GROCERY | MEAT | GENERAL MERCHANDISE 2025 CONTRACT RATIFICATION VOTE DOCUMENT



DURATION AND ECONOMICS

Note: Article/Section references are to Pierce County Grocery and Meat Agreements. Provided there is a peaceful settlement with no economic action, the employers are willing to apply these terms to the other CBAs, on the timeline appropriate for each CBA, in accordance with the past practice of the parties.

Term: 2-Year Agreement

Mason-Thurston Grocery Agreement to expire May 1, 2027. All other agreements will maintain their current expiration dates and transition to a two-year cycle.

Wages: Increase Journeyperson wage rates as follows:

Pierce County Grocery and Meat:

May 4, 2025 _____ +1.00 November 2, 2025 ____ +1.00 August 2, 2026 ____ +0.70

Mason Thurston Grocery:

October 19, 2025 _____ +\$1.00 April 19, 2026 _____ +\$1.00 January 17, 2026 _____ +\$0.70

Produce Manager:

Contractual rate \$3.00 above the JP rate (either Red-Circled or APC) (For Albertsons/Safeway, the net increase due to this premium would be included in the minimum for the Matrix.)

Career Helper and Courtesy Clerk:

Courtesv Clerks and Helper Clerks who have more than ten (10) years of continuous service as a Courtesy Clerk or Helper Clerk with the Employer shall be compensated at a straight-time hourly wage rate fifty cents (\$0.50) per hour above the "thereafter" Courtesy Clerk and Helper Clerk wage rate set forth in Appendix "A" of this Agreement.

	WASHINGTON	SO.CALIFORNIA	COLORADO
CONTRACT TERM	2 years	3 years	3 years
WAGE GAIN (TOP SCALE) \$2.70 10%-11%		\$3.70	\$3.50
YEAR 1 INCREASE	\$2.00	\$1.70	\$1.50

*2.7% CPI Page 3

ARTICLE 12 - HEALTH AND WELFARE

Effective <u>January 1, 2026</u>, the Employers' hourly contribution rate shall increase to <u>\$5.80</u> per hour. (Firm increase, no other changes to the Employer contribution rate during the term of the Agreement).

Health & Welfare Employee Contributions

Employee Weekly Contribution Rates: Effective first pay period after ratification: +\$2/week across the board.

Effective May 3, 2026: PPO regular rate: No change. Kaiser rates: +\$2/week.

Individual Employee/ Spouse Employee/ Child(ren) Family

PPO Current: \$9 \$21 \$15 \$23

Ratif: **\$11 \$23 \$17 \$25**

KAISER Current: \$5 \$15 \$9 \$19

Ratif: \$7 \$17 \$11 \$21 5/3/26 \$9 \$19 \$13 \$23

Other H&W Plan Changes:

- Change PPO provider to Premera, effective January 1, 2026.
- Dependent audit
- Add a claims audit program
- HRA funding changes, effective for 2027 funding (activities performed in 2026)

ARTICLE 14 – RETIREMENT PROGRAM

(Sound Retirement Trust)

Albertsons-Safeway hourly pension contribution rate increases this term:

Effective Date	Grocery/Meat*
1/1/2026	\$0.03
1/1/2027	\$0.03
1/1/2028	\$0.03

Trust Funds Administrative Fee Allocation:

Recommendation to make to the board of trustees:

• <u>The parties agree to recommend to the Boards of the SRT, SVAPT, SHWT, and WeTrain to retain Segal ATC to evaluate the administrative fees across the plans and to make a recommendation on how to allocate the fees between the individual plans.</u>

Stabilization Reserve Policy:

- Agree to change the "reserve Benefit" from a monthly benefit based on 96.7% of the Base Benefit to 100% of the Base Benefit in the current draft of the SVAPT Board's Stabilization Reserve Policy.
- Agree to the current draft of the Stabilization Reserve Policy for future years, with the above change, and recommend that the Board of Trustees adopt the Stabilization Reserve Policy, as amended. The Board of Trustees may, at their discretion, apply the Stabilization Reserve to Retired and/or Active Participants.

