

03/01/2021 – 02/28/2024

WAGE & WORKING AGREEMENT  
By and Between

Macy's Tacoma Mall  
and  
United Food and Commercial Workers No. 367

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**MACY'S TACOMA MALL  
WAGE & WORKING AGREEMENT  
3/1/21 - /28/24**

This Agreement, mutually entered into by and between Macy's Tacoma Mall hereinafter called the "Employer" and United Food and Commercial Workers Union Local No. 367 chartered by the United Food and Commercial Workers International Union, CLC, hereinafter called the "Union".

**WITNESSETH**

For the mutual benefit of the Employer and the Union hereto, it is hereby expressly agreed the following shall be the scale of wages, the limitation of hours, and the rules and working conditions to be observed by the Employer and the Union of this Agreement. The Union retains all rights given it by the provisions of the Agreement as by law. Management of each store retains all rights except as those rights may be limited by this Agreement or by law.

**SECTION 1 - Union Security**

1.01 The Employer recognizes the Union as the sole exclusive collective bargaining agent for its retail store Colleagues in the classifications set forth herein with respect to rates of pay, wages, hours, and other conditions of employment.

1.02 The Employer agrees Colleagues shall, as a condition of continued employment, become and remain members of the Union on and after thirty (30) days following the date of employment, or the date of execution of this Agreement, whichever is the latter. The Employer will provide a monthly list by the fifteenth (15th) day after the close of the prior fiscal month, of all Colleagues, including new hires, terminations, transfers, and Colleagues returning from a Leave of Absence (LOA). The list will include the Colleague's name, hire date, wage rate, job title, Colleague number, Store number, and total hours paid during the previous calendar month. Electronic mail may be used.

1.03 The Employer agrees not to keep in its employ in the classifications listed herein, anyone whose membership in the Union has been terminated because of failure to tender periodic dues or the initiation fee uniformly required as a condition of acquiring or retaining membership in the Union.

1.04 All new Colleagues failing or refusing to secure membership in the Union as provided above, shall, upon written demand by an authorized officer of the Union, be released from the employ of the Employer.

1.05 During the term of this Agreement, the Employer shall deduct uniform dues and the initiation fees from the pay of each member of the Union who voluntarily executes a Wage Assignment Authorization form. When filed with the Employer, the authorization form will be honored in accordance with its terms. The amount deducted and a list of all Colleagues using payroll deduction will be promptly transmitted monthly to the Union by check payable to its order (or via Electronic Funds Transfer (EFT) if capable). Upon issuance and transmission of a check to the Union, the Employer's responsibilities shall cease with respect to such deductions. The Union and each Colleague authorizing the assignment of wages for the payment of Union dues hereby undertakes to indemnify and hold the Employer harmless from all claims, demands, suits or other forms of liability which may arise against the

Employer for or on account of any deduction made from the wages of such Colleague.

Colleagues who are on an approved Company leave of absence (LOA), for a full calendar month(s), will neither be required to pay union dues, nor will the Employer be required to accrue dues, while such colleague is on leave. Upon such colleagues return, the Employer will resume deduction of union dues; such colleagues will not be required to remit dues that were missed while out for a full calendar month(s) (i.e., 1st day of the month to last day of month). Colleagues are responsible for applying for leave of absence timely.

1.06 The Employer agrees to give the Union an opportunity to give a presentation to each new Colleague covered by the bargaining unit Agreement following their completed new hire orientation. The Employer and the Union will agree on the content of the presentation and any information provided in the hire packet.

1.07 Negotiating Colleague members (not to exceed six (6)) shall be given unpaid release time for joint negotiations of this Agreement between the Employer and the Union. Time spent during negotiations will be treated as time worked for the purposes of seniority and benefit hours accrual to include Holiday pay in accordance with 10.02.

## **SECTION 2 - Jurisdiction**

2.01 All Colleagues employed by Macy's Tacoma Mall, and all other Colleagues as designated by the ensuing classifications shall be members of the United Food and Commercial Workers Union Local No. 367. All positions listed in Appendix A.

This Agreement shall not apply to management, Merchandising and Operating executives, confidential employees, and Supervisors as they are defined in the Labor Management Relations Act of 1947, as amended, and management trainees.

2.02 The Union security provisions of this Agreement shall not apply to Colleagues who are hired only for the Holiday season, unless retained after the declared Holiday season.

**Holiday Season** for Sales, Support and Visual Specialist Colleagues:

- Period of no more than one hundred (100) days.
- Will end no later than January 31st.
- The Employer will notify the Union two (2) weeks prior to the beginning of each declared Holiday season.
- Seasonal Sales Colleagues hired exclusively for the Holiday season, will not receive commission, and will be assigned hours only after all bargaining unit Colleagues have been given the opportunity to select available shifts.

Seasonal Sales Colleagues will also participate in performing the same duties as the bargaining unit Sales Colleagues (e.g., stock work, recovery, fulfillment, clean-up, etc.).

2.02.1 Upon written request by the Union, the Employer shall provide, within fifteen (15) days after the close of the declared Holiday season, a list of all Holiday Seasonal Colleagues retained after such close.

2.02.2 Prior to the Holiday season, the Employer shall notify the Union of positions the Employer intends to hire into Holiday positions dedicated to specific departments.

This notification shall be given as soon as is practicable, but no fewer than ten (10) days in advance of the posting of these positions. Current Colleagues shall have the first opportunity to apply for these positions via the job posting process. Sales Colleagues currently eligible to pick up hours on Friday, shall continue to have the opportunity to pick up available shifts via My Schedule Plus (MSP) on Friday. All other Holiday Seasonal positions, not included in the notifications, shall be hired as Flex Colleagues, and shall receive hours through the My Schedule Plus (MSP) "pick up" shift option beginning on Sunday.

### **2.03 Union Visitation**

For the purposes of viewing the conditions under which bargaining unit members of this Union are working are in accord with this Agreement, officials of the Union, who are not on the payroll of the Employer, shall be permitted to visit any store covered by this Agreement. In making such visits, Union officials will notify the Senior Store Management on their arrival. The Union's visit shall not interfere with customer service, nor interrupt any Colleague's work. The Union will notify the Senior Store Management of the day they intend to visit a bargaining unit member(s) who work anytime the store is closed for business. No more than two (2) Union officials will visit the store at any one (1) time.

## **SECTION 3 - Hours of Employment**

### **3.01 Working hours shall be as follows:**

Forty (40) hours, consisting of not more than five (5) days of eight (8) hours each, Sunday through Saturday, shall constitute the basic work week for bargaining unit Full-Time (FT) Colleagues. Lunch periods shall be forty-five (45) minutes, or one (1) hour based on present practice. In the case of a Colleague working a shift of six (6) hours or less, one-half (1/2) hour lunch period may be granted. Lunch periods shall be no sooner than two (2) hours nor later than five (5) hours into a Colleague's schedule. Time worked in excess of eight (8) hours in any one (1) day, or forty (40) hours in any one (1) week, shall be paid for at the overtime rate of time and one-half (1 1/2).

Time worked on the sixth (6th) day, Sunday through Saturday, shall be voluntary and shall be paid for at the straight time rate. This option is with the understanding, hours on the sixth (6th) day shall be in addition to the regular schedule. Colleagues shall not be required to take time off in lieu of receiving overtime pay.

Designation of daily hours to be worked, shall be at the discretion of the Employer, provided there shall be no split shifts and the Colleague will continue to properly serve customers who are in the store at closing time.

3.02 The Employer recognizes the desirability of giving Colleagues as much notice as possible in the planning of their weekly schedules of work and accordingly agrees to post a work schedule no later than 6:00 p.m. on Thursday, two (2) weeks preceding the start of the work week, unless it is a permanent core change, which would require three (3) weeks prior to the scheduled work week. For Sales Colleagues, nine (9) days prior to the first scheduled work week, schedules will be made available.

The work schedule shall not be changed except in case of emergency or where the change is mutually agreed to between the Employer and the Colleague affected. A power outage,

inclement weather conditions, are examples of emergencies justifying a change in the Colleague's schedule, providing the Colleague is called before leaving for work. If the Colleague arrives at work without notification, they will be paid for their full shift as scheduled on that day, but no less than four (4) hours.

In the case of an emergency, Colleagues are expected to call the Employer's established Emergency Message Phone Line (1-877-463-6337) for instructions, if through prior understanding and/or public notice, they had reason to believe the store could be closed on their regularly scheduled day. A further condition to the notification is the Colleague's responsibility to keep their My IN-SITE Personal Information up to date with their current personal address, and phone number.

(My Profile & Tools/ Access MyHR by clicking [HERE](#) /Personal Information/Contact Info)

3.02.1 The Employer will provide the Union Business Agent the requested colleague's schedule for the specified date(s) upon request. Union Business Agent request shall not exceed once per week. The Employer will need at least 24 hours to process such request. Colleague schedules will be provided to the Business Agent via administrative team and/or Store Manager.

3.03 New Colleagues (exclusive of rehires or retired personnel) hired for the exclusive purpose of Inventory and working less than forty (40) hours shall not be covered by the terms of this Agreement provided department and divisional bargaining unit Colleagues are given first opportunity to work straight-time Inventory hours.

3.04 For Colleagues hired prior to May 1, 1987, all work on Sunday shall be voluntary. Any of these Colleagues who choose not to work on Sunday, shall not be discriminated against. Colleagues hired prior to May 1, 1987, shall be given a one-time opportunity to select to work or not to work on Sundays. Colleagues who choose not to work on Sunday shall not be discriminated against.

3.05 Consistent with the needs of business, the Employer shall make every effort to spread Sunday work among Colleagues.

3.06 There shall be a minimum of ten (10) hours between scheduled straight-time shifts. Work performed prior to the ten (10) hours between two (2) straight-time shifts, when scheduled by the Employer, shall be paid at the rate of time and one-half (1-1/2) up to the ten (10) hour rest period unless the shift was one voluntarily picked up by the Colleague.

Colleagues, by mutual agreement, may be scheduled to work with less than ten (10) hours rest between shifts during the Holiday Season and Inventory, at the straight-time rate of pay. Schedules for Sales Colleagues shall be posted nine (9) days prior to the scheduled work week.

### 3.07 **Sales Colleagues**

- May by mutual agreement trade single shifts through My Schedule Plus (MSP).
- Shall select preferred days off through My Schedule Plus (MSP).
- Short-hour shifts beginning prior to 6:00 p.m. shall not be less than four (4) hours, and short- hour shifts beginning on/or after 6:00 p.m. shall not be less than three and one-half (3-1/2) hours.
- Shall schedule all days off through My Schedule Plus (MSP).

3.08 Rest periods for bargaining unit Colleagues shall be as follows:

- **Six (6) Hours or more**

Fifteen (15) minutes in each of the two (2) shifts, which shall constitute the total time away from the work station.

- **Six (6) Hours or less**

One fifteen (15) minute relief period in the longer shift, which shall constitute the total time away from the work station.

- **Five (5) Hours**

Fifteen (15) minutes a shift.

- **Part-Time (PT)**

Fifteen (15) minutes in each shift.

#### **SECTION 4 - Seniority, Transfers and Available Hours**

4.01 The following provisions shall prevail upon completion of a probationary period of ninety (90) consecutive days. Termination during the probationary period shall not be subject to the provisions of Section 15 - Settlement of Disputes. Realizing the importance and necessity of protecting the interests of both the Employer and the Union to this Agreement in case of layoffs, it is agreed and understood ample consideration will be given the Colleagues with reference to their qualifications and their length of service with the Employer. In the restoration to the service of laid off Colleagues, the same consideration will be given.

4.02 Job openings for department Colleagues will be posted for seven (7) calendar days at the store where the opening exists. Open positions will be filled within fifteen (15) days following end of posting period, based upon the criteria below.in 4.03.

4.02.1 If two (2) or more existing departments are merged, a Colleague's store seniority shall likewise be merged and recognized for the purposes of determining Paid Time Off (PTO), Holidays, decrease in hours or layoffs. Any subsequent increase in hours or preferred day off selection shall be based on departmental seniority from the prior department. If an existing department splits into two or more departments, Colleagues shall be assigned considering their preference in accordance with store seniority. A seniority list will be maintained separately for each department.

4.02.2 In the event of a merger or split of selling departments or the establishment of a new eased department, the Employer will give the Union reasonable notice.

4.03 A Colleague, who within the posted time period, makes a written request for an open position in another department, will be given fair and reasonable consideration. Where merit and ability are equal, a Colleague's store seniority shall be recognized when considering a Colleague's written request for transfer to job openings. The transferring Colleague will carry the store seniority to the new department for the purpose of determining Paid Time Off (PTO), Holidays, decrease in hours or layoffs. There is no bumping allowed under this provision. Any subsequent increase in hours or preferred days off selections will be based on department seniority. All such transfers shall be voluntary.



4.04 Seniority shall be on a departmental (or selling zone for Sales Colleagues) basis, except for Cosmetics, where seniority shall be by line. For the purpose of determining seniority, the "Merchandising Colleagues" and the "Processing Colleagues" hired after November 3, 2000, shall be considered separate divisions. Where merit and ability are equal, a Colleagues' seniority shall be recognized when it is necessary to increase or decrease the number of bargaining unit Colleagues or their work hours. Merit and ability are defined as the merit and ability to do an available job in a good and proficient manner, taking into consideration a Colleague's total conduct, performance, and contribution. Whenever feasible, it is the Employer's desire to provide as many hours as possible to our senior Colleagues prior to scheduling less senior or new hires.

4.04.1 The Employer shall be the judge of whether the merit and ability of the Colleagues are equal. The Employer's judgment shall be fairly and reasonably exercised. If a senior Colleague in a department is not returned to work or has their hours reduced or is laid off, and the Employer's judgment as to this Colleague's merit and ability is challenged through the grievance procedure, it shall be the obligation of the Employer to demonstrate the merit and ability of the senior Colleague was not equal to the preferred junior Colleague.

4.05 Flex Colleagues are bargaining unit Colleagues, who are self-scheduled in various departments of the store.

**Flex Colleagues**

- Must work a minimum of thirty-two (32) hours per quarter.
- Are expected to work two (2) key days per quarter, first through third (1st -3rd).
- Are expected to work three (3) key days in the fourth (4th) fiscal quarter.

Should a Flex Colleague not meet the above requirements in a given quarter, they will be notified in writing and required to acknowledge, should any of the above requirements not be met during any one of the next two (2) quarters, the Flex Colleague would be discharged as a voluntary resignation.

Extra Colleagues – are bargaining unit Colleagues who work On-Call, and are subject to business fluctuations, special sales, etc., as needed by the Employer.

