day following any of the said holidays shall receive his regular holiday pay, provided he would otherwise be entitled to such pay.

**SECTION 4**

**Vacations**

4.01 All employees shall receive one (1) week vacation with pay after one (1) year continuous service with the Employer. All employees shall receive two weeks’ vacation with pay after two (2) years continuous service with the Employer. All employees shall receive three (3) weeks’ vacation with pay after eight (8) years’ continuous service with the Employer.

4.02 Vacations may be taken at any time during the year at such times as shall be mutually agreed upon between the Employer and the affected employee, giving due regard to the Employer’s seasonal requirements and other employees on vacation.

4.03 Employees may be permitted to take vacation weeks consecutively, but with the clear understanding that this is not to interfere with the Employer’s right to determine the number of employees in a given department, if any, who can be on vacation in any particular week.

4.04 Preference of vacation dates shall be determined by seniority with an Employer, provided such precise vacation dates are requested by May 1 of each year.

4.05 Vacation pay for hourly employees shall he computed by averaging their total compensable hours in their most recent anniversary year, applying them to the vacation schedule and multiplying by the rate of pay in effect at the time the vacation is taken. Vacation pay must be paid at the time the employee leaves the store to go on vacation.

4.06 All commission employees will receive their last year’s (anniversary year) average weekly earnings for their vacation pay. Excluded from this average earnings are such things as p.m.’s, spiffs, etc. Vacation pay for commission employees shall be computed by averaging their total earnings in the fifty-two (52) weeks prior to their most recent anniversary date, arriving at a weekly rate and applying it toward the vacation schedule.

4.07 Time loss from employment because of illness or accident (not in excess of thirty (30) days each year), holidays and vacations shall be considered as time worked for the purpose of computing paid vacations.

4.08 If, after one (1) or more years’ service, the employee’s services are terminated, he shall be paid for vacation time earned on a pro rata basis of one (1) day for each ten (10) weeks work for which vacation time has not been paid or awarded. Employees eligible for a two (2) week vacation at the time of termination shall receive one (1) days’ vacation for each five (5) weeks’ work for which vacation time has not been paid or awarded. All employees shall receive three (3) weeks’ vacation with pay after eight (8) years’ continuous service with the Employer.

**SECTION 5**

**Sick Leave**

5.01 After two (2) years’ continuous employment, employees will be eligible for paid sick leave under the following conditions:

Sick leave will accrue at the rate of five (5) days per year. Sick leave will not roll over to the next year. Maximum five (5) days (prorated for part-time).

Sick leave is available to be used for personal illness or injury preventing the employee from working for a minimum of three (3) consecutive days, or for a doctor’s appointment (maximum four (4) per year). Employees are expected to return to work.

Sick leave will work concurrent with the Trusts Health & Welfare benefit and the difference in pay rate will be paid.

Employees must provide a doctor’s note or other documentation as evidence of illness or injury.

All accumulated sick leave pay is forfeited upon termination of employment.

Any abuse of sick leave shall be grounds for discipline, up to and including termination.

An employee may also use this leave to care for a child of the employee with a health condition which requires treatment or supervision, or a spouse, parent, parent-in-law, or grandparent of the employee who has a serious health condition or an emergency condition.

**SECTION 6**

**Wages**

6.01 The wages contained in Appendix “A” attached hereto shall constitute the minimum wages to be paid to the employees covered by this agreement and shall be on an hourly basis.

6.02 Past experience for the purposes of determining the wage bracket for a new employee shall be known or provable experience in the same classification or department, and within the previous five (5) years prior to the employment, providing that a new experienced employee may be started at the next lower bracket, for which he would otherwise qualify, for a period not to exceed thirty (30) days.

6.03 Written statements or check stubs shall be furnished to all employees, showing dates of pay period, straight-time and overtime hours worked, hourly rate of pay, gross earnings, deductions, and net earnings.

6.04 In case of retroactive pay at any time, all employees working during the period covered by retroactive pay must be paid same, although employees may not be on the payroll at the time of payment of same, providing the employee or his agent makes claim within forty-five (45) days of the signing of this agreement.

