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**A G R E E M E N T**

**By and Between  
ALLIED EMPLOYERS, INC.**

**and**

**UNITED FOOD AND COMMERCIAL WORKERS  
UNION LOCAL #1439**

**YAKIMA  
(Grocery and Meat)**

**Effective: April 7, 2002  
To: April 8, 2006**

**I N D E X****YAKIMA  
GROCERY/MEAT**

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# **A G R E E M E N T**

**By and Between  
ALLIED EMPLOYERS, INC.**

**and  
UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL 1439**

**YAKIMA  
MEAT/GROCERY**

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This Agreement is made by and between Allied Employers, Inc., hereinafter referred to as the "Employer," and United Food and Commercial Workers Union Local 1439, hereinafter referred to as the "Union."

## **ARTICLE 1 - RECOGNITION AND BARGAINING UNIT**

1.1 The Employer hereby recognizes the Union as sole and exclusive collective bargaining agency as follows:

1.1.1 For all meat department employees of the Employer in Yakima and Kittitas Counties.

1.1.2 For all employees handling or selling merchandise in the present and future grocery stores of the Employer's retail grocery establishments in Yakima and Skamania Counties.

1.1.3 Recognition to be with respect to rates of pay, hours, and all other conditions of employment for all employees whose job classifications are set forth in this Agreement, except and excluding supervisory employees within the meaning of Section 2 (II) of the National Labor Relations Act as amended, and/or as provided for in paragraph 1.3 of this Agreement.

1.2 The Union, for and on behalf of its members, hereby recognizes during the term of this Agreement, Allied Employers, Inc. as the sole and exclusive collective bargaining agency for the Employer who is designated as party to this Agreement.

1.3 A bona fide store owner or store manager shall not be required to become a member of the Union, not to exceed one (1) in any store. One (1) bona fide assistant manager may also be exempt.

1.3.1 Additional exemption: Each company shall be allowed two (2) additional exemption(s) to a maximum of five (5) per store.

1.3.1.1 The assignment of the additional exemptions shall be at the sole discretion of the Employer.

1.3.1.2 The parties understand and agree that all such exemptions shall be permitted to perform bargaining unit work without restriction.

1.3.2 In the event a company party to this Agreement opens a store or stores, closes a store or stores, or remodels and/or revamps a store or stores, the number of additional exemptions shall be redetermined as above.

1.3.3 The average weekly hours will be determined by using the four (4) week period beginning with the first payroll period following August 15th of each year.

1.4 Any Employer which at the execution of this Agreement has authorized Allied Employers, Inc. to represent it, shall continue to be bound by this Agreement for its duration, even though such Employer may hereafter cancel or withdraw such authorization.

## **ARTICLE 2 - UNION SECURITY**

2.1 Pursuant to and in conformance with Section 8(a)3 of the Labor Management Relations Act of 1947 as amended, it shall be a condition of employment that all employees covered by this Agreement who are members of the Union in good standing on the effective date of this Agreement shall remain members in good standing, and those who are not members on the effective date of this Agreement shall, on the thirty-first (31st) day following the effective date of this Agreement, become and remain members in good standing in the Union. It shall also be a condition of employment that all employees covered by this Agreement and hired on or after its effective date shall, on the thirty-first (31st) day following the beginning of such employment, become and remain members in good standing in the Union.

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

2.2 The Employer shall discharge any employee as to whom the Union, through its authorized representative, delivers to the Employer a written notice that such employee is not in good standing in conformity with this Article. The Union indemnifies the Company against liability for timely action taken by the Company in reliance on the written notice submitted by the Union, provided such actions are not willful misconduct or lack of good faith.

2.3 For the purpose of this Article, the execution date of this Agreement shall be considered as its effective date.

### **ARTICLE 3 - EMPLOYEE REPORTS**

3.1 The Employer will provide the Union with a complete revised list of employees within the bargaining unit once monthly. Such list shall contain the employee's full name, classification, current weekly hours, rate of pay, date of employment, and date of termination if terminated since last report. For purposes of this section, the Union agrees to furnish employee report forms at the time of each request, which are currently updated to include such revisions as contained in the Employer's preceding report. Postage for employee reports shall be paid by the Union.

### **ARTICLE 4 - DISCHARGE**

4.1 The Employer shall be the judge of the competency and qualifications of his/her employees; provided, however, that no employee shall be discharged or discriminated against for any lawful Union activity, or for performing service on a Union committee outside of business hours, or for reporting to the Union the violation of any provisions of this Agreement.

4.2 The Employer has sixty (60) days after the initial date of hire to evaluate a new employee for continuous employment. During this sixty (60) day period, the employee may be terminated without recourse from the Union.

4.3 No employee shall be disciplined or discharged except for just cause.

### **ARTICLE 5 - WORKWEEK**

5.1 The regular straight-time work week for full-time employees shall be forty (40) hours consisting of five (5) eight (8) hour days.

5.2 All employees except as specifically excluded in Appendix A shall receive time and one-half (1-1/2) for all hours worked in excess of eight (8) hours per day, exclusive of not more than one (1) hour out for lunch, forty (40) hours per week or five (5) days per week, provided, however, that if more than five (5) days per week, time and one-half (1-1/2) shall be paid for the day or days that the least number of hours are worked.

5.3 Rates for premium work are set forth in Appendix E of this Agreement.

5.4 No employee shall be required to take time off in lieu of overtime pay.

5.5 No employee shall work more than five (5) consecutive hours without a lunch period not to exceed one (1) hour.

5.6 There shall be no "free" time or "time-off-the-clock" work practices under this Agreement. Any employee found by the Employer or the Union to be engaging in such unauthorized practice shall be subject to discipline which may include termination.

Likewise, the Employer shall not encourage, intimidate, or coerce employees to perform off-the-clock work.

5.7 Employees shall properly serve customers who are in the store at closing time.

5.8 Regular part-time and full-time employees shall receive not less than four (4) continuous hours' work or equivalent compensation in any one (1) day ordered to report for work, compensation to begin at the time of reporting for duty, except in the case of an emergency which curtails the store operation and does not permit sufficient time to cancel the employee's call-in notice. In the case of Meat Department employees, if an employee chooses to work less than four (4) hours, the actual number of hours worked will be paid. This provision shall not apply to helper clerks, courtesy clerks, and extra employees.

5.9 No employee shall work a split shift except by prior mutual agreement between the Employer, employee, and the Union.

5.10 There shall be an interval of not less than ten (10) hours between shifts for all employees, except by mutual agreement between the Employer and employee unless the Union raises objection to such exception. Except under emergency circumstances, an employee who is not allowed a ten (10) hour interval between shifts shall be paid at the rate of time and one-half (1-1/2) for time worked prior to the expiration of the ten (10) hour interval.

5.11 The Employer agrees to furnish each employee on regular established paydays, a wage statement showing the period covered, total amount of wages paid and deductions made.

5.12 The parties agree that by mutual agreement the Employer may create 4 x ten-hour workweeks in recognition that there may be some positions falling under the scope of the referenced Labor agreements that would accommodate a 4 x ten-hour workweek schedule for the employees occupying those positions. In that event, the parties agree that the daily overtime provisions of Section 5.2 of the Agreement shall be applicable after ten hours worked. The rest periods provided for in Article 13 of the Agreement will be scheduled to provide for a fifteen minute rest period on either side of the employee's scheduled meal period. In addition, holiday pay provided for in Article 21 of the Grocery Agreement and Article 21 of the Meat Supplement shall be applied on the basis that the employee shall receive eight hours pay for each holiday that the employee is eligible for, unless the employee is scheduled for thirty (30) hours during the holiday week, and in that event the employee shall receive ten hours holiday pay.

#### **ARTICLE 6 - WORK SCHEDULES** (Meat Department, see Addendum)

6.1 The Employer shall post a weekly work schedule for all regular full and part-time employees not later than 6:00 p.m. Thursday preceding the first (1st) day of the following workweek. Any alterations in such work schedule, changing the employee days off, must be

made not later than 12:00 noon Saturday of such preceding week except in cases of emergency or as mutually agreed to between the Employer and employee. Daily starting time may not be changed once an employee has reported for work.

6.2 Employee work schedules will be made available to the Union representatives upon request. All schedules will be made using the full name of the employee.

**ARTICLE 7 - UNIT WORK** (Meat Department, see Addendum)

7.1 The Employer shall not permit demonstrators, salespersons or other employees of a supplier, to perform the historical work of a store clerk. Demonstrators assigned to a store by a supplier shall confine themselves to the particular items being demonstrated and wear clothing or carry some badge identifying them with the product or firm for which the demonstration is made. Present methods of non-bargaining unit stocking of the following items may be continued:

- |           |                                   |
|-----------|-----------------------------------|
| Nuts      | Pop, Beer, and Wine               |
| Candy     | Fresh Dairy Products              |
| Cookies   | Break and Fresh Pastries          |
| Ice Cream | Potato Chips and related products |
| Spices    | Non-Food Merchandise              |

7.2 The employees of suppliers may put up and take down promotional material. All merchandise used in restocking displays must be handled by a member of the bargaining unit.

**ARTICLE 8 - CONTRACT MINIMUMS**

8.1 The terms herein are intended to cover only minimums in wages, hours, working conditions, benefits, and other terms and conditions of employment, and the Employer may place superior wages, hours, and working conditions, benefits and other terms and conditions of employment, in effect and may reduce the same to the minimums herein prescribed without the consent of the Union.

**ARTICLE 9 - EXPERIENCE** (Meat Department, see Addendum)

9.1 Previous provable comparable union experience of new or rehired employees shall be considered as follows:

- (a) Apprentices: If less than two (2) years have elapsed since last employed in comparable experience, full credit is given; if more than two (2) years, no credit shall be given.
- (b) Journeyman: If less than two (2) years have elapsed since last employed in comparable experience, employee shall be considered a Journeyman; if two (2) to

three (3) years have elapsed, employee shall be considered a Senior Apprentice; if three (3) to four (4) years have elapsed, employee shall be considered a Junior Apprentice for a period of three (3) months, then given Senior Apprentice for five (5) months, then given Journeyman rate. If more than four (4) years have elapsed no credit shall be given.

9.2 For the purpose of computing months of experience under paragraph 1, Article 10, one hundred seventy-three and one-third (173-1/3) hours of employment in a comparable retail industry shall be counted as one (1) month's experience, provided that no employee shall be credited for more than one hundred seventy-three and one-third (173-1/3) hours of experience in any one (1) calendar month.

9.3 The burden of providing the proof of previous comparable experience rests solely with the employee. Should the employee fail to produce proof of previous experience which would cause a change in the wage rate assigned by the Employer within thirty (30) days of employment, then any adjustment to be made in the employee's wage rate need only be made prospectively from the date on which proof is finally provided.

9.4 It is understood and agreed that a new employee with no prior experience as defined in paragraph 1 above of this Article, shall be placed in the Beginner Clerk classification and moved through the apprenticeship escalation as provided in the appropriate appendix, by working the required number of hours in the appropriate classification.

#### **ARTICLE 10 - CLASSIFICATIONS AND MINIMUM RATES OF PAY**

10.1 The wage rates, premiums, and other rates pertaining to the classifications covered by this Agreement are set forth in the attached wage appendices.

10.2 It is expressly understood that employees receiving more than the wage scale provided for in this Agreement shall not suffer any reduction in these rates by reason of its signing or adoption.

#### **ARTICLE 11 - CROSS-CLASSIFICATION WORK** (Non-Meat Department Personnel Only)

11.1 When an employee is assigned to work in a classification which carries a higher rate of pay, the employee shall be paid such higher rate of pay for all time so worked.

#### **ARTICLE 12 - FULL-TIME UTILIZATION - WORK OPPORTUNITY** (Non-Meat Department Personnel Only)

12.1 Recognizing that extra and part-time employees are a necessary supplement to normal store operations, the Employer will utilize regular full-time employees as covered by the wage schedule and classifications listed herein for as much of the store operation as practical within the range of sound business practices.

12.2 The number of part-time employees employed by the Employer to supplement its full-time personnel, shall be held to a minimum consistent with the reasonable needs of the business. Part-time employees desiring additional hours up to a maximum of forty (40) hours per week, shall notify management in writing. Accordingly, senior employees shall be offered the most weekly hours up to a maximum of forty (40) hours per week; provided qualifications and ability are equal; the senior employee is available to perform the work, and the employee has notified management in writing of his/her desire for additional hours of work.

12.3 Nothing herein shall be construed as a guarantee of daily or weekly hours of work, or to require pay for time not actually worked.

12.4 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.

**ARTICLE 13 - REST PERIODS**

13.1 All employees shall receive one (1) fifteen (15) minute rest period for each work period of four (4) hours.

13.2 All employees who work eight (8) hours shall receive two (2) fifteen (15) minute rest periods; one (1) prior to the lunch period and one (1) after the lunch period.

13.3 No rest period shall be scheduled until the employee has worked at least one (1) hour, unless necessary to do so for emergency reasons.

**ARTICLE 14 - SICK LEAVE** (Meat Department, see Addendum)

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

14.2 Sick leave pay shall be accrued by an employee depending upon the number of straight-time hours worked by the employee with his/her current Employer in each twelve (12) months as follows:

| <u>Hours Worked</u> | <u>Hours of Sick Leave Pay</u> |
|---------------------|--------------------------------|
| 1680 to 2080        | 32                             |
| 2080 or more        | 40                             |

14.3 Sick leave pay, to the extent it has been earned, shall begin on the third (3rd) normally scheduled working day of illness or injury off the job, or the first (1st) normally scheduled working day if the employee is hospitalized on such first (1st) normally scheduled

working day, shall continue for each normally scheduled working day of illness thereafter, and shall be in an amount per day equal to the average number of straight-time hours worked per day by the employee during the past twelve (12) months; provided (1) the daily total of sick leave pay under this Article and disability payments provided by the Health and Welfare Plan shall not exceed the current regular straight-time rate for the employee's average hours up to eight (8) hours per day; and (2) not more than five (5) days sick pay shall be required in any one (1) workweek. For the purposes of this Article, disabling out-patient surgery will be treated as hospitalization.