**4.06 Grandfathered Colleagues**

Grandfathered department Colleagues shall be given first option by seniority for named department Colleague positions which become available in their department, unless they have accepted a department Colleague position in another department.

Grandfathered department Colleagues, who have unlimited availability, shall be able to claim hours outside of their department by seniority in their division.

**4.07 My Schedule Plus Selling Schedules**

**Full-Time (FT) Option 1A – GRANDFATHERED**

Colleagues on payroll at date of ratification (May 1, 2019) currently in Full-Time (FT) Option 1 forty (40) hours shall remain in this option unless they voluntarily choose to transfer to another option. Colleagues who have been compensated an average of thirty-nine to forty (39 to 40) hours per week over the past fifty-two (52) weeks shall continue to work a forty (40) hour per week schedule, should they choose to do so. Colleagues who work more than

six (6) hour shifts but less than eight (8) hour shifts shall no longer be paid for time not actually worked. However, those Colleagues may choose to work a fourth (40) hour per week work schedule.

**Full-Time (FT) Option 1B – GRANDFATHERED**

Colleagues on payroll at date of ratification (May 1, 2019) currently in Full-Time (FT) Option 1 thirty-seven point five (37.5) hours shall remain in this option unless they voluntarily choose to transfer to another option. Shift length shall be seven point five (7.5) hours per day (thirty-seven point five (37.5) hours per week).

**NEW – Full-Time Option 1C**

Colleagues hired after Date of Ratification (May 1, 2019) will be scheduled five (5) days and are assigned thirty-five to forty (35 to 40) hours per week. Shift lengths shall be six to eight (6 to 8) hours (five point five to eight (5.5 to 8) hours on Sundays) excluding meals and breaks. Currently available for select roles.

**Full-Time (FT) Option 2A – GRANDFATHERED**

Current Full-Time (FT) Option two (2) (twenty-eight to thirty (28 to 30) hours) Colleagues may select a four (4) day per week assigned schedule. Shift length shall be seven to seven point five (7 to 7.5) hours (twenty-eight to thirty (28 to 30) hours per week).

**NEW – Full-Time (FT) Option 2B**

Colleagues hired after date of ratification will be scheduled up to five (5) days and are assigned twenty- eight to thirty-seven point five (28 to 37.5) hours per week. Shift lengths shall be five point five to seven point seven five (5.5 to 7.75) hours excluding meals and breaks.

**NEW - Full-Time (FT) Option 3**

Colleagues hired after date of ratification will be scheduled up to four (4) days per week and are assigned twenty to thirty (20 to 30) hours per week. Shift length shall be six to eight (6 to 8) hours (five point five to eight (5.5 to 8) hours on Sundays) excluding meals and breaks. Currently available for select roles.

**Part Time (PT) Option 1**

Colleagues will have the option to choose a weekly work schedule with a maximum of four (4) days assigned. Colleagues shall be assigned twelve to twenty (12 to 20) hours per week. Shifts length shall be three to eight (3 to 8) hours, excluding meals and breaks.

**NEW - Part-Time Option 2**

Colleagues hired after date of ratification will be scheduled up to two (2) days per week and are assigned three to eight (3 to 8) hours per week. Shift lengths shall be three to eight (3 to 8) hours, excluding meals and breaks.

**SCHEDULE OPTIONS SALES COLLEAGUES:**

**Full-Time (FT) Option 1A, 1B and 1C**

Colleagues will choose one preferred day off Monday through Thursday by seniority. They may also choose one preferred morning off Monday through Friday by seniority and will not be scheduled to work prior to 1:00 p.m. on that day.

**Full-Time (FT) Option 2A, 2B and 3**

Colleagues may select up to five (5) mornings off Monday through Friday or select up to

four (4) evenings off Monday through Thursday or select two (2) full days off Monday through Thursday by selecting two (2) mornings and two (2) evenings on the same day. Conflicts in selections shall be resolved by seniority.

**Full-Time (FT) Option 1A, 1B, 1C, 2A, 2B and 3**

Colleagues will be scheduled a maximum of two (2) late shifts per week. A late shift is defined as any shift ending after 7:15 p.m.

**Full-Time (FT) Option 1A, 1B, 1C, 2A, 2B and 3**

Colleagues will have three (3) unavailable days to use per month, January through October in any combination, two (2) of which can be utilized on Saturday or Sunday.

**Part-Time (PT) Option 1 and 2**

Colleagues may select up to five (5) mornings off, Monday through Friday, or select up to four (4) evenings off, Monday through Thursday or select four (4) full days off, Monday through Thursday. Conflicts in selections shall be resolved by seniority.

**Part-Time (PT) Option 1 and 2**

Colleagues will be scheduled a maximum of four (4) late night shifts per week. A late-night shift is defined as any shift ending after 7:15 p.m.

**Full-time (FT) benefits**

Eligibility, including medical, shall be thirty (30) average weekly hours paid per week. Those Colleagues who moved from Full-Time (FT) Option 2 to Full-Time (FT) Option 1 in 2009 (original My Schedule Plus (MSP) implementation) and who work a minimum of twenty-eight (28) average weekly hours, shall continue to be eligible for Full-Time benefits, including medical.

**Overtime hours shall be by seniority.**

**Full-Time (FT) Option 1A, 1B and 2A - GRANDFATHERED**

Will have the opportunity to select any NEW Full-Time (FT) option provided. Colleagues who choose to leave their Grandfathered option, shall be prohibited from returning to a Grandfathered option. Grandfathered Colleagues do not have the ability to move from one Grandfathered option to another as they are closed for entry.

**SCHEDULE PROCESS FOR SALES COLLEAGUES:**

- Minimum four (4) weeks prior to the live schedule, all Sales Colleagues shall indicate their Paid Time Off (PTO) and temporary requests for those weeks (i.e., is a particular day they would need to be off in addition to their regular day off). These temporary requests are designed to be for periodic needs (as opposed to weekly) and will be accommodated whenever possible. If a conflict arises regarding requests of multiple individuals, the day off shall be resolved by seniority.
- Preferences shall be considered during non-peak times and shall be ignored during events or busy days in accordance with the needs of the Employer.
- Minimum (9) nine days prior to the live schedule, Colleagues will view the Employer generated schedule, inclusive of Paid Time Off (PTO) and Temporary requests.

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- Beginning that day and for two days, the Colleague is provided available shifts to pick up in their selling zone (prior to them being made available to On-Calls and Temporary Colleagues).
- For the first six (6) hours following the posting of the Employer generated schedule, selection of additional shifts shall be limited to Colleagues with five (5) or more years of service. Holiday Colleagues may begin picking up shifts after every bargaining unit Colleague pickup time period has been initiated. Recognition of On-Calls with three (3) years of service or longer will be given the first opportunity to pick-up additional shifts for the first six (6) hours on Sunday. Auditing of this process shall be at the sole discretion of the Employer. Colleagues determined to have violated this provision may be subject to discipline.
- Following this two-day limit period, and up to the actual workday, all Colleagues can pick up additional shifts.
- If no additional shifts are made available to any Colleague, minimum nine (9) days prior to the live schedule, conflicts concerning the number of assigned hours shall be resolved by seniority.

4.08 The My Schedule Plus (MSP) scheduling system is not designed or intended to reduce Full-Time positions as defined in Full-Time Option One or Full-Time Option Two.

**SECTION 5 - General Provisions**

5.01 No Colleague shall be disciplined or discharged except for just cause. The Employer shall be the judge of the competency and qualifications of the Colleagues and shall make such judgment fairly. The Employer shall have the right to discharge any Colleague for insubordination, or failure to observe the Employer's store policies, which shall be either given to the Colleague or conspicuously posted, and a copy made available to the Union.

5.02 Colleagues 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 procedures and/or store policies. Stores are entitled to require attendance at this type of meeting. For Commission-Based Colleagues, this time shall count as non-productive time.

5.03 Colleagues shall not be compensated for attendance for any store meeting for civic or patriotic purposes, e.g. United Way, Red Cross, etc., and such meeting shall be voluntary.

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

5.05 To the extent provided by law, no Colleague will be discriminated against because of race, creed, gender, sexual orientation, gender identity or expression, age, national origin or disability as defined under the Americans with Disabilities Act (ADA) regulations. No Colleague shall be discriminated against for upholding Union principles and any Colleague working under instructions of the Union or on a committee shall not lose their position or be

discriminated against for that reason, provided there shall be no interference with required duties. A bargaining unit Colleague elected to attend a convention as a Union delegate shall be granted, after reasonable notice to their Employer, not more than once each year, the required time necessary to attend such convention, provided, however, the time such Colleague is off work shall constitute a Leave of Absence (LOA) without pay.

5.06 Colleagues with Macy's experience in a like position, within the previous two (2) years from date of hire, shall be hired or transferred at a wage rate no less than their base rate during their prior employment with Macy's.

5.07 Any Colleague authorized by the Senior Store Management to use their automobile for the Employer's business, shall be compensated at the Internal Revenue Service (IRS) standard rate per mile for all miles so used. The Colleague must complete the Standard Mileage Report form in its entirety and present it to the Senior Store Management weekly to receive payment.

5.08 No Applicant, in an initial employment interview or testing, and no bargaining unit Colleague, as a condition of continued employment the Employer, shall be required to submit to the use of a polygraph, lie detector or other like devices.

5.09 It is agreed and understood, should the Employer require a Substance Abuse program, the Employer and the Union shall negotiate and submit to the bargaining unit Colleagues for consideration guidelines and effect on the bargaining unit Colleagues.

## **SECTION 6 - Jury Duty**

6.01 Any bargaining unit Colleague who is required to serve on a municipal, county, or federal jury or grand jury shall be granted time off to serve. Bargaining unit Colleagues with six (6) months of service, who have been paid for seven hundred eighty (780) hours the prior calendar year (or an average of fifteen (15) hours the prior fiscal quarter if not employed the prior full calendar year) will receive normal pay for jury duty, without offset of compensation provided by the court.

Colleagues on Paid Time Off (PTO) during jury duty, will have the individual days serving on jury duty classified as such, and Paid Time Off (PTO) allotment will be adjusted accordingly.

### **A bargaining unit Colleague:**

- Must notify their People Leader within twenty-four (24) hours after receipt of a notice of selection for jury duty.
- If called for jury duty, and who is temporarily excused from attendance at court, must report for work if sufficient time remains after such excuse to permit them to report to the store and work at least one-half (1/2) of their normal work shift.
- In order to be eligible for such payments, the Colleague must furnish a written statement from the appropriate public officer showing the date and time served and the amount of pay received.
- Colleagues who are called to be a witness on behalf of the Employer, shall be paid for such time as though it is work time.

## **SECTION 7 - Leave of Absence (LOA)**

7.01 All Colleagues will be entitled to a Leave of Absence (LOA) for the following bona fide reasons:

- Extended non-occupational injury or illness (including pregnancy) which requires Leave of Absence from work.
- Occupational injury which requires absence from work.

7.02 Leave of Absence (LOA) for personal reasons may be granted at the discretion of the Employer based upon the Employer's Leave of Absence (LOA) policy.

### **7.03 Applying for a Leave Absence (LOA)**

Should be initiated through My IN-SITE. After signing into My IN-SITE, select the My Policies & Resources tab, select the Apply for "Leave of Absence" link, from the Leave of Absence screen select "click here".

7.04 Any Leave of Absence (LOA) may run to a maximum of six (6) months with the exception of a Leave of Absence (LOA) due to an occupational injury, which will be extended up to twelve (12) months.

7.05 Upon completion of a Leave of Absence (LOA), the Colleague shall return with full seniority and longevity rights to the job previously held or to a job comparable with regard to rate of pay in the first weekly schedule prepared after the Employer has received notice in writing of the Colleague's availability.

7.06 The Colleague may be required to support their Leave of Absence (LOA) by a medical doctor's certificate, and the Colleague may further be required to support their recovery by such medical doctor's certificate. If the above provisions are not met, the Colleague forfeits their right of reinstatement under this clause.

### **7.07 Family Medical Leave Act (FMLA)**

As required by federal, state, and local laws, rules and regulations; upon completion of one (1) year continuous employment, any bargaining unit Colleague who has worked at least one thousand two hundred fifty (1,250) hours during the prior twelve (12) months, shall be entitled up to twelve (12) weeks of unpaid leave per year:

- for the birth, adoption, or placement of a foster child,
- to care for a spouse or immediate family member with a serious health condition,
- **or**
- when the Colleague is unable to work due to a serious health condition.

The Employer shall maintain the Colleague's health benefits during this leave and shall reinstate the Colleague to the Colleague's former or equivalent position (same team/assignment, job status and shift).

If a particular period of leave qualifies under both the Family and Medical Leave Act of 1993 (FMLA) and state law, the leaves shall run concurrently. This leave shall be interpreted consistently with rights, requirements, limitations and conditions set forth in the federal law and shall not be more broadly construed. Generally, Colleagues must give at least thirty

(30) days advance notice to the Employer of the request for a leave.

#### **7.08 Paid Adoption Leave Benefits**

For the term of this Agreement, the Employer shall provide an Adoption Leave benefit to all bargaining unit Colleagues with twelve (12) months of service or more. Benefits include up to three (3) weeks paid leave time and financial assistance up to two thousand dollars (\$2,000) per event utilized for eligible expenses. Benefit details available at the Employer's AskHR Adoption Assistance Policy.

#### **7.09 Union Leave of Absence (LOA)**

If requested, a bargaining unit colleague may take up to six (6) months Leave of Absence (LOA) as Union leave. The bargaining unit Colleague shall be entitled to return to the position previously held with full seniority and longevity rights.

### **SECTION 8 - Bereavement Leave**

#### **8.01 Eligibility for Bereavement Leave**

Paid Bereavement Leave is available to bargaining unit Colleagues (including Flex Team, and On-Call) who have completed 90 days of service.

8.02 If any bargaining unit Colleague covered by this Agreement suffers a death in the immediate family (e.g. spouse, domestic partner, child, parent, or sibling) and at the request of the Colleague, the Colleague may choose up to five (5) regular working days off and shall be compensated for their wage loss by payment of hourly straight-time pay (commission Colleague's earnings to be calculated at their benefit rate) for such time lost as a result of their absence from their employment.

8.03 If the Colleague suffers from a death in the immediate extended family (e.g. grandparent, grandchild, step child, step parent, step sibling, parent-in-law, parent of domestic partner, son or daughter-in-law, child of domestic partner, sister or brother-in-law or sibling of domestic partner), the Colleague may choose up to three (3) regular working days off with pay, and shall be compensated for their wage as described Section 8.02.