Kroger Escrow Transfer and SRT Contribution Redirect:

- Subject to approval by the required Boards of Trustees and the requirements of federal law, the entire amount left in the SRT Kroger Orphan Set Aside escrow account will be transferred in a lump sum to SVAPT as soon as possible. Through the term of the original agreement (June 30, 2028), to the extent that there are additional amounts due to SRT representing Kroger's share of orphan liability, such amounts shall be transferred back to SRT through a contribution redirect.
- In addition, there will be a redirection of contributions from SRT to SVAPT in a proportionate amount based on the total 2024 hours from SRT remaining employers. The amounts below are representative only. The final amounts to be based on the most current data and agreed to by the co-actuaries, when the amendment to the Transfer Agreement is executed. See the table below:

Employer	% of 2024 hours	Proportional Amount of Funding	Source
Kroger	35.78%	\$5,185,103	SRT Kroger Orphan Set Aside Escrow Account
Albertsons/Safeway	40.86%	\$5,921,244	SRT Ctrb redirect
Other Employers	23.36%	\$3,385,244	SRT Ctrb redirect
Total	100%	\$14,491,625	

- The full amount of Kroger transfer and SRT redirect shall be available for stabilization reserve action from 2025 through 2028
- The bargaining parties will instruct the Trustees to take all legal necessary steps to facilitate this transfer.

14.8 Employees shall be allowed to participate in the Company 401K plan (employee contributions only, no Employer match).

STAFFING AND SCHEDULING

The following documents include:

Staffing Supposal 6.26.25

This is a new Letter of Understanding (LOU) to address concerns by both parties related to safe staffing, callouts, etc. The idea of moving staffing concerns to the Master Safety Committee came from 367 Union attorney, Jim McGuinness. It adds a strong enforcement mechanism to ongoing issues in the stores. The idea of an "app" for picking up shifts as a way to deal with both callouts and employees wanting more hours is credited to FM 390 Shop Steward, Executive Board, and Bargaining Team member, Aria Joslyn. These two concepts ended up in the final tentative agreement between UFCW 3000 and Allied Employers. Our team noticed flaws in the above-mentioned agreement and addressed these on 6.26.25. The included document is a superior version in the opinion of our team.

Seniority and Scheduling Supposal 6.26.25

The changes in this document may appear minor, but are actually significant in the prevention and enforcement regarding reduction in hours. 3.7 is of great importance here. It's important for members to come to the eventual presentation/ratification vote to fully appreciate the work that went into this provision, including notes of intention you won't find in the final Collective Bargaining Agreement (CBA).

Unfair Labor Practice (ULP) Strike Authorization:

The negotiation of these documents was a textbook example of how to leverage board charges and a strike authorization. The charges we filed were directly related to staffing and scheduling (failure by the employer to provide information). We informed the employer that we would be terminating the extension at 3 pm on June 26th. We were fully prepared to take members out on a ULP strike, but the employers worked tirelessly with our team to negotiate these terms and avoid an escalation of a labor dispute. The board charges are being withdrawn due to settling this particular issue, and a strike will not be necessary unless there are further contract fights ahead.

Notes: On 6.23.25, Local 367 members and community allies delivered 20,000 signatures to Tacoma and Olympia in support of The Workers' Bill of Rights. Components of the initiative (set for November's ballot) were incorporated into these provisions.

(NEW)LETTER OF UNDERSTANDING - STAFFING

General Staffing

As provided for in Article 3.7.1 of this Agreement, "the Employer may arrange weekly work schedules to accommodate the needs of the business." The Employer agrees to maintain reasonable staffing levels at all times to ensure the efficient operation of the store, the health and safety of employees, and the quality of customer service. Staffing decisions shall take into account the store's operational needs, customer volume, and other factors affecting store performance, including but not limited to peak hours, seasonal fluctuations, and special promotions. The subject of staffing addressed by the Master Safety/Staffing Committee will include the hiring of new employees.

Consultation and Communication

The Employer shall provide the Union with the opportunity to review staffing reports upon request. The Employer agrees to discuss with the Union in a timely manner if there are significant concerns regarding staffing levels at a store or stores. Staffing shall be a standing agenda item on the Master Safety Committee's quarterly agenda. The Master Safety/Staffing Committee will meet within ten days of a request by either party, and no less than once per quarter, to review staffing and other workplace matters.