14.4 Sick leave pay shall be accumulative from year to year, but not to exceed a maximum of one hundred twenty (120) hours. Sick leave pay must be earned by employment with one (1) Employer.

14.5 A doctor's certificate or other authoritative verification of illness may be required by the Employer and, if so, must be presented by the employee not more than forty-eight (48) hours after return to work.

14.5.1 If an employee has been off work due to a serious illness or injury, the Employer may require a doctor's release prior to returning the employee to work.

14.6 Any employee found to have abused sick leave benefits by falsification or misrepresentation, shall thereupon be subject to disciplinary action or may be discharged by the company for such falsification or misrepresentation.

14.7 Sick leave benefits shall apply only to bona fide cases of illness and injury off the job, and shall not apply to on-the-job accidents which are covered by Article 29 of this Agreement.

#### **ARTICLE 15 - NON-DISCRIMINATION**

15.1 Where the masculine or feminine gender has been used in any provision, 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 or any other provision.

15.2 The parties to this Agreement acknowledge their responsibilities under Title VII of the CIVIL RIGHTS ACT of 1964 and the AGE DISCRIMINATION ACT of 1967, and do hereby agree not to discriminate on the basis of race, color, religion, sex, national origin, and age.

#### **ARTICLE 16 - TECHNOLOGICAL CHANGES**

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

## **ARTICLE 17 - JURY DUTY LEAVE AND WITNESS SERVICE**

17.1 After their first (1st) year of employment, employees who are regularly employed twenty-four (24) hours or more per week, who are called for service on a Superior Court or Federal District Court jury shall be excused from work for the days on which they serve and shall be paid the difference between the total amount received for such service and the amount of straight-time earnings lost by reason of such service, up to a limit of eight (8) hours per day and forty (40) hours per week, with the total limit of ten (10) working days. Nothing in this Article shall have the intent of limiting the amount of time an employee may serve.

17.1.1 An employee called for jury duty who is temporarily excused from attendance at court must report for work if sufficient time remains after such excuse to permit him/her to report to his/her place of work at least one-half (1/2) of his/her normal work day. Employees scheduled to work evenings or nights will not be required to report to work if the employee served on a jury that day.

17.1.2 In order to be eligible for such payments, the employee must furnish a written statement from the appropriate public official showing the date and time served and the amount of jury pay received.

17.2 Employees required to appear in court or in a legal proceeding on behalf of their Employer shall receive compensation at their regular straight-time hourly rate of pay for the time spent in making such appearance, less any witness fees received. If such appearance is during unscheduled hours, such compensation shall not be considered time worked under the provisions of this Labor Agreement.

## **ARTICLE 18 - LEAVE OF ABSENCE**

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

- (a) Illness or non-occupational injury which requires absence from work;
- (b) Pregnancy; and
- (c) Serious illness or injury in the employee's immediate family. Length of such leave shall not exceed thirty (30) days.

18.2 Leave for personal reasons may be granted at the discretion of the Employer to regular employees regardless of length of service.

18.3 Any request for a leave of absence under the terms of this Article shall be in writing and contain the following information:

- (a) Reason for such request;
- (b) Date leave is to begin; and
- (c) Date of planned return to work.

18.4 Any leave of absence with the exception of subsection 18.1 (c) and 18.5, may run to a maximum of six (6) months.

18.5 Leaves due to occupational injuries shall be granted for a period up (12) months.

18.6 The employee must be qualified to resume his/her regular duties upon work from an approved leave of absence.

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

(b) The employee shall then return to the job previously held or to a job comparable with regard to rate of pay and job qualifications, on the first (1st) weekly schedule prepared after the Employer has received notice in writing of the employee's availability.

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

#### **ARTICLE 19 - FUNERAL LEAVE** (Meat Department, see Addendum)

19.1 After their first (1st) year of employment, employees who are regularly employed twenty-four (24) hours or more per week shall be allowed up to three (3) days off with pay for loss of their normal scheduled hours of work, provided the employee attends the funeral. Funeral leave will be paid only with respect to a workday on which the employee would otherwise have worked, and shall not apply to an employee's scheduled days off, holidays, vacation or any other day in which the employee would not, in any event, have worked. Scheduled days off will not be changed to avoid payment of funeral leave. Funeral leave shall be paid for at the employee's regular straight-time hourly rate. Immediate family shall be defined as spouse, son, daughter, stepchildren residing therein, mother, father, or guardian, sister, brother, grandparents, grandchildren, mother-in-law or father-in-law of current spouse.

#### **ARTICLE 20 - VACATION** (Meat Department, see Addendum)

20.1 Employees who have worked for the same Employer for one (1) continuous year shall be entitled to a vacation with pay at their straight-time hourly rate based upon the number of hours worked in the preceding twelve (12) months as follows:

| <u>Hours Worked</u> | <u>Hours of Paid Vacation</u> |
|---------------------|-------------------------------|
| 1000 to 1199        | 20                            |
| 1200 to 1599        | 24                            |
| 1600 to 2039        | 32                            |
| 2040 to 2287        | 40                            |
| 2288 to 2495        | 44                            |
| 2496 or more        | 48                            |

20.2 (a) Employees who have worked for the same Employer two (2) continuous years (after the second (2nd) and each subsequent year to the eighth (8th) year of continuous work) shall be entitled to a vacation with pay at their straight-time hourly rate based upon the number of hours worked in the preceding twelve (12) months as follows:

| <u>Hours Worked</u> | <u>Hours of Paid Vacation</u> |
|---------------------|-------------------------------|
| 1000 to 1199        | 40                            |
| 1200 to 1599        | 48                            |
| 1600 to 2039        | 64                            |
| 2040 to 2287        | 80                            |
| 2288 to 2495        | 88                            |
| 2496 or more        | 96                            |

(b) Employees who average twenty (20) hours or more per week, who terminate or are terminated (discharge for dishonesty excepted) after the first (1st) or any subsequent anniversary date of their employment up to the eighth (8th) anniversary date of their employment and prior to their next anniversary date of employment, shall be entitled to vacation pay at their straight-time hourly rate based upon the number of hours worked since the last anniversary date of their employment, at the rate of eight (8) hours' vacation pay for each full two hundred (200) hours worked.

20.3 (a) Employees who have worked for the same Employer eight (8) continuous years (after the eighth (8th) and each subsequent year to the fourteenth (14th) year of continuous work) shall be entitled to a vacation with pay at their straight-time hourly rate based upon the number of hours worked in the preceding twelve (12) months as follows:

| <u>Hours Worked</u> | <u>Hours of Paid Vacation</u> |
|---------------------|-------------------------------|
| 1000 to 1199        | 60                            |
| 1200 to 1599        | 72                            |
| 1600 to 2039        | 96                            |
| 2040 to 2287        | 120                           |
| 2288 to 2495        | 132                           |
| 2496 or more        | 144                           |

(b) Employees who average twenty (20) hours or more per week, who terminate or are terminated (discharge for dishonesty excepted) after the eighth (8th) or any subsequent anniversary date of their employment up to their fourteenth (14th) year of employment, shall be entitled to vacation pay at their straight-time hourly rate based upon the number of hours worked since the last anniversary date of their employment, at the rate of twelve (12) hours' vacation pay for each full two hundred (200) hours worked.

20.4 (a) Employees who have worked for the same Employer fourteen (14) continuous years (after the fourteenth (14th) and each year subsequent of continuous work) shall be entitled to a vacation with pay at their straight-time hourly rate based upon the number of hours worked in the preceding twelve (12) months as follows:

| <u>Hours Worked</u> | <u>Hours of Paid Vacation</u> |
|---------------------|-------------------------------|
| 1000 to 1199        | 80                            |
| 1200 to 1599        | 96                            |
| 1600 to 2039        | 128                           |
| 2040 to 2287        | 160                           |
| 2288 to 2495        | 176                           |
| 2496 or more        | 192                           |

(b) Employees who average twenty (20) hours or more per week, who terminate or are terminated (discharge for dishonesty excepted) after the fourteenth (14th) or any subsequent anniversary date of their employment and prior to their next anniversary date of employment, shall be entitled to vacation pay at their straight-time hourly rate based upon the number of hours worked since the last anniversary date of their employment, at the rate of sixteen (16) hours' vacation pay for each full two hundred (200) hours worked.

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

20.6 Employees whose vacations are scheduled during a holiday week shall receive holiday pay provided for under the terms of Article 21 of this Agreement in addition to vacation pay, or shall be given an additional day of option of the Employer.

20.7 It is hereby understood and agreed that in computing "hours of paid vacation" for employees who regularly appear on the payroll for thirty-two (32) or more hours per week, the terms of paragraphs 1, 2, 3, and 4 of Article 20 shall be applied so that working time lost up to a maximum of one hundred twenty (120) hours due to temporary layoff, verified cases of sickness or accident, or other absence from work approved by the Employer (in addition to vacation and holiday time off earned and taken by the employee) shall be counted as time worked.

20.8 Employees shall be paid earned vacation pay pro-rated to the time of sale or transfer of the selling Employers.

20.9 Employees in a store or section shall be given preference in the choice of vacation dates based upon seniority.

20.10 Earned vacation pay shall be paid to employees prior to the start of his/her vacation, provided the employee requests the pay fourteen (14) days prior to his/her vacation in writing.

20.10.1 Current Employer practice on payment of earned vacations shall be continued for the duration of the Agreement.

20.11 Employees entitled to two (2) or more weeks of vacation may take two (2) weeks of vacation consecutively.

20.12 Vacations shall not be accumulated from year to year, and all earned vacation must be taken within the anniversary year of the employee or same shall be forfeited, provided the employee has been given an opportunity to take earned vacation within the anniversary year.

**ARTICLE 21 - HOLIDAYS** (Meat Department, see Addendum)

21.1 The following days shall be recognized and observed as holidays by the Employer:

- New Year's Day (January 1)
- Memorial Day (last Monday in May)
- Independence Day (July 4)
- Labor Day (first Monday in September)
- Thanksgiving Day (fourth Thursday in November)
- Christmas Day (December 25)

21.2 All employees shall be paid for the holiday as set forth below when worked, at time and one-half (1-1/2) their regular rate of pay in addition to holiday pay.

21.3 Regular employees (defined as having been on the payroll five (5) consecutive calendar months), provided they work not less than twelve (12) hours during the week in which the holiday occurs and report for work their last scheduled working day preceding, their next scheduled working day immediately following the holiday, and on the holiday if scheduled, shall be paid for holidays not worked on the following basis:

Qualifying employees shall be paid for the holiday on the basis of one fifth (1/5) of the employee's average hours worked per week in the two (2) weeks immediately preceding the holiday week. Vacation time shall be considered time worked for purposes of this section.

The requirement to work during the week shall be waived when the voluntary absence is due to bona fide illness or injury, provided the employee has worked within the seven (7)

calendar days preceding the holiday and within the seven (7) calendar days following the holiday.

21.4 Employees with one (1) year of continuous service with the Employer shall receive their birthday as a paid holiday. By mutual agreement between the Employer and employee, the employee may receive an extra day's pay in lieu of such holiday. Employees shall give the Employer a thirty (30) day notice prior to their birthday. The birthday shall be observed within thirty (30) days of the employee's birthday on a mutually agreeable day. In the event the employee's birthday falls on the same day as any of the holidays heretofore specified in this Article, the employee's birthday will be celebrated on another day in accordance with the procedure set forth in the previous sentence.

21.5 Regular employees shall be given first opportunity to all holiday work.

## **ARTICLE 22 - GENERAL CONDITIONS**

22.1 Employees will be paid weekly or bi-weekly except where mutually agreed otherwise.

22.2 Where the Employer requires the bonding of an employee or the carrying of any insurance for the indemnification of the Employer, the premiums for the same shall be paid for by the Employer, providing the bond or insurance is available for the employee through the Employer's regular bonding company or insurer at the Employer's usual rate.

22.3 The Employer agrees to provide space in the employees' rest area for a bulletin board provided by the Union. Bulletin board to be used for meeting notices, etc.

22.4 Personnel staff meetings, whether in the store or off the premises, shall be considered as time worked and paid at the employee's regular straight-time rate of pay, except dinner meetings at which the attendance is voluntary.

22.5 All tools and equipment which are required to be used by the employees shall be supplied and kept in repair by the Company at no cost to the employees; however, employees shall be held accountable for such items issued for their personal use and care.

22.6 Employee donations to charity funds shall be on a strictly voluntary basis.

22.7 Where the Employer requires an employee (actively working for the Employer), to take a physical examination, doctor's fees for such examination shall be paid by the Employer.

22.8 Drug Testing. If an employee comes forward prior to a disciplinary incident and requests assistance with drug or alcohol dependency, the parties shall continue to assist the employee in getting help for his/her condition, in accordance with State and Federal law. The Employer may require the employee to submit to a legally recognized drug or alcohol test at the Employer's expense, if the Employer has reasonable grounds to believe the

employee is under the influence of alcohol or drugs or when involved in an industrial accident which involves injury or damage. An employee who refuses to take a drug or alcohol test upon request shall be subject to termination. Time spent in such testing shall be on company time, however an employee refusing to submit to a drug or alcohol test shall be taken off the clock effective with the time of the Employer's request. Upon request, the Employer will notify the Union of the reasons for the test.