6.05 One hundred seventy-three (173) hours of work shall equal one (1) month.

6.06 No employee shall suffer any reduction in hourly pay, unless there is a change in job classification. An apprentice transferred from one department to another shall continue to receive the annual or periodical wage increase until he receives journeyperson’s wages. Any journeyperson transferred from one department to another shall suffer no reduction in pay.

6.07 When a new department and/or job classification is established by the Employer for which no rate of pay is provided for within this agreement. The Employer agrees to meet with the Union, upon its request, for the purpose of negotiations for a wage rate of such classification. The wage rate agreed upon as the result of such negotiations shall be effective from the date of the establishment of the new department and/or job classification. If agreement between the parties is not reached within thirty (30) days from the date of the Union’s request for such negotiations, the matter may be referred by either party to the arbitration procedure as set forth in this agreement, and the decision resulting therefrom shall be binding upon the parties for the remaining term of this agreement.

**SECTION 7**

**General Provisions**

7.01 Any condition or provision herein contained relative to a wage paid to any employee contrary to the terms and conditions contained in the Fair Labor Standard Acts of 1938, as amended, shall be void and of no force and effect, but shall be superseded by the pertinent provisions controlling such wage payment as contained in said Act.

7.02 When employees are requested and authorized to use personal cars on company business, they shall be paid the current IRS mileage rate. (57.5¢ /mile)

7.03 Aprons, uniforms, or other special wearing apparel, not suitable for street wear, required by the Employer of his employees shall be furnished and laundered by the Employer.

7.04 The Union shall 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.

7.05 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.

7.06 The Union shall advance the interest of the Employer through advertising and other means that will result in the patronage of the store.

7.07 Where an Employer requires bonding of an employee, or the carrying of any insurance for the indemnification of the Employer, the premiums for the same shall be paid by the Employer.

7.08 Each employee shall receive a rest period on the Employer’s time of fifteen (15) minutes’ duration during the longest of his two (2) daily periods of continuous employment, or if he be employed for but a single period of continuous employment, then during such period. If an employee’s shift is in excess of seven and one-half (7-1/2) hours per day, he shall receive two (2) rest periods of fifteen (15) minutes’ duration each. Such rest periods shall be as close as practicable to the middle of the appropriate period of continuous employment, but at such time as the Employer shall direct.

7.09 No employee shall be allowed to work more than five (5) consecutive hours without a meal period. Employees shall be provided a meal period of not less than thirty (30) minutes nor more than one (1) hour. Meal periods shall be on the Employer’s time when the employee is required by the Employer to remain on the premises or at a prescribed work site in the interest of the Employer.

7.10 The Employer shall furnish to the Union, on demand, such information as the law requires the Employer to give to the Union regarding wages and hours as maybe necessary to properly police this contract.

7.11 A copy of this agreement must be posted on a bulletin board accessible to all employees.

7.12 Employees shall be compensated for attendance for any department or group meeting held for the purpose of imparting information pertaining to merchandise selling techniques, store regulation procedure and/or store policies. Stores are entitled to require attendance at this type of meeting. An employee who is required to attend such meeting on his scheduled day off shall be paid his minimum call-in time of four (4) hours, unless he shall have been scheduled for at least four (4) hours’ work.

7.13 Employees shall not be compensated or required to attend any store meeting for civic or patriotic purposes, such as United Way, U.S. Bond Drives, Red Cross, etc.

**SECTION 8**

**Seniority and Available Hours**

8.01 It is the intent of this agreement and the provision of this article, consistent with efficient scheduling of store hours, to provide whenever possible employment to each employee in the bargaining unit full-time employment to a maximum of forty (40) hours in each work week, consisting of five (5) days per week of eight (8) hours per day. Seniority shall be defined as the accumulated continuous length of employment with the Employer and shall be established by the employee’s last date of hire with the Employer.

8.02 Where there is a reduction of the number of employees, the last employee hired within a department shall be the first employee laid off, provided their qualifications and ability are equal.

8.03 Where there is an increase in the number of employees, the last employee laid off shall be the first employee rehired, provided their qualifications and ability are equal. In cases where two or more employees are laid off on the same day, the senior employee shall be the first rehired.

