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UNITED FOOD AND COMMERCIAL WORKERS UNION LOCAL 1099
CINCINNATI STORES

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TERM: OCTOBER 7, 2007 THROUGH OCTOBER 9, 2010

GREATER CINCINNATI STORES AGREEMENT OF THE
CINCINNATI/DAYTON MARKETING AREA

THIS AGREEMENT has been entered into between The Kroger Co., Cincinnati/Dayton Marketing Area (KMA), doing business as Kroger, its successors and assigns, hereinafter designated as the "Employer" and the United Food and Commercial Workers Union Local No. 1099, chartered by the United Food and Commercial Workers International Union AFL-CIO, CLC, hereinafter designated as the "Union".

ARTICLE 1. INTENT AND PURPOSE

1.1 The Employer and the Union each represent that the purpose and the intent of this Agreement is to promote cooperation and harmony, to recognize mutual interest, to provide a channel through which information and problems may be transmitted from one to the other, to formulate rules to govern the relationship between the Union and the Employer, to promote efficiency and service and to set forth herein the basic agreements covering rates of pay, hours of work and conditions of employment.

ARTICLE 2. COVERAGE

2.1 The Union shall be the sole and exclusive bargaining agent for all employees in each of the Employer's stores, and the Meat department only of the Batesville, Indiana store, located in the counties of Clermont, Hamilton, Warren, Butler, Clinton, Highland, and Brown in the State of Ohio; Boone, Campbell, Kenton, Mason, Kentucky; Dearborn and Ripley, Indiana, excluding Store/Unit Managers, Co-Managers, Chefs, Drug/General Merchandise Managers, Human Resource Coordinators, Photo Lab Managers, Professional Pharmacy Department employees, Security employees and employees covered by the Dayton Agreements.

2.2 Vendor Stocking - The present practice of outside vendors stocking shelves shall not be expanded during the term of this Agreement, except that, if a brand of merchandise now being stocked by outside vendors is discontinued and another brand substituted or a new brand is added, representatives of vendors may stock all brands of the same type of merchandise. For example, if a new brand of potato chips is added or substituted, representatives of vendors may stock the new brand.

The understanding in the paragraph immediately above shall not apply in new or remodeled stores during the first two (2) weeks prior to opening.

It is understood that the rotation of merchandise, taking inventory or ordering shall not be considered stocking. It shall not be a violation of this provision for a vendor to perform the work necessary to accomplish allocation of product in his commodity section. This work is to be done under the supervision of the department head. (This provision does not alter 11.12, Scheduling Resets.)

The following guidelines shall apply:

1. An "allocation" will refer to the number of facings or placements of a particular item.
2. A "reallocation" refers to the changing, positioning, and/or the discontinuance of an item, and/or the addition of a new item.
3. Vendors may perform work necessary to reallocate an item within a commodity section in a given aisle. Should an entire commodity section (i.e., coffee) need to be removed to accomplish a reallocation, bargaining unit employee(s) will assist in the reallocation, where it would not cause the addition of hours to the schedule.
4. When an item will be relocated in a new aisle, vendors will be permitted to pull the block and set the block.
5. Vendors will not stock any product from the back room other than a new item.
6. Vendors must sign the daily log "in" and "out" and state the reasons for being in the store (i.e., reset, inventory, etc.). If the steward questions a vendor's actions, he may verify the vendor(s) presence and reasons for being in the store.
7. Department heads will better supervise vendor work.

The following items only shall be stocked completely or partially by representatives of vendors or rack jobbers: magazines, books, outside bakery goods, non-alcoholic beverages and snacks; i.e., potato chips, pretzels, etc.; and cookies, crackers, greeting cards, and party items. It is understood that merchandise delivered on Kroger trucks will continue to be stocked by members of the bargaining unit. Bottled water ordered through Peyton's shall also continue to be stocked by bargaining unit employees.

In stores with a distinct Drug/GM department, the Employer may utilize any vendor store assistance on Drug/GM merchandise products which are available to the trade without additional cost.

2.3 Management Work - In stores having both Manager and Co-Manager(s) the Employer agrees that they will not perform work normally done by members of the bargaining unit, including office functions normally performed by the Front-End Manager and Assistant Front-End Manager(s). This does not preclude the Manager and Co-Manager(s) from doing the above due to employees being absent where no one is available to do the work or circumstances beyond the control of the Employer. It is further understood that work incidental to handling customer's requests, inventorying product(s) and bakery merchandise markdowns are not a violation of this Section. It is understood that this language does not apply to the Drug/GM department.

For Meat Department the following shall apply:

It is understood that work performed due to the absence of a member of the bargaining unit while attempting to bring in additional help (during a breakdown, demonstration, during training, experimentation, reallocation of product (using stock on the shelves) will not be considered a violation of this paragraph).

2.4 In the event of a proven violation of Sections 2.2 and/or 2.3, the Employer will pay to the employee filing the grievance the amount of time spent in such proven violation at the premium rate of time and one-half (1 1/2), but no less than one hour's pay at the employee's regular rate of pay. It is understood that this language does not apply to the Drug/GM department.

ARTICLE 3. UNION SHOP CONDITIONS AND CHECKOFF

3.1 Union Shop - It shall be a condition of employment that all employees of the Employer covered by this Agreement who are members of the Union in good standing on the execution date of this Agreement shall remain members in good standing, and those who are not members on the execution date of this Agreement shall, on the sixty-first (61st) day following the execution 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 execution date shall, on the sixty-first (61st) day following the beginning of such employment become and remain members in good standing in the Union. The Employer may secure new employees from any source whatsoever.

During the first sixty (60) calendar days of employment, a new employee shall be on a trial basis and may be discharged at the discretion of the Employer, and such discharge shall not be subject to the Grievance and Arbitration Procedure.

3.2 Check-Off - The Employer agrees to deduct weekly Union dues and/or service fees and uniform assessments from the wages of employees in the bargaining unit who individually certify in writing, authorization for such deduction in a form authorized by law. The Employer agrees, in the case of new Union members, to deduct the Union initiation fee and in the case of a non-member, an initial service fee from the wages of any new or non-member Union employee who certifies in writing authorization for such deduction in a form authorized by law.

In the event no wages are then due the employee, or are insufficient to cover the required deduction, the deduction for such week shall nevertheless be made from the first wages of adequate amount next due the employee and thereupon transmitted to the Union.

Upon written request by an authorized representative of the Union, the Employer agrees to dismiss any employee within five (5) days from receipt of such request for failure to comply with Article 3, Section 3.1, limited only by the Labor Management Relations Act of 1947.

3.3 Active Ballot Club - The Employer agrees to transmit the Local Union contribution deductions to the UFCW Active Ballot Club from employees who are Union members, and who sign deduction authorization cards. The deductions shall be in the amount specified on the political contribution deduction authorization card and shall be deducted not more than once each week.

3.4 New Employees - The Employer agrees to give the Union a list of new employees weekly showing employee's name, residence address, social security number, store number, date of employment, and birth date.

3.5 Union Visitation - Any accredited Union official of Local No. 1099 shall be granted access to the store at any time that the store is open for business for the purpose of satisfying themselves that the terms of this Agreement are being complied with. It is understood, however, that the Union representative will, upon entering the store, make their presence known to the store manager or their representative. It is further understood that there will be no unreasonable interference with efficient store operation.

3.6 Other Agreements - The Employer, through any part of the management, agrees not to enter into any agreement or contract with their employees, individually or collectively, which in any way conflicts with the terms and provisions of this Agreement.

3.7 Bulletin Board - The Employer agrees to provide a bulletin board in each store and will permit the Union to post and maintain any notices pertaining to Union business, provided that such notices are approved by the Human Resource Manager before posting.

3.8 Union Steward - The Union shall have the right to designate a grocery steward, meat steward, and a drug/gm steward in each store.

In the top fifty percent (50%) of the stores (based on sales volume), the Union shall have the right to designate a grocery steward and alternate grocery steward, a meat steward and an alternate meat steward.