#### **ARTICLE 23 - WEARING APPAREL**

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

23.2 The Employer shall bear the expense of sharpening the tools for all employees covered under this Labor Agreement.

#### **ARTICLE 24 - REGISTER SHORTAGES - CHECK CASHING**

24.1 Except in the case of proven dishonesty, no employee may be required to make up cash register shortages unless he/she is given the privilege of checking the money and daily receipts upon starting and completing the work shift.

24.2 Where obvious negligence exists on the employee's part in accepting checks in violation of known Company policy, it shall be considered just cause for termination. If a question exists pertaining to obvious negligence, it shall be submitted to the Grievance Procedure as outlined in Article 36.

#### **ARTICLE 25 - POLYGRAPH**

25.1 The Employer agrees that polygraph or similar lie detector tests shall not be required by the Employer as a condition of employment or continued employment, provided, however, this clause shall not preclude any civil and legally constituted law enforcement agency from using such test as prescribed by law in the course of administering the law.

#### **ARTICLE 26 - SENIORITY (Meat Department, see Addendum)**

26.1 All new employees shall attain seniority after ninety (90) calendar days with one (1) Employer. Upon completion of this period, seniority shall date back to the last date of hire.

26.2 Seniority shall be defined as the length of continuous employment with the Employer.

26.3 Seniority shall be applicable on an individual store basis, provided, however, an employee's seniority shall not be broken in cases where the employee transfers to a different store location covered by this Agreement. Seniority shall apply separately to employees within the classifications set forth in this Agreement.

26.4 If layoffs are necessary, the last employee hired shall be the first laid off, provided qualifications and ability are equal. Recall to work after layoff shall be governed by the same principle of seniority as layoff.

26.5 Employees shall be required to inform the Employer in writing of their current address and phone number. Employees rehired in accordance with this Article shall be notified in writing to report back to work.

26.6 Where, on an individual store basis, there is a reduction of employees holding seniority within such store, the last employee hired shall be the first employee laid off, provided qualifications and ability are equal. The affected employee so reduced may displace the most junior employee of the Employer in the same classification, i.e., clerks, snack bar, bakery and helper clerks within the geographic jurisdiction covered by this Agreement, provided qualifications and ability are equal. A layoff is defined as two (2) consecutive weeks that an employee is not shown on the weekly work schedule. In the event of a store closure, the affected employees shall be considered laid off at the time of the closure.

26.7 Except as otherwise provided for in this Article, seniority shall be broken and the employee's service shall be terminated for the following reasons:

- (a) Voluntary quit;
- (b) Discharge in accordance with this Agreement;
- (c) Absence caused by a layoff in excess of ninety (90) consecutive calendar days;
- (d) Absence caused by an illness or non-occupational accident of more than ninety (90) consecutive days;
- (e) Absence caused by an occupational accident of more than twelve (12) consecutive months;
- (f) Failure to report to work within seventy-two (72) hours following the postmark of the written notice provided heretofore mailed to employee's last known address;
- (g) Failure to report to work immediately following a leave of absence as provided for under Article 18.

#### **ARTICLE 27 - STORE CARD** (Meat Department, see Addendum)

27.1 The Union agrees, in consideration of the signing of this Agreement by the Employer and for the period of good and faithful performance of its provisions and covenants by the Employer, to furnish to each store represented by the Employer a Union Store Card or Decal, the property of and issued by the United Food and Commercial Workers International Union, AFL-CIO. Said Card or Decal to be properly displayed in a prominent place in the store.

**ARTICLE 28 - STORE VISITATION**

28.1 It is the desire of both the Employer and the Union to avoid wherever possible the loss of working time by employees covered by this Agreement. Therefore, representatives of the Union when visiting the store or contacting employees on Union business during their working hours, shall first contact the store manager or person in charge. All contacts will be handled so as to not interfere with the employee's duties or with service to the customers.

**ARTICLE 29 - STATE INDUSTRIAL INSURANCE**

29.1 All employees shall be covered under Washington State Workman's Industrial Accident Compensation or guaranteed equal coverage pursuant to the applicable statutes.

**ARTICLE 30 HEALTH AND WELFARE**

30.1 The Employer shall continue to pay the required hourly contribution to the Retail Clerks Welfare Plan until the conversion to the UFCW Welfare Trust ("Eastern Washington") plan is effective so that eligible employees do not have a gap (or overlap) in coverage.

30.2 Effective December 1, 2002, the Employer agrees to contribute the amounts set forth below into the Eastern Washington plan for welfare, vision, time loss, prescription, and dental benefits for eligible employees. Contributions shall be made on behalf of each employee who worked eighty (80) hours or more during the preceding month.

30.3 For employees hired prior to September 4, 2002, the benefit levels, eligibility requirements, and Employer contributions shall be the same as for all other participants under the Eastern Washington plan, except:

- a. Employees shall have \$15,000 life/AD&D
- b. 40 hour eligibility for prior red circled employees
- c. Helper Clerks shall be grandfathered with full coverage
- d. Courtesy Clerks who are 19 years of age and older shall be grandfathered with full coverage

**30.3.1 Maintenance of Benefits**

- a. For the remainder of 2002, the Employer contribution rate shall be \$454.90 (\$354.06 for helper clerk coverage).
- b. Effective January 2003 hours, the Employer will increase its monthly health and welfare contribution by up to \$40.00 per eligible employee, pursuant to trustee vote, if needed to maintain the benefits then in effect.

- c. Effective on January 2004 hours, the Employer will increase its monthly health and welfare contribution by up to \$40.00 per eligible employee, pursuant to trustee vote, if needed to maintain the benefits then in effect.
- d. Effective January 2005 and January 2006, the Employers agree to provide the same level of coverage and make the same contributions as provided in the Spokane Retail Agreements. Any modifications in coverage or contribution rates shall be effective on the same dates such modification becomes effective under the Spokane Area Retail Grocery and Meat Agreements.

**30.4 For employees hired on or after September 4, 2002:**

**30.4.1 For all employees except Helper Clerks, Senior Courtesy Clerks, & Courtesy Clerks:**

- a. During the 60 days probationary period, the employer shall not be required to make a contribution.
- b. Thereafter, for the following 12 months, the Employer shall make contributions of \$250 for any month the employee works 80 hours. The employee shall be eligible for employee-only coverage at the Step 1 level after four consecutive months of 80 hours. Coverage shall begin on the first of the fifth month.
- c. For the next twelve calendar months, the Employer contributes \$354.06 per month for any month the employee works 80 hours and the employee has family coverage at the Step 2 level.
- d. Thereafter, the Employer contributes \$454.90 per calendar month for any month the employee works 80 hours and the employee has full coverage.

**30.4.2 Helper Clerks, Senior Courtesy Clerks, & Courtesy Clerks:** Helper Clerks and Senior Courtesy Clerks shall have the same benefit levels, eligibility requirements, and Employer contributions as for all other Helper Clerk participants under the Eastern Washington plan: employees who are nineteen (19) years old or otherwise emancipated, who have worked continuously for one (1) year or more, and who meet the eligibility requirements referred to in 30.2, will qualify for health and welfare benefits. There shall be no coverage and no contribution required for Courtesy Clerks.

**30.4.3 Maintenance of Benefits:** The “maintenance of benefits” provisions stated in Section 30.3.1 for current employees shall also apply to employees hired after September 4, 2002.

30.5 In no event will monies provided herein for the purpose of maintaining benefits and/or monies held in trust reserves be utilized for the purposes of purchasing any new benefits.

30.6 The above-listed contributions are due and payable on or before the twentieth (20<sup>th</sup>) day of each month for the preceding month, and contributions will be delinquent if not paid by the twenty-fifth (25<sup>th</sup>) day, which delinquency will be a violation of this Agreement.

30.6.1 Notwithstanding the provisions of paragraph 30.6, the Board of Trustees of the United Food and Commercial Workers Welfare Trust shall establish and enforce, as an alternate method of contribution, a method for reporting contributions on an accounting period basis rather than a calendar month basis. In such a case, the eighty (80) hour provision shall be appropriately adjusted as directed by the Trustees. Further, the total contributions due for each approved accounting period shall be remitted in a lump sum not later than twenty (20) days after the end of the accounting period. In the event this alternate system deprives the employee of benefits that would otherwise have been covered on a calendar basis, the Employer is obligated to make the remittance for such employee to the Trust Fund.

30.7 Each Employer and the Union agree to be bound by the terms of the provisions of that certain revised and restated Trust Agreement effective March 21, 1985, dated August 28, 1987 (date of initial execution April 1, 1963), creating the United Food and Commercial Workers Welfare Trust, and agree to be bound by said Trust Agreement and all amendments thereto, heretofore or hereafter adopted. Each Employer further agrees to accept as his/her representatives the Employer Trustees serving on the Board of Trustees of said Trust and their lawful successors.

30.8 "Hours worked" for the purpose of establishing the "eighty (80) hours or more" eligibility for continuing employees shall include all vacation and holiday hours earned and taken.

#### **ARTICLE 31 - RETIREMENT PROGRAM** (Meat Department, see Addendum)

31.1 Each Employer and the Union agree to be bound by the terms and provisions of that certain Trust Agreement creating the Retail Clerks Pension Trust Fund, dated January 13, 1966, and as subsequently amended. Further, each Employer accepts as his/her representatives, for the purpose of such Trust Fund, the Employer Trustees who will be appointed by Allied Employers, Inc. to serve on the Board of Trustees of said Trust Fund and their duly appointed successors.

31.2 The Employers shall pay the amounts below per compensable hour (maximum of one hundred seventy-three (173) hours per calendar month per employee) into the Retail Clerks Pension Trust on account of each member of the bargaining unit. These monies shall be used by the Board of Trustees to provide pension benefits to eligible employees.

31.2.1 Employees hired prior to September 4, 2002 shall be grandfathered at their current pension rates:

Appendix A, B, C: 40¢  
 Helper Clerks: 25¢

Employees with 12,000 or more hours shall be entitled to the following contribution rates:

|                             | <u>App. A</u> | <u>App. B,C</u> |
|-----------------------------|---------------|-----------------|
| Current:                    | 40¢           | 40¢             |
| Effective April 2003 hours: | 45¢           | 45¢             |
| Effective April 2004 hours: | 50¢           | 45¢             |
| Effective April 2005 hours: | 55¢           | 50¢             |

31.2.2 Contributions for employees hired on or after September 4, 2002 shall be:

**Appendices A, B, C:**

| <u>Classification</u>             |     |
|-----------------------------------|-----|
| Journeyman*                       | 40¢ |
| Step 8 (Next 2080 hrs)            | 40¢ |
| Step 7 (Next 2080 hrs)            | 35¢ |
| Step 6 (Next 2080 hrs)            | 30¢ |
| Step 5 (Next 1600 hrs)            | 25¢ |
| Step 4 (Next 1040 hrs)            | 20¢ |
| Step 3 (Next 1040 hrs)            | 15¢ |
| Step 2 (Next 1040 hrs)            | 10¢ |
| Step 1 (1 <sup>st</sup> 1040 hrs) | 10¢ |

\*Once an employee reaches Journeyman (12,000 hours), the employee shall be entitled to the same Journeyman rate as current employees, as provided above in Section 31.2.1.

The Helper Clerk contribution rate shall be 10 cents per hour.

There shall be no contributions required for employees in the Courtesy Clerk or Senior Courtesy Clerk classifications.

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

31.3.1 The Board of Trustees of the Retail Clerks Pension Trust shall have the authority to establish and enforce a method for reporting contributions on an accounting

period basis rather than a calendar month basis, provided that in no event shall the Employer's total obligation be different than what it would have been on a calendar month basis. Further, the total contributions due for each approved accounting period shall be remitted in a lump sum not later than twenty (20) days after the end of the accounting period.

### **ARTICLE 32 - MANAGEMENT RIGHTS**

32.1 Except as herein clearly and explicitly limited in the express terms of this Agreement, the rights of the Employer in all respects to manage its operations and affairs shall be unimpaired.

### **ARTICLE 33 - NO STRIKES OR LOCKOUTS**

33.1 During the life of this Agreement, the Union agrees not to engage in any strike, boycott, or stoppage of work and the Employer agrees not to engage in any lockout.

### **ARTICLE 34 - SEPARABILITY - SAVINGS**

34.1 If any Article or paragraph of this Agreement should be held invalid by operation of law or by any tribunal of competent jurisdiction, the balance of this Agreement shall continue in full force and effect. The Article or paragraph held invalid shall, upon sixty (60) days' written notice by either party, be renegotiated for the purpose of an adequate replacement.

### **ARTICLE 35 - WAIVER**

35.1 The parties agree that this Agreement is intended to cover all matters affecting the wages, hours, and other terms and conditions of employment and that during the term of this Agreement, unless otherwise provided, neither the Employer nor the Union will be required to negotiate on any further matters affecting these subjects.

### **ARTICLE 36 - GRIEVANCES - ARBITRATION**

36.1 All matters pertaining to the proper application and interpretation of any and all of the provisions of this Agreement, shall be adjusted by the accredited representative of Allied Employers, Inc. and the accredited representative of the Union. In the event of the failure of these parties to reach a satisfactory adjustment within seven (7) days from the date a grievance is filed in writing by either party upon the other, the matter shall be referred for final adjustment to a Labor Relations Committee selected as follows: Two (2) members from the Employers and two (2) members from the Union. Should the Labor Relations Committee reach a decision, such decision shall be final and binding upon both parties.