8.04 Seniority shall be broken, and the employee’s service shall be terminated for the following reasons:

8.04.1 Voluntary quit;

8.04.2 Discharge for reasonable cause;

8.04.3 Absence caused by a layoff in excess of one hundred twenty (120) consecutive calendar days, unless a longer period is agreed upon between the Employer and the Union;

8.04.4 Failure to report to work within seventy-two (72) hours following the Employer’s notification of return to work following a layoff;

8.04.5 Failure to report to work immediately following a leave of absence.

8.05 Part-time employees desiring additional hours of the same kind of work up to full-time employment shall so notify the Employer in writing. The Employer shall utilize the most senior employee before scheduling less senior employees, new hires, or casual employees where such additional work is available at times that part-time employees have available. This provision shall not apply to Christmas extras (those employed between November 15 and December 26).

8.06 It is understood and agreed that the employee will not be entitled to request wages under the provision of this section 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 and the claim in accordance with Section 8.05. If less than three (3) days remain prior to the announcement of the weekly work schedule, the Employer’s liability, if any, for time lost shall commence with the second next work schedule and thereafter until resolved.

8.07 It is understood and agreed that employees who were employed by Aberdeen Office Equipment prior to January 1, 2005 (by the previous owner) will be credited for that past service for purposes of seniority and length of service under the various provisions of this agreement.

**SECTION 9**

**Leave of Absence**

9.01 Employees shall be entitled to a leave of absence without pay for the following bona fide reasons:

9.01.1 Death in the immediate family;

9.01.2 Appearance as a witness in any administrative or judicial hearing upon being subpoenaed therefor;

9.0 1.3 When a male employee’s spouse is giving birth to a child;

9.01.4 Illness or injury of the employee;

9.01.5 Pregnancy;

9.01.6 Serious illness or injury in the employee’s immediate family.

9.02 The length of a leave of absence shall be as follows:

9.02.1 For reasons set forth in 9.01.1, 9.01.2, 9.01.3, for such reasonable period of time as is agreeable to the employer and the employee;

9.02.2 For reasons set forth in 9.01.4 and 9.01.5 for a maximum of nine (9) months. A doctor’s certificate verifying the absence must be furnished if requested by the Employer;

9.02.3 For the reasons set forth in paragraph 9.01.6, a maximum of one month.

9.03 An employee may be granted a leave of absence for any personal reason at the sole discretion of the Employer.

9.04 Any request for a leave of absence shall be in writing and state the following information:

9.04.1 Reason for such request;

9.04.2 Date leave is to begin; and

9.04.3 Date of return.

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

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

9.05.2 The employee who has been on a leave of absence for over one (1) month shall then return to the job previously held or to a job comparable with regard to rate of pay on the third (3rd) weekly schedule prepared after the Employer has received notice in writing of the employee’s availability.

9.05.3 The employee who shall have been on a leave of absence for one (1) month or less 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, provided at least three (3) days remain prior to the posting of the work schedule.

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

**SECTION 10**

**Non-Discrimination**

10.01 No employee shall be discriminated against for upholding Union principles, and any employee working under instructions of the Union or on a committee shall not lose his position or be discriminated against for that reason; provided there shall be no interference with required duties.

10.02 It shall not be cause of discipline or discharge if any employee or employees refuse to go through a legal picket line which has been recognized by the Union.

10.03 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 provisions.

**SECTION 11**

**Apprentice and Combination Employees**

11.01 One (1) apprentice may be employed for each store and one (1) additional apprentice for every three (3) journeyperson salespeople regularly employed. No journeyperson salesperson shall be replaced by an apprentice to avoid paying journeyperson’s wages.

11.02 Any apprentice transferred from one department to another shall continue to receive the scheduled wage increases as provided herein until he receives journeyperson wages.

11.03 Employees assigned to work in departments of different classifications shall be paid the applicable departmental rate, including commissions. This provision does not apply to employees whose work in an additional department is incidental or occasional, such as breaks and lunches.

11.04 Combination employees, those responsible for more than one department at the same time, shall receive the higher wage scale of the applicable departments. This provision does not apply to employees whose work in an additional department is incidental or occasional, such as breaks and lunches.