8.04 If the Colleague suffers from a death in the extended family (great-grandparent, great-grandchild, aunt, uncle, niece or nephew) the Colleague may choose up to one (1) regular working day off with pay and shall be compensated for their wage as described Section 8.02.

8.05 Domestic partner designation shall comply with any and all federal, state, and local laws, rules and regulations.

8.06 In the event the Colleague is notified of the death while working, the employee shall, upon request to their People Leader, be excused from work for the balance of the work shift. This shall be in addition to the above Bereavement Leave. This time shall not be charged against the quota of Commission Colleagues.

### **SECTION 9 - Paid Time Off (PTO)**

9.01 The Employer's Paid Time Off (PTO) program provides eligible Colleagues time to refresh and gives them flexibility to deal with life outside of work. Eligibility is determined by the Colleague's location, status, average hours paid in the prior calendar year and length of

service.

### 9.02 **Benefit Period**

The Employer's Paid Time Off (PTO) benefit period begins the first day of the fiscal year and ends the last day of the fiscal year. (The Employer's fiscal year runs February through January.)

### 9.03 **Eligibility**

Hourly Colleagues are eligible to earn and use Paid Time Off (PTO) if they:

- Are regular Full-Time (FT), regular Part-Time (PT), or Flexible Work Team,
- Have at least 6 months of regular, continuous service as of the first day of the fiscal year, and
- Were paid an average of at least 15 hours per week during the prior calendar year.

Temporary or Seasonal Colleagues are not eligible for Paid Time Off (PTO).

If a Colleague has less than 6 months of service as of the first day of the fiscal year, or if the Colleague is hired after the first day of the fiscal year, the Colleague may be eligible for a pro-rated New Hire Annual Paid Time Off (PTO) Benefit. The New Hire Annual Paid Time Off (PTO) Benefit takes effect the first of the month following—or concurrent with—six (6) months of regular service if the Colleague has been paid an average of at least fifteen (15) hours per week during the previous ninety (90) days. Any Colleague who does not meet the hours paid eligibility requirement upon achieving 6 months of service will be re-evaluated for Paid Time Off (PTO) eligibility at the beginning of the following fiscal year.

The Annual Paid Time Off (PTO) Benefit a Colleague may earn varies based on the Colleague's average number of days paid per week in the prior calendar year. For example, if during the prior calendar year, a Colleague was typically scheduled three (3) days per week but averaged four (4) days by picking up extra shifts, then this Colleague would earn Paid Time Off (PTO) benefits at the rate of four (4) days per week for the current fiscal year.



9.04 **Annual PTO Benefit**

9.04.1 **New Hires and Colleagues with less than six (6) months of continuous service at the beginning of the fiscal year.**

Eligible Colleagues who averaged at least fifteen (15) hours per week during the previous ninety (90) days will earn up to the following Paid Time Off (PTO) benefit based on their month of hire:

		<b>New Hire Maximum Annual PTO Benefit for Colleagues who Average</b>			
<b>Hire Date</b>	<b>Eligibility Date</b>	<b>5 Days/Week</b>	<b>4 Days/Week</b>	<b>3 Days/Week</b>	<b>2 Days/Week</b>
<b>July</b>	Feb	8 days	6 days	5 days	3 days
<b>Aug</b>	Mar	7 days	6 days	4 days	3 days
<b>Sep</b>	Apr	7 days	6 days	4 days	3 days
<b>Oct</b>	May	6 days	5 days	4 days	2 days
<b>Nov</b>	Jun	5 days	4 days	3 days	2 days
<b>Dec</b>	Jul	5 days	4 days	3 days	2 days
<b>Jan</b>	Aug	4 days	3 days	2 days	2 days
<b>Feb</b>	Sep	3 days	2 days	2 days	1 day
<b>Mar</b>	Oct	3 days	2 days	2 days	1 day
<b>Apr</b>	Nov	2 days	2 days	1 day	1 day
<b>May</b>	Dec	1 day	1 day	1 day	1 day
<b>Jun</b>	Jan	1 day	1 day	1 day	day

9.04.2 **Colleagues with six (6) months of continuous service as of the beginning of the fiscal year.**

Colleagues who have six (6) months of continuous service as of the beginning of the fiscal year and who have been paid an average of at least fifteen (15) hours per week in the prior calendar year may, earn and use the following Annual Paid Time Off (PTO) benefit:

<b>Service as of 2/1</b>	<b>Maximum Annual PTO for Colleagues who Average</b>			
	<b>5 Days/Week</b>	<b>4 Days/Week</b>	<b>3 Days/Week</b>	<b>2 Days/Week</b>
<b>6 months – 1 year</b>	8 days	6 days	5 days	3 days
<b>2 – 4 years</b>	10 days	8 days	6 days	4 days
<b>5 – 9 years</b>	18 days	14 days	11 days	7 days
<b>10 – 14 years</b>	20 days	16 days	12 days	8 days
<b>15 – 24 years</b>	25 days	20 days	15 days	10 days
<b>25 + years</b>	30 days	24 days	18 days	12 days
<b>**Average days paid per week in the prior calendar year (or previous ninety (90) -day period if employed for less than one (1) year). Average days are rounded up at .5 (i.e.,</b>				

9.05 **Earning Paid Time Off (PTO)**

Colleagues earn their Annual Paid Time Off (PTO) Benefit at a rate of 1/12th per month from the start of each fiscal year. Paid Time Off (PTO) is earned in the same fiscal year in which it may be taken.

Colleagues who become eligible for Paid Time Off (PTO) after the start of the fiscal year will earn Paid Time Off (PTO) on a prorated basis depending on the date, they become eligible. For example, if a Colleague becomes eligible to earn Paid Time Off (PTO) on August 1, they earn 1/6th of the Annual Paid Time Off (PTO) Benefit (as shown on the New Hire Paid Time Off (PTO) chart in 9.04.1) per month for the remaining six (6) months of the fiscal year.

Colleagues must be actively employed for the entire calendar month to earn Paid Time Off (PTO) for the month. Paid Time Off (PTO) is not earned until the month has been completed. Colleagues continue to earn Paid Time Off (PTO) while on an approved Leave of Absence (LOA). Colleagues must work at least four (4) hours in the current fiscal year before they begin earning Paid Time Off (PTO).

### **Carryover Paid Time Off (PTO)**

Paid Time Off (PTO) must be taken in the same fiscal year it is earned, and unused Paid Time Off (PTO) may not be carried over but will be forfeited at the end of the fiscal year in which it was earned.

### **9.06 Using Paid Time Off (PTO)**

Hourly Colleagues may request Paid Time Off (PTO) in partial day or full-day increments. The combination of Paid Time Off (PTO) and hours worked may not exceed 40 hours per week.

- **Tracking Paid Time Off (PTO)**

Colleagues can view their Annual Paid Time Off (PTO) Benefit, request time off and track time taken on My IN-SITE (My Day > Time Off (MTO) in the Time/Attendance section).

- Paid Time Off (PTO) is paid in the Employer's normal pay cycle.

All Paid Time Off (PTO) must be entered into the My Time Off (MTO) system by the end of the fiscal year.

### **9.07 Requests and Approval of Paid Time Off (PTO)**

Paid Time Off (PTO) requests may be made for scheduled or unscheduled absences. Scheduled absences are absences which are requested, scheduled and approved by a People Leader prior to the date of the absence (such as vacation, etc.). A minimum of four (4) weeks prior to the live schedule, all Sales Colleagues shall indicate their Paid Time Off (PTO) requests. Unscheduled absences are absences which are not requested, scheduled or approved by a People Leader prior to the date of the absence (such as days missed due to personal illness).

### **Scheduled Absences**

- Paid Time Off (PTO) must be approved in advance by the Colleague's People Leader and scheduled according to the Colleague's request, as well as the department's business needs. When requesting a Paid Time Off (PTO) day, the system defaults to the Colleague's Average Daily Hours. Colleagues may request up to a maximum of forty 40 hours of Paid Time Off (PTO) in a work week. The combination of Paid Time Off (PTO) taken and hours worked may not exceed forty (40) hours per week.
- Colleagues may request Paid Time Off (PTO) for the hours they would have

worked had they not used Paid Time Off (PTO). Requests of more or less than the Colleague's Average Daily Hours, or scheduled hours for the day, are subject to a People Leader's approval and will be approved based on business needs.

- Colleagues can request to take a half-Paid Time Off (PTO) day ("Partial Paid Time Off (PTO) day") only if they have six (6) or more Average Daily Hours. When requesting a Partial Paid Time Off (PTO) day, the Colleague must work the remaining half of their shift. If the Colleague does not work the remaining half shift, it will be considered an unscheduled absence and counted as a full Paid Time Off (PTO) day.

When selecting a Partial Paid Time Off (PTO) day, the My Time Off (MTO) system defaults to half Colleague's Average Daily Hours. Stores Colleagues may take Paid Time Off (PTO) in minimum increments of three (3) hours.

Colleagues may take less than the applicable minimum increment of Paid Time Off (PTO) (either two (2) or three (3) hours as noted above) only if they have less than two (2) or three (3) hours left of their Annual Paid Time Off (PTO) Benefit. At this point, all remaining Paid Time Off (PTO) must be taken at one (1) time.

Colleagues may not request more than two consecutive weeks of Paid Time Off (PTO) at one (1) time.

If more than one (1) Colleague requests to take Paid Time Off (PTO) in the same timeframe, the Colleague with longer service will be given priority.

#### **9.08 Unscheduled Absences.**

When a Colleague has an unscheduled absence, the Colleague is responsible for calling the location's Call-Out line (if one exists) or their People Leader prior to the start of their shift. A Colleague's attendance may be impacted (for more information, please see Letter of Understanding #9 Attendance).

- For unscheduled absences, Colleagues are not required to use a Paid Time Off (PTO) day. If a Colleague does not request to be paid for an unscheduled absence, the day will be unpaid. If the Colleague wishes to be paid for the day, their People Leader will enter unscheduled Paid Time Off (PTO) equal to the Colleague's scheduled hours for the day.

For Stores Colleagues, if an unscheduled absence is taken on a day that is an exception (black) or key day (purple) on the exception calendar, it can only be paid if approved by the VPSM.

- Even if a Colleague used and receives payment for a Paid Time Off (PTO) day in conjunction with an unscheduled day, the Colleague will still use an Attendance Credit per the Letter of Understanding #9- Attendance.

#### **9.09 Legally Mandated Sick Time**

The Employer complies with all federal, state, and local laws, rules, and regulations, requiring employers to provide paid sick time. Where permitted by applicable law, sick pay

will be included in the Colleague's Annual Paid Time Off Benefit as described in Section 9.04. When Colleagues use a Paid Time Off (PTO) as paid sick time, they may not be required to provide as much notice, the days may not be subject to any blackout period, and/or the time may be used in increments smaller than three (3) hours.

#### **9.09 Change of Job Status**

Colleagues who experience a change in job status during the fiscal year will, for the remainder of the same fiscal year, continue to earn and take Paid Time Off (PTO) up to the Annual Paid Time Off (PTO) Benefit which is applied prior to the change in status.

For example:

- A Colleague who changes status from Part-Time (PT) to Full-Time (FT) during the fiscal year will retain their Part-Time (PT) Annual Paid Time Off (PTO) Benefit for the remainder of that fiscal year.
- A Colleague who changes status from Full-Time (FT) to Part-Time (PT) during the fiscal year will retain their Full-Time (FT) Annual Paid Time Off (PTO) Benefit for the remainder of that fiscal year.
- A Flex Team Colleague who changes status to Part-Time (PT) or Full-Time (FT) becomes eligible for, and begins to earn, Paid Time Off (PTO) the first day of the month after reaching six (6) months of benefits eligible service.
- A bargaining unit Colleague who changes to Flex Team status will no longer be eligible for Paid Time Off (PTO) for the remainder of the year of status change. The Colleague will receive payment for their earned but unused Paid Time Off (PTO) balance when their status changes to Flex Team. Pursuant to Section 9.03, such colleague will be re-evaluated for Paid Time Off (PTO) eligibility at the beginning of the following fiscal year.
  - If an Hourly Colleague changes status to a People Leader and this move makes the Colleague eligible to earn additional Paid Time Off (PTO):
    - Effective the first day of the month following the change in status, the amount of Paid Time Off (PTO) the individual can earn each month will accelerate.
    - If this change in status occurs during the first year of employment or before a Colleague has any Paid Time Off (PTO) entitlement (i.e., was not in a benefits eligible status), the Executive Paid Time Off (PTO) benefit will be provided using the New Hire Annual Paid Time Off (PTO) Benefit guidelines described in the Executive Colleague PTO Policy.
    - For subsequent fiscal years, the Executive's Annual Paid Time Off (PTO) Benefit will be granted based on the date the Colleague became benefit eligible (the "benefits service date").
    - If a People Leader changes status to an Hourly Colleague, they will maintain their Executive Paid Time Off (PTO) benefits for the remainder of that fiscal year. In subsequent fiscal years, the Colleague will receive the Paid Time Off (PTO) benefit applicable to their Hourly Colleague status.

**9.10 Leaves of Absence (LOA)**

For personal Leaves of Absence (LOA), which would otherwise be unpaid, a Colleague is required to use earned Paid Time Off (PTO) concurrent with the personal Leave of Absence (LOA). For other approved unpaid Leave of Absence (LOA), Colleagues may use Paid Time Off (PTO) concurrent with the Leave of Absence (LOA).

Colleagues on Leave of Absence (LOA) during an entire fiscal year will receive their Annual Paid Time Off (PTO) Benefit during the subsequent fiscal year based on standard hours only after they have worked at least four (4) hours in that subsequent fiscal year.

**9.11 Payment Upon Termination**

A Colleague who separates from the Employer will be paid for any earned but unused Paid Time Off (PTO) through the last day of employment. A Colleague must be actively employed for the entire calendar month to receive payment for the month.

**9.12 Rehire**

Upon rehire, Colleagues with interrupted service are considered to be new Colleagues and become eligible for new hire benefits as outlined in 9.03 and 9.04 above.

Upon rehire, Colleagues whose service is bridged will be eligible for the same Annual Paid Time Off (PTO) Benefit they had at the time their employment last terminated, and they will begin to earn Paid Time Off (PTO) immediately.

**9.13 Illness During Paid Time Off (PTO)**

Colleagues will not receive additional Paid Time Off (PTO) when illness or disability occurs during scheduled Paid Time Off (PTO). If appropriate, a Leave of Absence (LOA) may be approved to provide additional time off after the scheduled Paid Time Off (PTO) is exhausted.