The Committee shall explore methods to address the staffing concerns of both parties, including ways to address various concepts, which will include:

- 1. SHIFT FILLING PILOT
- 2. SELF-CHECKOUT STAFFING
- 3. OTHER PILOTS/IDEAS

ARTICLE 3 - SENIORITY AND AVAILABLE HOURS

3.6 Reduction of Hours

3.6.1 Regular employees shall not have their hours <u>arbitrarily</u> reduced for the purpose of increasing the working hours of regular part-time employees or assigning such hours to new hires or extra employees. <u>This Article shall also apply to employees covered under LOU #10.</u>

3.7 Available Hours

3.7.1 The Employer may arrange weekly work schedules to accommodate the needs of the business, and senior employees shall be offered the most weekly hours up to a maximum of forty (40) hours per week; provided qualifications and ability are equal; the senior employee is available to perform the work; and the employee has notified management in writing of their desire for additional hours of work. Nothing herein shall be construed as a guarantee of daily or weekly hours of work or pay for time not worked. It shall be the obligation of the Employer to promptly investigate alleged abuses upon presentation and to rectify such abuses when justified within the meaning of this section. The Employer shall offer unallocated hours to existing employees. This provision shall apply to employees covered by LOU # 10. The Employer shall offer reasonable training opportunities to enable employees to exercise their seniority rights under this Agreement.

LETTER OF UNDERSTANDING #10 SCHEDULING PRACTICES

- 10. <u>The seniority provisions of the contract shall be considered satisfied by offering shift selection in order of seniority.</u>
- 12. <u>If any subsequent statewide scheduling law that is substantively similar to HB 1491-2019-20 is enacted throughout the duration of this contract that applies to the employers (with no negotiated improvement provision, the scheduling language will revert back to the 2016-2019 contract language.</u>
- 13. The parties agree in this Memorandum of Understanding, in this Memorandum of Understanding to fully waive their rights and obligations under Seattle's Secure Scheduling Ordinance (Seattle Municipal Code 14.22) in accordance with SMC 14.22.145 state or municipal scheduling laws enacted during the term of this Agreement. The union and employers' intent is to waive any future municipal scheduling laws that are substantively similar to SMC 14.22. If any state or municipal scheduling laws do not include a waiver or carve-out, then the language in the Memorandum shall revert back to the 2022 to 2025 Agreement.
- 14. The union and employer agree to jointly oppose any statewide scheduling law that does not include a negotiated improvement provision.

Scheduling LOU Clarifications

(NEW) Clarification #4:

<u>During the Select-A-Schedule process for the Front End and Produce shifts:</u>

Employees shall be allowed to select two shifts in a day, so long as the total compensated time does not trigger overtime. As the employee will be choosing that schedule and the Employer is not assigning that schedule, Articles 5.4 (minimum time off between shifts) and 5.10 (no split shifts) will not apply in that circumstance.

Where two available shifts are close enough together where one of the shifts can be adjusted by fifteen (15) minutes or less to make one shift (without triggering an overtime obligation), an employee will be allowed to select both shifts. The nature of the adjustment of one of the shifts to make it into one combined shift will be at the discretion of the manager.

PIERCE COUNTY MEAT

2.04 When fresh meat is offered for sale and a member of the bargaining unit is not on duty in the meat market during such hours, no one other than a member of the bargaining unit shall perform work in the meat market. When a member of the bargaining unit is not on duty, this clause shall not apply to those products that have been prepared by meat department employees and are in storage ready for sale, such may be placed in the meat counter by a person trained in the safe handling of product and cross contamination protocols in compliance with law(s) applicable to the jurisdiction and such action shall not be considered a violation of this clause. The employer may not utilize the person if a meat employee has been sent home early. This shall have no negative impact on current scheduling practices.

4.06 Matters concerning apprentices shall be as provided in the <u>South Sound Tacoma</u> Meat Cutters Joint Apprenticeship Standards as approved by the Joint Apprenticeship Committee and the Washington State Apprenticeship Council. <u>Upon ratification, all newly hired meat cutters who are not at the Journey rate or have not completed a similar apprenticeship program shall be provided with <u>Apprenticeship Program</u> registration information as part of their new hire orientation. (Notwithstanding the above, no Apprentice-to-Journeyperson ratio shall apply, and Apprentices may work alone in the market.)</u>

4.06.1 Meat Apprentice Completion Premium: An Apprentice Meat Cutter who completes the South Sound Meat Apprenticeship program shall move to the following pay schedule upon graduation:

AFTER GRADUATION	RATE*
1 st 1040 hours:	\$1.00/hour above top apprentice step
Thereafter:	Journeyperson Rate

^{*}The above applies only if higher rate than where hours would take employee. At no time will the above generate a rate higher than JP.