**SECTION 12**

**Settlement of Disputes**

12.01 All matters pertaining to the proper application and interpretation of any and all of the provisions of this agreement shall be adjusted by the accredited representative of the Employer and the accredited representative of the Union. In the event of the failure of these parties to reach a satisfactory adjustment within seven (7) days from the date of grievance filed in writing by either party upon the other, the matter may be referred by either party for final adjustment to a labor relations committee consisting of two (2) members from the Employer and two (2) members from the Union. In the event the labor relations committee fails to reach an agreement within twenty-one (21) days from the date a grievance is referred to the committee, either party may require and refer the grievance to arbitration by requesting Federal Mediation and Conciliation Service to submit a list of eleven (11) names of qualified arbitrators, from which the parties shall select the arbitrator. The decision of the arbitrator shall be final and binding on all parties. The cost of the arbitrator shall be borne equally by both parties. The labor relations committee as thus constituted and the arbitrator shall have no power to add to, subtract from, or change or modify any provisions of this agreement, but shall be authorized only to interpret the existing provisions of this agreement as they apply to the specific facts of the issue in dispute.

12.02 During the process of making adjustments under the rules and procedures set forth herein, no strikes or lockouts shall occur. No grievance or claim of violation of this agreement shall be recognized unless presented in writing within sixty (60) days from the date of the occurrence causing the complaint or grievance except as provided below.

12.03 No claim or grievance relating to layoff or termination of employment shall be recognized unless presented in writing within twenty (20) days of notification of layoff or termination.

12.04 If any employee receives a paycheck which is inadequate as to the amount for the period covered thereby, such employee shall direct such deficiency to the Employer’s attention within sixty (60) days of receiving said paycheck or his claim is waived. In the event a grievance claim presented is one for additional wages, any such claim shall be limited to additional wages, if any, accruing within the sixty (60) day period immediately preceding the date upon which the grievance was filed in writing.

12.05 The Employer and the Union shall make available each to the other pertinent data necessary for the examination of all circumstances surrounding a grievance upon demand therefor. The arbitrator shall be empowered to effect compliance with this provision by the issuance of appropriate subpoenas *duces tecum* requiring the production of documents as well as other real evidence.

**SECTION 13**

**Health and Welfare**

13.01 The Employer and the Union agree to be bound by the terms of the Trust Agreements which created the Sound Health and Wellness Trust (formerly known as the Retail Clerks Welfare Trust), as initially executed on June 18, 1957, or the Trust Agreement which established the Retail Clerks Retiree Welfare Trust, initially adopted December 3, 1998, as applicable, by 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 Trusts’ Rules and Regulations, the Summary Plan Description, and other pertinent procedures, practices, and Trustee actions. The employer accepts the Employer Trustee members of the Board of Trustees, and their duly appointed successors, as its representatives for purposes of managing the Trust. 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.

13.02 The Employer and the Union agree to be bound by the Health and Welfare and Pension Labor Agreement, effective May 6, 2007, by and between Allied Employers, Inc., and UFCW Union Locals 21, 367, 1439, UFCW International (AFL-CLC), and Teamsters Union Local 38, and by all subsequent revisions or amendments thereto.

13.03 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 and Pension Agreement between Allied Employers, Inc., and various Local Unions dated April 1, 1977, and as subsequently amended.

13.04 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.

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

13.06 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.

13.07 Notwithstanding the foregoing Section, the Board of Trustees 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 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.

13.08 The Employer agrees to pay the cost of maintaining (MOB) the current health and welfare plans for the life of the agreement. The Employer’s hourly contribution rates are listed below.

13.08.1 Effective with October 1, 2019 (“Effective Date”) hours, 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 14.06.8.

13.08.2 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 14.06.8. These amounts are in addition to the employer contributions required under Section 14.06.8. 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 employer’s share 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 2 ½ months of excess reserves before such date.

13.08.3 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 $5.19 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 rate as of such effective date.

13.08.4 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.