**9.14 Bereavement During Paid Time Off (PTO)**

If a Colleague becomes eligible for Bereavement Leave while using Paid Time Off (PTO), their Paid Time Off (PTO) may be extended or postponed by the number of bereavement days provided under the SECTION 8 Bereavement Leave. The Colleague should notify their People Leader promptly after becoming aware of the death.

**SECTION 10 - Holidays**

10.01 All non-probationary Colleagues shall be paid for all Holidays, provided they work the Holiday as scheduled and their scheduled working day preceding and their scheduled working day following the Holiday. However, in the case of a bona fide illness, injury or excused absence by an authorized People Leader a Colleague will be entitled to Holiday pay, provided the Colleague works within either the ten (10) calendar day period prior to the Holiday or the ten (10) calendar day period following the Holiday.

The following Holidays are to be observed:

New Year's Day	Martin Luther King Jr.	Memorial Day
Independence Day	Labor Day	Thanksgiving Day
Christmas Day		

In recognition of President's Day, a personal floating holiday (or Paid Time Off (PTO) if a Colleague

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is employed prior to December 15, 2010) may be scheduled by Colleagues who are eligible for Holiday pay, under 10.01 and are employed on the observed President's Day Holiday. All other Holidays nationally or locally observed by the store shall also be recognized. During the week in which any of the above Holidays fall, the Holiday may be the day off of all Colleagues, and all Colleagues may work five (5) days that week, for six (6) days straight-time pay.

When a Holiday falls during a Colleague's Paid Time Off (PTO), their Paid Time Off (PTO) shall be extended by one (1) day, or they may be paid in lieu of an extra day off. Work on any and all scheduled Holidays shall be paid for at one and one-half (1-1/2) times the Colleague's regular hourly wage rate, plus their regular Holiday pay.

For hours worked on a Holiday, the Colleagues' straight time hourly rate shall be charged against commission earnings, the half (1/2) time rate will be paid in addition thereto.

For the purposes of Section 10, the term "newly hired Colleagues" means those Colleagues employed later than December 15, 2010; "current Colleagues" means those Colleagues employed on or prior to December 15, 2010.

**10.01.1 Personal Paid Time Off (PTO) Days**

Current Colleagues on the payroll six (6) months or more shall receive one (1) personal Paid Time Off (PTO) day which may be taken on a scheduled or unscheduled basis.

Colleagues on the payroll one (1) year or more, shall receive three (3) additional personal Paid Time Off (PTO) days which may be taken on a scheduled or unscheduled basis for a total of four (4) days annually thereafter. Scheduled days will be paid at the regular rate of pay and unscheduled days will be paid at the current hourly wage rate. For Colleagues employed later than December 15, 2010, personal Paid Time Off (PTO) days and vacation days have been combined in a new PTO plan and benefits are described in section.

10.01.2 Current Colleagues unscheduled days may be taken for any reason and will not result in an Attendance Credit occurrence. No more than one (1) or two (2) unscheduled days may be taken in a month. There is no carryover of personal Paid Time Off (PTO) days from one (1) fiscal year to the next and unused days are not paid out at time of termination. Scheduled personal Paid Time Off (PTO) days, may be taken as an additional day's Paid Time Off (PTO) or at any other time mutually agreeable.

10.02 For all bargaining unit Colleagues shall be paid their regular wage rate for Holidays and personal Paid Time Off (PTO) days on the basis of the Colleagues Paid Time Off (PTO) average hours compensated during the previous fiscal year. Colleagues hired for the Holiday Season or Extra Colleagues On-Call shall not be entitled to Holiday pay under the terms of this Agreement.

10.03 Holiday pay to Contractual-Commission Colleagues shall be based upon hours and average hourly commissions received during the preceding calendar year or portion thereof.

10.04 An effort will be made to place people on a seniority basis for Holiday employment with the following understanding departmental-wise: if six (6) positions are open, two (2) Full-Time (FT) shifts, two (2) Part-Time (PT) five (5)-hour shifts and two (2) Part-Time (PT) four (4)-hour shifts, the Colleagues in the department, on a seniority basis, will be offered the shifts available. If any person declines any Part-Time (PT) shift, regardless of hours, the Employer shall have the right to schedule by inverse seniority if not enough Colleagues volunteer for Holiday work.

10.05 Thanksgiving Day Holiday pay, one and one-half (1-1/2) pay will be applied to all hours worked on the shift beginning on Thanksgiving Day and ending on Thanksgiving Day or ending on the Friday following Thanksgiving.

### **SECTION 11 - Apprentice and Combination Colleagues**

11.01 Apprentice Colleague are colleagues who have not reached the "thereafter" wage. Any Apprentice Colleague transferred from one department to another, shall transfer at their existing progression step based on their seniority date and continue to progress as outlined in section 13.04 until the Apprentice Colleague reaches the "thereafter" wage.

### **SECTION 12 - Health and Welfare/Dental/Vision**

Newly hired colleagues covered under this agreement will initially be offered benefits based on standard hours associated with the position in which they are hired. If the position has standard hours of 30 or more per week, all health and welfare benefit options (medical, dental, visions, HSA/FSA, life, AD&D, Short Term Disability, Long Term Disability, voluntary benefits) will be offered effective date of hire. If the position has standard hours of 20-29 hours per week, all other welfare benefits (HAS/FSA, dental, vision, life, AD&D, Short Term Disability, Long Term Disability, voluntary benefits) will be offered effective date of hire.

For those electing a high deductible health plan, Colleagues may also elect to participate in the Employer's sponsored Health Savings Account.

12.01 For the term of this Agreement, the Employer shall provide group medical insurance plans including dental and vision care. The Health and Welfare/Dental/Vision new benefits shall remain substantially equal to the term of this Agreement.

The Employer will review and consider, but not required to negotiate, any benefit plan alternative options presented to the Union, upon request. This Agreement shall not preclude the Employer from making changes such as a new carrier utilization of a high-performance network.

\*\*In no event will the Colleagues' contribution be higher than those stated as follows:

Kaiser Gold HMO: seventy percent (70%) (employer) thirty percent (30%) (employee) cost share for D/SP, EE + child and family coverage for term of agreement.

Kaiser Platinum HMO: fifty percent (50%) (employer) fifty percent (50%) (employee) cost share for term of agreement.

Best, Better and Good Plans: fifty percent (50%) (employer) fifty percent (50%) (employee) cost share for term of agreement.

Dental Plans:

Regular Option Dental: fifty percent (50%) (employer) fifty percent (50%) (employee) cost share for term of agreement.

High Option Dental: The additional cost of the High Option Dental Plan will continue to be borne by the Colleagues.

Employees who select a Dental Plan and who do not enroll in a Medical Plan will pay one hundred percent (100%) of the cost of the Dental Plan.

These medical plans shall be compliant with Affordable Care Act (ACA) guidelines.

12.02 Coverage under the plan will terminate as of the end of the pay period in which the colleague terminates employment.

12.03 Eligibility requirements for ongoing benefits will be based on Affordable Care Act (ACA)

lookback guidelines. Full Time Medical, Dental Vision: Support Colleagues who do not limit their shall be eligible for benefits regardless of how many hours they work. Benefits are effective on the first of the month following six (6) months of employment. Sales Colleagues on the My Schedule Plus (MSP) system are required to maintain no less than thirty (30) hours paid to retain eligibility for Full-Time benefit plans.

12.04 The Employer agrees, should they disband their present Health and Welfare Plan, they will notify the Union ninety (90) days prior to disbanding. The Employer further agrees to immediately start negotiations on Health and Welfare to cover the bargaining unit Colleagues under the jurisdiction of the Union. Any negotiated plan may be subject to the approval of bargaining unit Colleagues under the jurisdiction of the Union.

### **SECTION 13 - Wages and Commissions**

13.01 Any Colleagues being paid above the scale provided in this Agreement or enjoying working conditions in excess of the Agreement schedules at the time this Agreement is made, shall continue as to pay and working conditions already established during the life of this Agreement, unless otherwise indicated in this Agreement.

13.02 Sunday Premium will be calculated as follows:

- For all colleagues hired on or before June 1, 1987, except during inventory, all work performed on Sunday shall be paid for at time and one-half (1-1/2)
- For all colleagues hired after June 1, 1987 and prior to July 25, 1996, a one dollar (\$1.00) per hour premium will be paid in lieu of time and one-half (1-1/2) for all hours worked on Sunday.
- For all Colleagues hired after July 25, 1996 and prior to November 3, 2000, a fifty cent (\$0.50) per hour premium will be paid in lieu of time and one-half (1-1/2) for all hours worked on Sunday.
- For all Colleagues hired after November 3, 2000, all hours worked on Sunday will be paid at the straight-time hourly wage rate.

13.02.1 Colleagues will receive a twenty cent (\$0.20) shift differential which shall apply to work performed between the hours of 9:00 p.m. and 5:00am.

13.03 The following shall be the minimum wages paid, and written statements or check stubs shall be furnished to all Colleagues showing dates of pay period, straight time and overtime hours worked, hourly rate of pay, gross earnings, deductions and net earnings. For the purposes of Section 13, the term "newly hired Colleagues" means those Colleagues employed later than December 15, 2010; "current Colleagues" means those Colleagues employed on or prior to December 15, 2010.

#### **13.04 Wage Rates**

All rates shall prevail as the basic hourly wage rates with the exception of Holiday Seasonal hires. In no event shall any wage classification be less than twenty cents (20¢) per hour above the then current Washington State minimum wage.



Every Colleague will receive general wage increases to their existing wage rates as follows:

3/1/2021 - \$0.30  
3/1/2022 - \$0.35  
3/1/2023 - \$0.30

General Wage Increase (GWI) will be processed and paid retroactively to the Sunday prior to 3/1.

### **Premiums**

The premiums listed below are to be applied as a supplement to the Colleague's base wage and only in affect while the Colleague is in said position.

<b>Position</b>	<b>Premium</b>
Intimate Apparel Fitter (Grandfathered)	\$0.35
Cosmetic Counter Managers	\$1.50
Certified Fragrance Colleagues (Grandfathered)	\$0.35
Wedding and Gift Registry	\$0.35
My Shop Captain	\$1.00
Support Leads	\$1.00

13.04.1 Intimate Apparel Fitters presently receiving thirty-five cents (35¢) an hour premium will be grandfathered at that rate and receive the Intimate Apparel Fitter commission rate. Intimate Apparel Fitters assigned after September 7, 2003, will receive Intimate Apparel Fitter commission rate only. Notwithstanding the above, any Colleague receiving this premium prior to June 24, 2007, will be grandfathered as long as they continue to be assigned to the Intimate Apparel department. Colleagues who are converted from Draw vs Commission to Base (Hourly) wage rate will continue to receive the thirty-five cents (35¢) an hour premium. Colleagues will not experience a reduction in their hourly wage rate as a result of this provision.

13.04.2 Cosmetic Counter Managers, defined as having with one (1) or more Beauty Advisors assigned to their line, shall receive an additional one dollar and fifty cents (\$1.50) per hour above their wage rate.

13.04.3 Fragrance Colleagues who pass the certification exam will receive a thirty-five cent (35¢) per hour premium.

### **13.05 Commission Colleagues**

All Draw vs Commission Colleagues will be eligible for the annual GWI as a bonus for all hours paid the prior fiscal year times (X) the General Wage Increase (GWI).

This is to be paid no later than 30 days following the date of the General Wage Increase (GWI).

### **13.06 Commissions**

Sales Colleagues on Draw vs Commission will receive commission at no less than the minimum commission rate for their assigned department.

Effective 02/27/2011, Draw vs Commission Colleagues who inter-sell in other Draw vs Commission areas will receive the commission rate assigned to the merchandise.

**Commission Rate Chart**

Department	Rate	Department	Rate	Department	Rate
Accessories	7.00%	Handbags	6.00%	Men's Shoes	8.50%
Bed Linens	5.00%	Hosiery	7.00%	Men's Slacks	5.50%
Better Sportswear	5.50%	Housewares	5.00%	Men's Sportswear	5.50%
Bridge	5.50%	IA Fitters	6.50%	Moderate Sportswear	5.50%
Children's	5.75%	Intimate Apparel	6.00%	On-Call	5.00%
China	6.00%	Jewelry	7.00%	Petites	5.50%
Coats/Swim	5.50%	Juniors	5.50%	Silver	6.00%
Collections 1	5.50%	Luggage	5.50%	Suits	5.50%
Collections 2	5.50%	Men's Active	5.50%	Tabletop	6.00%
Dresses	6.00%	Men's Clothing	6.00%	Textiles	5.00%
Floor Coverings	5.50%	Men's Collections	5.50%	Watches	7.00%
Furniture	5.50%	Men's Collections 2	5.50%	Women's Shoes	8.50%
Glassware	6.00%	Men's Furnishings	5.50%	Young Men's	5.50%

\*\*\* Mattresses Colleagues receive Base Plus 2% Commission

\*\*\* Fine Jewelry Colleagues follow the tiered commission plan outlined in the attached Appendix B - Jewelry Complex Sales Colleague – Base Plus Tiered Compensation Program

\*\*\* Cosmetics Colleagues receive Base Plus 2.77%

13.06.1 The conversion rate for Draw vs Commission Colleagues hired following December 15, 2010, who are converted to an hourly rate pay plan effective February 27, 2011, will be their draw rate in effect on that date, subject to future increases based upon the progression schedule.

**SECTION 14 - Commissions and Regulations**

14.01 Commission shall be figured and paid weekly on net sales against quotas, as established in this Agreement.

Effective July 4, 2004, deficits will be wiped out bimonthly for all Sales Colleagues. Newly hired Colleagues shall have deficits wiped out on a quarterly basis up to one hundred dollars (\$100). Sales quotas shall be computed on the ratio of actual time worked. For the purposes of Section 14, the term "newly hired Colleagues" means those Colleagues employed later than December 15, 2010; "current Colleagues" means those Colleagues employed on or prior to December 15, 2010.

14.02 All Commission Sales Colleagues shall receive their wage rate, based on the commissions heretofore set forth on net sales, except under the following conditions:

- Sales by department head to Colleagues.

14.03 All Commission Sales Colleagues shall be paid their commission earnings on a weekly basis for the previous period on the second pay period following the end of the period and such commission earnings shall be paid separately from their weekly draw.