The Employer shall send a letter to the Union each February to update the stores by sales volume. The Union shall notify the stewards and alternate stewards of any change.

A list showing the names and store addresses of all stewards and alternate stewards is to be submitted to the Employer.

3.9 Union Counselor - The Union shall have the right to designate a Union Counselor in each store.

3.10 Union Card - The Employer agrees to display the Union Store Card and/or decal in a prominent place at the discretion of the employer in its store. The Union Card and/or decal is and shall remain the property of the Union.

ARTICLE 4.

CONFORMITY TO LAW

4.1 Nothing contained in this Agreement is intended to violate any federal and/or state law, rule or regulations made pursuant thereto. If any part of this Agreement is construed to be in such violation, then that part shall be null and void and the parties agree that they will, within thirty (30) days, begin negotiations to replace said void part with a valid provision.

4.2 The Employer and the Union agree to continue to uphold the principles of non-discrimination based on race, color, sex, religion, national origin, age, disability, Union activity, and veteran status.

ARTICLE 5.

MANAGEMENT RIGHTS

5.1 The management of the business and the direction of the working forces, including the right to plan, direct and control store operations, hire, suspend or discharge for proper cause, transfer or relieve employees from duty because of lack of work or for other legitimate reasons, the right to study or introduce new or improved production methods or facilities subject to the provisions of Article 20 of this Agreement, and the right to establish and maintain reasonable rules and regulations covering the operation of the store, a violation of which shall be among the causes for discharge, are vested in the Employer; provided however, that this right shall be exercised with due regard for the rights of the employees, and provided further, that it will not be used for the purpose of discrimination against any employee or for the purpose of invalidating any contract provision.

ARTICLE 6.

NO STRIKE, NO LOCKOUT

6.1 During the term hereof, the Union agrees that there shall be no strike or any other interference with or interruption of the normal conditions of the Employer's business by the Union or its members. The Employer agrees that there shall be no lockout.

Following a work stoppage, it shall be the employee's responsibility to advise the store manager of their store, within a reasonable period of time, of their availability for return to work. The Employer will then direct employees to start work on an orderly basis, as needed for the type of work being considered.

On the first full day following the end of the stoppage, employees will be placed in needed categories on a "first come, first served basis" considering the type of work to be performed. On the second and subsequent days, employees who have made themselves available will be placed in accordance with the seniority and available hours provisions of this Agreement for the type of work being considered.

It is the intent of this Section that temporary employees will be replaced in an orderly and expeditious manner.

ARTICLE 7.

PICKET LINE

7.1 No employee shall be required to cross a legal labor picket line which has been officially recognized by the Union. Before the Union gives official recognition to any picket line, it will discuss such action with the Employer prior to the establishment. In the event such discussion does not take place prior to the establishment of such picket line, at least twenty-four (24) hours notice will be given during which time employees will work as directed.

ARTICLE 8.

GRIEVANCE AND ARBITRATION PROCEDURE

8.1 Grievance Procedure - Should any "grievance" arise over the interpretation or application of the contents of this Agreement, there shall be an earnest effort on the part of both parties to settle same promptly through the following steps. The term "grievance" comprehends any complaint, difficulty, disagreement or dispute between the Employer and the Union or any employee covered by this Agreement, and which complaint, difficulty, disagreement or dispute pertains to the interpretation or application of any and all provisions of this Agreement.

STEP 1. By conference between the aggrieved employee, the job steward or both and/or a representative of the Union and the manager of the store. If the grievance is not settled, it shall be reduced to writing with copies to the Union and Employer and referred within ten (10) days to Step 2, unless such time period is mutually extended by the Union, and the zone manager.

STEP 2. By conference between the representative of the Union and the zone manager. If this Step does not settle the grievance, it shall be referred within ten (10) days to Step 3, unless such time period is mutually extended by the Union and the zone manager.

STEP 3. By conference between the business representative and/or the executive officer of the Union, the Human Resource Manager and/or a representative delegated by the Employer.

In the event the grievance is not settled in this Step, a written response will be exchanged by the parties within twenty (20) days from the Step 3 conference unless otherwise mutually agreed to.

STEP 4. In the event that the last Step fails to settle satisfactorily the grievance, and either party wishes to submit it to arbitration, the party desiring arbitration must so advise the other party in writing within forty-five (45) days from the Step 3 written response, or the grievance will be considered settled in Step 3.

8.2 Timeliness of Grievances - No grievance will be considered or discussed unless the outlined procedure has been followed, and the grievance presented within ten (10)

days, except a grievance arising from an error in the rate of pay may be presented within two (2) years.

Grievances may arise of a general nature affecting or tending to affect an employee or employees. Such grievances may be initiated at any of the above steps deemed appropriate by the parties.

8.3 Arbitration - The Board of Arbitration shall consist of one person appointed by the Union and one person appointed by the Employer.

Said two (2) persons shall, within ten (10) days after disagreement, unless mutually extended, select a third (3rd) arbitrator from the agreed panel of twelve (12) permanent arbitrators as provided for in Appendix "D", each of whom has agreed to act in this capacity. The decision of the third (3rd) arbitrator shall be binding on both parties. The expenses of the third (3rd) arbitrator shall be paid for jointly.

The Board of Arbitration is not vested with the power to change, modify or alter this Agreement, but only to interpret the provisions of the Agreement.

It is agreed that the panel of permanent arbitrators will remain at twelve (12) during the term of this Agreement, and if for any reason an arbitrator would withdraw from the panel, the Union and the Employer agree to meet within thirty (30) days to select a replacement.

Grievances shall be submitted to the permanent arbitrators in rotation; provided however, that the parties may select an arbitrator in deference to rotation if the arbitrator otherwise called upon to hear the grievance is unavailable. The party requesting arbitration shall notify the arbitrator in writing of their appointment with a copy to the other party.

8.4 Expedited Arbitration - The parties agree that in lieu of following procedures outlined above in Section 8.3 of this Article, by mutual agreement, a special expedited arbitration process may be utilized.

In such case(s), the parties agree that no attorney will serve as the representative of either party, briefs will be waived, and no stenographic or mechanical transcript of the proceedings will be made.

It is further agreed that an arbitrator mutually selected to hear such a case must agree in advance to render a short form, written decision within forty-eight (48) hours of the date of hearing. Although it is not anticipated that such cases will involve substantial questions of contract interpretation, the decision of the arbitrator will have the same force and effect as an award rendered pursuant to the more formal Arbitration Procedure detailed in Section 8.3. The arbitrator shall, in no event, have the power to disregard or modify any provisions of the Agreement.

The parties agree, in such expedited cases, to present a stipulated issue to the arbitrator in advance of the hearing. Either party may withdraw its consent to submit an issue to the expedited process up to but not after the time at which the hearing is convened.

8.5 Suspension or Discharge - The Employer may, at any time, suspend or discharge any employee for proper cause. The Employer shall send a copy of the constructive advice records setting forth the suspension or discharge to the Union. The Union may contest the suspension or discharge by filing a written complaint with the Employer at the Step 2 level of the Grievance Procedure within ten (10) calendar days following the receipt of the notice of suspension or discharge. Such complaint shall be discussed between the Union Representative and the Zone Manager within ten (10) calendar days.

Any monetary settlement to a grievance shall be paid within three (3) weeks from the date of settlement.

Failure of the zone manager to issue a Step 2 position regarding the suspension or discharge within the ten (10) calendar day period shall automatically refer the Union's written complaint to the Step 3 level. If the Union and the Employer then fail to agree on the written complaint within ten (10) additional calendar days, it shall be referred within forty-five (45) calendar days to the Board of Arbitration, if the Union desires to arbitrate the suspension or discharge. Should the Board determine that it was an unfair suspension or discharge, the Employer will reinstate the employee in accordance with the findings of the third (3rd) arbitrator.