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

13.09 The employees shall continue to pay the weekly co-pays for the duration of the agreement.

**SECTION 14**

**Retirement**

14.01 The Employer and the Union agree to be bound by the terms of the Trust Agreement which created the Sound Retirement Trust formerly known as the Retail Clerks Pension Trust as initially executed on January 13, 1966, by 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 Trust’s Plan Document, Summary Plan Description, and other pertinent rules, regulations, and Trustee actions. The Employer accepts the Employer Trustee members of the Board of Trustees, and their duly appointed successors, as its representatives for purposes of managing the Trust. The Union accepts the Labor Organization Trustee members of the Board of Trustees, and their duly appointed successors, as its representatives for the purpose of managing the Trust.

14.02 All contributions shall be paid on compensable hours with a maximum of one hundred seventy-three (173) hours per calendar month per employee.

14.03 The term “compensable hour” shall mean any hour for which any employee receives any compensation required by this Agreement.

14.04 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.

14.05 Notwithstanding the foregoing Section, the Board of Trustees of the Retail Clerks Pension 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 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.

14.06 The provisions of the Grievance Procedure language set forth in this Agreement shall, in no way, apply to or affect the Employer's obligation to pay contributions to this Trust Fund.

14.07 The Employer and the Union agree to be bound by the Health and Welfare and Pension Labor Agreement, effective May 6, 2007, by and between Allied Employers, Inc., and UFCW Union Locals 21, 367, 1439, UFCW International (AFL-CLC), and Teamsters Union Local 38, and by all subsequent revisions or amendments thereto.

14.07.1 The Employer shall pay into the Sound Retirement Trust in accordance with this Section 14.06. Until the effective date of the new future service defined benefit variable plan under Section 14.07, the Employer will continue to make contributions to the Sound Retirement Trust as described in this Article 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.

14.07.2 The parties hereby adopt the Preferred Schedule under the Rehabilitation Plan of the Sound Retirement Trust under Appendix B as revised December, 2019 with the Preferred schedule to be effective with respect to those subject to the terms of this collective bargaining agreement as of the date stated in the Rehabilitation Plan and applicable Schedule and the Employer shall contribute in accordance with such Schedule.

14.07.3 Upon the effective date of the new future service defined benefit variable plan under Section 14.07, 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 this Section.

14.07.4 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.

14.07.5 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.

14.07.6 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.

14.07.7 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 or the UFCW Consolidated Fund does not approve the global solution, the bargaining parties will meet to discuss other alternatives.

14.07.8 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.

14.07.9 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. (Subject to final agreement on the details of any Kroger transaction.)

14.7.10 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.

14.07.11 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.

14.08 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.

14.08.1 The Employer will contribute Fifty-Five cents ($0.550) for each eligible active participant to the VAP, commencing with the VAP effective date. Salary shall be gross wages per payroll period. 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. Contributions shall be remitted monthly, in the same manner as they have been made to the SRT.

14.08.2 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.

14.08.3 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.

14.08.4 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 earnings 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.

14.08.5 The Employer agrees to promptly provide, on a periodic basis, such salary data for employees intended to be covered by the VAP to alow 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.

14.08.7 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 13.08.4.

**SECTION 15**

**Savings Provision**

15.01 Should any court or administrative agency of competent jurisdiction determine that any portion of this agreement is in conflict with any law or regulation, such decision shall not affect the validity of the remaining provisions of this agreement. After the appellate procedures from such decision have been exhausted, or if no appeal is taken therefrom after the time for appeal shall have expired, the parties shall meet for the purpose of considering the necessity of supplementing the language of the agreement to the extent necessitated by such decision. Any failure to reach agreement on such supplemental language shall be subject to arbitration.

**SECTION 16**

**Strikes and Lockouts**

16.01 During the life of this agreement, the Union shall not engage in any strike or stoppage of work, slowdown or boycott, and the Employer agrees not to engage in any lockout.

**SECTION 17**

**Transfer of Employer’s Interest**

17.01 In the event of a bona fide sale or transfer of any store covered by this agreement during the term hereof, the Employer hereunder who was the operator of such store shall be responsible for any and all monetary benefits that his employees have accumulated under this agreement up to the date of such sale or transfer.

17.02 In the event of the dissolution of a partnership which is one of the Employers hereunder, and if any one of the former partners continue the operation of such former partnership enterprise, this agreement shall be binding on such former partner who continues said enterprise, for the balance of the term of this agreement.