FRED MEYER AND QFC

Fred Meyer / QFC Only

<u>QFC/Fred Meyer GM Pharmacy Tech B shall receive a total increase of \$1.26 on the date of expiration (first increase date) for GM contracts.</u>

(NEW) LETTERS OF UNDERSTANDING - QFC Pharmacy Technicians (Grocery) & Fred Meyer Pharmacy Technicians (GM) (New) Fred Meyer and QFC, hereinafter referred to as the "Employer" and UFCW 367, hereinafter referred to as the "Union", agree to the following:

1) Pharmacy Lead Technician:

- <u>a) The Employer will provide adequate training to any Pharmacy Lead Technician to fulfill the job requirements of the position if needed.</u>
- b) Employees in the Pharmacy Lead Technician position shall be designated solely at the discretion of the Employer, and this discretion includes whether there shall be any employee in the classification in a store, as well as the duties and responsibilities of the role.
- c) The total Lead premium shall be two dollars (\$2.00) per hour above the Journeyperson rate, and Leads are required to vaccinate.
- d) Leads shall be a separate seniority classification for scheduling purposes.

Any Pharmacy Technicians who administer vaccines shall also receive an additional one dollar (\$1.00) per hour above the Journeyperson rate, provided the employee is utilized to administer vaccines

GM Only - (NEW) LETTER OF UNDERSTANDING - GENERAL MERCHANDISE (GM) TO ALL PURPOSE CLERK (APC) GROCERY

- 1. Fred Meyer and QFC will agree to begin the process of moving employees currently in the GM contract (including Pharmacy Tech and Jewelry employees) to match APC wages effective upon ratification of the GM contract.
- 2. Employees currently in the GM contract will receive 5 additional annual increases in the amounts of \$0.51, depending on the current difference between journeyman wages for GM and APC clerks to bring GM associates to match APC wages by 2029. These additional increases will be effective on the same date as general wage increases.
- 3. <u>Effective upon ratification of the GM contract, Fred Meyer and QFC shall have the ability to assign GM bargaining unit employees to perform grocery work temporarily based on the needs of the business</u>
- 4. In no event shall grocery hours be reduced as a result of this cross-utilization.

 Assignment of GM bargaining unit employees to perform grocery work shall be within the sole discretion of Fred Meyer and QFC.
- 5. Other than wages and the ability to assign GM bargaining unit associates to perform grocery work, all other provisions of the GM and Grocery contracts shall remain unchanged by this agreement.

<u>Grocery Only - (NEW) LETTER OF UNDERSTANDING - GENERAL</u> <u>MERCHANDISE (GM) UTILIZATION IN GROCERY CBA</u>

- 1. <u>Effective upon ratification of the Grocery contract, Fred Meyer and QFC shall have the ability to assign GM bargaining unit employees to perform grocery work temporarily based on the needs of the business.</u>
- 2. In no event shall grocery hours be reduced as a result of this cross-utilization.

NEW) LETTER OF UNDERSTANDING - CUT PRODUCE

The Union will allow a cut produce pilot in stores selected by the Companies for a term of 5 years from the date of ratification of the 2025 agreement.

This Letter of Understanding (LOU) acknowledges the following:

- 1. This agreement is a specific and limited exception to Article 1.1 of the Collective Bargaining Agreement
- 2. <u>A definition and limitation on the scope of work permitted by the Third-Party</u> Franchisee
- 3. The agreement is limited specifically to the identified work locations
- 4. It is non-precedent setting and shall not be used by any party as evidence in any NLRB hearing or other proceeding regarding the proper scope of any other bargaining unit.
- 5. <u>Employer will provide notice to the Union at least thirty (30) days prior to implementing a Cut Produce operation at any work location.</u>

Produce Department Responsibilities and Ordering Procedures:

- 1. The Produce Leader/Manager will order the fresh produce and packaging case quantities that are requested by the franchisee in accordance with the store's Fresh Produce and Peyton order schedule.
- 2. The Produce team will break down loads when received, placing the ordered product in the franchisee's leased work area. The franchisee will not take products from loads that have not been processed by the Produce team.
- 3. If an item is shorted or scratched from the DC, the Company will maintain priority with what product is received, and the product may not be available to be sold to the franchisee.
- 4. <u>The Produce Leader will manage all fresh products received prior to placing the product in the franchisee's leased area.</u>
- 5. <u>Produce Leader is responsible for placing paid and writing the date of purchase on all fruits, vegetables, and products ordered by the franchisee on the day of purchase.</u>
- 6. The Produce leadership will maintain receipts and order guides in a binder of all products and supplies ordered and purchased.
- 7. The Produce department will maintain four weeks of documentation.
- 8. The Produce department will maintain responsibility for deep cleaning following the cadence on the cleaning calendar.
- 9. <u>Produce department employees may remove expired or damaged products and place it in the third party's space for disposal.</u>
- 10. <u>Produce managers/leads will receive a three-dollar (\$3.00) premium above the journeyman rate as long as the program is operational. There shall be a minimum of one lead per store.</u>

Third Party Franchisee Responsibilities:

- 1. <u>Franchisee will lease designated cooler and preparation space from the Company for storage and preparation of cut fruit and vegetables.</u>
- 2. <u>Individuals employed by the franchisee will be attired in franchisee-branded apparel, designating them as employees of the franchisee.</u>
- 3. Franchisee is responsible for all food safety and temperature logs.
- 4. <u>Franchisee will use leased space (and only leased space) to process and package fruit and vegetables daily.</u>
- 5. <u>Franchisee will execute all aspects of cutting, packaging, and labelling cut produce products. Product labels will include Franchisee's logo, product description, and UPC. Franchisee will apply price point stickers on all products that qualify.</u>
- 6. <u>Franchisee's produce and supply needs will be communicated through the Produce Leader using the designated order guide and retail purchase guide.</u>
- 7. Franchisee is responsible for all POGs.
- 8. <u>Franchisee is responsible for all necessary equipment, including knives, cutting boards, bowls, store containers, etc.</u>
- 9. Franchisee will have their own scale and printer located within the leased area.
- 10. Once cut produce is packaged, employees of the franchisee will stock packaged fruit and vegetables on the sales floor.
- 11. <u>If outdated products are not removed from the store</u>, the franchisee will use the <u>store's compost system</u>
- 12. The franchisee will not be permitted to work in any other area of the store or do any work not outlined above

At the end of the 5-year period, the Company may only extend this program with written mutual agreement with the union.

General Terms

- 1. There will be no erosion of bargaining unit work for produce employees in stores as a result of the Cut Produce pilot program.
- 2. At the end of the five yearfive-year term (Cut Produce), the company will have the ability to continue and/or expand the programs only by mutual written agreement between the company and the Union (UFCW Local 367).
- 3. The company shall provide the Union with appropriate data to evaluate if there were any reductions in hours within the produce department as a result of the Cut Produce program. In the event there is a reduction of department hours based on your retail quarter, the company shall remedy the reduction in the following retail quarter. If they fail to do so, the Cut Produce Franchise program shall cease immediately at that store.
- a. This will be based on a baseline of an average of all hours scheduled and worked during the same comparable quarters over the preceding 3 years in the produce Page 18 department of the store.

ALL OTHER CHANGES

ARTICLE 4 - LEAVE OF ABSENCE

- 4.4 Any leave of absence, with the exception of Sections <u>4.13 and</u> 4.5, may run to a maximum of nine (9) months.
- 4.5 Leaves due to occupational <u>illness or</u> injuries that result from employment with the current Employer, regardless of length of service, shall be granted for a period up to eighteen (18) months unless a longer period is agreed upon between the Employer and the Union.

ARTICLE 5 - HOURS OF WORK AND OVERTIME

5.6.2 (NEW) Fuel Center Breaks: Fuel center workers shall be provided coverage to take their breaks in accordance with this agreement and applicable city, state, and federal laws.