In the event the Labor Relations Committee fails to reach an agreement within twenty-one (21) days from the date a grievance is filed in writing by either party upon the other, the four (4) shall select a fifth (5th) member or they shall request the Federal Mediation and Conciliation Service to submit a list of eleven (11) names of qualified

arbitrators from which the Labor Relations Committee shall select a fifth (5th) member, who shall be chairperson, and the decisions of this Committee shall be binding on both parties and shall be rendered within thirty (30) days from the close of the arbitration hearing or the arbitrator's receipt of post-hearing briefs, whichever is later. Should the arbitrator fail to comply with these provisions, he will not be paid for his services. The moving parties shall notify the arbitrator of this provision during the selection process. If the assignment is refused, the parties agree to select an alternate. The Labor Relations Committee as thus constituted shall have no power to add to, subtract from, or change or modify any provisions of this Agreement, but shall be authorized only to interpret existing provisions of this Agreement as they apply to the specific facts of the issue in dispute. The cost of the arbitrator will be borne equally by the parties.

36.2 During the process of making adjustments under the rules and procedures set forth in paragraph 1 above, no strike or lockout shall occur.

36.3 No grievance or claim of violation of this Agreement shall be recognized unless presented in writing within thirty (30) days from the date of the occurrence causing the complaint or grievance except in cases where report of the grievance has been suppressed through coercion by the Employer.

36.3.1 In the event the claim is one for additional wages, any such claim shall be limited to additional wages, if any, accruing within the thirty (30) day period immediately preceding the date upon which the Employer received notice in writing of the claim.

36.3.1.1 Where there is an automatic wage bracket adjustment (failure to progress the employee in classification in accordance with the formula of Appendices A, B, C, and D) due under the terms of said appendices, the period of adjustment shall be one (1) year from the date the grievance was filed in writing.

36.3.2 In cases involving discharge, the grievance must be filed within fifteen (15) days from the date of discharge; otherwise such right of protest shall be deemed to have been waived.

### **ARTICLE 37 - NOTICE**

37.1 For the purpose of this Agreement, all notices required under the Agreement shall be sent to the Employer (wherein the Employer is denoted) at the following address unless otherwise notified:

Allied Employers, Inc.  
4030 Lake Washington Blvd. NE, Suite 201  
Kirkland, WA 98033-7870

37.2 All notices required under the Agreement to be sent to the Union (wherein Union is denoted) shall be sent to the following address unless otherwise notified:

United Food and Commercial Workers Union Local 1439  
P. O. Box 5298  
Spokane, WA 99205

**ARTICLE 38 - DURATION OF AGREEMENT**

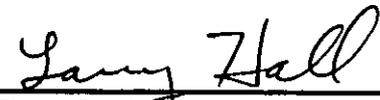
38.1 This Agreement shall be in full force and effect from April 7, 2002, through April 8, 2006, at which time it shall automatically be renewed for a period of one (1) year from said date, and thereafter for each year upon each anniversary of said date without further notice; provided, however, that either party may open or terminate this Agreement for the purpose of revisions within sixty (60) days prior to said expiration date or each anniversary thereof upon written notice being served upon either party by the other.

IN WITNESS WHEREOF, we attach our signatures this 20<sup>th</sup> day of April, 2005.

ALLIED EMPLOYERS, INC.  
For and on behalf of those  
Employers listed below:

UNITED FOOD & COMMERCIAL  
WORKERS UNION LOCAL #1439

BY:   
Scott Klitzke Powers

BY:   
Larry Hall  
President

**Employers Party To This Agreement**

Albertson's, Inc.  
Haggen, Inc.  
Safeway, Inc.

**ADDENDUM  
YAKIMA AND VICINITY  
MEAT DEPARTMENT PERSONNEL**

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Allied Employers, Inc., operating in Yakima and Kittitas Counties and United Food and Commercial Workers Union Local 1439, have a certain Grocery and Meat Labor Agreement between them, effective from April 7, 2002 to April 8, 2006, to which this Addendum is attached and made a part thereto. This addendum applies only to Meat Cutters, Meat Wrappers, and Service Counter employees, and provides exceptions and additions to the aforesaid Labor Agreement, to which all terms shall also apply to said Meat Department Personnel, except as is modified herein, TO WIT: (Article heading refers only to related Article in Labor Agreement)

**ARTICLE 6 - WORK SCHEDULES**

6.1 In order to give employees as much notice as possible in planning their weekly schedule of work, the Employer agrees to post a work schedule for all regular full-time and all regular part-time employees not later than 5:00 p.m. Thursday of the preceding workweek, and except in cases of emergency, no changes shall be made in said schedule without twenty-four (24) hours' notice to the employee or by mutual agreement between Employer and employee. It is understood and agreed that the work schedule may not be used to guarantee any specified number of hours of work to any employee except as provided for in paragraph 5.8 of the Labor Agreement. Seniority shall be considered along with merit and ability and the efficient operation of the business when planning the weekly schedule of straight-time hours to be worked.

6.2 There shall be no compounding or pyramiding of overtime pay and/or any premium pay.

**ARTICLE 7 - UNIT WORK**

7.1 The jurisdiction of Local 1439 covers the cutting, handling, pricing, and sale of all meats, fish, poultry, and rabbits in the area covered by this Agreement in either service or self-service markets.

7.1.1 Meat products presently being displayed and sold in the Meat Department shall continue to be displayed and sold by the Meat Department employees for the duration of this Agreement, unless otherwise mutually agreed between the Union and Employer.

7.1.2 Outside salesmen shall not be allowed to price or display meat products in the store except in the case of demonstrations or where there is mutual agreement between the Union and Employer.

**ARTICLE 9 - EXPERIENCE - APPRENTICES**

9.1 No apprentices shall be allowed unless there is a Journeyman member employed, and in that instance, one (1) apprentice may be employed and one (1) for each additional three (3) Journeymen employed.

9.2 Shops whose owners work therein the major part of the day and employing one (1) Journeyman, shall be entitled to one (1) apprentice.

9.3 For the purpose of classifying new employees who have worked at the trade in other localities, and in order to protect the Employer as well as the Union from inferior help, the Union agrees to create an Examining Board to classify employees making application for membership. This Board shall be composed of at least two (2) Employers and two (2) members of the Union.

9.4 Apprenticeship standards shall be as provided in the Yakima Area Meat Cutters Joint Apprenticeship Council as approved by the Joint Apprenticeship Council and the Washington State Apprenticeship Council. Said standards are to be consistent with this Agreement.

9.5 Wrappers desirous of promotion to apprentice meat cutter status shall make their desires known to the Employer in writing, and such employees shall be given equal consideration for such vacancy. A wrapper commencing the apprenticeship program shall have a ninety (90) day trial period. Said trial period shall not jeopardize the employee's former classification or seniority. There shall be no reduction in pay to any wrapper as a result of entering the apprenticeship program, i.e., the wrapper rate of pay shall apply until such time as the apprentice rate exceeds the wrapper rate, at which time the apprentice rate shall apply.

**ARTICLE 14 - SICK LEAVE**

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

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

| <u>Hours Worked</u> | <u>Hours of Sick Leave Pay</u> |
|---------------------|--------------------------------|
| 1663 to 2064        | 32                             |
| 2064 or more        | 40                             |

14.3 Sick leave pay, to the extent it has been earned, shall begin on the third (3rd) working day of illness or injury, or the first (1st) day of hospital confinement, and shall continue for each working day of illness or injury thereafter, and shall be in an amount per day equal to the average number of straight-time hours worked per day by the employee during the past twelve (12) months; provided (1) the daily total of sick leave pay under this section and disability payments provided by the Health and Welfare Plan shall not exceed the contract rate for one (1) eight (8) hour day, and 2) not more than five (5) days' sick leave pay shall be required in any one (1) work week. For the purposes of this Article, disabling out-patient surgery will be treated as hospitalization.

14.4 Sick leave pay shall not be paid on an employee's scheduled day off, holidays, vacation, or any other day on which the employee is drawing pay for time not worked.

14.5 Sick leave hours shall be cumulative from year to year, but not to exceed a maximum of one hundred twenty (120) hours. Sick leave pay must be earned by employment with one (1) Employer. For the purposes of this Article, disabling out-patient surgery will be treated as hospitalization.

14.6 A doctor's certificate or other authoritative verification of illness may be required by the Employer, and if so, must be presented by the employee not more than forty-eight (48) hours after return to work; provided, however, that if an employee has been off work due to a serious illness or injury, the Employer may require a doctor's release prior to returning the employee to work.

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

14.8 Sick leave may be used to supplement Workmen's Compensation to the extent it has been accumulated; however, the total of sick leave pay, disability payment under any insurance plan, and Workmen's Compensation benefits paid to an employee in any calendar week will not exceed the average net earnings of that employee for the six (6) work weeks prior to his/her absence.

#### **ARTICLE 19 - FUNERAL LEAVE**

19.1 After their first (1<sup>st</sup>) year of employment, employees who are regularly employed twenty-four (24) hours or more per week shall be allowed up to three (3) days off with pay for loss of their normal scheduled hours of work due to the death of an immediate member of his family, provided the employee attends the funeral. Immediate family shall be defined as spouse, son, daughter, mother, father, brother, sister, mother-in-law, and father-in-law or present spouse, stepchildren, grandparents, and grandchildren. Funeral leave will be paid only with respect to a work day on which the employee would otherwise have worked, and

shall not apply to an employee’s scheduled day off, holidays, vacation, or any other day in which the employee would not in any event have worked. Funeral leave shall be paid for at the employee’s regular straight-time hourly rate.

**ARTICLE 20 - VACATION**

20.1 Employees who have worked for the same Employer for one (1) continuous year shall be entitled to a vacation with pay at their straight-time hourly rate based upon all compensable hours in the preceding twelve (12) months as follows:

| <u>Hours Worked</u> | <u>Hours of Paid Vacation</u> |
|---------------------|-------------------------------|
| 1000 to 1200        | 20                            |
| 1200 to 1600        | 24                            |
| 1600 to 2000        | 32                            |
| 2000 to 2288        | 40                            |
| 2288 to 2496        | 44                            |
| 2496 or more        | 48                            |

20.2 Employees who have worked for the same Employer for three (3) continuous years (after the third (3rd) and each subsequent year to the seventh (7th) year of continuous work) shall be entitled to a vacation with pay at their straight-time hourly rate based upon all compensable hours in the preceding twelve (12) months as follows:

| <u>Hours Worked</u> | <u>Hours of Paid Vacation</u> |
|---------------------|-------------------------------|
| 1000 to 1200        | 40                            |
| 1200 to 1600        | 48                            |
| 1600 to 2000        | 64                            |
| 2000 to 2288        | 80                            |
| 2288 to 2496        | 88                            |
| 2496 or more        | 96                            |

20.3 Employees who have worked for the same Employer for seven (7) continuous years (after the seventh (7th) and each subsequent year of continuous work) shall be entitled to a vacation with pay at their straight-time hourly rate based upon all compensable hours in the preceding twelve (12) months as follows:

| <u>Hours Worked</u> | <u>Hours of Paid Vacation</u> |
|---------------------|-------------------------------|
| 1000 to 1200        | 60                            |
| 1200 to 1600        | 72                            |
| 1600 to 2000        | 96                            |
| 2000 to 2288        | 120                           |
| 2288 to 2496        | 132                           |
| 2496 or more        | 144                           |

20.4 Employees who have worked for the same Employer for fifteen (15) continuous years (after the fifteenth (15th) and each subsequent year of continuous work) shall be entitled to a vacation with pay at their straight-time hourly rate based upon all compensable hours in the preceding twelve (12) months as follows:

| <u>Hours Worked</u> | <u>Hours of Paid Vacation</u> |
|---------------------|-------------------------------|
| 1000 to 1200        | 80                            |
| 1200 to 1600        | 96                            |
| 1600 to 2000        | 128                           |
| 2000 to 2288        | 160                           |
| 2288 to 2496        | 176                           |
| 2496 or more        | 192                           |

20.5 Employees who terminate or are terminated (discharge for dishonesty excepted) after an anniversary date of their employment and prior to their next anniversary date of employment, shall be entitled to vacation pay at their straight-time hourly rate based upon all compensable hours since the last anniversary date of employment, at the following rates for each two hundred (200) hours worked: After the first and second year worked, four (4) hours of vacation pay; after the third to the seventh year worked, eight (8) hours of vacation pay; after the seventh year worked, twelve (12) hours of vacation pay; and after the fifteenth year worked, sixteen (16) hours of vacation pay.

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

20.7 Employees whose vacations are scheduled during a holiday week shall receive holiday pay provided for under the terms of Article 21.4 of this Addendum in addition to vacation pay.

20.8 It is hereby understood and agreed that in computing "Hours of Paid Vacation" for employees who regularly appear on the payroll for thirty-two (32) hours or more per week, the terms of Article 20.1, 20.2, 20.3, and 20.4 above shall be applied so that working time lost up to a maximum of one hundred twenty (120) hours due to temporary layoff, verified cases of sickness or accident, or other absence from work approved by the Employer (in addition to vacation and holiday time off earned and taken by the employee) shall be counted as time worked.

20.9 Employees shall be paid earned vacation pay pro-rated to the time of sale or transfer by the selling Employer.

20.10 In the scheduling of vacation, seniority shall be considered with the understanding that in the case of employees entitled to three (3) or four (4) weeks of vacation, two (2) weeks may be scheduled consecutively, considering seniority, and the remaining earned vacation time by mutual agreement between the Employer and the employee. It is

understood and agreed that for the purpose of this section, seniority shall be considered on a store-to-store basis.

20.11 Vacation hours for continuing employees shall be considered hours worked for the purpose of establishing eligibility under the Retail Clerks Welfare Trust and the Washington Meat Industry Pension Trust. As such, vacation hours and the corresponding contributions due shall be reported and paid to those Trusts during the month in which the employee takes vacation time off from work.

## **ARTICLE 21 - HOLIDAYS**

21.1 The following days shall be considered as holidays: New Year's Day, Washington's Birthday (third Monday in February), Memorial Day (last Monday in May), Independence Day, Labor Day (first Monday in September), Thanksgiving Day, and Christmas Day. Where the date of any holiday falls on Sunday, the following Monday shall be observed, except Christmas Day and New Year's Day, which shall be observed on the day they actually occur.