8.6 Constructive Advice Records - All constructive advice records shall be issued and signed by non-bargaining unit employees only. Disciplinary action causing lost time shall be at the direction of non-bargaining unit employees or the person designated in charge of the store.

During any investigation which may lead to disciplinary action, the employee, upon request, shall have the Union steward or Union representative present.

Constructive advice records used by the Employer shall not affect the employee's right to file a grievance, and upon signing such constructive advice record shall receive a copy thereof. Any probationary period resulting therefrom shall be limited to a period not to exceed thirty (30) days. Additional periods of thirty (30) days may be imposed if necessary improvement is lacking, and the employee and the Union will be advised.

Constructive advice records will be issued and discussed with the employee no later than ten (10) days from the date of the incident. If this is not done by management in the specified time period, it will be considered null and void.

Any such constructive advice record not received by the Union or an appointed Union Steward within ten (10) days shall be null and void.

This will not preclude discipline for an offense which would warrant a discharge. (Serious offense shall not be considered as a circumstance which normally results in progressive discipline.)

Any such constructive advice record not received by the Union or an appointed Union Steward within ten (10) days shall be null and void.

Any such constructive advice record which does not involve a disciplinary suspension after which twelve (12) consecutive months have elapsed without a recurrence of the same nature shall be null and void.

Any constructive advice record which does involve a disciplinary suspension after which twenty-four (24) months have elapsed without a recurrence of the same nature shall be null and void.

8.7 Authority of Executive Board - At any Step in the Grievance Procedure, the Executive Board of the Local Union will have the final authority in respect to any aggrieved employee covered by this Agreement to decline to process a grievance, complaint, difficulty or dispute further, if in the judgment of the Executive Board, such a grievance lacks merit or lacks justification under the terms of this Agreement, or has been adjusted or justified under the terms of this Agreement to the satisfaction of the Union Executive Board.

8.8 It is the intent of the parties to this Agreement that all employees within the bargaining unit covered by this Agreement exercise all their rights, privileges or necessary procedures under this Agreement, International or Local Constitution, in the settlement of any and all complaints or grievances filed by such employee before taking any action outside the scope of this Agreement for the settlement of such grievance.

ARTICLE 9.

OVERTIME AND OTHER PREMIUM PAY

9.1 Overtime and Sixth (6th) Day Worked - All work in excess of forty (40) hours per week shall be paid for at time and one-half (1 1/2). For full-time employees time and one-half (1 1/2) shall also be paid for work over eight (8) hours in a day and on the sixth (6th) day in the work week. For pay purposes, the sixth (6th) day shall be the employee's normally scheduled day off, unless the employee is scheduled to work six (6) days in one work week, in which case, it shall be the sixth (6th) day in which work is performed by the employee. If employees volunteer to work a sixth (6th) day, the time and one-half (1 1/2) premium shall not apply. This shall not be used to circumvent the normal scheduling of hours.

For current and future part-time employees, all work in excess of forty (40) hours in a basic work week will be paid at time and one-half (1 1/2). They will not receive daily or sixth (6th) day overtime. This applies to full-time employees by mutual agreement*.

* Mutual Agreement - When referred to in this contract "mutual agreement" means when both the employee and the Employer jointly agree to the benefit of both on a specific subject. Any dispute arising from the application of mutual agreement, subsequent situations will require the use of documentation between the employee and Employer.

9.2 If a full-time food employee is scheduled more than two (2) evenings in a week, they shall be paid time and one-half (1 1/2) for work after 6:00 p.m. and until 12:00 midnight on the third (3rd) and subsequent evenings worked in such week, except as otherwise provided in Section 9.6 below for night shift work; and except for those full-time employees who are desirous of additional hours of work within the work week; and who have indicated this desire (and availability) in writing to the Employer's store manager with a copy to the Union, in which case such employees may be scheduled for more than two (2) evenings per week without regard to the time and one-half (1 1/2) requirements of this section being honored for more than two (2) evenings of work in the work week. Such written notice of intent under this Section shall stand for thirty (30) days and then until revoked in writing to the parties with one week's notice. It is understood, however, that it is not the intent of the parties that frequent changes in this status be invoked. Third night overtime will not apply to any full-time status 3 employees and all full-time employees hired on or after October 27, 2004 with the exception of department heads. This language does not apply to Drug/GM Clerks.

9.3 Section 9.2 above shall not apply to work on Sundays and holidays where those employees receive time and one-half (1 1/2) for such work.

9.4 Sunday Premium - When work is performed on a Sunday, it shall not be considered as part of the normal work week, and time and one-half (1 1/2) the employee's regular hourly rate shall be paid for all hours worked that day. Sundays shall begin at 12:01 a.m. and end at 12:00 midnight. (The above provisions shall not apply to night shift employees between 9:00 p.m. and 12:00 midnight on Sundays.)

Effective with employees hired after November 10, 1986, Sunday work shall be considered as part of the normal work week, and such employees shall be paid at their regular hourly rate for hours worked that day. However, it is understood if any employee elects not to work on Sunday (seniority permitting), they may elect to do so with the understanding it may result in a reduced work week.

The Employer agrees that the elimination of Sunday premium pay for employees hired after November 10, 1986, as specified above is not intended to reduce the work hours that employees hired prior to November 10, 1986 are working during the normal work week. The parties understand that this is not intended to be a guarantee of hours and schedules which can be affected by business conditions or factors beyond the control of the Employer.

9.5 Holiday Premium - When work is performed on a holiday, it shall not be considered as part of the normal work week, and time and one-half (1 1/2) the employee's regular hourly rate shall be paid for all hours worked that day. In the case of a holiday, this shall be in addition to the holiday pay provided for elsewhere in this Agreement. Holidays shall begin at 12:01 a.m. and end at 12:00 midnight.

9.6 Night Shift Premiums - All employees working from 10:00 p.m. to 6:00 a.m. will receive a one dollar (\$1.00) premium in addition to their regular rate except for the head night lead clerk. The provisions of this Article 9, Section 9.2 above does not apply to such employees. The definition of a night shift employee is contained in Article 14 of this Agreement.

The night shift rate will apply on a holiday and vacation pay to those regularly employed on night shift; that is, in holiday weeks if fifty percent (50%) or more of the hours worked are on night shift and on vacation pay if fifty percent (50%) or more of the hours worked in the twelve (12) weeks just prior to vacation are on night shift.

A Drug/GM clerk who is a member of the regular night stocking crew will have their night stocking premium included in the calculation of their vacation and holiday pay as well as in the calculation of any contractual overtime.

An employee who works a night shift for fifty percent (50%) or more of their working hours in any week will receive the night shift rate for the full week and shall be considered a night shift employee for the purpose of this Article and Article 14.

When a night shift employee is scheduled to work fifty percent (50%) or more of their scheduled work shift prior to 6:00 a.m., they will receive the night stocking premium for the entire shift. Any other employee who is scheduled to work less than fifty percent (50%) of their scheduled shift prior to 6:00 a.m. will receive time and one-half (1 1/2) for the hours worked prior to 6:00 a.m. and the night shift premium will not apply to such hours. Any other employee, on a mutually agreed basis, who works less than fifty percent (50%) of their work shift prior to 6:00 a.m. will receive the night shift premium for the hours worked prior to 6:00 a.m.

Any employee who is scheduled two (2) consecutive weeks or more on night shift work shall be considered a night shift employee and shall be subject to the provisions under Article 14, Night Shift Provisions, except for those employees who are doing relief work for vacation and/or sick leave; provided management has given advance notice of such schedule change.

9.7 No Pyramiding - Premium pay will not be pyramided, and any hours paid for at premium pay will not be used in the computation of any other premium pay.

ARTICLE 10.

HOURS OF WORK

10.1 Basic Work Week - The work week for full-time employees hired prior to November 10, 1986 shall consist of up to forty (40) hours in not more than five (5) days, not necessarily consecutive, Monday through Saturday unless mutually agreed* upon.