• [Note: Challenges related to this issue may be discussed by the Staffing Committee.] 5.05 in GM Contract

ARTICLE 7 - HOLIDAYS

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

ARTICLE 8 - VACATION

<u>8.6 The vacation period shall be considered to be the months of June, July, and August. By mutual agreement, vacations may be taken at some time other than the regular vacation period.</u>

ARTICLE 15 - GENERAL CONDITIONS

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

(NEW) LETTER OF UNDERSTANDING - BARGAINING COMMITTEE VACATION ACCRUAL

For employees on the Union Bargaining Committee during these 2025 negotiations only and if the parties successfully reach a peaceful settlement of these negotiations, the Employers agree that for the purpose of calculating earned vacation under the contract, each of these employees will be credited for up to eight (8) hours per day of bargaining attended. It shall be the obligation of the Union to provide the Employer with the information to credit these hours immediately following ratification of the settlement.

<u>LETTER OF UNDERSTANDING #14</u> <u>INVESTMENT IN WORKFORCE DEVELOPMENT WETRAIN NON-PROFIT</u>

The employers and unions agree to a Joint Committee on Workforce Development.

The employer and unions will utilize the committee as described below:

<u>The Joint Committee will work towards the establishment of a training program to meet</u> <u>the needs of future staffing.</u>

<u>The committee will have an equal number of union and employer representatives.</u>

<u>Joint Committee will meet quarterly.</u>

The Joint Committee will seek new funding streams.

All members of the Joint Committee will cooperate in order to meet requirements of grants, when reasonable and it makes business sense to do so.

<u>Each signatory Employer will contribute \$0.01 per hour to the Sound WeTrain Training and Workforce Development Trust. This will be effective on October 2022 hours (later expiring contracts will begin the contributions no earlier than effective on hours the month following expiration).</u>

<u>The bargaining parties agree to allow the joint committee to address future funding needs</u> <u>during the term of this agreement.</u>

Nothing herein is intended to diminish work preservation rights the unions have under existing contractual provisions or law.

LETTER OF UNDERSTANDING #17 ALBERTSONS, AND SAFEWAY, AND HAGGEN SENIORITY

Any Safeway, or Albertson's, or <u>Haggen</u> employee transferred into a Safeway, or Albertson's, or <u>Haggen</u> will have their original Company hire date with either Safeway, or Albertson's, or <u>Haggen</u> and their Union seniority date restored to what it was before they left Safeway, or Albertsons, or <u>Haggen</u> for all purposes under the contract. Transferred employees will not be required to serve another probationary period and will immediately begin to accrue both vacation and sick leave pay based on their original date of hire with Safeway, or Albertsons, or <u>Haggen</u> and consistent with the terms and conditions of the labor agreement.

(NEW) LETTER OF UNDERSTANDING - RETAIL THEFT

The parties agree that retail theft is a challenging issue for all parties. The purpose of this LOU is to set forth some general parameters for how the parties will deal with the issue of retail theft and any discipline for employees who violate policies relating to the handling of retail theft

- 1. Policies. Each Company has a policy or policies that relate to retail theft, confronting potential shoplifters, employee safety, etc. Employees are expected to follow that policy. The Employers and the Union will continue to work together to highlight these policies and the expectations under those policies. Nothing in this LOU waives any right of the Union, including to challenge the reasonableness of Employer policies, the application of facially reasonable Company policies, or to bargain over changes to those policies.
- 2. <u>Discipline for violating policies</u>. For employees who have passed their probationary period, discipline will be subject to the just cause standard. <u>Discipline cases involving retail theft tend to be heavily fact-specific</u>. The just cause analysis should take into account defenses as well as mitigating and aggravating facts relating to the incident. Within that context, the parties agree on some general principles to guide the just cause analysis:
 - A. <u>No employee will be disciplined solely for the resulting loss due to shoplifting that occurs during their shift.</u>

- However, employees are still responsible for abiding by the Employer's other
 policies (e.g., cash handling policies). For example, if an employee commits a cash
 handling error by handing a check back to a customer (i.e., failing to collect
 payment for a transaction), the employee may still be subject to discipline under
 the Employer's regular cash handling policies. On the other hand, if a customer
 refuses to pay and shoplifts an item, the employee will not be disciplined for the
 loss created by the shoplifter.
- Of course, A. above does not apply if the employee is involved in the underlying act (e.g., employee theft, sweet-hearting, etc.)
- B. The Employer will apply progressive discipline for violation of a retail theft-related policy except in cases where the employee engages in physical contact (other than minor or incidental contact) with the shoplifter or there are other significant aggravating facts.

The level of progressive discipline will depend on the underlying facts, consistent with the principles of just cause.