14.04 Drawing account or guarantees specified in this Agreement, shall be considered and calculated as minimum of pay for services performed during straight time hours of work on a basic work week of forty (40) hours. The intent herein is to protect the Union against Fair Labor Standards Act (FLSA) possibilities insofar as a basic work week of forty (40) hours is concerned. In order to avoid unnecessary deficits, Colleagues employed later than December 15, 2010, as Draw vs Commission Colleagues at the thereafter rate, will have their draw rates evaluated on an annual basis to ensure their draw rate does not result in deficits. In the event the prior fiscal year selling rate is below the Colleague's draw rate, their draw rate will be adjusted to reflect the selling rate. The adjusted draw rate will be effective the first fiscal week in May, beginning in 2011. In order to have their draw rate adjusted higher (in situations where their rate had been previously lowered), the Colleague's selling rate must be greater than their current draw rate at the next annual review of selling rates (which occurs at the close of each fiscal year). An upward adjustment of a rate would be equal to the prior fiscal year's selling rate, but cannot exceed the thereafter rate. The adjusted draw rate will be effective the first fiscal week in May.

14.05 Current Draw vs Commission Colleagues are not subject to a reduction in their draw rate.

14.06 All Commission Sales Colleagues shall receive their Paid Time Off (PTO) and Holiday pay in addition to their monthly earnings. Paid Time Off (PTO) and Holiday compensation for Commission Sales Colleagues shall be based upon average earnings, exclusive of P.M.'s, Sales Promotion Incentive Fund (SPIF) and etc. Average annual earnings shall be based upon the fiscal year or a proportionate part thereof immediately preceding the fiscal year in which the Paid Time Off (PTO) or Holiday was taken, provided at least one full month was worked in said preceding fiscal year, and shall be calculated on an hourly basis.

14.07 All Commission Sales Colleagues working overtime on sales work shall be paid at the overtime rate of time and one-half (1-1/2) their average earnings with the straight-time pay charged against commission while the additional one-half (1/2) time pay shall be paid in addition to commissions.

14.08 All Commission Sales Colleague whose salary is computed on a commission basis, working overtime on other than sales work, shall be paid the overtime rate of time and one-half (1-1/2) their average earnings as required by federal, state, and local laws, rules and regulations, in addition to their earnings and this overtime pay shall not be used to adjust salaries and commissions.

14.09 Effective March 6, 2011, there shall be no deduction from the Colleague's commission for merchandise repossessed or returned after one hundred eighty (180) days from the date of delivery. Notify merchandise will be charged to the customer on the 31st day after date of purchase and returned. Notify merchandise will not be deducted after one hundred eighty (180) days from the date of charge to the customer. Prior to March 6, 2011, former policies apply.

14.10 All factory or manufacturer' s P.M.'s and (Sales Promotion Incentive Fund) SPIFs which are received by the stores will be paid to the Sales Colleague who sells the merchandise and are subject to change from time to time.

14.11 Upon request, the Employer will furnish Sales Colleagues, in contractual commission

departments, information on charge backs including transaction number, store, date of return, article, amount, and ringing Colleague number. This information will be provided no later than two (2) weeks from the date of request. This may be done by means of a monthly departmental list available to all Sales Colleagues within the department, or, by other reasonable means which will supply the information to the Colleagues. The purchase date of the original transaction(s) and a photocopy of all credits in excess of one hundred dollars (\$100) shall be furnished upon written request. There shall be no charge backs of Macy's Dollars, Holiday Dollars, Opportunity Dollars and the like.

#### **14.12 Sales and Commission Reports**

The Employer will, at a designated location within each store, provide Colleagues access to a department daily sales transaction report by Sales Colleague name and number via electronic method.

14.12.1 Commission reports shall be provided to Colleagues no later than, at the approximate time the second paycheck of the month is issued. The report shall include total monthly sales and returns by department and class via electronic method.

14.12.2 An explanation of commission related report(s) including department numbers and abbreviation codes shall be available electronically. In the event of a malfunction of electronic equipment for a period of one (1) week or longer, the Employer shall provide a written copy of the documents referred to in Sections 14.11, 14.12.1, and 14.12.2.

14.13 When a Colleague moves into a commission eligible position; the Employer shall provide them with the Draw Commission Basics pamphlet and a sample of a Commission report which includes explanation of how commissions are calculated.

14.14 Non-productive time shall be defined as time during store open hours when the Employer restricts the Sales Colleagues from selling opportunities and will not be charged against commission. Time worked in excess of thirty (30) minutes prior to store opening or thirty (30) minutes after store closing will be considered non-productive time for commission and productivity purposes.

14.15 **Commission Conversion:** The Employer and the Union agree, when the decision is made to convert a department from Draw vs Commission (DVC) to Base (Hourly) rate or a Base Plus Commission rate the following process will apply. The commission pay plan change shall not erode the Colleague's earnings if their sales per hour selling level remains consistent with prior selling levels. The Union shall be notified at minimum thirty (30) days in advance of any decision to implement a commission conversion decision.

##### **14.15.1 Draw vs Commission to Base (Hourly) Rate**

- a. At the date of conversion, the Employer will determine the Average Regular and Commission Pay Rate using total regular and commission earnings from either of the previous two (2) fiscal years or the previous fifty-two (52) weeks, whichever is greater divided by productive hours for the same time period.
- b. The Average Regular and Commission Pay Rate will be compared to the

Colleague's current wage scale. The new base rate will be the higher of either the Average Regular and Commission Pay Rate or the current wage scale.

- c. Colleagues with less than twelve (12) weeks of experience at the time of the conversion shall have a base rate equal to their draw rate.
- d. Due to the calculation called out above, the new Base (Hourly) rate will provide a pay opportunity greater than or equal to the combined regular and commission earnings they experienced on the prior pay plan.
- e. Big Ticket departments will only convert to a Base (Hourly) rate, if the Employer can demonstrate the Colleagues working in the department will receive an overall increase in earnings. In such a circumstance the above formula shall apply.

#### **14.15.2 Draw vs Commission to Base (Plus) Rate**

- a. At the date of conversion, the Employer will calculate the Average Regular and Commission Pay Rate using the method above.
- b. The Average Regular and Commission Pay Rate will be compared to the Colleague's current wage scale. The wage will be the higher of either the Average Regular and Commission Pay Rate or the current wage scale.
- c. If the area operates at a Base (Hourly) rate plus commission program, the commission rate shall be no less than two-point zero percent (2.0%) on all eligible merchandise department sales.
- d. If the area operates a Base (Hourly) rate plus tiered commission program, the lowest commission rate shall be no less than one-point five percent (1.5%) on eligible merchandise department sales.

#### **14.15.3 Base (Plus) Rate to Base (Hourly) Rate**

- a. At the date of conversion, the Employer will determine the Average Regular and Commission Pay Rate using total regular and commission earnings from either of the previous two (2) fiscal years or the previous fifty-two (52) weeks, whichever is greater divided by productive hours for the same time period.
- b. The Average Regular and Commission Pay Rate will be compared to the Colleague's current wage scale. The new base rate will be the higher of either the Average Regular and Commission Pay Rate or the current wage scale.
- c. Colleagues with less than twelve (12) weeks of experience at the time of the conversion shall have a base (hourly) rate equal to their base (plus) rate.
- d. Due to the calculation called out above, the new Base (Hourly) rate will provide a pay opportunity greater than or equal to the combined regular and commission earnings they experienced on the prior pay plan.

#### **14.15.4 Base (Plus) Rate to Draw vs. Commission**

- a. At the date of conversion, the Employer will determine the Average Regular and Commission Pay Rate using total regular and commission earnings from either of the previous two (2) fiscal years or the previous fifty-two (52) weeks, whichever is greater divided by productive hours for the same time period.
- b. The Average Regular and Commission Pay Rate will be compared to the Colleague's current wage scale. The new draw rate will be the higher of either the Average Regular and Commission Pay Rate or the current wage scale.
- c. Colleagues with less than twelve (12) weeks of experience at the time of the conversion shall have a draw rate equal to their base rate.
- d. The draw rate moving forward will be managed through the Draw Rate Management process.

#### **14.15.5 Base (Hourly) Rate to Draw vs. Commission**

- a. At the date of conversion, the colleague's current base (hourly) rate will become their draw rate.
- b. The draw rate moving forward will be managed through the Draw Rate Management process.

#### **14.15.6 Base (Hourly) Rate to Base (Plus) Rate**

- a. At the date of conversion, the colleague's current base (hourly) rate will become their base (plus) rate.

### **SECTION 15 - Settlement of Disputes**

15.01 Any dispute or grievance arising between the Employer and the Union to this Agreement as to the proper interpretation or application of the Agreement shall be adjusted by the accredited representative of the Employer and the accredited representative of the Union. If the Employer and the Union fail to reach an Agreement within forty-five (45) days from the date the grievance was responded to, as required by Section 15.07, the moving party must request arbitration, or the grievance shall be waived. In the event either the Employer or the Union requests an arbitration, the Employer and the Union, shall select an Arbitrator and request a hearing date within fifteen (15) days of the arbitration request.

15.02 Any dispute or grievance made to the Union and filed with the Employer relative to availability of hours as outlined in SECTION 4 - Seniority, Transfers and Available Hours, shall be the subject of a meeting between the Employer and the Union within seventy-two (72) hours (Monday through Friday) or at a mutually agreeable time, from the time the Employer is advised of the complaint by the Union.

15.03 Where a Colleague is being laid off, terminated, or having their work week reduced, the reasons therefor shall be given to them immediately in clear and specific terms. If in the Colleague's opinion, the reasons furnished for being laid off, terminated, or having their workweek reduced, are not satisfactory, then they shall have recourse to the grievance procedure. Such appeal must be filed in writing by the Union within fifteen (15) calendar days from the date of notification of discharge, and unless the appeal is so filed, the right of appeal is lost.

15.04 If arbitration is requested, the Arbitrator, shall be chosen from the Federal Mediation and Conciliation Service (FMCS). The method of selecting an Arbitrator shall be by alternately striking a name from the Federal Mediation and Conciliation Service (FMCS) Arbitrator Panel until one (1) name remains as the Arbitrator chosen by the Employer and the Union.

15.04.1 The losing party shall pay the cost of the Arbitrator. The Employer and the Union agree, the Arbitrator has the authority to determine appropriate prorating of this cost in the event of a split decision and award. The Arbitrator will be made aware of these requirements at the conclusion of the arbitration hearing.

15.05 The Employer and the Union shall notify the Arbitrator at time of selection of the requirement they must render a final and binding decision within thirty (30) days from the close of the arbitration hearing, or from the Arbitrator's receipt of post-hearing briefs, whichever is later. In the event the selected Arbitrator is unable to agree to such requirement, the Employer and the Union shall contact the FMCS for a new Arbitrator Panel and begin the striking process again. The Arbitrator shall not have the power to add to, modify or change any provisions of this Agreement. Upon proper receipt, the decision of the Arbitrator shall be final and binding upon both the Employer and the Union to this Agreement.

15.06 Either the Employer or the Union may obtain a transcript of the arbitration at the party's expense for its sole use, unless the other party wishes a copy, in which case, the expense of the transcript shall be shared equally. The fees of the Arbitrator shall be borne by the losing party. The Arbitrator shall have the authority to appropriately apportion costs between the Employer and the Union in the event of a split decision and/or award.

15.07 Except in the case of grievances arising from errors in pay calculations or where a grievance has been suppressed, the following time limits shall apply:

15.07.1 Grievances shall not be recognized unless received in writing by email and/or United States Postal Service (USPS) by the accredited representative of either the Employer or the Union, describing as fully as possible the matter at issue and the Section(s) of the Agreement allegedly violated, within thirty (30) calendar days from the date the grieving party knew or should have known of the occurrence causing the complaint or grievance; except as otherwise provided herein.

15.07.2 The Party, upon whom the grievance was filed, shall respond to the grievance in writing within thirty (30) days. Upon receiving the response from the party, upon whom the grievance was filed, the filing party may submit the grievance to a Labor Relations Committee, consisting of the Employer's Vice President of Labor Relations or their designee and a representative assigned by the Union. The Labor Relations Committee shall meet (in person or telephonically) no later than thirty (30) days from the submission of the grievance to a Labor Relations Committee.

15.07.3 For the purposes of filing and responding to a grievance, the postmark on the envelope and/or the date of the email shall be considered the date a grievance is filed, or a response is sent.

15.07.4 Following the filing and the response to the grievance, neither the Employer

or the Union is permitted to add to, subtract from, modify, or change its contractual position, as required by Section 15, at any time prior to the final decision by an Arbitrator, except where newly acquired evidence is documented. In such case, either the Employer or the Union shall have the right to modify its contractual position in writing based upon the newly acquired evidence, provided in any event, it is prior to requesting arbitration, as provided for under Section 15.01.

15.08 Any grievance not originally filed in accordance with the time limits of Section 15 shall be deemed waived. Any time limitation established herein, may be extended only by mutual agreement of the Employer and the Union. Time constraints are reciprocal for both the Employer and the Union. If the Union does not respond within such time limits, the grievance shall be deemed satisfied and dropped. If the Employer does not respond within such time limits, the grievance shall be deemed sustained.

15.09 The Employer and the Union to the agreement have the right to request and receive information needed to investigate grievances. The rights and obligations of the Employer and the Union shall be governed by federal, state, and local laws, rules and regulations.

#### **SECTION 16 - Savings Provision**

16.01 It is the intent of the Employer and the Union for this Agreement to comply with all applicable federal, state, and local laws, rules and regulations. In the event any provision of this Agreement is held to be invalid, such invalidity shall not affect the remainder of this Agreement. The Employer and the Union shall promptly meet for the purpose of negotiating a substitute clause in the event any clause is found to be invalid.

#### **SECTION 17 - Management Rights**

17.01 The Union retains all rights given it by the provisions of this Agreement or by federal, state, and local laws, rules and regulations. Management of each store retains all rights except as those rights may be limited by this Agreement or by federal, state, and local laws, rules and regulations.

17.02 The Employer and the Union recognizes the Commission and Draw system is an important element to the Employer's business and to providing Colleagues with sale performance incentives. In this spirit, the Employer and the Union agree, nothing in this Agreement shall prevent the Employer from raising departmental commission rates. The Employer will not decrease a commission rate following an increase for at least six (6) months. Moreover, if either the Employer or the Union believes a Commission and/or Draw rate or a Commission's Application or lack thereof to a particular department fails to accomplish the intended purposes or is otherwise unacceptable, the Employer and the Union agree to negotiate any change and the effects of any change to Commission or a Commission's Application to a department. If the Employer and the Union fail to reach an agreement after a good faith effort to do so, the current method of compensation identified in the Collective Bargaining Agreement shall remain in effect.

17.03 The Employer may adopt a policy which regulates and/or precludes the wearing of buttons, insignias, labels, pins or other adornments in customer contact areas. The Employer will allow Colleagues to wear a single small metal (not stamped tin) button type pin or the "Many Faces-One Voice" rectangular enameled pin.