For full-time employees hired after November 10, 1986, the work week shall consist of up to forty (40) hours in not more than five (5) days, not necessarily consecutive, Sunday through Saturday unless mutually agreed* upon.

For all part-time employees, the basic workweek shall consist of up to forty (40) hours, Sunday through Saturday.

10.2 Daily Guarantee - Any employee who is instructed to report to work shall be guaranteed four (4) hours work if the employee is available for four (4) hours work. It is understood, however, that the payment of four (4) hours shall not apply to part-time employees whose hours of work are restricted by circumstances beyond the control of the Employer. Such scheduling guarantees shall not apply if the hours are not available due to Article 11, Section 11.3 or would violate state or federal laws.

10.3 Meal Period - One-half (1/2) hour (unless prohibited by law) on the employee's own time shall be allowed for a meal period on each working day. The meal period shall not be scheduled until an employee has worked three (3) hours, and an employee will not be required to work more than five (5) hours prior to the beginning of the meal period. Such meal period shall be scheduled as near to the middle of the work day as possible. Employees working six (6) hours or less will not be scheduled for a meal period, unless prohibited by law, and this provision shall not be utilized to circumvent the available hours provision of this Agreement.

10.4 Rest Periods - All employees who work more than three (3) hours up to and including five (5) hours in a day, shall receive a fifteen (15) minute, uninterrupted rest period. An employee who works more than five (5) hours in a day shall receive two (2), fifteen (15) minute, uninterrupted rest periods.

No rest period may be scheduled until an employee has worked at least one hour; however, the Employer will make every effort to schedule the rest period as near to the middle of the work shift as possible.

10.5 Business Meetings - Hours spent at business meetings called by the Employer before or after business hours shall be counted as hours worked and shall be paid for accordingly. If an employee is called in for a meeting, they shall receive call-in pay as provided in Article 10, Section 10.2.

10.6 Time Off For Overtime - No employee will be allowed or made to accept time off as compensation for overtime.

ARTICLE 11.

WORK SCHEDULES

11.1 Posting Work Schedules - The hours for each employee shall be scheduled by the Employer, subject to the provisions of this Agreement. A working schedule for the succeeding week shall be posted in ink not later than 3:00 p.m. Friday of the current week with the employee's full name listed by seniority and the employee's seniority date. One work schedule shall be posted by department in all stores with the scheduled hours of employees totaled at the end of the column and the Union steward will receive a copy of the work schedule. In the event such schedule is not posted, the schedule for the preceding week shall prevail, except in the week preceding or the week of a holiday. After the schedule is posted, a full-time employee's schedule will not be changed and full-time food employees working their scheduled day off will be paid time and one-half (1 1/2) for such hours. Hours added to the schedule will be done within the seniority, available hours and earlier starting times provisions of this Agreement, except as provided in Section 11.15 - Additional Hours - will be reflected on the posted work schedule.

Schedules will be arranged by the following departments: meat department, deli/bakery department, grocery department (which shall include dairy and frozen foods), produce department, front-end (cashiers), sackers/carryout, salad bar department, floral department, demonstrators, liquor shop department, floor maintenance, fuel center, coffee shop, drug/gm, cosmetics, and photo lab.

11.2 Full-Time Ratio - It is the intent of the parties that fifty percent (50%) of the hours in the contract area, including non-foods, excluding hours worked in the classifications of sacker, demonstrator, floral clerk and liquor clerk, will be offered as forty (40) hour schedules to full-time employees. No employee will be reduced from full-time status to part-time status in order to meet the ratio.

Ratio exclusions: sacker/carryouts, demonstrators, floral attendants, salad bar clerks and liquor shop clerks. These classifications will no longer qualify for full-time benefits. Individuals promoted to lead floral, lead salad bar and lead liquor shop will be eligible for full-time benefits except if a clerk moves to one of these positions and retains their clerk status and rate.

The Employer will review the ratio on a quarterly basis. The ratio will be administered in accordance with the ratio operational guidelines as follows:

1. Once each period (four (4) weeks), the number of full-time hours to part-time hours will be determined in the contract area for the upcoming period. Total eligible hours, including Sunday hours, will be divided by forty (40) in order to determine the number of forty (40) hour schedules to be offered. When the required number exceeds the number of full-time status employees, the senior part-time employees desiring full-time will be offered the full-time schedules required to meet the ratio.

2. Employees hired prior to November 10, 1986, who are eligible to claim Sunday hours at time and one-half (1 1/2) may continue to do so in addition to their forty (40) hour schedule.
3. Vacation schedules and schedules not worked (including sick leaves at a maximum of one year) count for the ratio purposes.
4. The ratio will not apply to a new store for the first six (6) months of operation. There shall be a minimum full-time ratio of thirty percent (30%).
5. The ratio will apply for the determination of eligibility for full-time benefits.
6. (a) When a part-time employee is promoted to a department head, assistant department head and/or lead, they shall receive full-time benefits the first of the month following such a promotion in accordance with Article 22.

(b) If the aforementioned employee is demoted and/or voluntarily reduces himself/herself in the classification, such employee shall not continue to receive full-time benefits unless they have the seniority to maintain them under the ratio.

11.3 Available Hours - Employees shall receive available hours up to and including eight (8) hours per day or forty (40) hours per week in accordance with seniority, within the individual store, provided that this does not conflict with another provision of this Agreement. Available hours may only be exercised for the five (5) highest hour days in the week, excluding Sundays and holidays. Employees may claim any and all portions of a less senior employee's schedule up to eight (8) hours per day or forty (40) hours per week, excluding training hours, consistent with other provisions of the Agreement. Part-time employees may claim or be scheduled a maximum of forty (40) hours in a week and will not gain full-time status or benefits except in accordance with the full-time ratio. Part-time employees may claim schedules of six (6) days in a week and up to and including ten (10) hours in a day at straight time.

Employees within the meat department, deli/bakery department, seafood/service department, sacker/carryout, liquor shop department, floral department, salad bar department, demonstrators, coffee shop, drug/gm, cosmetics, and photo lab can claim available hours in order to maximize their schedule up to and including eight (8) hours per day and/or forty (40) hours per week in their respective department ONLY.

It is the intent of the parties that grocery department employees (which shall include dairy and frozen food department employees), produce department employees, front-end department employees, and fuel center employees must claim all additional available hours within their department schedule in order to maximize up to and including eight (8) hours per day before claiming additional available clerk hours in other department(s), first among clerks and then among sackers.

Employees on the payroll of the Employer as of July 20, 1976, except in meat, deli/bakery departments, will be scheduled and/or allowed to claim any and all portions of the available hours of a sacker/carryout employee's schedule in order to extend their scheduled shift(s) to eight (8) hours per day or forty (40) hours per week at the employee's current rate of clerk's pay. However, such employees shall not be permitted to claim earlier starting times of sacker/carryout employees. Employees classified as clerks and hired after July 20, 1976 will not be allowed to claim any hours in the sacker/carryout classification.

Twelve-Hour Minimum - Employees will be scheduled for a minimum of twelve (12) hours if employees are available for said hours and their hours may not be claimed below this twelve (12) hour minimum. (The intent of this language is not to circumvent the available hours clause, nor to reduce current full-time and/or part-time employees. Hours will be scheduled by seniority.)

It is the intent of the parties that employees cannot use this available hours clause to claim hours of work that will cause the payment of premium pay at time and one-half (1 1/2) during that week.

Clerks cannot claim hours or earlier starting times of department heads, assistant department heads, and lead clerks as provided in this Agreement.

Store manager trainee assignments will not be utilized to circumvent the available hours provision of this Section.

In order for an employee to claim available hours within the office, the Employer agrees to and shall train such employee within ten (10) days.

Training Period - Newly hired employees shall receive training by a qualified individual within the department who has been selected by the store manager.