- C. There may be other defenses as well as mitigating and aggravating factors that will impact the just cause analysis and appropriate level of discipline, including in cases involving physical contact. Some examples:
 - If an employee's actions are pursuant to the specific directive of a manager or law enforcement, such a fact may constitute a defense to discipline and/or may constitute a significant mitigating factor.
 - <u>Defense of self or others.</u>
 - If an employee's action shows evidence of racial discrimination or discrimination based on a protected status/class (e.g., racial profiling), such a fact may constitute a significant aggravating factor.
- 3. The parties will work in good faith through the Master Safety Committee to address issues that relate to retail theft, confronting potential shoplifters, and employee safety. These discussions will include best practices to train and prepare employees on nonengagement, anti-bias, and de-escalation techniques.

(NEW) LETTER OF UNDERSTANDING - IMMIGRATION ISSUES

<u>The parties have a mutual interest in issues of immigration, citizenship, and work authorization as they impact bargaining unit members.</u>

Protection of Rights During Workplace Immigration Enforcement:

- 1. <u>Unless required by the law, the Employer will not allow agents of DHS or ICE to access any non-public area of the worksite without a warrant; provided, however, that no employee will be expected or permitted to physically block or stop someone entering.</u>
- 2. <u>Unless required by law, the Employer will not generally waive the current 3-day period to produce I-9 related documents in response to a Notice of Inspection, as may be modified from time to time.</u>

Ongoing Communication Regarding Immigration Issues:

- 1. The parties will add immigration issues/update to the regularly scheduled Master Safety Committee meetings.
- 2. Employers will keep the Union updated if there is any change in Employer policy or protocol relating to immigration issues.

Expiration of Documents and Leaves of Absence:

1. Employees who need a leave to deal with immigration issues will have access to the current leave benefits under the CBA and/or Employer policies.

Notwithstanding any provision of this Section, the Employer will comply with all applicable laws. The Employer will cooperate with the Union to provide employees with access to Citizenship Assistance through the UFCW Union Citizenship Access Network (UCAN) program.

(NEW) LETTER OF UNDERSTANDING – SRT FUNDING AGREEMENT REGARDING PARTIAL WITHDRAWAL LIABILITY

The Employer and the Union agree that if contribution base units reported for the Employer to the Sound Retirement Trust (SRT) drop by at least 55% instead of the current SRT policy of 70% for assessing partial withdrawal liability and the SRT enters the Yellow Zone or Red Zone while the collective bargaining agreement is in effect, the Employer incurring at least such 55% reduction to the SRT will agree to a Funding Improvement Plan (FIP) or Rehabilitation Plan (RP), as applicable, that provides additional monthly contribution on top of the adopted RP or FIP schedule that is equal to the monthly partial withdrawal liability payments that would have been assessed had the Retail Food Rule been adopted by the trustees.

The parties further clarify:

The overall intent of this Funding Agreement is to act as a supplement to the Plan's current withdrawal liability rules. In general, all other aspects of the law should apply, unless expressly agreed otherwise in this LOU.

If, after triggering the 55% reduction threshold, the Employer's hours subsequently improve such that the trigger would not be met the following year, the special funding required above would cease unless the Employer subsequently again triggers the 55% threshold in a subsequent year.

Any amounts paid pursuant to this Funding Agreement shall not be treated as "employer contributions" or affect the "highest rate" for any subsequent calculations under this Funding Agreement or for an actual withdrawal liability (complete or partial) calculation.

If the Employer's hours continue to decline such that the 70% trigger is reached under the SRT's current partial withdrawal policy (and ERISA), the special funding required under this Agreement will cease, and the legally required payments under the Trust's withdrawal liability policy (and ERISA) shall apply instead. In that instance, to the extent allowed by law, the Employer should be credited for payments made under this special funding agreement as if they were withdrawal liability installment payments.

If the Employer sells a store or stores to another employer and the buying employer agrees to continue participation in the SRT in an ERISA Section 4204 sale of assets, the reduction in hours due to that sale will not count in the calculations referenced above.

With this LOU, the parties agree that the deadlocked arbitration relating to the adoption of the Retail Rule is fully resolved, and the underlying deadlocked motion is withdrawn. So long as this LOU is in place, the Union agrees it will not advance or support a motion to adopt the Retail Rule on the SRT.