21.2 Employees with one (1) year of continuous service with the Employer shall receive their birthday as a paid holiday. By mutual agreement between the Employer and employee, the employee may receive payment in lieu of such holiday in accordance with paragraph 21.4 of this Article. Employees shall give the Employer a thirty (30) day notice prior to their birthday. The birthday shall be observed within thirty (30) days of the employee's birthday on a mutually agreeable day. In the event the employee's birthday falls on the same day as any of the other holidays specified in paragraph 21.1, the employee's birthday will be celebrated on another day in accordance with the procedure set forth in the previous sentence.

21.3 Employees with one (1) year of continuous service with the Employer shall receive their anniversary date as a paid holiday. The anniversary holiday shall be observed on a mutually agreeable day or by mutual agreement between the Employer and employee. The employee may receive payment in lieu of such holiday in accordance with paragraph 21.4 of this Article.

21.4 After the first thirty (30) days of employment, employees, provided they work not less than twelve (12) hours during the week in which the holiday occurs and report for work their last scheduled working day preceding and their next scheduled working day immediately following the holiday, shall be paid for holidays not worked on the following basis. Employees who average twelve (12) hours or more per week shall be paid for the holiday on the basis of one-fifth (1/5th) of the employee's average hours worked per week in the four (4) weeks immediately preceding the holiday week, to a maximum of eight (8) hours.

21.4.1 Employees shall be eligible for holiday pay after five (5) months of employment.

21.5 Employees who qualify for holiday pay as specified in paragraph 21.4 shall be paid time and one-half (1-1/2) in addition to such holiday pay, for work performed on holidays named in paragraph 21.1. Employees who do not qualify for holidays pursuant to paragraph 21.4 shall receive time and one-half (1-1/2) for work performed on such holidays, provided this shall not apply to the employee's birthday or anniversary holidays.

21.6 It is understood and agreed that holidays shall not be considered as days worked for the purpose of computing weekly overtime; provided, however, in the case of employees who are regularly scheduled six (6) days, totaling forty-four (44) hours or more per week, the holidays referred to in paragraphs 21.1, 21.2, and 21.3 above shall be considered as days worked for the purpose of computing weekly overtime.

## **ARTICLE 26 - SENIORITY**

26.1 Seniority shall prevail in layoffs for all employees after five hundred twenty (520) hours of service. When seniority rights are obtained, they shall be dated back to the first day of their last employment with the Company. In the event of layoff, the last employee hired shall be the first laid off, and the last employee laid off shall be the first rehired; provided that qualifications are equal, that the employee is available and reports for work within twenty-four (24) hours following receipt of notification to report for work, and that seniority shall be broken in the event of layoff in excess of ninety (90) calendar days. Employees hired for extra work shall not acquire seniority. There shall be established four (4) separate seniority groups: (1) Journeymen, (2) Apprentices, (3) Wrappers (4) Service Counter employees; provided, when an Apprentice is promoted to Journeyman status, his length of service as an Apprentice shall be counted in his seniority.

26.1.1 Journeymen promoted to Head Meat Cutter shall not lose their seniority status.

26.1.2 For the purpose of the above paragraph in this Article, seniority shall prevail on a Company-wide basis, or a Company-district basis within the jurisdiction of this Agreement.

26.1.3 The Employers party to this Agreement agree to mail the Union an up-to-date seniority list not more than once each six (6) months if requested by the Union.

## **ARTICLE 27 - STORE CARD**

27.1 Proprietors of one-employee markets must be members in good standing in order to display the Union Shop Card. In case of partnership, all partners except one must be members of the Union and in good standing. No market card shall be displayed where non-Union employees are employed.

**ARTICLE 31 - RETIREMENT PROGRAM**

31.1 The Employer shall pay into the Washington Meat Industry Pension Trust on account of each member of the bargaining unit, one dollar (\$1.00) per straight-time hour worked and including hours of paid vacation and paid holidays.

Effective September 1, 2002 to September 1, 2004, the contribution rates shall remain unchanged and contributions shall be suspended for that two-year period as per the policy under the Washington Meat Industry Pension trust (the Trust will credit employees for service as if the full contribution was being made).

31.3 The total amount due for each calendar month shall be remitted in a lump sum not later than twenty (20) days after the last business day of such month. The Employer agrees to abide by such rules as may be established by the Trustees of said Trust to facilitate the determination of contributions due, the prompt and orderly collection of such amounts, and the accurate reporting and recording of such amounts paid on account of each member of the bargaining unit. Failure to make all payments herein provided for within time specified shall be a breach of this Agreement.

31.4 Vacation hours for continuing employees shall be reported and corresponding contributions paid in accordance with Article 20, paragraph 20.11 of this Addendum.

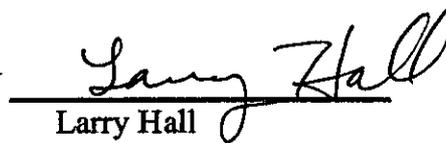
This Addendum, by its execution, hereby becomes a part of the above first cited Labor Agreement between the signatory parties hereto.

IN WITNESS WHEREOF, we attach our signatures this 20<sup>th</sup> day of April, 2005.

ALLIED EMPLOYERS, INC.

UNITED FOOD & COMMERCIAL  
WORKERS UNION LOCAL #1439

BY   
Scott Klitzke Powers

BY   
Larry Hall  
President

Employers Party To This Agreement

- Albertson's, Inc.
- Haggen, Inc.
- Safeway, Inc.

**APPENDIX A**  
**Clerk - An employee performing duties recognized as clerks' work**

| <b>Classifications</b>                                     | <b>Current</b> | <b>9/4/02</b> | <b>1/1/03</b> | <b>1/1/04</b> | <b>1/1/05</b> |
|--|----------------|---------------|---------------|---------------|---------------|
| <b>Employees hired before September 4, 2002</b>            |                |               |               |               |               |
| Journeyman   | \$14.48        |               | \$14.48       | \$14.48       | \$14.48       |
| Step 6 (Next 1040 hours)                                   | 11.31          |               | 11.31         | 11.31         | 11.31         |
| Step 5 (Next 692 hours)                                    | 10.72          |               | 10.72         | 10.72         | 10.72         |
| Step 4 (Next 1040 hours)                                   | 9.47           |               | 9.47          | 9.47          | 9.47          |
| Step 3 (Next 1040 hours)                                   | 8.19           |               | 8.19          | 8.19          | 8.19          |
| Step 2 (Next 1040 hours)                                   | 6.91           |               | 7.50          | 7.55          | 7.65          |
| Step 1 (Next 1040 hours)                                   | 6.90           |               | 7.35          | 7.45          | 7.55          |
| <b>Employees hired or promoted after September 4, 2002</b> |                |               |               |               |               |
| Journeyman   |                | \$14.48       | \$14.48       | \$14.48       | \$14.48       |
| Step 8 (Next 2080 hours)                                   |                | 12.50         | 12.50         | 12.50         | 12.50         |
| Step 7 (Next 2080 hours)                                   |                | 11.00         | 11.00         | 11.00         | 11.00         |
| Step 6 (Next 2080 hours)                                   |                | 10.00         | 10.00         | 10.00         | 10.00         |
| Step 5 (Next 1600 hours)                                   |                | 9.25          | 9.25          | 9.25          | 9.25          |
| Step 4 (Next 1040 hours)                                   |                | 8.50          | 8.50          | 8.50          | 8.50          |
| Step 3 (Next 1040 hours)                                   |                | 8.00          | 8.00          | 8.00          | 8.00          |
| Step 2 (Next 1040 hours)                                   |                | 7.50          | 7.50          | 7.55          | 7.65          |
| Step 1 (Next 1040 hours)                                   |                | 7.25          | 7.35          | 7.45          | 7.55          |
| <b><u>Helper Clerks</u></b>                                |                |               |               |               |               |
| 0-520 Hours  | \$6.90         | \$6.90        | \$7.25        | \$7.35        | \$7.45        |
| Thereafter   | 6.90           | 6.90          | 7.35          | 7.45          | 7.55          |
| <b><u>Courtesy Clerks</u></b>                              |                |               |               |               |               |
| 0-520 Hours  | \$6.90         | \$6.90        | \$7.21        | \$7.31        | \$7.41        |
| Thereafter   | 6.90           | 6.90          | 7.31          | 7.41          | 7.51          |
| Senior Courtesy Clerks*                                    |                |               | 7.32          | 7.42          | 7.52          |

\*used and assigned at the sole discretion of the employer

Effective January 1, 2003, all employees shall be paid a minimum of 10¢ per hour above the then current Washington minimum wage.

**Lump Sum Bonuses:** There shall be a lump sum bonus calculated and paid as follows:

- **Ratification Bonus:** For Journeyman and apprentice employees on the payroll on September 4, 2002, effective as soon as possible following ratification, there shall be a lump sum bonus based on 25¢ per hour for all hours worked for the one year period immediately prior to September 4, 2002.
- For all Journeyman employees on the payroll on September 1, 2003, effective the first payroll thereafter, there shall be a lump sum bonus based on 25¢ per hour for all

Journeyperson hours worked for the one year period September 1, 2002 through August 31, 2003.

- For all Journeyperson employees on the payroll on September 1, 2004, effective the first payroll thereafter, there shall be a lump sum bonus based on 25¢ per hour for all Journeyperson hours worked for the one year period September 1, 2003 through August 31, 2004.
- For all Journeyperson employees on the payroll on September 1, 2005, effective the first payroll thereafter, there shall be a lump sum bonus based on 25¢ per hour for all Journeyperson hours worked for the one year period September 1, 2004 through August 31, 2005.

High School student employees shall not be required to work past 10:00 p.m. on any evening preceding a school day.

The parties agree that two (2) lead clerks may be assigned at the Employer's discretion. Employees assigned to a lead clerk position shall be paid a thirty-five cents (35¢) per hour premium.

#### **COURTESY CLERKS - HELPER CLERKS**

There shall be two (2) separate classifications: Courtesy Clerk and Helper Clerk, whose hourly rates shall be as outlined in Appendix A above.

A. Courtesy Clerks shall be part-time employees. Student employees will not be required to work more than twenty-four (24) hours per week. If a Courtesy Clerk is promoted to Helper Clerk, they shall not be returned to the Courtesy Clerk classification, except by mutual agreement.

- (1) Duties: A Courtesy Clerk may perform only the following duties:
  - a. Bag or box merchandise after it has been checked out and take it to the customer's vehicle.
  - b. Clean up in and around the store.
  - c. Collect and line up shopping carts and return them to the store from the parking lot.
  - d. Stock the bags in the checkstands.
  - e. Collect bottles, take them to the designated area and sort them.
  - f. Change the reader board.

- g. Return merchandise from the checkstand area to its display area.
- h. Incidental assignments of duties other than those specified in (1)a through (1)g (and other than checking) are permissible so long as such assignment is not their primary work assignment and, in any event, shall not exceed twenty percent (20%) of the Courtesy Clerk(s) hours.

B. **Helper Clerk:** Not more than twelve percent (12%) of the total man-hours worked, excluding exemptions, in the store shall be employed in this classification. Helper Clerks shall not work as checkers. All hours exceeding the twelve percent (12%) shall be paid for at the Beginner Clerk's rate. All hours compensated for at the Beginner Clerk's rate shall be accumulative in determining length of service wage adjustments.

**Daily Guarantee:** Helper Clerks and Courtesy Clerks, when scheduled, shall be guaranteed a minimum of two (2) hours' work or equivalent compensation, Monday through Friday, and four (4) hours' work or equivalent compensation on Saturday, Sundays, and holidays.

**APPENDIX B**  
**BAKERY, SNACK BAR, VARIETY CLERKS**

| <b>Classifications</b>                                     | <b>Current</b> | <b>9/4/02</b> | <b>1/1/03</b> | <b>1/1/04</b> | <b>1/1/05</b> |
|--|----------------|---------------|---------------|---------------|---------------|
| <b>Employees hired before September 4, 2002</b>            |                |               |               |               |               |
| Journeyman   | \$10.91        |               | \$10.91       | \$10.91       | \$10.91       |
| Step 6 (Next 1040 hours)                                   | 9.28           |               | 9.28          | 9.28          | 9.28          |
| Step 5 (Next 692 hours)                                    | 8.56           |               | 8.56          | 8.56          | 8.56          |
| Step 4 (Next 1040 hours)                                   | 7.93           |               | 7.93          | 7.93          | 7.93          |
| Step 3 (Next 1040 hours)                                   | 7.29           |               | 7.55          | 7.65          | 7.75          |
| Step 2 (Next 1040 hours)                                   | 6.90           |               | 7.35          | 7.45          | 7.55          |
| Step 1 (Next 1040 hours)                                   | 6.90           |               | 7.25          | 7.35          | 7.45          |
| <b>Employees hired or promoted after September 4, 2002</b> |                |               |               |               |               |
| Journeyman   |                | \$10.91       | \$10.91       | \$10.91       | \$10.91       |
| Step 8 (Next 2080 hours)                                   |                | 9.50          | 9.50          | 9.50          | 9.50          |
| Step 7 (Next 2080 hours)                                   |                | 9.00          | 9.00          | 9.00          | 9.00          |
| Step 6 (Next 2080 hours)                                   |                | 8.50          | 8.50          | 8.50          | 8.50          |
| Step 5 (Next 1600 hours)                                   |                | 8.15          | 8.15          | 8.15          | 8.15          |
| Step 4 (Next 1040 hours)                                   |                | 7.85          | 7.85          | 7.85          | 7.85          |
| Step 3 (Next 1040 hours)                                   |                | 7.20          | 7.55          | 7.65          | 7.75          |
| Step 2 (Next 1040 hours)                                   |                | 6.90          | 7.35          | 7.45          | 7.55          |
| Step 1 (Next 1040 hours)                                   |                | 6.90          | 7.25          | 7.35          | 7.45          |

Effective January 1, 2003, all employees shall be paid a minimum of 10¢ per hour above the then current Washington minimum wage.