17.03 The Employer agrees to notify the union not later than the date of the finalization of an agreement regarding the sale or transfer of the store. The Employer further agrees to provide as much notice as possible prior to the closure of the store.

**SECTION 18**

**Employer’s Rights**

18.01 The Employer reserves the right of hiring and discharge, but no employee shall be discharged because of legitimate Union activity, and no employee shall be discharged without reasonable cause. There shall exist one (1) sixty (60) calendar day probationary period for new employees measured from the first date of employment. For newly hired office machine repair technicians only, the probation period shall be one (1) year, measured from the first date of employment. If an employee is terminated during this probationary period for any cause, such termination shall not be subject to the grievance and arbitration procedure.

18.02 Except as specifically abridged, delegated, granted or modified by this agreement, or any supplementary agreements that may hereafter be made, all of the rights, powers, and authority the Employer had prior to the signing of this agreement are retained by the Employer, and remain exclusively and without limitation within the rights of management, which are not subject to the grievance procedure and/or arbitration.

**SECTION 19**

**Check-Off**

19.01 The Employer agrees during the life of this agreement, upon receipt of an executed check off in the form noted below, to deduct from the employee’s earnings each month an amount equal to the regular monthly union dues, initiation fees (in equal installments during a 90-day period), reinstatement fees, and assessments due Local 367 which have accrued in the past and which accrue in the future, such amounts to be transmitted to the Union on or before the 10th day of each month.

19.02 The Union agrees to supply the Employer with the amounts of union dues, initiation fees, reinstatement fees or assessments applicable to each classification or individual as the case may warrant. In no event will the amount deducted exceed the total of one month’s dues plus fifty dollars ($50.00).

19.03 The Employer agrees to request all employees to fill out and sign cheek-off authorization forms in the form noted below which are to be supplied by the Union.

ASSIGNMENT OF WAGES

I hereby voluntarily assign to the United Food and Commercial Workers Union Local No. 367 from my wages such sum per month as may be fixed by Local 367 in payment of dues, initiation fees, reinstatement fees and assessments which have accrued in the past and which accrue in the future, as limited by the contract between the Employer and Local 367. I authorize and direct my Employer to deduct said amounts to Local 367 on or before the 10th of each month.

I will report to Local 367’s office within 30 days in order to fill out all necessary forms required for joining the Union and securing benefit coverage.

DATED this \_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_20\_\_\_.

Signature \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ SSN #\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Address \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

19.04 The Employer shall, upon the receipt of a request in writing from an employee, deduct from the employee’s earnings each month an amount to be designated by the employee and remit said sum to the UFCW Western Washington Federal Credit Union for the order of the authorizing employee. The authorization and the amount thereof shall not be changed more frequently than is reasonable.

**SECTION 20**

**Jury Duty**

20.01 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 for 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. 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.

**SECTION 21**

**Bereavement Leave**

21.01 Employees with less than one (1) year of employment will be allowed time off without pay to mourn the passing of an immediate family as defined below. After one (1) year 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, provided the employee attends the funeral. Funeral 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 funeral leave. Funeral 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, step-mother, step-father, mother-in-law, father-in-law (existing spouse) grandparents, brother, sister, stepchildren, grandchildren, domestic partner or relatives residing with the employee.

**SECTION 22**

**Termination and Modification**

22.01 This agreement shall be in full force and effect from March 1, 2020, to and including February 29, 2023, and shall continue from year to year thereafter unless written notice of a specific desire to cancel or terminate the agreement is served by either party upon the other at least sixty (60) days prior to February 29, 2023.

22.02 Where no such cancellation or termination notice is served and the parties desire to continue said agreement, but also desire to negotiate changes or revisions in this agreement, either

party may serve upon the other a notice at least sixty (60) days prior to February 29, 2023, of desire to revise or change terms or conditions of such agreement.