## **SECTION 18 - Retirement Program**

18.01 The Employer shall continue to cover Colleagues under the terms of the Macy's, Inc., Plan and Savings Program, as these plans from time to time provide. The Union will be given notification of any plan modification as soon as practicable after such modification. is adopted.

18.02 Effective January 1, 2014, a single 401(k) plan will be provided to eligible Colleagues for the purposes of accumulating post-employment retirement income.

- **Eligibility**  
Age twenty-one (21) or older and one (1) year of service of one thousand (1,000) hours paid in the first year, or any calendar year thereafter.
- **Maximum Employee Contribution**  
Internal Revenue Service (IRS) Contribution Limit.
- **Vesting**  
Colleagues is 100% vested upon reaching two (2) years of vesting service.
- **Employer Match**  
One Hundred percent (100%) match of the first one percent (1%) of pretax Colleague contribution. Fifty percent (50%) match of the next five-percent (5%) of pretax Colleague contribution. Colleagues must have one thousand (1,000) hours paid in order to receive the Employer's match.

After December 31, 2013, additional benefits in the Macy's Inc., Cash Account Pension Plan are discontinued, this includes the May Department Stores Employer Retirement Plan.

- After December 31, 2013, vesting service counts only for the purpose of becoming fully vested.
- Participants retain all benefits earned through December 31, 2013.
- Benefits from the Cash Account Pension Plan will be paid during retirement in accordance with the rules of the plan.

## **SECTION 19 - Emergency Store Closure**

19.01 In the event, a location may need to close or delay opening in order to accommodate emergency conditions, such as inclement weather (e.g., snow, hurricanes, etc.) or other emergencies (e.g., earthquakes or damage to a facility). In these situations, the Company will provide Reasonable Notice of the closure to Colleagues who are scheduled to work during the day(s) when the location is closed, or delayed opening is required. Reasonable notice is considered 2 hours' notice or more from the time employeeconnection.net is updated with the closure information.

### **Communication Process for All Emergency Situations**

In the event of an emergency closure, there is a communication process in place to provide important information and notice of closure to our Colleague population in a reasonable time frame.

The Macy's, Inc. Business Resiliency Group will post a closure communication on [employeeconnection.net](http://employeeconnection.net), push a text/email to impacted colleagues, and a message on **1-877-INFO-337** (1-877-463-6337). Once this communication is posted, a "Special Emergency" message will appear at the top/center of the [employeeconnection.net](http://employeeconnection.net) homepage.

**Initial Closure.** Colleagues will be compensated for their scheduled hours minus any applicable unpaid meal period(s) for the first day of closure if: (1) they report for work and are unable to complete their full shift due to an emergency location closure; or, (2) due to the nature of the emergency, the Company is unable to provide Reasonable Notice. • If a location follows a scheduling requirement due to state or local law, the guidelines of the scheduling requirement should be reviewed for pay considerations.

**Two-Day Waiting Period.** Upon the Initial Closure, a two-business-day "waiting period" will be instituted during which any Colleagues assigned shifts during the waiting period may take PTO or the time will be unpaid.

**Three-Consecutive-Days-of-Pay Period.** If the company-initiated closure is extended past the two-day "waiting period," any colleagues assigned shifts on the three-consecutive days of pay period, Colleagues will be paid for their assigned shifts minus any applicable unpaid meal period(s) for up to three consecutive days of closure following the waiting period.

Colleagues will be paid at their base hourly rate or average hourly rate, (whichever is applicable) X their scheduled hours minus their applicable meal period.

For commission Colleagues who have an Average Hourly Rate (AHR) on record – Pay will be based on the Colleague's AHR.

For commission Colleagues who do not have an Average Hourly Rate (AHR) on record, the following rates will be used to calculate pay under this policy:

- the hourly base rate for base plus commission Colleagues; or
- the hourly draw rate for draw versus commission Colleagues

### **Location is open during inclement weather or other emergencies.**

If a location is open during inclement weather or other emergency (including, but not limited to a federal, state, or local transportation emergency) in the area where the facility is located and/or in surrounding areas as defined by the appropriate HR Business Partner, such as where the Colleague resides:

- Hourly Colleagues unable to work **will NOT have an impact to their attendance** if they do not come to work or arrive late or leave early with management approval,
- Location Colleagues may choose to **take a PTO day** if they speak to their People Leader or Executive in Charge before their scheduled shifts, or they may choose to

take unpaid time off.

## **SECTION 20 - Pandemic**

20.01 During **COVID-19**, Macy's will implement a series of safety measures to ensure the safety of both colleagues and customers and will at all times comply with CDC guidelines which may continue to change. In the event there is a change of CDC guidance that alters anything below the Company will meet with the Union and discuss such changes. These measures will include, but not limited to:

1. Macy's will provide face masks for each colleague on duty who does not have their own mask. The expectation is that the colleagues are responsible to care for the company issued masks. In the event the mask gets damage during the colleagues working shift, the colleague will be able to exchange the damaged mask for a replacement.
2. Distribution of gloves and/or aprons for select colleagues based on the nature of work (i.e. colleagues who are processing multiple goods or interaction with customers at high-traffic registers.)
3. Increased and expanded cleaning protocols which will be the responsibility of all colleagues to some extent.
4. Installations of plexi-glass sneeze guards at cash wrap areas.
5. Social distancing indicators will be added as part of store signage.
6. Aligned to our current company practice, colleagues can excuse themselves to leave the floor and wash their hands at any time for a reasonable amount of time; the colleague should notify their People Leader in advance to ensure there is adequate coverage to support customer needs.
7. All colleagues will be allowed to wipe down and sanitize any equipment that the colleague is being required to use. The Company will provide hand sanitizer at every register, building entrance, lounge, breakroom, or display area for colleague and/or customer use.
8. Housekeeping and store leadership teams will ensure all cleaning products and sanitizer are replenished through-out the day. Housekeeping will maintain their typical daily cleaning operations which include disinfecting.
9. If a store is subject to closure, upon store reopening, the Company will provide the colleagues with the safety protocols via My Insite prior to returning to their respective store with 1:1 People Leader reinforcement, signage will be posted at all colleague and customer entrances outlining the established safety protocols and practices as per the CDC and local government.
10. Our in house Plumbers/Steamfitters will continue to perform necessary maintenance to HVAC systems inclusive of review and changing of filters as needed.

11. Macy's will comply with the Tacoma and Washington state government guidance regarding customers wearing masks when visiting the store. The Company will have visual signage and placard that encourages personal protection equipment (PPE). Macy's will comply with all additional government and CDC guidelines as required. This policy requiring masks will be jointly reviewed by the Company and the Union on an ongoing basis to determine the need for the length of such policy however the final decision is the company.
12. In the event a colleague is uncomfortable with servicing a customer who is not wearing a mask, as per our established practice, the colleague should politely step away and contact the appropriate people leader for customer assistance such colleague will not be disciplined for politely stepping away and contacting the appropriate People Leader to service the customer.
13. Before and after handling the phone for Macy's Credit Services, colleagues should wipe down the phone with the appropriate disinfectant wipes and upon return of the phone the colleague should wipe the phone down before placing on the receiver.

### **Wellness Checks during COVID 19**

During COVID 19, Macy's colleagues must complete wellness checks before each shift.

- Colleagues must take their temperature at home. If the temperature is 100.4°F or higher or if the colleague is experiencing flu-like symptoms or otherwise feeling unwell, the Colleague may not work their shift. The Colleagues may use paid time off or in certain locations, available sick/safe time and may reach out to Colleague Support for assistance. The colleague's attendance will not be adversely affected.
- Colleagues will be required to complete temperature checks at home and self-report during their wellness check. In the event, a colleague forgets to take their temperature check at home they will have their temperature check completed at the store in an effort to allow the colleague to work that particular shift. Such colleague will be reminded of the expectations so they can work their assigned shift. When colleague arrives to work, a wellness check will be conducted and recorded.
- The questionnaire portion of the wellness check will be completed while the colleague is on the "on the clock".
- Colleagues will be required to respond to a series of questions – known as Wellness Check(s) – to ensure the safety of everyone in the store:
  1. Did you take your temperature before you left for work today?
  2. Was your temperature below 100.4°F/38°C?
  3. Are you free from all of the following symptoms: new or worsening cough, shortness of breath, sore throat, new loss of taste or smell, chills, muscle pain, headache, or runny nose?
  4. Can you confirm that you have NOT had close and prolonged contact with a person who was lab-confirmed to have COVID-19 to your best knowledge? (The CDC defines close contact as being within 6 feet of someone with a

confirmed case of COVID-19 for a prolonged period of time, 10 minutes or more, within the last 14 days)

5. Can you confirm that you have NOT tested positive for COVID-19 in the past 14 days?

If the colleague answers "yes" to all five questions, they should immediately wash or sanitize their hands, ensure they have a face mask on, and proceed to their work area. If the colleague answers no to any one of the four (#2- #5) questions, they are to be sent home and should be paid for the time it took to conduct the wellness check. If a colleague is sent home due to the outcome of the four questions (#2 - #5) wellness check, the colleague's attendance will not be adversely affected.

#### Other Safety Measures

- Macy's will provide face masks for each colleague on duty who does not have their own mask. As noted above, in the event the colleague's mask gets damage during the colleague's working shift, the colleague will be able to exchange the damaged mask for a replacement. Distributed masks will meet the CDC guidelines and are to be worn at all times while at work. The colleague is expected to retain, clean and reuse the masks. This process will continue until further notice. The Company will advise the Union prior to implementing the change.

During the period of an emergency, catastrophe, or severe economic crisis which so affects the Company's operation as to result in extraordinary decrease of gross sales affecting the employment of such employee. No act or event within the Company's control shall be considered an emergency or catastrophe. A labor dispute to which the Company is not a party, and in which the Company has no control, or the adoption of any law or regulation, which is the cause of an extraordinary decrease in gross sales shall be considered an emergency. The Company will effects bargain the impact of the emergency, catastrophe, or severe economic crisis with the Union.

In order to address the current COVID-19 Pandemic, or in order to address any future Pandemic emergency where the City, State, or Federal Government deems it a pandemic, issues a stay-at-home order, or recommends a stay-at-home order the agreed to conditions will apply as follows:

- A. If an employee has contracted COVID 19 illness and is required to quarantine as per the state, local government or CDC or any future pandemic emergency that requires quarantine they shall be entitled to pay at their paid time off rate of pay x their weekly scheduled hours for the week(s) they are required to quarantine, up to two weeks of the Quarantine period. Quarantine periods will adhere to CDC, state, or local government requirements.
- B. In the event that the employee has not fully recovered, after the two week period, during COVID-19 pandemic or any future pandemic the employee may apply for a Leave of Absence, utilize any sick pay, or earned PTO time that they are entitled to under the collective bargaining agreement.
- C. In the event the employee has to care for a family member who is required to quarantine, during COVID-19 pandemic or any future pandemic, the employee can apply for a Leave of Absence.

- D. The employee is required to immediately notify the Company of the need for leave for either A, B or C above through their supervisor.
- E. Any employee who is required to quarantine as per the state, local government or CDC or on a Leave of Absence, during COVID-19 pandemic or any future pandemic emergencies, the Company's Reliability and/or Attendance policies will be suspended for the duration of that time.
- F. For employees who are quarantined, during COVID-19 pandemic or future pandemic emergencies, medical benefits eligibility requirements and PTO eligibility requirements will be reviewed to support continued eligibility for impacted employees.
- G. During the current COVID-19 Pandemic or any future pandemic emergency the Company agrees to meet and confer with the Union on safety, cleaning, or any other discussion item to address the emergency on an as needed basis.

## **SECTION 21 - Workplace Safety**

21.01 The Company will provide and maintain sanitary, safe and healthful conditions in all places in which Regular Colleagues perform services, in accordance with applicable law. In the event the Union notifies the Company that it believes a hazardous condition exists, the Company will investigate without delay; and if such condition exists, the Company will promptly remedy it.

21.02 Safety concerns shall be addressed in the Joint Labor Management Committee (JLMC) meetings; per LOU #7.

21.03 Colleagues are to follow company policies and procedures regarding shop lifters and like matters in safety, shortage and related policies. The colleague and customer's safety is the Employer's priority. The Company shall clearly outline and People Leaders shall regularly orient Colleagues on how to respond if the colleague suspects someone of shoplifting, or being in an unauthorized area in the stores. Each colleague should continue to access such policies vis AskHR (or equivalent) self-service tool. Any colleague who feels a threat to their safety, should immediately remove themselves and contact their People Leader or Asset Protection for assistance and support.

## **SECTION 22 - No Strike. No Lockout**

22.01 There shall be no strike or lockout during the term of this agreement. The Union must notify the Employer six (6) working days excluding Sat., Sun., and Holidays prior to observing any lawful primary picket line. The refusal of any Associates covered by this agreement to pass through a picket line after the above-mentioned notice is given shall not constitute a violation of this understanding.


**SECTION 23 - Effect and Duration of this Agreement**


23.01 This Agreement shall be in full force and effect from and after March 1, 2021, through February 28, 2024, and each year thereafter unless either the Employer or the Union shall serve written notice at least sixty (60) days prior to expiration or anniversary thereof, of desire to change or terminate this Agreement.

In witness whereof, the Employer and the Union hereto have through their duly authorized representatives, set their hand and seals as of the day and year first above written.

Macy's Tacoma Mall

UFCW Union Local No. 367

  
\_\_\_\_\_  
Chanell Bracey-Davis      8/9/2021  
Principal, Labor Strategy      Date

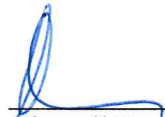
  
\_\_\_\_\_  
Michael Hines      8/05/2021  
Secretary/Treasurer      Date

The Employer and the Union hereby agree to the following Letters of Understanding:


Appendix A	Wages
Appendix B	Jewelry Tiered Commission Program
Letter of Understanding #1	Selling Department People Leaders
Letter of Understanding #2	Cosmetics Colleague
Letter of Understanding #3	Support Team
Letter of Understanding #4	Visual Specialist Colleagues
Letter of Understanding #5	Credit Standard
Letter of Understanding #6	Service Professionals/Selling Assistant/Cashiers Guidelines
Letter of Understanding #7	Joint Labor Management Committee
Letter of Understanding #8	Colleague Discounts and Dress Standards
Letter of Understanding #9	Attendance
Letter of Understanding #10	Disciplinary Action
Letter of Understanding #11	Jewelry Complex Sales Colleagues Base Plus Tiered Compensation Program
Letter of Understanding #12	Use of General Utility Colleagues
Letter of Understanding #13	Non-Public Personal Information and Security Agreement
Letter of Understanding #14	Contract Language Clean-up

Macy's Tacoma Mall

UFCW Union Local No. 367

  
 Chanell Bracey-Davis  
 Principal, Labor Strategy

8/9/2021  
 Date

  
 Michael Hines  
 Secretary/Treasurer

8/05/2021  
 Date



**APPENDIX A**

**Jewelry Complex Sales Colleague – Base Plus Tiered Compensation Program**

**Overview of Compensation Plans:**

Colleagues working in stand-alone Fine Jewelry/Fine Watch areas or mixed Fine/Fashion Jewelry areas will be eligible for a tiered base plus commission pay plan that accelerates Colleague commission pay opportunity as they reach volume thresholds. Colleagues working in a stand-alone Fashion Jewelry/Fashion Watch area will only be eligible for a Base Plus commission plan with no tiered component.