**Lump Sum Bonus:** There shall be a lump sum bonus calculated and paid as follows:

- **Ratification Bonus:** For Journeyman and apprentice employees on the payroll on the date of ratification, effective as soon as possible following ratification, there shall be a lump sum bonus based on 25¢ per hour for all hours worked for the one year period immediately prior to September 4, 2002.
- For all Journeyman employees on the payroll on September 1, 2003, effective the first payroll thereafter, there shall be a lump sum bonus based on 25¢ per hour for all Journeyman hours worked for the one year period September 1, 2002 through August 31, 2003.
- For all Journeyman employees on the payroll on September 1, 2004, effective the first payroll thereafter, there shall be a lump sum bonus based on 25¢ per hour for all Journeyman hours worked for the one year period September 1, 2003 through August 31, 2004.
- For all Journeyman employees on the payroll on September 1, 2005, effective the first payroll thereafter, there shall be a lump sum bonus based on 25¢ per hour for all

Journey person hours worked for the one year period September 1, 2004 through August 31, 2005.

High school student employees shall not be required to work past 10:00 p.m. on any evening preceding a school day.

**APPENDIX C**  
**DELI DEPARTMENT SALAD BAR AND FLORAL DEPARTMENT**

| <b>Classifications</b>                                     | <b>Current</b> | <b>9/4/02</b> | <b>1/1/03</b> | <b>1/1/04</b> | <b>1/1/05</b> |
|--|----------------|---------------|---------------|---------------|---------------|
| <b>Employees hired before September 4, 2002</b>            |                |               |               |               |               |
| Journeyman   | \$10.91        |               | \$10.91       | \$10.91       | \$10.91       |
| Step 6 (Next 1040 hours)                                   | 9.28           |               | 9.28          | 9.28          | 9.28          |
| Step 5 (Next 692 hours)                                    | 8.56           |               | 8.56          | 8.56          | 8.56          |
| Step 4 (Next 1040 hours)                                   | 7.93           |               | 7.93          | 7.93          | 7.93          |
| Step 3 (Next 1040 hours)                                   | 7.29           |               | 7.55          | 7.65          | 7.75          |
| Step 2 (Next 1040 hours)                                   | 6.90           |               | 7.35          | 7.45          | 7.55          |
| Step 1 (Next 1040 hours)                                   | 6.90           |               | 7.25          | 7.35          | 7.45          |
| <b>Employees hired or promoted after September 4, 2002</b> |                |               |               |               |               |
| Journeyman   |                | \$10.91       | \$10.91       | \$10.91       | \$10.91       |
| Step 8 (Next 2080 hours)                                   |                | 9.50          | 9.50          | 9.50          | 9.50          |
| Step 7 (Next 2080 hours)                                   |                | 9.00          | 9.00          | 9.00          | 9.00          |
| Step 6 (Next 2080 hours)                                   |                | 8.50          | 8.50          | 8.50          | 8.50          |
| Step 5 (Next 1600 hours)                                   |                | 8.15          | 8.15          | 8.15          | 8.15          |
| Step 4 (Next 1040 hours)                                   |                | 7.85          | 7.85          | 7.85          | 7.85          |
| Step 3 (Next 1040 hours)                                   |                | 7.20          | 7.55          | 7.65          | 7.75          |
| Step 2 (Next 1040 hours)                                   |                | 6.90          | 7.35          | 7.45          | 7.55          |
| Step 1 (Next 1040 hours)                                   |                | 6.90          | 7.25          | 7.35          | 7.45          |

Effective January 1, 2003, all employees shall be paid a minimum of 10¢ per hour above the then current Washington minimum wage.

**Lump Sum Bonus:** There shall be a lump sum bonus calculated and paid as follows:

- **Ratification Bonus:** For Journeyman and apprentice employees on the payroll on the date of ratification, effective as soon as possible following ratification, there shall be a lump sum bonus based on 25¢ per hour for all hours worked for the one year period immediately prior to September 4, 2002.
- For all Journeyman employees on the payroll on September 1, 2003, effective the first payroll thereafter, there shall be a lump sum bonus based on 25¢ per hour for all Journeyman hours worked for the one year period September 1, 2002 through August 31, 2003.
- For all Journeyman employees on the payroll on September 1, 2004, effective the first payroll thereafter, there shall be a lump sum bonus based on 25¢ per hour for all Journeyman hours worked for the one year period September 1, 2003 through August 31, 2004.
- For all Journeyman employees on the payroll on September 1, 2005, effective the first payroll thereafter, there shall be a lump sum bonus based on 25¢ per hour for all

Journey person hours worked for the one year period September 1, 2004 through August 31, 2005.

High school student employees shall not be required to work past 10:00 p.m. on any evening preceding a school day.

**APPENDIX D**  
**MEAT DEPARTMENT**

| <b><u>Appendix D, Meat Cutters</u></b>                     | <b><u>Current</u></b> | <b><u>9/4/02</u></b> | <b><u>1/1/03</u></b> | <b><u>1/1/04</u></b> | <b><u>1/1/05</u></b> |
|--|-----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Employees hired before September 4, 2002</b>            |                       |                      |                      |                      |                      |
| Market Manager   | \$18.48               |                      | \$18.48              | \$18.48              | \$18.48              |
| Journeyman   | 17.48                 |                      | 17.48                | 17.48                | 17.48                |
| Step 5 (Next 1040 hours)                                   | 14.85                 |                      | 14.85                | 14.85                | 14.85                |
| Step 4 (Next 1040 hours)                                   | 13.63                 |                      | 13.63                | 13.63                | 13.63                |
| Step 3 (Next 1040 hours)                                   | 12.05                 |                      | 12.05                | 12.05                | 12.05                |
| Step 2 (Next 1040 hours)                                   | 10.49                 |                      | 10.49                | 10.49                | 10.49                |
| Step 1 (Next 1040 hours)                                   | 9.64                  |                      | 9.64                 | 9.64                 | 9.64                 |
| <b>Employees hired or promoted after September 4, 2002</b> |                       |                      |                      |                      |                      |
| Market Manager   |                       | \$18.48              | \$18.48              | \$18.48              | \$18.48              |
| Journeyman   |                       | 17.48                | 17.48                | 17.48                | 17.48                |
| Step 8 (Next 2080 hours)                                   |                       | 12.50                | 12.50                | 12.50                | 12.50                |
| Step 7 (Next 2080 hours)                                   |                       | 11.00                | 11.00                | 11.00                | 11.00                |
| Step 6 (Next 2080 hours)                                   |                       | 10.00                | 10.00                | 10.00                | 10.00                |
| Step 5 (Next 1600 hours)                                   |                       | 9.25                 | 9.25                 | 9.25                 | 9.25                 |
| Step 4 (Next 1040 hours)                                   |                       | 8.50                 | 8.60                 | 8.70                 | 8.80                 |
| Step 3 (Next 1040 hours)                                   |                       | 8.00                 | 8.10                 | 8.20                 | 8.30                 |
| Step 2 (Next 1040 hours)                                   |                       | 7.70                 | 7.80                 | 7.90                 | 8.00                 |
| Step 1 (Next 1040 hours)                                   |                       | 7.40                 | 7.50                 | 7.60                 | 7.70                 |

Effective January 1, 2003, all employees shall be paid a minimum of 10¢ per hour above the then current Washington minimum wage.

**Lump Sum Bonus:** There shall be a lump sum bonus calculated and paid as follows:

- **Ratification Bonus:** For Journeyman and apprentice employees on the payroll on the date of ratification, effective as soon as possible following ratification, there shall be a lump sum bonus based on 25¢ per hour for all hours worked for the one year period immediately prior to September 4, 2002.
- For all Journeyman employees on the payroll on September 1, 2003, effective the first payroll thereafter, there shall be a lump sum bonus based on 25¢ per hour for all Journeyman hours worked for the one year period September 1, 2002 through August 31, 2003.
- For all Journeyman employees on the payroll on September 1, 2004, effective the first payroll thereafter, there shall be a lump sum bonus based on 25¢ per hour for all Journeyman hours worked for the one year period September 1, 2003 through August 31, 2004.

- For all Journeyperson employees on the payroll on September 1, 2005, effective the first payroll thereafter, there shall be a lump sum bonus based on 25¢ per hour for all Journeyperson hours worked for the one year period September 1, 2004 through August 31, 2005.

## MEAT WRAPPERS

### **Appendix D, Meat Wrappers**

Employees hired before September 4, 2002

|                          |         |         |         |         |
|--------------------------|---------|---------|---------|---------|
| Journeyman               | \$14.44 | \$14.44 | \$14.44 | \$14.44 |
| Step 6 (Next 1040 hours) | 11.85   | 11.85   | 11.85   | 11.85   |
| Step 5 (Next 692 hours)  | 9.90    | 9.90    | 9.90    | 9.90    |
| Step 4 (Next 1040 hours) | 8.60    | 8.60    | 8.60    | 8.60    |
| Step 3 (Next 1040 hours) | 7.37    | 7.70    | 7.80    | 7.90    |
| Step 2 (Next 1040 hours) | 7.00    | 7.50    | 7.55    | 7.65    |
| Step 1 (Next 1040 hours) | 6.90    | 7.35    | 7.45    | 7.55    |

Employees hired or promoted after September 4, 2002

|                          |          |         |         |         |
|--------------------------|----------|---------|---------|---------|
| Journeyman               | \$ 14.44 | \$14.44 | \$14.44 | \$14.44 |
| Step 8 (Next 2080 hours) | 12.50    | 12.50   | 12.50   | 12.50   |
| Step 7 (Next 2080 hours) | 11.00    | 11.00   | 11.00   | 11.00   |
| Step 6 (Next 2080 hours) | 10.00    | 10.00   | 10.00   | 10.00   |
| Step 5 (Next 1600 hours) | 9.25     | 9.25    | 9.25    | 9.25    |
| Step 4 (Next 1040 hours) | 8.50     | 8.50    | 8.50    | 8.50    |
| Step 3 (Next 1040 hours) | 7.70     | 7.70    | 7.70    | 7.70    |
| Step 2 (Next 1040 hours) | 7.50     | 7.50    | 7.55    | 7.65    |
| Step 1 (Next 1040 hours) | 7.25     | 7.35    | 7.45    | 7.55    |

Effective January 1, 2003, all employees shall be paid a minimum of 10¢ per hour above the then current Washington minimum wage.

**Lump Sum Bonus:** There shall be a lump sum bonus calculated and paid as follows:

- **Ratification Bonus:** For Journeyman and apprentice employees on the payroll on the date of ratification, effective as soon as possible following ratification, there shall be a lump sum bonus based on 25¢ per hour for all hours worked for the one year period immediately prior to September 4, 2002.
- For all Journeyman employees on the payroll on September 1, 2003, effective the first payroll thereafter, there shall be a lump sum bonus based on 25¢ per hour for all Journeyman hours worked for the one year period September 1, 2002 through August 31, 2003.
- For all Journeyman employees on the payroll on September 1, 2004, effective the first payroll thereafter, there shall be a lump sum bonus based on 25¢ per hour for all Journeyman hours worked for the one year period September 1, 2003 through August 31, 2004.
- For all Journeyman employees on the payroll on September 1, 2005, effective the first payroll thereafter, there shall be a lump sum bonus based on 25¢ per hour for all Journeyman hours worked for the one year period September 1, 2004 through August 31, 2005.

**Wrapper employees as covered by this Agreement shall not be permitted to cut, bone, or grind fresh meat; however, the Wrapper may cut a steak or roast which has already been processed by a Meat Cutter to size in order to serve a customer; modify any prepared cut to suit a customer; use the slicing machine or cube steak machine to serve customers.**

**APPENDIX E**  
**NIGHT AND SUNDAY PREMIUMS**

**GROCERY, PRODUCE, BAKERY, SNACK BAR, VARIETY, DELI, SALAD BAR:**

Sunday Premium: One dollar and twenty-five cents (\$1.25) per hour.

Evening Premium: (After 6:00 p.m. to 9:00 p.m.) Twenty (20) cents per hour.

For all hours after 9:00 p.m. and before 6:00 a.m., Monday through Saturday, twenty-five (25) cents per hour.

Premium for Sunday work and work after 6:00 p.m. is not required in addition to overtime pay.

**MEAT DEPARTMENT:**

All work performed on Sundays shall be paid for at time and one-half (1-1/2) the regular rate. All work performed after 7:00 p.m. or before 6:00 a.m. shall be paid for at fifty cents (50¢) per hour premium. Where six (6) days, Monday through Saturday, are worked in any one (1) week, time and one-half (1-1/2) the straight-time hourly rate shall be paid for work on the day that the least number of hours are worked.