22.03 The respective parties shall be permitted all legal or economic recourse to support their requests for revision if the parties fail to agree thereon.

|  |  |
| --- | --- |
| ABERDEEN OFFICE EQUIPMENT  322 East First  Aberdeen, WA 98520  By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Fred Scott, Owner  Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | UFCW UNION LOCAL NO. 367  6403 Lakewood Drive W  Tacoma, WA 98467    By:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Angel F González Irizarry, President  Date: \_\_05/28/2021\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

**Appendix A**

**Wages**

Salespersons, office employees and other employees included under this agreement unless covered by one of the specific categories hereinafter set forth.

Effective Effective Effective

9/16/20 9/16/21 9/16/22

Per Hour Per Hour Per Hour

$.25 $0.50 $0.50

All increases are per employee per hour.

There will be no retro pay. (meaning that members will get the increases starting the day the contracts are signed)

All wages shall be across the board so that employees paid above-scale will receive the wage increases.

Office Machine Repair Technician Trainee

The parties agree to meet and negotiate wage rates for this classification in the event the Employer hires an employee or employees in this classification

13.09 The employees shall continue to pay the weekly co-pays for the duration of the agreement.

**APPENDIX B**

**EMPLOYER BARGAINING AGREEMENTS COVERING ONLY SOUND RETIREMENT TRUST-PREFERRED SCHEDULE**

Aberdeen Office Equipment

This is the Preferred Schedule for Employers that have bargaining agreements with an obligation to contribute to the Sound Retirement Trust. This Appendix applied to stores in bargaining agreement areas (e.g., Pierce County) in which both the grocery and meat department employees (if any) have historically participated in the Sound Retirement Trust (that is bargaining agreements where the meat department employees were NOT covered under the former Washington Meat Industry Pension Trust).

This Preferred Schedule will apply to participating Employers and Unions that have adopted it as follows:

For bargaining agreements that expired on or after January 1, 2011, and prior to May 1, 2013, or which adopted this Schedule during that period, the Preferred Schedule requires the additional employer supplemental contribution rates set for in Table 1 below.

|  |  |
| --- | --- |
| Table 1 | |
| Effective: | |
| January Hours 2011 | $0.05 |
| January Hours 2012 | $0.10 |
| January Hours 2013 | $0.15 |
| January Hours 2014 | $0.20 |
| January Hours 2015 | $0.25 |
| January Hours 2016 | $0.30 |
| January Hours 2017 | $0.35 |
| January Hours 2018 | $0.40 |
| January Hours 2019 | $0.45 |
| January Hours 2020 | $0.50 |
| January Hours 2021 | $0.55 |
| January Hours 2022 | $0.60 |
| January Hours 2023 | $0.65 |

For bargaining agreements expiring on or after May 1, 2013, and prior to September 1, 2016, or which adopt this Schedule during this period, the Preferred Schedule requires the additional Employer supplemental contribution rates set forth in Table 2 below.

|  |  |
| --- | --- |
| Table 2 | |
| Effective: | |
| January Hours 2013 | $0.15 |
| January Hours 2014 | $0.21 |
| January Hours 2015 | $0.27 |
| January Hours 2016 | $0.33 |
| January Hours 2017 | $0.39 |
| January Hours 2018 | $0.45 |
| January Hours 2019 | $0.51 |
| January Hours 2020 | $0.57 |
| January Hours 2021 | $0.63 |
| January Hours 2022 | $0.69 |
| January Hours 2023 | $0.75 |

For bargaining agreements adopted on or after September 1, 2016, or which adopt this Table 3 before September 1, 2016, the Preferred Schedule requires the additional employer supplemental contribution rates set forth in Table 3 below.

|  |  |
| --- | --- |
| Table 3 | |
| Effective: | |
| January Hours 2016 | $0.330 |
| January Hours 2017 | $0.436 |
| January Hours 2018 | $0.542 |
| January Hours 2019 | $0.648 |
| January Hours 2020 | $0.754 |
| January Hours 2021 | $0.860 |
| January Hours 2022 | $0.966 |
| January Hours 2023 | $1.072 |

With respect to bargaining agreements adopted on or after September 1, 2016, the contribution increases provided under this Table 3 are effective no later than for hours worked the first full month following the later of the effective date or ratification date of the new collective bargaining agreement, not to exceed 180 days following the expiration of such agreement.

The initial rate increase cannot be made retroactive unless the amount of the increase is greater than the surcharge it replaces.