Training shall begin upon assignment to the position. The number of training hours per job classification shall be as follows: Front-end, floral, salad bar, and sacker/carryout shall receive twenty-four (24) hours of training. Grocery and produce shall receive thirty-six (36) hours of training. Meat, deli and seafood shall receive seventy-two (72) hours of training.

Specialized Training- Employees selected by the store manager will receive training by a qualified individual within the department designated by the store manager. These hours are not to be claimed by any other employee. These hours will not reduce the regularly scheduled hours in the department where training hours are assigned. Any grievance/dispute arising from the scheduling of these designated training hours shall proceed directly to Step 3 of the grievance procedure.

All training hours shall be posted and noted on the weekly department schedule. Training hours shall be scheduled consecutively and within the minimum scheduling guidelines.

11.4 Earlier Starting Times - The Employer shall recognize earlier starting times, i.e., a shift commencing at 6:00 a.m., available in the store on the following basis: Earlier starting times will be assigned on a continuing basis to the more senior employee within their respective job classification as defined in Appendix "A" where such scheduling does not conflict with other provisions of this Agreement or would cause the Employer to pay overtime as a result of such schedule. (This paragraph shall not apply during the first forty-five (45) calendar days of a new store operation.)

Assistant department managers will be scheduled to perform the procedures and supervision of their department (assistant department managers will not be scheduled to begin a shift for the purpose of relieving the first break). In the event there is no need to schedule assistant department managers out of seniority for such coverage, they will be scheduled by their seniority. If such application necessitates more than two (2) nights in a work week, such employees may exercise the option provided in Article 9.2 in order to maximize their hours up to eight (8) per day and forty (40) per week.

Whenever an employee(s) is scheduled for work hours in more than one department within the grocery clerk group in the store, the department containing fifty percent (50%) or more of such employee's total weekly hours will be considered such employee's basic weekly department for the purpose of achieving earlier starting times.

Any more senior grocery clerk, front-end clerk or produce clerk may claim a five (5) day schedule in other departments within the seniority group within the store for the purpose of achieving earlier starting times. Such employee claiming a five (5) day schedule in another department must have been originally scheduled for a weekly schedule which contained fewer earlier starting times than that of the five (5) day schedule which he intends to claim. After a senior clerk(s) has claimed into another department for the purpose of achieving earlier starting times, such clerk(s) shall then be recognized by seniority within such department on subsequent weekly work schedules for available earlier starting times.

This Section shall not preclude those employees the opportunity of claiming available hours in any other department as provided in Section 11.3.

Notwithstanding the above, the Employer agrees to continue to recognize seniority for non-food employees for preferential daily work shifts only when, in the Company's discretion, it is possible.

11.5 Employee Waivers - At the employees' discretion, an employee may indicate to the store manager in writing (with a copy to the Union) that pertinent contractual clauses notwithstanding, with respect to available hours and earlier starting times, such employee may waive such application of seniority and request scheduled weekly shifts, which are regularly

available, based on personal preference for earlier or later starting times even if such scheduling results in a lesser number of hours than seniority would normally indicate. Such written notice of intent under this paragraph shall stand for thirty (30) days and then until revoked in writing to the parties with one (1) week's notice. It is understood, however, that it is not the intent of the parties that frequent changes in this status be invoked.

11.6 Regular Day Off - The Employer will, where the needs of the business are not adversely affected, schedule employees regularly working a five (5) day weekly work schedule, a regular day off by department on a seniority basis.

This provision shall not be construed to obligate the Employer to recognize a senior employee's demand to be scheduled off on any particular week day, unless such requested day off is available based upon the scheduling needs of the department(s).

The language in this Article 11.6 does not apply to Drug/GM employees.

11.7 When work is performed on a Sunday, it shall be on a voluntary basis, for employees hired prior to November 10, 1986. The Employer shall post a voluntary Sunday work sheet near the time clock in each store by 3:00 p.m. Friday of each week to cover the Sunday which occurs eleven (11) days later. Any above mentioned employee who desires to work on this Sunday shall sign the Sunday work sheet no later than Tuesday after the posting of the voluntary work sheet. A completed Sunday work schedule shall then be posted on Friday prior to the Sunday. Claims will be allowed on the Sunday work schedule on Friday immediately preceding the Sunday. An employee may volunteer for not less than four (4) hours and not more than eight (8) hours on Sunday/holiday.

If the Employer needs additional help on Sundays/holidays, he may schedule employees beginning with employees hired after November 10, 1986, and then draft employees hired prior to November 10, 1986, on an inverse seniority basis. Employees who are drafted or scheduled may be required to work up to and including eight (8) hours on Sundays/holidays, with the provision that a senior employee who is drafted or scheduled will not be required to work more hours than a less senior employee.

On Sundays/holidays, the Employer may elect to schedule a department head or assistant department head (out of seniority) in grocery/head night lead clerk, produce, front-end, meat and deli to run their respective departments and/or manage the store. Any department head and/or assistant department head designated to manage the store and/or run their department on a Sunday/holiday shall be placed on the work schedule and listed as being in charge of the store or department for that particular Sunday/holiday. In store 301, clerks qualified to perform department head or assistant department head duties will be scheduled on a seniority basis with the department head and assistant department heads.

11.8 When work is performed on a holiday as mentioned in Article 12, Section 12.1, it shall be offered by seniority on a voluntary basis.

The Employer shall post a voluntary holiday work sheet near the time clock in each store by 3:00 p.m. the second Friday prior to the beginning of the week in which a contractual holiday occurs, and such list shall remain posted through Monday of the following week. Any employee, regardless of date of hire, who desires to work on a holiday, shall sign the holiday work sheet within five (5) days, and a completed holiday work schedule shall then be posted by 3:00 p.m. Friday the week preceding the holiday week.

11.9 No employee shall be scheduled/drafted for less than four (4) hours work on a Sunday/holiday.

Employees who work on Sundays and/or holidays have the right, based on seniority, to claim all available hours in the store on that day, up to and including but not to exceed eight (8) hours, excluding the meal period. Furthermore, the provisions pertaining to earlier starting times, as provided for in Section 11.4 above will be applicable to Sunday and/or holiday work.

11.10 Any employee who is scheduled for a vacation week(s) shall not be permitted to volunteer and/or shall not be drafted for Sunday work in the Sunday(s) immediately following the beginning of their vacation period. Any employee shall be permitted to volunteer for the Sunday immediately following the end of their vacation period. However, such employee shall not be drafted/scheduled for such Sunday.

11.11 Scheduling Claims - Any dispute over the application of the terms of this Agreement to the posted work schedule must originate no later than the times specified below on Friday of the week in which the schedule is posted in order to be a valid grievance:

(a) Claims against the work schedule will be submitted in writing and initialed by a member of management or an employee so designated by management prior to 3:00 p.m. Saturday. Valid claims shall then be promptly posted to the work schedule and initialed by a member of management or an employee so designated by management.

(b) Employees who have had their hours claimed as a result of paragraph (a) above, and who wish to initiate a claim for available hours or earlier starting times shall submit claims in writing and initialed by a member of management or an employee so designated by management prior to 7:00 p.m. on Saturday. Valid claims shall then be promptly posted to the work schedule and initialed by a member of management or an employee so designated by management.

Hours may be claimed on the Employer's time.

Proven violations of available hours and earlier starting times scheduling to the final posted work schedule shall result in penalty pay (does not apply to Drug/GM employees) if not resolved in Step 1 of the Grievance and Arbitration Procedure as follows:

(a) Available Hours - time and one-half (1 1/2) the employee's rate of pay for the hours involved.

(b) Earlier Starting Times - Time and one-half (1 1/2) for the hours between the end of the earlier shift and the end of the scheduled shift.

11.12 Scheduling Resets - Employees within the grocery clerk classification working less than eight (8) hours per day, and who are interested in enhancing their daily schedule will be offered the opportunity to increase their hours by performing work on "resets" within the employee's store on the following basis.

(a) The Union and the store employees will be notified of "resets" two (2) weeks in advance.