**Colleague Eligibility:**

<b>Programs</b>	<b>Fine Jewelry/Watch Area</b>	<b>Fine/Fashion Combined Area</b>	<b>Fashion Jewelry/Watch Area</b>
<b>Area/Area Suffix</b>	4101 – 4107	4101 – 4107	4108 – 4114
<b>Merchandise Divisions</b>	Div. 35 Fine Jewelry and Div. 18 Fine Watches	Div. 35 Fine Jewelry, Div. 18 Fine Watches, Div. 9 Fashion Watches, Div. 44 Apple, and Fashion Jewelry Depts. 291, 294, & 813	Div. 9 Fashion Watches, Div. 44 Apple, and Fashion Jewelry Depts. 291, 294, & 813
<b>Job</b>	Fine Jewelry Sales Colleague	Fine and Fashion Jewelry Sales Colleague	Fashion Jewelry Sales Colleague
<b>Full-Time</b>	Eligible for all program		
<b>Part-Time</b>	Eligible for all program		
<b>Flex Colleague</b>	Eligible for 1.0% commission pay on net sales in Div. 9 Fashion Watches, Div. 44 Apple, and Fashion Jewelry Depts. 291, 294, & 813 and 1.5% commission on net sales in Div. 35 Fine Jewelry and Div. 18 Fine Watches. Rates apply if flex Colleague is assigned to any of the listed areas above.		
<b>Temporary</b>	Not eligible for Commission compensation plan		

**Compensation Plan Details:**

**Fine Jewelry/Watch Area and Fine/Fashion Area**

**Commission Plan:** Base Tiered

**Commission Rates by Dept./CI:** Vary based on Colleague current fiscal year accumulated net sales. All net sales while in a commission eligible position contribute to tier accumulation, including non-commission merchandise. Tier achievement will reset at the start of each fiscal year.

Tier	Sales Volume	Commission Rate
1	\$0 - \$125,000	2.00%
2	\$125,001 - \$250,000	2.50%
3	\$250,001 - \$375,000	3.50%
4	\$375,001 - \$500,000	4.50%
5	\$500,001 - greater	5.00%

\* Eligible Fashion Jewelry/Watch depts. 0.5% lower than listed rate

**Commission Eligible Net Sales:** All eligible merchandise department net sales in Div. 35 Fine Jewelry and Div. 18 Fine Watches. Eligible merchandise department net sales in Div. 9 Fashion Watches, Div. 44 Apple, and Fashion Jewelry Depts. 291, 294, & 813 are eligible for commission at 0.5% below the listed tiered rates. For specific department commission rates, refer to the commission rates feature in In-Site.

**Commission Pay Eligibility:** Commission paid on commission eligible net sales. Net sales=gross sales - returns - / + return/sales adjustments - back office discount. Back office discount includes but not limited to employee discount.

**Commission Pay Cycle:** Commission is paid weekly using the commission rate(s) in effect at the time the calculation is made. Commission pay is on a one-week lag from the pay for the hours worked in the week for which the net sales are calculated.

**Additional Incentive Pay:** 10% Spiff paid on eligible net sales of Jewelry protection plan dept. 985

**Fashion Jewelry / Watch Area**

<b>Commission Plan:</b>	Base Plus - No Tiering Eligibility
<b>Commission Rates by Dept./CI:</b>	1.0% commission pay on net sales in Div. 9 Fashion Watches, Div. 44 Apple, and Fashion Jewelry Depts. 291, 294, & 813 and 1.5% commission on net sales in Div. 35 Fine Jewelry and Div. 18 Fine Watches.
<b>Commission Eligible Net Sales:</b>	All eligible merchandise department net sales in Div. 9 Fashion Watches, Div. 44 Apple, Div. 35 Fine Jewelry and Div. 18 Fine Watches and Fashion Jewelry Depts. 291, 294 & 813. For specific department commission rates, refer to the commission rates feature in In-Site.
<b>Commission Pay Eligibility:</b>	Commission paid on commission eligible net sales. Net sales=gross sales - returns - / + return/sales adjustments - back office discount. Back office discount includes but not limited to employee discount.
<b>Commission Pay Cycle:</b>	Commission is paid weekly using the commission rate(s) in effect at the time the calculation is made. Commission pay is on a one-week lag from the pay for the hours worked in the week for which the net sales are calculated.
<b>Additional Incentive Pay:</b>	10% Spiff paid on eligible net sales of Jewelry protection plan dept. 985

This overview may contain inadvertent discrepancies to the official plan documents and policies. If such discrepancy exists, the governing documents shall prevail. The company may amend or terminate the programs at any time, subject to legal restrictions.

Rates and eligible locations are also subject to revision.

Letter of Understanding #1 By and Between  
UFCW Local No. 367 and  
Macy's Tacoma Mall

**Selling Department People Leaders**

It is agreed and understood for the duration of this Agreement (2019 -2021), the following terms and conditions will apply to Selling Department People Leaders:

1. People Leaders, unless they were previously members of the Union, will be excluded from Union membership.
2. People Leader will be scheduled separately from Sales Colleagues, and their hours are not to exceed twenty (20) hours per week, excluding major sales.
3. People Leaders and trainees will not be scheduled to replace bargaining unit Sales Colleagues, except for absenteeism or emergencies and are not to be scheduled alone in a department except on an occasional or sporadic basis.
4. People Leaders' sales will not be used in production or performance reviews of Sales Colleagues for the purpose of discipline or termination.
5. People Leaders and trainees will not be scheduled in the same department on the same day, except on an occasional or sporadic basis.
6. All mail order (PSMO) and telephone order transactions which come into the department will be handled as outlined in this Letter of Understanding.
7. Department Sales People Leaders shall not intentionally take sales from any Sales Colleague in order to increase their personal sales.
8. Department Sales People Leaders shall not direct Sales Colleagues to perform tasks (e.g. stock work, merchandising, change runs, paperwork, etc.) so the Department Sales People Leader would be the primary person on the selling floor ringing personal sales.
9. When department Sales People Leaders are working their scheduled hours, they will perform tasks other than selling, including recovering merchandise from dressing rooms to selling floor, handling of returns, housekeeping, etc., which will ensure an even distribution of non-selling activities for the Sales Colleagues.

Letter of Understanding #2 By and Between  
UFCW Local No. 367 and  
Macy's Tacoma Mall

**Cosmetic Colleague**

It is agreed and understood for the duration of this Agreement (2021 - 2024), the following provision will be in effect for the Cosmetic Colleagues:

- Vendor commissions will be processed through the Employer's payroll system.
- Overtime will be calculated based on the Monthly Average Rate as required by federal, state, and local laws, rules and regulations.
- The equivalent of the "Employer" Federal Insurance Contributions Act (FICA) will be deducted from vendor commission earnings. During payroll processing, the Cosmetics Colleague's Federal Insurance Contribution (FICA) and required Federal Income Tax withholding amounts will be deducted from vendor commission earnings according to Internal Revenue Service (IRS) regulations.
- Identified returns, will be applied to the Colleague's sales totals of the Colleague who sold the identified returns.
- Cosmetic Colleagues who do **not** receive commission compensation during Paid Time Off (PTO) and Holidays, will receive compensation based on their Annual Average Rate. Payment of the Annual Average Rate will be in accordance with current policies and procedures utilized for Cosmetic Colleagues in all other retail departments.
- Cosmetic Colleagues, who currently receive commission compensation for Paid Time Off (PTO) and Holidays, will **not** be compensated using the Annual Average Rate but will continue to receive Paid Time Off (PTO) and Holiday commission compensation as they have in the past.
- During the 2021 Cosmetic and Fragrance Re-structure only, if there is a reduction, the Employer will offer a voluntary layoff option by seniority equal to the number of reductions. Colleagues who choose this option will have the same rights as any associate who is laid off involuntary.

Letter of Understanding #3 By and Between  
UFCW Local No. 367 and  
Macy's Tacoma Mall

**Support Team**

Placers and Processors have been treated as one seniority group for the purposes of availability of hours when such Colleagues is qualified to perform both classifications of work. Current Colleagues in both classifications are concerned the Employer and the Union Agreement to have separate seniority for Placers and Processors might result in less available hours for senior Colleagues working in either classification.

It is not the Employer's intent to reduce the number of hours as a result of this change. Therefore, a Placer or Processor hired prior to July 2000 should be permitted, subject to merit and ability, to exercise their seniority rights in both classifications to acquire available extension hours.

**Holiday Hours**

Beginning with the 2013 Holiday season, the Support Team Full-Time (FT) and Part-time (PT) Colleagues will be surveyed during a two-week window beginning thirty to forty-five (30 to 45) days prior to the declared Support Holiday period to confirm in writing by a procedure to be determined by the Employer, what days and hours they are available to work additional Holiday hours. The Employer is **not** required to assign additional hours to Support Colleagues who have **not** given notification to the Employer within two (3) weeks of the start of the survey period. Prior to assigning additional Holiday hours to Holiday Temporary Seasonal Colleagues, Holiday hours will be assigned to existing Support Team Colleagues first by seniority and availability **not** to exceed forty (40) hours in a week. Any remaining hours will be assigned to Holiday Temporary Seasonal Colleagues.

Prior to the conclusion of the Spring season and each successive Spring season all bargaining unit Support Team Colleagues, Full-Time (FT) and Part-Time (PT) Support Team Colleagues and Flex Worker Team (FWT) Support Colleagues will be offered the opportunity to be cross trained in the event of an unplanned need for additional hours Support Team Colleagues opting out, will only be eligible for additional hours within their own classification.

A sign-up process for weekly additional hours will be maintained. Support Colleagues who sign up for additional hours will be offered those additional hours by seniority, provided they have demonstrated the knowledge, skill and ability. Support Colleagues who do **not** sign up, will **not** be offered additional hours for the specified week.

**Macy's Tacoma Mall**  
Wage & Working Agreement  
3/1/21 - 2/28/24

Letter of Understanding #4 By and Between  
UFCW Local No. 367 and  
Macy's Tacoma Mall

**Visual Specialist Colleague**

This will clarify the Employer and the Unions' Agreement for the Visual Specialist Colleagues who work outside of the Union's jurisdiction is voluntary. If a Visual Specialist Colleague volunteers to work in a store covered by a Union Agreement, the Visual Specialist Colleague shall receive the higher of the Visual Specialist Colleagues' current rate or the comparable rate in the store where the Visual Specialist Colleague is working. In no event shall the Visual Specialist Colleague receive less than the Union's contractual rates of pay.

**Macy's Tacoma Mall**  
Wage & Working Agreement  
3/1/21 - 2/28/24

Letter of Understanding #5 By and Between  
UFCW Local No. 367 and  
Macy's Tacoma Mall

**Credit Standard**

The Employer agrees to meet to establish credit standards for Sales Colleagues in departments regularly utilizing Cashiers (Women's Shoes, and Housewares). The Employer further agrees these Sales Colleagues will **not** be subject to discipline until such agreement is reached.



Letter of Understanding #6 By and Between  
UFCW Local No. 367 and  
Macy's Tacoma Mall

**Cashier/Service Professional Guidelines**

Bargaining unit Colleagues assigned the designation of Cashier/Service Professional will not have a Sales goal.

Cashier/Service Professional will be expected to meet the Employer's credit performance standards. Cashier/Service Professional shall not take and/or receive Sales credit on their own Colleague number. Sales will receive credit for all personal sales rung by a Cashier/Service Professional. Cashier/Service Professional Colleague will have a separate seniority list within their assigned departments.

Letter of Understanding # 7  
By and Between  
UFCW Local No. 367  
And  
Macy's Tacoma Mall

Regarding: Full-Time Healthcare

In the event that, prior to the expiration of this agreement, Local 21 UFCW and Macy's agree to changes governing Full-Time Healthcare plan design and cost share, the parties agree that those changes will be incorporated into the Local 367 UFCW collective bargaining agreement prior to this agreements expiration, following review and discussion with Local 367.

Letter of Understanding #8 By and Between  
UFCW Local No. 367 and  
Macy's Tacoma Mall

**Joint Labor Management Committee**

A Joint Labor Management Committee (JLMC) will be established for the purpose of discussing operational issues not covered by this Agreement, which impact the working conditions of the bargaining unit Colleague. Such meetings will take place on the last month of the Employer's fiscal quarter, at a date and time agreed upon by the Employer and the Union.

The Joint Labor Management Committee will consist of the Union and no more than four (4) Colleagues and three (3) members of management selected by the Employer and the Union, although individual members may change upon the needs of either party.

Letter of Understanding #9 By and Between  
UFCW Local No. 367 and  
Macy's Tacoma Mall

**Colleague Discount and Dress Standards**

**Colleague Discounts**

Bargaining unit Colleagues and eligible dependents will receive a Colleague discount on merchandise. In most departments, the Colleague discount is twenty percent (20%). Certain departments may have a discount level below twenty percent (20%). In addition, periodic "Extra Discount Events" will be made available to Colleagues and their eligible dependents, including additional discount events that coincide with any modifications to dress standards, which are determined by the Employer.

**Dress Standards**

It is agreed and understood for the term of this Agreement, Macy's Style at Work Policy, will be followed. The Employer will provide reasonable notice to the Union regarding any updates or enhancements to this program.

Letter of Understanding #10 By and Between  
UFCW Local No. 367 and  
Macy's Tacoma Mall

**Attendance**

**MY DAY. MY WAY**

As an Hourly Colleague (Full-Time (FT), Part-Time (PT), Flex-Work Team (FWT) or Seasonal), you receive a "bank" of Attendance Credits to use as desired and needed to help you take ownership of your day-to-day schedule, as well as to cover any unexpected last-minute absences and late arrivals.

Attendance Credits, My Schedule Plus (MSP), and Paid Time Off (PTO) programs, are all designed to give you flexibility while serving the customer best.