## AGREEMENT

**By and Between  
ALLIED EMPLOYERS, INC.**

**and  
UNITED FOOD AND COMMERCIAL WORKERS UNION LOCAL 1439**

### SERVICE COUNTER EMPLOYEE ADDENDUM AGREEMENT

---

This Addendum Agreement is entered into by and between Allied Employers, Inc. (Employer) and United Food and Commercial Workers Union Local 1439. It is understood and agreed by the Employer and the Union that the provisions of the Yakima and Vicinity Grocery and Meat Agreement between Allied Employers, Inc. and the Union, which has an effective date of April 7, 2002, and an expiration date of April 8, 2006, will be fully applicable to Service Counter employees except as provided herein:

Service Counter employees will be considered a separate classification for all purposes, including seniority. Service Counter employees shall not be permitted to cut, bone, or grind fresh meat or perform any wrapping of meat product for preparation for sale in self-service cases. Service Counter employees may cut a steak or roast, which has already been processed by a meat cutter, to size in order to serve a customer, modify any prepared cut to suit a customer, or use the slicing or cube machines to serve a customer. Seafood products may be wrapped and priced in the Service Department and placed in the Self-Service Meat Counter or other places in the store for customers to purchase. Meat Wrappers and/or Meat Cutters shall continue to be assigned the duties of stocking prepackaged meat items in the Meat Department, however, when other Meat Department employees are not on duty, prepackaged meat items and those products that have been prepared by Meat Department employees that are in storage ready for sale may be placed in the meat case by Service Counter employees. Service Counter employees will be confined to the Service Counter, the holding cooler areas, and other areas necessary to perform the work required by the Department.

| <u>Service Counter</u>                   | <u>Current</u> | <u>9/4/02</u> | <u>1/1/03</u> | <u>1/1/04</u> | <u>1/1/05</u> |
|--|----------------|---------------|---------------|---------------|---------------|
| Employees hired before September 4, 2002 |                |               |               |               |               |
| Journeyman                               | \$10.91        |               | \$10.91       | \$10.91       | \$10.91       |
| Step 6 (Next 1040 hours)                 | 9.45           |               | 9.45          | 9.45          | 9.45          |
| Step 5 (Next 692 hours)                  | 9.10           |               | 9.10          | 9.10          | 9.10          |
| Step 4 (Next 1040 hours)                 | 8.29           |               | 8.29          | 8.29          | 8.29          |
| Step 3 (Next 1040 hours)                 | 7.45           |               | 7.55          | 7.65          | 7.75          |
| Step 2 (Next 1040 hours)                 | 6.90           |               | 7.35          | 7.45          | 7.55          |
| Step 1 (Next 1040 hours)                 | 6.90           |               | 7.25          | 7.35          | 7.45          |

**Employees hired or promoted after September 4, 2002**

|                          |         |         |         |         |
|--------------------------|---------|---------|---------|---------|
| Journeyman               | \$10.91 | \$10.91 | \$10.91 | \$10.91 |
| Step 8 (Next 2080 hours) | 9.50    | 9.50    | 9.50    | 9.50    |
| Step 7 (Next 2080 hours) | 9.00    | 9.00    | 9.00    | 9.00    |
| Step 6 (Next 2080 hours) | 8.50    | 8.50    | 8.50    | 8.50    |
| Step 5 (Next 1600 hours) | 8.15    | 8.15    | 8.15    | 8.15    |
| Step 4 (Next 1040 hours) | 7.85    | 7.85    | 7.85    | 7.85    |
| Step 3 (Next 1040 hours) | 7.20    | 7.55    | 7.65    | 7.75    |
| Step 2 (Next 1040 hours) | 6.90    | 7.35    | 7.45    | 7.55    |
| Step 1 (Next 1040 hours) | 6.90    | 7.25    | 7.35    | 7.45    |

Effective January 1, 2003, all employees shall be paid a minimum of 10¢ per hour above the then current Washington minimum wage.

**Lead Service Counter:** This shall be a separate classification at the option of the Employer. Seniority shall not apply to the selection of a Lead Service Counter employee. Lead Counter Employee shall receive a twenty-five cent (25¢) per hour premium, where applicable.

**Lump Sum Bonus:** There shall be a lump sum bonus calculated and paid as follows:

- **Ratification Bonus:** For Journeyman and apprentice employees on the payroll on the date of ratification, effective as soon as possible following ratification, there shall be a lump sum bonus based on 25¢ per hour for all hours worked for the one year period immediately prior to September 4, 2002.
- For all Journeyman employees on the payroll on September 1, 2003, effective the first payroll thereafter, there shall be a lump sum bonus based on 25¢ per hour for all Journeyman hours worked for the one year period September 1, 2002 through August 31, 2003.
- For all Journeyman employees on the payroll on September 1, 2004, effective the first payroll thereafter, there shall be a lump sum bonus based on 25¢ per hour for all Journeyman hours worked for the one year period September 1, 2003 through August 31, 2004.
- For all Journeyman employees on the payroll on September 1, 2005, effective the first payroll thereafter, there shall be a lump sum bonus based on 25¢ per hour for all Journeyman hours worked for the one year period September 1, 2004 through August 31, 2005.

**Pension (Retail Clerks Pension Trust):** Employees hired on or before September 4, 2002 shall be grandfathered at the contribution rate of twenty cents (20¢)\* per hour.

Contributions for employees hired after September 4, 2002 shall be:

| <b>Classification</b>  |     |
|------------------------|-----|
| Journey person         | 20¢ |
| Step 8 (Next 2080 hrs) | 20¢ |
| Step 7 (Next 2080 hrs) | 20¢ |
| Step 6 (Next 2080 hrs) | 15¢ |
| Step 5 (Next 1600 hrs) | 15¢ |
| Step 4 (Next 1040 hrs) | 15¢ |
| Step 3 (Next 1040 hrs) | 10¢ |
| Step 2 (Next 1040 hrs) | 10¢ |
| Step 1 (1st 1040 hrs)  | 10¢ |

\*All employees with 12,000 or more hours shall be entitled to the following pension rates:

|                             |     |
|-----------------------------|-----|
| Current:                    | 20¢ |
| Effective April 2003 hours: | 25¢ |
| Effective April 2004 hours: | 30¢ |
| Effective April 2005 hours: | 35¢ |

Sunday Premium: \$1.00 per hour.

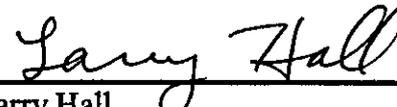
Night Premium: 9:00 p.m. to 6:00 a.m. - Twenty-five cents (25¢) per hour.

IN WITNESS WHEREOF, we attach our signatures this 20<sup>th</sup> day of April, 2005.

ALLIED EMPLOYERS, INC.

UNITED FOOD & COMMERCIAL  
WORKERS UNION LOCAL #1439

BY   
Scott Klitzke Powers

BY   
Larry Hall  
President

**ADDENDUM**  
**To Agreement Between**  
**ALLIED EMPLOYERS, INC.**  
**and**  
**UNITED FOOD & COMMERCIAL WORKERS UNION LOCAL NO. 1439**

**BAKE-OFF**

**April 7, 2002 - April 8, 2006**

---

This is to confirm our understanding that employees performing work under the above referenced Labor Agreement shall be covered by all terms and conditions of the Yakima Grocery Agreement between Allied Employers, Inc., and United Food and Commercial Workers Union Local No. 1439, executed with the following exceptions:

**ARTICLE 1 - RECOGNITION AND BARGAINING UNIT**

1.1 Allied Employers, Inc., on behalf of the Employers listed below, hereby recognizes during the term of this Agreement, United Food and Commercial Workers Union Local #1439, chartered by the United Food and Commercial Workers International Union, AFL-CIO, as the sole and exclusive collective bargaining agency for a unit consisting of all Bake-Off Department employees employed by it in its present and future Yakima, Washington Retail Food Stores with respect to rates of pay, hours and other conditions of employment, except and excluding the Department Manager, Store Director, Grocery and Produce Department employees, Meat Department employees, janitors, professional employees, confidential employees, office clerical employees, guards, watchmen and supervisors, as defined in the National Labor Relations Act, as amended.

1.1.1 In addition to the exceptions listed above, this Agreement does not apply to the Bakery and Confectionery Local #9 employee(s) working in the Bake-Off per the terms set out below.

**DEFINITION OF BAKE-OFF**

A shop will be considered a Bake-Off covered under this Agreement if it is producing less than 45% of the product from scratch dough. If the Bake-Off is producing more than 45% of the product from scratch, the terms of the Bakery Sales Addendum to the UFCW 1439 Grocery Clerks Agreement will apply to the Sales portion of the Department and the Bakery & Confectionery Local #9 In-Store contract will apply to the Production portion of the Department. Product produced from mixes will be considered made from scratch for purposes of this Agreement.

**JOINT JURISDICTION**

For Departments opened or converted after November 16, 1984, the parties agree that the jurisdiction of the Bake-Off Department will be shared jointly with UFCW Local 1439 and Bakery & Confectionery Workers Local #9, which allows for the complete interchangeability of duties and work assignments between Clerks and Bakery Union employees within the Bake-Off Department. It is agreed with Local 1439 that the Bakers Union will be guaranteed a minimum of one (1) member in each shop. Both the Bakers and the Clerks agree that the Bake-Off Department will be entitled to one (1) exempt employee who will not be required to be a member of either Local.

**ARTICLE 3 - SENIORITY**

Bake-Off employees shall be considered as a separate classification under the seniority provisions of the Agreement in accordance with the terms and provisions of Article 26 - Seniority.

**ARTICLE 5 - HOURS OF WORK AND OVERTIME**

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

**ARTICLE 31 - RETIREMENT PROGRAM**

Same as for Appendix B employees.

**BAKE-OFF SALES WAGE CLASSIFICATIONS**

| Classifications  | Current | 9/4/02  | 1/1/03  | 1/1/04  | 1/1/05  |
|--|---------|---------|---------|---------|---------|
| <b>Employees hired before September 4, 2002</b>            |         |         |         |         |         |
| Journeyman   | \$10.91 |         | \$10.91 | \$10.91 | \$10.91 |
| Step 6 (Next 1040 hours)                                   | 9.28    |         | 9.28    | 9.28    | 9.28    |
| Step 5 (Next 692 hours)                                    | 8.56    |         | 8.56    | 8.56    | 8.56    |
| Step 4 (Next 1040 hours)                                   | 7.93    |         | 7.93    | 7.93    | 7.93    |
| Step 3 (Next 1040 hours)                                   | 7.29    |         | 7.55    | 7.65    | 7.75    |
| Step 2 (Next 1040 hours)                                   | 6.90    |         | 7.35    | 7.45    | 7.55    |
| Step 1 (Next 1040 hours)                                   | 6.90    |         | 7.25    | 7.35    | 7.45    |
| <b>Employees hired or promoted after September 4, 2002</b> |         |         |         |         |         |
| Journeyman   |         | \$10.91 | \$10.91 | \$10.91 | \$10.91 |
| Step 8 (Next 2080 hours)                                   |         | 9.50    | 9.50    | 9.50    | 9.50    |
| Step 7 (Next 2080 hours)                                   |         | 9.00    | 9.00    | 9.00    | 9.00    |
| Step 6 (Next 2080 hours)                                   |         | 8.50    | 8.50    | 8.50    | 8.50    |
| Step 5 (Next 1600 hours)                                   |         | 8.15    | 8.15    | 8.15    | 8.15    |
| Step 4 (Next 1040 hours)                                   |         | 7.85    | 7.85    | 7.85    | 7.85    |
| Step 3 (Next 1040 hours)                                   |         | 7.20    | 7.55    | 7.65    | 7.75    |
| Step 2 (Next 1040 hours)                                   |         | 6.90    | 7.35    | 7.45    | 7.55    |
| Step 1 (Next 1040 hours)                                   |         | 6.90    | 7.25    | 7.35    | 7.45    |

Effective January 1, 2003, all employees shall be paid a minimum of 10¢ per hour above the then current Washington minimum wage.

**Lump Sum Bonus:**

There shall be a lump sum bonus calculated and paid as follows:

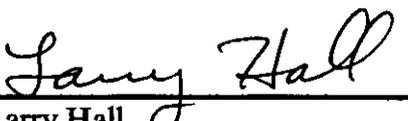
- **Ratification Bonus:** For Journeyperson and apprentice employees on the payroll on the date of ratification, effective as soon as possible following ratification, there shall be a lump sum bonus based on 25¢ per hour for all hours worked for the one year period immediately prior to September 4, 2002.
- For all Journeyperson employees on the payroll on September 1, 2003, effective the first payroll thereafter, there shall be a lump sum bonus based on 25¢ per hour for all Journeyperson hours worked for the one year period September 1, 2002 through August 31, 2003.
- For all Journeyperson employees on the payroll on September 1, 2004, effective the first payroll thereafter, there shall be a lump sum bonus based on 25¢ per hour for all Journeyperson hours worked for the one year period September 1, 2003 through August 31, 2004.
- For all Journeyperson employees on the payroll on September 1, 2005, effective the first payroll thereafter, there shall be a lump sum bonus based on 25¢ per hour for all Journeyperson hours worked for the one year period September 1, 2004 through August 31, 2005.

CONFIRMED: 4-2005 (date)

ALLIED EMPLOYERS, INC.

UNITED FOOD & COMMERCIAL  
WORKERS UNION LOCAL NO. 1439

BY   
Scott Klitzke Powers

BY   
Larry Hall  
President

**LETTER OF UNDERSTANDING**

**By and Between  
Allied Employers, Inc.  
and  
UFCW Union Local #1439  
YAKIMA  
(Grocery & Meat)**

**PERMANENT JOB OPENINGS**

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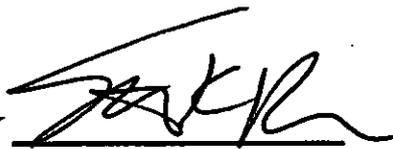
This is to confirm our understanding reached during our most recent negotiations that the parties agreed to the following provision as it relates to permanent individual job openings within the bargaining unit:

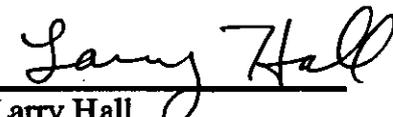
Employees desiring to be considered for permanent individual job openings in their store will indicate their desire by submitting in writing a request for consideration. The notification will remain in force for six months unless withdrawn by the employee. The Employer(s) will not be arbitrary or capricious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

Executed this 20<sup>th</sup> day of April, 2005.