(b) Eligible employees interested in working on "resets" will evidence such interest by signing a sign-up sheet posted by the Employer within the store.

(c) Employees signing the sign-up sheet will be offered the opportunity to increase their daily scheduled hours to a maximum of eight (8) hours and work some or all of their daily schedule on the "reset".

(d) The Employer may use the necessary number of outside vendors in any manner to supplement available bargaining unit employees so as to complete the "reset" by the end of the week, unless a different time frame is agreed upon between the Union and the Employer.

The language in this Article 11.12 does not apply to Drug/GM employees.

11.13 Split Shift/Time Off Between Shifts - No employee shall be required or permitted to work a split shift. A split shift is defined as two (2) work periods separated by more than a normal meal period. For any violation of this provision, the employee shall be paid as time worked between the two (2) work periods at the applicable rate of pay.

There shall be a minimum of eight (8) hours between scheduled work shifts for all employees, excluding Sundays, holidays, and overtime. For employees hired after November 10, 1986, there shall be a minimum of eight (8) hours between scheduled work shifts, excluding holidays and overtime.

11.14 Replacement Hours - The Union recognizes the Employer's problem with respect to rescheduling in cases of employee absenteeism. Accordingly, the parties have agreed upon the following application of this intent in such situations.

When hours (which are on the posted work schedule) become available due to absenteeism of a scheduled employee(s), and the Employer elects to replace any or all of the vacated hours, the Employer will first offer by proper notification and by seniority the most

senior employee(s) in the department already on the posted work schedule for that day and having a later reporting time the earlier schedule of hours. As a result of this process, if hours are still required, the store's most senior employee(s) working less than eight (8) hours on the day(s) will be properly notified by seniority and offered the available hours up to and including eight (8) hours.

Following proper notification and the employee(s) acceptance or rejection of the change, the Employer will have the right to call in other employee(s) and/or increase the hours of employee(s) already on the schedule in order to take care of the Employer's business in the most expeditious manner possible and with a minimum of disruption to the already planned schedule. However, an employee shall not be obligated to stay beyond the period of time it requires for the next senior employee(s) called in to arrive and replace the absent employee. In the event no such employee is available, the least senior employee working shall be required to work the necessary time to maintain the efficient operation of the store. It is understood that this paragraph shall not obviate the provisions of Sections 11.15 and 11.16 of this Agreement.

The language in this Article 11.14 does not apply to Drug/GM employees.

11.15 Additional Hours - Employees shall retain the right to refuse call-in hours and refuse hours beyond the employee's scheduled quitting time, except as provided in Section 11.14 above. However, in the event the Employer finds it necessary to add hours to the work schedule, due to circumstances beyond the control of the Employer, and all efforts have been exhausted to offer such additional hours by seniority, the least senior employee(s) shall then be required to remain for not more than one hour's work beyond their scheduled quitting time provided they are notified two (2) hours prior to their quitting time. It is understood, however, that employees may volunteer to stay additional time in excess of the minimum one hour referred to above.

When proper notification involves telephone calls, such calls shall be limited to a total of fifteen (15) minutes and made by:

- a. The Union Steward, if at work
- b. The Alternate Steward, if at work
- c. Two (2) members of the bargaining unit

It is understood that replacement hours or additional hours, as provided for in Sections 11.14 and 11.15 above, will not necessitate the payment of overtime as provided for elsewhere in this Agreement.

The language in this Article 11.15 does not apply to Drug/GM employees.

11.16 Scheduling Overtime - Scheduled overtime will be assigned on the basis of seniority within the classification where such overtime is needed. Such scheduling will be in accordance with the provisions of this Article.

Non-scheduled overtime shall be offered to employees who are presently working at the time the overtime occurs to employee(s) on the basis of seniority. In the event the Employer cannot fill their needs by seniority, the Employer shall have the right to require such employees on an inverse seniority basis to work such non-scheduled overtime in accordance with Section 11.15 above.

The language in this Article 11.16 does not apply to Drug/GM employees.

11.17 For Drug/GM employees: The schedule for full-time Drug/GM employees shall not be changed during the work week except in case of employee's absence or emergency beyond the control of the Employer. The schedule for part-time employees may be changed by notification to the employee prior to his/her leaving home to report to work for his/her scheduled work time. Claims against the work schedule will be submitted in writing and initialed by a member of management or an employee so designated by management prior to 3:00 p.m. Saturday to be a valid grievance.

The Employer agrees to continue to recognize seniority for preferential daily work shifts whenever/wherever possible.

ARTICLE 12. HOLIDAY WORK

12.1 Legal Holidays - The following shall be considered holidays: New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, and Christmas Day. When one of these holidays falls on a Sunday, the holiday shall be celebrated on the Monday immediately following.

12.2 Personal Holidays - In addition to the holidays called for in Section 12.1, an additional paid holiday shall be granted all employees on the same basis as other holidays on the employee's anniversary date of employment. Such holiday shall be celebrated during the week in which the employee's anniversary date occurs, except in the case of a holiday week, in which case it shall be celebrated in the first non-holiday week that follows.

All employees shall be entitled to the Monday or the first scheduled day within the basic work week following the employee's first week of vacation as an additional holiday which is not to be construed as part of the employee's vacation. Consequently, as provided in Article 11, Section 11.10, an employee may volunteer to work the Sunday immediately following his vacation even if such Sunday occurs before this scheduled additional holiday. Such additional holiday shall be noted on the posted vacation schedule.

Full-time Drug/GM employees hired prior to June 4, 1987 shall have sixteen (16) hours straight time added to their first week of vacation pay. Part-Time Drug/GM employees hired prior to June 4, 1987 shall have four (4) hours straight time added to their first week of vacation pay.

12.3 Eligibility for Holiday Pay - In a week in which one of the above holidays occurs, a full-time employee who works their scheduled work day before and their scheduled

worked day after the holiday will receive eight (8) hours straight-time pay in addition to the hours actually worked. Absence during a holiday week caused by illness substantiated by a doctor's certificate or absence approved in advance by the Employer, shall not disqualify the employee for holiday pay, provided they have performed some work in the holiday week. Such doctor's certificate must be presented during the week in which the employee returns to work.

It shall not be mandatory for the Employer to require a doctor's certificate in each and every case if the employee's store manager has knowledge of an illness (where the employee has performed some work in the holiday week) that, in their opinion, would make the requirement of such certificate unnecessary.

A part-time employee who has worked in twelve (12) weeks or more shall be entitled to holiday pay for the holidays mentioned in Article 12, Sections 12.1 and 12.2 above, provided they were scheduled for work in the holiday week and worked their scheduled hours in the holiday week.

12.4 Computation of Part-time Holiday Pay - Holiday pay for part-time employees shall be figured on the average hours worked for the four (4) consecutive weeks immediately preceding the holiday week on the following basis:

<u>HOLIDAY HOURS WORKED</u>	<u>HOLIDAY PAY</u>
20 hours or less	2 hours
over 20 hours to and including 30 hours	4 hours
over 30 hours to and including 32 hours	6 hours
over 32 hours	8 hours

12.5 Holiday Work Week - In any calendar week in which one of the holidays mentioned in Article 12, Sections 12.1 and 12.2 occurs, the basic straight-time work week shall consist of thirty-two (32) hours to be worked in four (4) days, not necessarily consecutive, exclusive of the holiday. In such holiday weeks, all work in excess of thirty-two (32) hours or work on the fifth (5th) day, exclusive of the holiday, shall be paid for at time and one-half (1 1/2) the employee's regular hourly rate.

All hours worked in excess of forty (40) hours will be paid at time and one half (1 1/2). Holiday pay shall not be considered time worked. This shall apply to part-time employees and to full-time employees upon mutual agreement*.

12.6 Emergency Conditions - In the case of an emergency caused by fire, flood or an Act of God, the Employer may request such employees as it deems necessary to perform such work as may be necessary. Employees will be paid as provided in Article 9, Section 9.5.