Lateness and absenteeism impact not only service to our customers, but your coworkers as well. Managing your time well is critical to everyone's success and your employment with the Employer. The Employer also recognizes certain absences and late arrivals are protected by the Employer's policy or federal, state, and local laws, rules and regulations. This means you don't have to use Attendance Credits for pre-approved Paid Time Off (PTO), an approved Leave of Absence (LOA), or absences protected under federal, state, and local laws, rules and regulations. (see **Using Attendance Credits** section below).

**Earning Attendance Credits**

Attendance Credits are continuously earned and used, providing you the flexibility to take control of your schedule. Building your bank of Attendance Credits through perfect attendance, lets you build a "savings account" for when life events happen.

**Initial Bank of Attendance Credits**

New Hires and Seasonal Colleagues are awarded nine (9) Attendance Credits at time of hire.

**Accumulating Attendance Credits**

You can start earning extra attendance credits during the first thirty (30) days of employment. For every two (2) weeks of perfect attendance (i.e. no Attendance Credits used), a half (1/2) Attendance Credit will be added to your bank of Attendance Credits.

**Carryover of Attendance Credits**

You can carry over unused Attendance Credits from one fiscal year to the next.

Colleagues who do not lose an Attendance Credit or any portion thereof at any point during one fiscal year, shall be rewarded with an additional Paid Time Off (PTO) for the next fiscal year. (Fiscal Year is February to January)

**Using Attendance Credits**

You can use your Attendance Credits when life's events happen. Here are some examples of how attendance occurrences (e.g., an absence, late arrivals) will impact your Attendance Credits:

<b>USING ATTENDANCE CREDITS</b>	
1/2 Credit Used	·Arriving 10 Minutes or More Late
1 Credit Used	·Absent (Monday -Friday) ·Consecutive Absences during the Week (Monday -Friday)
2 Credits Used	·Absent (Saturday or Sunday) ·Consecutive Absences (including a Saturday or Sunday)

**You may or may not have to use an Attendance Credit if the absence or late arrival is**

1. If you use Paid Time Off (PTO) to cover the absence, and the absence was not pre-approved, an Attendance Credit will be used, UNLESS the absence is also covered by #2 or #3 below.
2. Related to an Employer-approved Leave of Absence (LOA).
3. Protected under the Family and Medical Leave Act (FMLA), Americans with Disabilities Act (ADA) or any other federal, state, and local laws, rules and regulations, which provides a Colleague the legal right to take time off without a negative impact on employment. (This may include situations when the Colleague is entitled to and receives Family and Medical Leave (FMLA) and also chooses to use Paid Time Off (PTO) to receive pay for the absence).

Make sure you're aware of your responsibilities under any leave policy. In general, you must be on an approved Leave of Absence (LOA) to have your time off excused, this requires more than just bringing in a doctor's note. You must comply with the Leave of Absence (LOA) application and approval process. If you are on an intermittent Leave of Absence (LOA), you must promptly report your related absence(s) or late arrival(s), or they will be subject to this Letter of Understanding (i.e. appropriate Attendance Credit deduction(s) will be made from your bank of Attendance Credits for each late arrival or absence). Schedule accommodations granted under the Family and Medical Leave Act (FMLA), Americans with Disabilities Act (ADA) or other applicable laws will have no impact on your attendance, but make sure you have the proper approval by working with your People Leader.

If you are on an approved intermittent Leave of Absence (LOA), you must report your missed work time - if it is related to your leave - within two (2) business days of your return to work. Failure to report this time to HR Services via My IN-SITE can result in having to use an Attendance Credit.

**What are some situations where Attendance Credits are not used?**

You don't need to use Attendance Credits for certain absences like these:

- Certified under the Family and Medical Leave Act (FMLA).
- Resulting from health emergency, where you are taken from work in an emergency vehicle.
- Certified as a work-related illness or injury.
- Due to a death in the family as defined by **Section 8 – Bereavement Leave**.
- Resulting from responding to a subpoena to testify at a trial, hearing or other court process.

- In the case of hazardous weather conditions, if a Colleague can demonstrate they cannot safely report to work due to the weather.

And in all these cases, these absences will not impact your ability to continue to earn Attendance Credits.

### **When You Can't Work a Shift**

Reach out to one of your coworkers using the "Self Service Tools" of My Schedule Plus (MSP). You'll have up to two (2) hours before your shift to "advertise" or "swap" the shift. You'll be responsible for your shift until you confirm someone has picked it up.

### **Termination Based on Zero Credits**

Your People Leader may periodically remind you of your Attendance Credit balance. However, it is your responsibility to manage your bank of Attendance Credits, so you don't run out of Attendance Credits.

Reaching an Attendance Credit balance of zero (0) will result in termination.

### **Your Responsibility to Monitor Your Attendance Credit Balance**

It's your responsibility to monitor your Attendance Credits both to make sure you don't run out, and to make sure the balance is correct. If you believe your balance is incorrect, it's your responsibility to use your HR Services via My IN-SITE self-service tools and/or immediately let your People Leader know so your record may be reviewed and, if necessary, corrected.

### **Creating an Everyday Magic Workplace**

Absences and late arrivals which are potentially covered by federal, state, and local laws, rules and regulations, may not require use of an Attendance Credit. When absent or late for a legally protected reason, you must fully comply with the Leave of Absence (LOA) /time off procedures and Call-Out or reporting procedures, so Attendance Credits are not used for the missed work time.

You will use Attendance Credits when you are late for or absent from a shift and you Call-Out via phone (instead of using the "Call-Out" feature on My Schedule Plus (MSP)) since telephoning doesn't give another Colleague the option to pick up your shift via My Schedule Plus (MSP).

### **Chronic Absenteeism or Lateness**

You may use your bank of Attendance Credits for unexpected occurrences. However, when the occasional lateness or absenteeism becomes more frequent, your People Leader will discuss the situation with you and remind you of your commitment to the Employer using the Responsibility Based Performance Process. Here are some examples of recurring situations your People Leader may discuss with you:

- Repeatedly calling out for scheduled weekend shifts.
- Coming in late on multiple occasions during a short time period.
- Repeatedly calling out for Holiday shifts.
- Repeatedly leaving early without the People Leader's approval.
- Repeatedly taking a longer meal period than your schedule allows.
- Not taking your meal periods as scheduled.

**Macy's Tacoma Mall**

Wage &amp; Working Agreement

3/1/21 - 2/28/24

**It's Your Responsibility to let the Employer Know if You Will Be Late or Absent**

If you are unable to come to work or are running late, use the "Call-Out MY IN Site Self-Service" feature on your schedule My Schedule Plus (MSP) for the shift you won't be working, and the shift will automatically be advertised for other Colleagues to view and pick-up. The Store's People Leader team receive a report of this activity, so you don't have to telephone the store to Call-Out. If another Colleague picks up your shift, you won't have to use an Attendance Credit.

If you are running late or if you need to Call-Out and do not have access to the online features on My Schedule Plus (MSP), you should call your location's "Call-Out Line" ((253) 471-6983 x 6083) before the shift begins. If no Call-Out line exists, personally call your People Leader before your shift begins to let your People Leader know you will not be reporting to work. If your People Leader is not working, call the Executive in Charge (EIC).

If you cannot reach your People Leader or the Executive in Charge (EIC) leave a voicemail for the Executive in Charge (EIC) and your People Leader. Text messages and emails to a People Leader are not acceptable Call-Out methods.

If you are absent for three (3) consecutive scheduled work days without notifying the Employer, this is considered job abandonment and will result in termination (unless state or local law prescribes a longer period) regardless of any remaining Attendance Credits in your bank.



Letter of Understanding #11 By and Between  
UFCW Local No. 367 and  
Macy's Tacoma Mall

**Disciplinary Action**

**Coaching Conversation**

If your performance or conduct falls short, your People Leader will meet with you and talk with you about what is needed to meet expectations - that is the difference between the desired performance or conduct and the actual performance or conduct. For most Colleagues, hopefully this will be all is needed in meeting expectations of successful job performance. Colleagues are required to acknowledge receipt of the Coaching Conversation with their signature. This Coaching Conversation document will be placed in your file and remains active for six (6) months.

**Formal Warning**

If after your Coaching Conversation your performance or conduct doesn't improve to the expected level, you and your People Leader may revisit your earlier Coaching Conversation about performance expectations. Hopefully, this will help you better understand what your focus should be to improve your performance or conduct. During this step you will be reminded it is your responsibility to bring your performance up to expectations and to maintain that level. Colleagues are required to acknowledge receipt of the Formal Warning with their signature. This Formal Warning will be placed in your file and remains active for six (6) months.

**Final Warning**

Finally, if after the Coaching Conversation and Formal Warning you don't meet expectations, your People Leader may meet with you again and talk with you about your responsibility to meet all of the Employer's expectations as earlier discussed. If the warning is administered during the first half of the scheduled shift the Colleague may request to take the remainder of their shift off with pay as a "cool off" period not to exceed four (4) hours. If the Final Warning is administered during the second half of the scheduled shift, the Colleague may request to take the first half of their next scheduled shift off with pay as a "cool off" period, not to exceed four (4) hours. If the Colleague is scheduled off the following day after the administration of a Final Warning, this will serve as the "cool off" period.

If the Colleague demonstrates improvement, has met the Employer's expectations and meets objectives outlined in the Final Warning for a period of six (6) months, they will be considered in good standing.

If the Colleague's performance or conduct initially improves after the Final Warning but subsequently falls below expectations at a later point in the six (6) months period following the Final Warning, the People Leader will partner with a Colleague Support Advisor to determine if termination is warranted.

Your People Leader may not necessarily use all of these steps and under certain circumstances immediate termination may be appropriate if your behavior is considered a significant disregard of your commitment to the expectations of the Employer's values.

Letter of Understanding #12 By and Between  
UFCW Local No. 367 and  
Macy's Tacoma Mall

**Fine Jewelry Tiered Commission Program**

1. Fashion Jewelry Colleagues shall receive In-Store training on work time, on various Fine Jewelry processes.
2. Colleagues on the Fashion Jewelry pay scale shall be placed on the Fine Jewelry pay scale at the step closest to their current wage rate without a reduction in pay.
3. Tiered commission will start at two percent (2%).
4. Colleagues working in the Fashion and/or Fine Jewelry Zone, who currently work a grandfathered schedule of thirty-seven point five (37.5) hours shall continue to work a schedule of thirty-seven point five (37.5) hours after the implementation of the Jewelry Complex Sales Colleague - Base Plus Tiered Compensation Program.
5. Refer to Appendix B - Jewelry Complex Sales Colleague - Base Plus Tiered Compensation Program for commission rates and program details.

Letter of Understanding #13 By and Between  
UFCW Local No. 367 and  
Macy's Tacoma Mall

**Use of General Utility Colleagues**

1. The General Utility Colleague position shall be within the Union bargaining unit and shall be governed by all of the Union collective bargaining Agreement with the Employer.
2. The General Utility Colleague is a Non-Commission Colleague which can respond to changing business needs by performing sales and support functions within our Backstage location.
3. The General Utility Colleagues will maintain a separate seniority list based on this new classification for lay off purposes only.
4. The General Utility Colleague will have schedules consistent with the current available scheduling options provided in the collective bargaining Agreement.
5. General Utility Colleagues will follow the dress code consistent with current Backstage Colleagues.

Letter of Understanding #14 By and Between  
UFCW Local No. 367 and  
Macy's Tacoma Mall

**Non-Public Personal Information and Security Agreement**

The Union agrees to the following with regard to all Non-Public Personal Information the Employer provides to the Union pursuant to Section 1 and this Agreement generally:

(a) Non-Public Personal Information, or "PII" means personal information or data the Employer provides to the Union which identifies, relates to, describes or could be reasonably used to identify, relate to or describe any natural person, including without limitation, a person's first and last name, home or other physical address, telephone number, fax number, email address, Colleague number, financial account information, signature, driver's license information, government issued identification card information, photographic image, dates of birth, and mother's maiden name provided by the Employer to the Union pursuant to the requirements of this Agreement.

(b)(i) The Union will use any PII it receives from the Employer (i) solely to fulfill its obligations under this Agreement, or (ii) for other Union business, solely as authorized in writing by each of the Employer's Colleague whose PII has been transmitted to the Union.

(c)(i) The Union will use commercially reasonable security measures and controls to ensure the PII is protected from unauthorized disclosure. Further, destruction of PII will be conducted in a secure manner which ensures PII will not be disclosed to third parties or others in an unauthorized manner. For purposes of this paragraph, "Commercially reasonable" shall mean by a comparable nonprofit organization (with handsets of an amount similar to the financial and other assets of the Union) in support of the organization's activities.

(ii) Notwithstanding paragraph (c)(i), immediately above, the Union represents and warrants it has taken and will continue to take certain measures to ensure the security of the PII. The Union will provide the Employer with a description of threat protection strategies upon request.

(iii) In addition, the Union represents that, should any of the forgoing measures set forth in paragraph (c)(ii) become insufficient to protect the PII, it will take additional reasonable measures to ensure the PII is protected from unauthorized use or disclosure.

(d) The Union will ensure its collection, access, storage, use, disclosure, and destruction of PII complies with all applicable federal, state, and local laws, rules and regulations. Furthermore, the Union will not use or disclose the PII in violation of any law.

(e) The Union will maintain a written information security program, with administrative, technical, and physical safeguards designed to reasonably ensure the security, confidentiality, and integrity of PII and other data.

(f) The Union shall provide the Employer written notice of any actual unauthorized access, disclosure, or material modification of the Employer provided PII within ninety-six (96) hours. Such notice shall include the number and type of data compromised and the steps taken to remediate the cause(s) of the unauthorized activity.

Letter of Understanding #15 By and Between  
UFCW Local No. 367 and  
Macy's Tacoma Mall

**Contract Language Clean-up**

During the course of negotiations, the Union demanded, and the Employer agreed, in respect to the format and structure of the current Agreement, "...to explore changes which preserve the spirit of the rights bargained..." and improve readability of the Agreement. The Employer and the Union agree to a committee consisting of one (1) Employer management representative and one (1) Union official to evaluate and propose structural changes which will improve the utility and use of this Agreement. This committee does not have the authority to make any changes to the principal articles and Letters of Understanding, which were subject to and are exclusive rights to the negotiation process. Any agreed upon changes to improve the clarity of the collective bargaining Agreement must be agreed to by both the Employer and the Union. Any errors, mistakes or omissions are purely accidental and the Employer nor the Union cannot be held liable. This Letter of Understanding is without precedent or prejudice and may not be used in any dispute, grievance or future negotiations.