ALLIED EMPLOYERS, INC.

UNITED FOOD & COMMERCIAL  
WORKERS UNION LOCAL #1439

BY   
Scott Klitzke Powers

BY   
Larry Hall  
President

**LETTER OF UNDERSTANDING**

**By and Between  
Allied Employers, Inc.  
and  
UFCW Union Local #1439  
YAKIMA  
(Grocery & Meat)**

**ARTICLE 2 - UNION SECURITY**

The signatory parties hereto have a Labor Agreement between them, effective from April 7, 2002 through April 8, 2006. This Memorandum establishes the understanding the parties have in reference to Article 2 - Union Security, of said Labor Agreement, TO WIT:

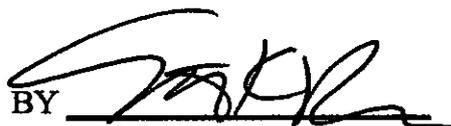
In the event both Employer and Union are named co-defendants in any action as a result of the application of the Union Security clause, the parties shall immediately meet to explore means of limiting any potential liability and reducing duplication of professional services.

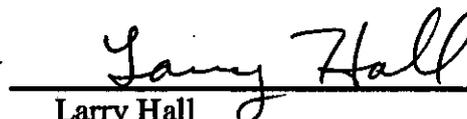
This Letter of Understanding shall be coterminous with the aforesaid Labor Agreement.

Executed this 20th day of April, 2005.

ALLIED EMPLOYERS, INC.

UNITED FOOD & COMMERCIAL  
WORKERS UNION LOCAL #1439

BY   
Scott Klitzke Powers

BY   
Larry Hall  
President

**LETTER OF UNDERSTANDING**

**By and Between  
Allied Employers, Inc.  
and  
UFCW Union Local #1439  
YAKIMA  
(Grocery & Meat)**

**COURTESY CLERKS AND HELPER CLERKS**

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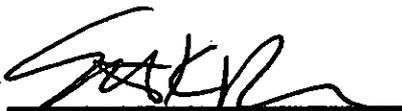
The signatory parties hereto have a Labor Agreement between them, effective from April 7, 2002 through April 8, 2006. This letter sets forth the understanding of the parties in reference to Courtesy Clerks and Helper Clerks as follows:

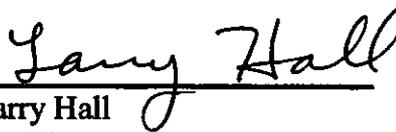
Courtesy Clerks shall be given the first opportunity for consideration to be progressed to Helper Clerks and Helper Clerks shall be given the first opportunity for consideration to be progressed to Beginner Clerk before hiring new employees.

Executed this 20<sup>th</sup> day of April, 2005.

ALLIED EMPLOYERS, INC.

UNITED FOOD & COMMERCIAL  
WORKERS UNION LOCAL #1439

BY   
Scott Klitzke Powers

BY   
Larry Hall  
President

**LETTER OF UNDERSTANDING**

**By and Between  
Allied Employers, Inc.  
and  
UFCW Union Local #1439  
YAKIMA  
(Grocery & Meat)**

**YAKIMA AND VICINITY GROCERY AND MEAT**

---

The signatory parties hereto have a Labor Agreement between them, effective from April 7, 2002 through April 8, 2006. This Memorandum establishes the understanding of the parties that it is not their intention, in combining the previously separate Meat and Grocery Agreements, to waive any rights previously established unless said rights are specifically modified or eliminated through negotiations.

Furthermore, it is not the intention of the parties signatory hereto to waive any protected right established through Federal, State, or Local authorities, or rights established through past practice, through reference in such Labor Agreement to "Non-Meat Department Personnel Only," "Meat Department Personnel," or other such reference. More specifically, such reference does not limit or eliminate rights previously provided in the former Labor Agreement through reference and/or past practice, nor does such reference affect any rights provided through Federal, State, or Local authority.

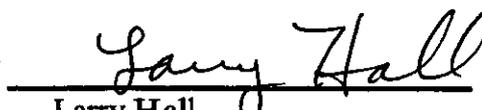
This Letter of Understanding shall become effective on the effective date of the aforesaid Labor Agreement.

Executed this 20<sup>th</sup> day of April, 2005.

ALLIED EMPLOYERS, INC.

UNITED FOOD & COMMERCIAL  
WORKERS UNION LOCAL #1439

BY   
Scott Klitzke Powers

BY   
Larry Hall  
President

**LETTER OF UNDERSTANDING**

**By and Between  
Allied Employers, Inc.  
and  
UFCW Union Local #1439  
YAKIMA  
(Grocery & Meat)**

**FLORAL DEPARTMENT EMPLOYEES CLASSIFICATION CHANGE**

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This is to confirm our understanding reached during our recent negotiations wherein "Floral employees" were added to the wage rates of Appendix "C" of the Yakima Grocery/Meat Agreement between Local #1439 and Allied Employers, Inc.

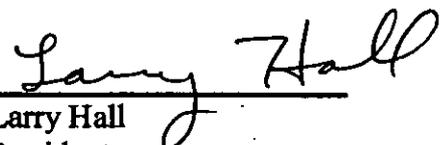
As agreed, Floral Department employees who are on the payroll as of October 16, 1991, and who were being compensated under Appendix "A" or "D" wage rates will continue to be compensated at the higher rate unless they resign or are voluntarily reassigned to different work.

Confirmed: 4-20-05 (Date)

ALLIED EMPLOYERS, INC.

UNITED FOOD & COMMERCIAL  
WORKERS UNION LOCAL #1439

BY   
Scott Klitzke Powers

BY   
Larry Hall  
President

## LETTER OF UNDERSTANDING

**By and Between  
Allied Employers, Inc.  
and  
UFCW Union Local #1439  
YAKIMA  
(Grocery & Meat)**

### SENIORITY PROVISIONS

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Recognizing that inconsistent interpretations of the seniority provisions set forth in the above referenced Labor Agreements have caused disruptive labor relations between the parties as well as conflict among the employees, the parties agree to the following understanding:

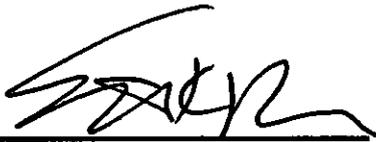
1. Seniority is understood to mean length of continuous service with the individual Employer. Therefore, an employee shall not lose his/her seniority if transferred by the Employer, even though the employee is transferred from outside the bargaining unit.
2. For the purpose of applying the terms of the layoff/recall and the availability of hours provisions in the above referenced Agreements, priority, where applicable, shall be given to the senior employee, provided the senior employee's "qualifications and abilities" are equal to or greater than the "qualifications and abilities" of the involved junior employee(s) performing the same comparable work, further provided, that all other qualifications of the various Agreements are satisfied.
3. Any work performed under the classification in the following sections shall be deemed "comparable work" for purposes of this letter: Grocery and Produce, Deli, Bakery, and Non-food.
4. In the event the Employer or the Union takes the position that the "qualifications and abilities" of the junior employee are greater than the "qualifications and abilities" of the senior employee, then priority, where applicable, shall be given to the junior employee subject to satisfying the burden of proof as follows: The party alleging that the "qualifications and abilities" of the junior employee are greater shall have the burden of proof in the matter.
5. When an employee is transferred from another area outside the geographic jurisdiction of this Agreement, the transferred employee shall retain all seniority rights with the Employer but shall be entitled to exercise such rights only after having worked in the bargaining unit for a minimum of sixty (60) days.

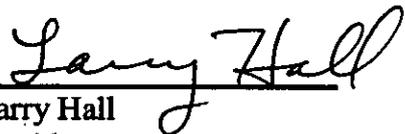
6. In accordance with this understanding, the Arbitration Awards between United Food and Commercial Workers Local #1439 and Rosauers Supermarkets, Inc., (Carlton Snow) dated July 30, 1981, and the case of Buttrey, Inc. and United Food and Commercial Workers Union Local #1439 (Albert L. Gese) dated September 23, 1982, shall be considered null and void and no longer applicable.

Confirmed: 4-20-05 (Date)

ALLIED EMPLOYERS, INC.

UNITED FOOD & COMMERCIAL  
WORKERS UNION LOCAL #1439

BY   
Scott Klitzke Powers

BY   
Larry Hall  
President

**LETTER OF UNDERSTANDING**

**By and Between  
Allied Employers, Inc.  
and  
UFCW Union Local #1439  
YAKIMA  
(Grocery & Meat)**

**CORPORATE CAMPAIGN**

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Local #1439 believes it has a good faith working relationship with the Employer and will not take any action to depart from that relationship or take any action inconsistent with maintaining that relationship. Consistent with its duty of fair representation under the agreements and their grievance procedures, Local #1439 will not be a party to, instigate or support class action litigation (except charges with the National Labor Relations Board) or engage in any type of corporate campaign against the Employer.

It is also recognized that various monies from Local #1439 are paid to UFCW International Union funds. The Local does not control such funds. Consequently, the UFCW International Union's use of those funds for purposes contrary to this Agreement will not be a violation of this Agreement.

Confirmed: 4-20-05 (Date)

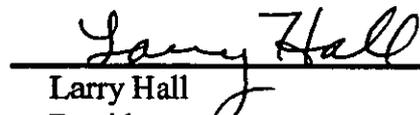
ALLIED EMPLOYERS, INC.

UNITED FOOD & COMMERCIAL  
WORKERS UNION LOCAL #1439

BY

  
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**LETTER OF UNDERSTANDING**

**By and Between  
Allied Employers, Inc.  
and  
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YAKIMA  
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**FAVORITE NATIONS**

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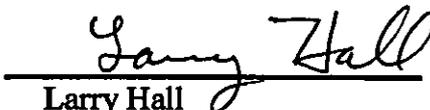
Should the Union at any time after the date of this Agreement enter into a renewal agreement, or any extension thereof, covering any grocery store(s) within the geographic area covered by this Agreement based upon a settlement of new terms negotiated after the date of this Agreement which are more advantageous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

Confirmed: 4-20-05 (Date)

ALLIED EMPLOYERS, INC.

UNITED FOOD & COMMERCIAL  
WORKERS UNION LOCAL #1439

BY   
Scott Klitzke Powers

BY   
Larry Hall  
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**By and Between  
Allied Employers, Inc.  
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UFCW Union Local #1439  
YAKIMA  
(Grocery & Meat)**

**DUES CHECK-OFF**

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**1. Added initiation and uniform dues through payroll deduction as follows:****a. Union Dues Check-Off**

On a monthly basis the employer agrees to deduct uniform dues and initiation fees from the paycheck of those covered employees whose individual written unrevoked authorizations are on file with the Employer and to transmit the amounts so deducted to the Union within twenty (20) days of such deductions. Said deduction authorizations shall be in such form as to conform with Section 302 (c) of the Labor Management Relations Act of 1947.

**b. Authorized initiation fees will be deducted in three (3) equal installments and remitted to the Local Union monthly.****c. It is understood the Employer is not liable in any manner if the employee is not on the payroll at the time deductions are being processed.****d. Indemnify and Hold Harmless:**

The Union shall indemnify and hold the Company harmless against any and all claims, demands, suits or other forms of liability that shall arise out of or by reason of action taken or not taken by the Company in reliance upon signed authorization cards furnished to the Company by the Union or for the purpose of complying with any of the provisions of this Articles.

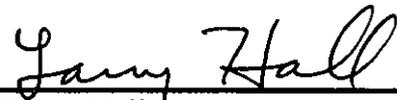
2. The involved Employers shall be granted a reasonable period to adopt administrative and payroll procedures to accommodate this agreement.

Confirmed: 4-20-05 (Date)

ALLIED EMPLOYERS, INC.

UNITED FOOD & COMMERCIAL  
WORKERS UNION LOCAL #1439

BY   
Scott Klitzke Powers

BY   
Larry Hall  
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**LETTER OF UNDERSTANDING**

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**HELPER CLERKS**

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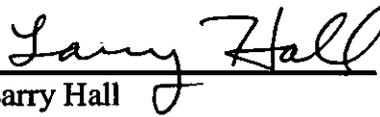
Helper Clerks who notify their Employer in writing that they are desirous of a transfer to Appendix "A" progressions shall be provided the opportunity for available openings over new hires, provided qualifications and abilities are equal.

Confirmed: 4-20-05 (Date)

ALLIED EMPLOYERS, INC.

UNITED FOOD & COMMERCIAL  
WORKERS UNION LOCAL #1439

BY   
Scott Klitzke Powers

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Larry Hall  
President

**LETTER OF UNDERSTANDING**

**By and Between  
Allied Employers, Inc.**

**and**

**UFCW Union Local #1439**

**YAKIMA**

**(Grocery & Meat)**

**HAGGEN, INC.**

Haggen shall be a party to this multi-employer labor agreement with the following exceptions:

Exemptions: Article 1.3.1 – Haggen shall be allowed a total/maximum of seven (7) exemptions per store.

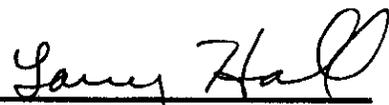
Wage Progressions: Current employees shall remain on Haggen’s current hourly progression. For employees hired after September 4, 2002, the final step in the new wage progressions shall be 1040 hours (instead of 2080 hours) to maintain the shorter progression for Haggen employees (10,960 hours to Journeyman instead of the 12,000 hours).

Confirmed: 4-20-05 (Date)

ALLIED EMPLOYERS, INC.

UNITED FOOD & COMMERCIAL  
WORKERS UNION LOCAL #1439

BY   
Scott Klitzke Powers

BY   
Larry Hall  
President