12.7 Christmas Eve - No employee shall be required to work beyond 6:00 p.m. on Christmas Eve except in cases of emergency. Employees working beyond 6:00 p.m. in cases of emergency will be paid double (2 times) the employee's straight-time hourly rate of pay.

ARTICLE 13. VACATIONS

13.1 Vacation Schedule - Employees will be entitled to vacation pay based upon the following schedule:

<u>*Years of Continuous Service</u>	<u>Weeks Vacation</u>
1 year	1 week
3 years	2 weeks
7 years	3 weeks
14 years	4 weeks
18 years	5 weeks
25 years	6 weeks

*Continuous service shall include all service as a part-time and/or full-time employee without a break.

13.2 Eligibility for Vacation - Eligibility for an employee's first vacation (one week) and for any increase in vacation will be determined by their anniversary date. Arrangements must be made to permit employees to enjoy such earned vacations between the actual anniversary date and the end of the year in which it occurs. Where necessary, vacations due in the 12th and 13th periods may be carried over to the first period of next year.

Employees who completed the required service prior to January 1 of any year are eligible for vacations as of that date.

After an employee has qualified for the amount of vacations as stipulated in Section 13.1 above, they automatically qualify for that amount of vacation as of January 1 of each year, provided the employee has worked one scheduled work day up to eight (8) hours in that year.

Lay Off Status - Employees who are on lay off or leave of absence at the end of a calendar or anniversary year will not be entitled to vacation and vacation pay for service for said year until their return to work. Their vacation will be subject to the reductions outlined under paragraph 13.6.

13.3 Computation of Vacation Pay - The weekly rate of pay for vacation purposes will be determined as follows:

(a) A full-time employee who has worked forty (40) hours in at least forty (40) weeks, or who was not laid off for more than thirty (30) working days during the anniversary or calendar year in which their vacations were earned, will be paid their current straight-time earnings for their regularly scheduled work week. In determining whether an employee has worked forty (40) or more weeks on a forty (40) hour basis, count weeks not worked because of paid vacation or approved leave of absence (including sick leave) as weeks worked.

(b) The weekly vacation pay of a full-time employee who worked on a full-time basis (as defined in paragraph (a) above) in fewer than forty (40) weeks, or who was laid off for more than thirty (30) working days in the year, will be computed at their current hourly rate for the average number of hours per week they worked during the anniversary or calendar year in which the vacation was earned. To determine the average number of hours worked per week, divide the total hours worked during this anniversary or calendar year by the number of weeks in the year; exclude from this divisor the weeks off the job because of paid vacations, sick leaves or other authorized leave of absence.

(c) A part-time employee will be entitled to vacation under the same general rules as for a full-time employee; and part-time vacations will be figured on the number of hours worked in the year in which the vacation is earned divided by fifty-two (52). If a holiday occurs during a part-time employee's vacation, they shall receive four (4) hours straight-time pay in addition to their vacation pay for such week.

Vacation pay will be paid with the employee's last paycheck prior to the vacation week.

13.4 Scheduling Vacation - Choice of vacation dates will be granted on the basis of seniority by classification (clerk, floral attendants, salad bar clerks, sacker/carryout, demonstrators, liquor shop clerks, meat department (which shall include journeyman and meat clerks), and deli clerks; except that the Employer reserves the right to grant vacations to any employee when absence will least affect the operation except for the following stores will be done by seniority within the grocery group – store #301.

The Employer will post a vacation schedule in each store effective December 1 of each year. The employees will exercise their preference by January 15 of each year. A complete vacation schedule shall be posted in each store within fifteen (15) days. Vacation dates for employees indicating their preference will be scheduled by the Employer. Once finalized, no employee will be permitted to change their vacation at the expense of another employee's scheduled vacation. Employees will be allowed to take a maximum of three (3) consecutive weeks vacation during the summer if so eligible, provided further, that the Employer will recognize additional consecutive weeks during the summer vacation period when employee(s) can verify additional consecutive weeks are required.

Vacations must be taken during the calendar year unless, due to an emergency, the management finds it necessary to request postponement.

No employee shall be permitted to take pay in lieu of vacation unless you have 4 weeks of vacation or more and are eligible to sell it as outlined below.

Employees performing work during their scheduled vacation will receive double time (2 times) their rate of pay for all hours worked during scheduled vacation.

Employees may take vacations beginning in the middle of the week and ending in the middle of the following week.

Employees with four (4) or more weeks of vacation may elect to schedule one (1) week of vacation a day at a time. Employees must notify the store manager of their desire to schedule this week of vacation days at the time of vacation selection. The individual days will be scheduled, by mutual agreement, to be taken Monday through Thursday by October 31 of each year. Unused days as of October 31 will be scheduled at the discretion of the Employer, which will be done by year-end.

Any employee who is eligible for at least four (4) weeks of vacation or more may "sell" vacation weeks as follows: Employees eligible for four (4) weeks vacation may sell one (1) week of vacation. Employees eligible for five (5) weeks and six (6) weeks of vacation may sell up to two (2) weeks of vacation. The "selling" of vacation weeks shall be at the employee's option only and must be submitted to store management when vacation selections are due as of January 15 of each year.

13.5 Holiday Occurring During Vacation - If one of the holidays set forth in Article 12, Sections 12.1 and 12.2 occurs during any week of an employee's vacation, they shall receive holiday pay as set forth in Article 12 of this Agreement, in addition to their vacation pay for such week.

13.6 Effects of Leaves on Vacation Pay - Leaves totaling less than ninety (90) days in any calendar year shall not affect vacation. Any type of leaves totaling more than ninety (90) days in a calendar year shall have the following effect upon vacation earned in that year:

Leaves of more than ninety (90) days but not over 180 days shall reduce vacation and vacation pay by one-fourth (1/4); leaves of more than 180 days but not over 270 days shall reduce vacation and vacation pay by one-half (1/2); leaves of more than 270 days shall disqualify for vacation and vacation pay. (The above ninety (90) days shall be amended to 120 days in the event of a leave of absence due to illness, on or off the job injury or pregnancy leave.) Employees will be scheduled the number of weeks vacation earned by their Company length of service at reduced pay. Employees at their request may reduce their vacation time so that they do not suffer a reduction of their weekly pay.

13.7 Vacation For Employees Returning From Military Leave - Vacation for employees with one year or more of continuous service as a full-time employee, who returns

to Kroger employment from military leave within ninety (90) days after discharge from the Armed Services shall be as follows:

a) Continuous service as full-time employee includes time on military leave of absence.

b) Those who return to Kroger service and thereafter work for ninety (90) days or more before the end of the year are eligible for vacation in that year based on their length of continuous service as defined above.

c) Those who do not return early enough in the year to be employed ninety (90) days are not eligible for a vacation in that year, but are eligible for a vacation in the next calendar year upon completion of ninety (90) days of employment following their return from military leave of absence.

13.8 Effects of Termination on Vacation Pay - If any employee who has not taken their vacation earned by their service leaves (regardless of whether they give notice) or is separated for any reason other than dishonesty, they will receive their vacation pay at the time of leaving.

13.9 Retirement Bonus - Employees with twenty (20) or more years of continuous service who are eligible to retire will receive a retirement bonus. This bonus will not count as time worked; no other contractual obligations will apply to this bonus.

This bonus will be calculated as follows: the number of vacation weeks as determined by years of service divided by 52, times the number of weeks worked in the retirement year, equal the number of weeks of this bonus. The weekly payment is equal to the current hourly rate, times the average hours per week (not to exceed 40 hours) in the retirement year.

ARTICLE 14. NIGHT SHIFT PROVISIONS

14.1 A night shift employee shall be defined as any employee who is scheduled in a manner which requires the night shift hourly premium specified in Article 9, Section 9.6 of this Agreement.

For those night shift employees whose starting time commences at 9:00 p.m. or after, the provisions of Article 9, Section 9.2 shall not apply.

14.2 Transfers to Day Shift - Night shift employees with one year or more of service as a night shift employee, who certify in writing of their desire for day shift work, will be assigned such work within their store on the basis of seniority, but not to exceed one such employee each ninety (90) days. Employee(s) within the store may volunteer to fill the vacancy by seniority. However, if employee(s) do not volunteer for such vacancy, then the

least senior full-time employee, including status 3 employees, within their respective classification within the store may then be assigned to fill the vacancy on the night shift.

14.3 Right to Transfer - When a store discontinues a "night shift", the head night lead clerk may displace the least senior head night lead clerk within the zone. The displaced head night lead clerk has the option of remaining in their store or accepting a transfer to the store from which the new head night lead clerk was previously assigned.

14.4 Other Provisions - Night shift employees will be allowed to leave the store during the meal period.

The Employer must designate an employee as head night lead clerk whenever three (3) or more clerks are scheduled for night shift unless a classified department head/assistant department head is scheduled for the night shift, as defined in Section 14.1 of this Article.

If such employee is designated as head night lead clerk for fifty percent (50%) or more of their working hours in any week, they will receive the applicable rate for the full week. If such employee is designated as head night lead clerk for less than fifty percent (50%) of their working hours in any week, they shall receive the applicable rate of pay only for those hours for which they are designated. However, it is understood that the Employer at their discretion may assign a department head in the store to supervise the night shift. Such department head will be paid a night shift premium of one dollar (\$1.00) per hour according to the provisions of Article 9.6 of this Agreement.

ARTICLE 15. SENIORITY

15.1 Application - In lay offs, recalls, transfers, scheduling and the reduction of hours, the principle of seniority shall apply. In the matter of promotions, the Employer shall have the right to exercise their final judgment after giving due regard to seniority. This shall not preclude the Union from questioning through the Grievance Arbitration Procedure whether or not the Employer has given due regard to seniority.

15.2 Determination - For the purpose of lay offs, recalls, transfers, scheduling and the reduction of hours, the Union #1 seniority date shall apply. The Union #1 seniority date shall be determined as follows:

(a) For full-time employees, Union #1 seniority date shall be the employee's adjusted seniority date as determined in (b) below or their date of entrance into the bargaining unit if they are a full-time employee when they enter this bargaining unit.

(b) For part-time employees, the Union #1 date shall be their most recent date of hire. A part-time employee who qualifies for full-time shall have their seniority date as a full-time employee determined on the basis of one week's credit for each two (2) weeks of part-time work. The Union #1 seniority date in this case will be this adjusted date.

(c) In the event the Employer transfers an employee from any other store or unit which is not covered by this bargaining unit, such employee's Union #1 seniority date shall be their date of entering this bargaining unit for the purposes of lay offs, recalls, transfers, promotions, the scheduling of hours, which shall include Sunday and holiday work.

Any food employee hired after October 16, 1989, and any Drug/GM employee upon mutual agreement* between the employee and management, may be transferred between seniority groups covered by this Agreement and retain all seniority. Any such transfer would be subject to a thirty (30) day "trial period" and could be rescinded by either the employee or the Employer during that time. Any employee interested in transferring to another seniority group, as outlined in this Section, should make such desire known in writing to the store manager with a copy to the Union steward. In order to provide customer service in an extreme situation, the Employer may utilize any such employees to work in any other department. The Employer recognizes that all hours must be maximized within a department before exercising this option.

(d) Eligibility for holidays as provided in Article 12, and vacations as provided in Article 13 or any other benefits as provided for in this Agreement shall be based upon the employee's length of employment with the Employer.

(e) If two (2) or more employees have the same seniority date, the employee having the lowest social security number shall be considered to have the greatest amount of seniority. This paragraph shall apply to meat employees hired after October 16, 1989. Established seniority dates for meat employees hired prior to October 16, 1989 (initial of the last name) shall stay the same, provided they remain in their seniority group. This paragraph shall apply to Drug/GM employees hired after September 11, 1990. Established seniority dates for Drug/GM employees hired prior to September 11, 1990 (initial of the last name) shall stay the same, provided they remain in their seniority group.

(f) No employee shall acquire any seniority rights until they have been in the bargaining unit sixty (60) calendar days and provided further that their seniority date after sixty (60) calendar days will revert to their most recent date of hire or to the date the employee entered the bargaining unit.

There shall be three (3) separate seniority groups as follows:

Group A Meat

Departments - Meat, Deli/Bakery

Classifications

Meat - Meat Dept. Mgr., Asst. Meat Dept. Mgr., Journeyman, Meat Clerk

Seafood/Service Meat - Lead Seafood Clerk, Seafood/Customer Service Att.

Deli/Bakery - Dept. Head, Asst. Dept. Head, Lead Baker, Clerk

Coffee Shop – Lead Coffee Shop, Coffee Shop Clerk

Group B Grocery

Departments - Grocery, Produce, Front-End, Demonstrator, Liquor Shop, Floor maintenance

Classifications

Grocery - Dept. Head, Night Lead Clerk, Clerk

Back Door – Lead Back Door Receiver

Dairy - Dept. Head, Clerk

Frozen Food - Dept. Head, Clerk

Produce - Dept. Head, Asst. Dept. Head, Clerk

Floral – Lead Floral Attendant, Floral Attendant

Salad Bar – Lead Salad, Salad Bar Clerk

Front-End - Dept. Head, Asst. Dept. Head, Clerk, Sacker/Carryout

File Maintenance – Lead File Maintenance Clerk

Fuel Center – Lead Fuel Clerk, Fuel Center Clerk

Demonstrator - Demonstrator

Liquor Shop - Lead Liquor Clerk, Liquor Shop Clerk

Floor maintenance - Floor maintenance clerk

Group C Drug/GM

Departments – Cosmetics, Drug/GM, One-Hour Photo

Classifications

Cosmetics – Cosmetician I, Cosmetician II

Drug/GM – Head Drug/GM Clerk, Assistant Head Drug/GM Clerk, Drug/GM Clerk

One-Hour Photo – Photo Lab Clerk

Seniority shall be exercised by employees listed in Groups A, B, and C above as follows:

- Full-time, Part-time within the store
- Within the respective seniority area
- Adjoining seniority area within the same zone
- The store in the zone closest to the employee's residence
- Union jurisdiction covered by this Agreement

Seniority zones will be set forth in Appendix "C" attached.

If a full-time employee loses their full-time status by an involuntary reduction of hours, they shall retain their date on the full-time list for a period of six (6) months, after which time they shall have top seniority on the part-time list in their store. If a full-time employee loses their full-time status by voluntary reduction of hours, they shall be transferred to the part-time list and their seniority date on the part-time list shall be their most recent date of hire.

15.3 Any full-time employee who elects to voluntarily reduce themselves to part-time classification shall submit a written statement to that effect to the Human Resource Department of the Employer. Such statement shall be signed and dated by the employee, the store manager and the Union steward of the store. The Human Resource Department shall send a copy of such statement to the Union Office.

A part-time employee who has a written request on file for part-time classification will not be considered for full-time status until such time as the employee rescinds the written request.

15.4 Department heads, assistant department heads, and lead clerks shall have separate seniority based on length of service as a department head within the classification, except for Sunday and holiday work.

When a department head, assistant department head, or lead clerk is reduced in classification, their service as a department head will be considered as a clerk for seniority purposes.

If a department head, assistant department head, or lead clerk voluntarily reduces himself/herself in the classification, he/she shall have the option to remain in the same store or be transferred to another store. Such store shall be mutually agreeable to the employee and Store Manager/Zone Manager. Such transfer shall be finalized within sixty (60) days of the reduction in classification. Any department head, assistant department head, or lead clerk who elects to voluntarily reduce themselves in the classification shall submit a written statement to that effect to the Human Resource Department of the Employer. Such statement shall be signed and dated by the employee, the Store Manager and Union steward of the store. The Human Resource Department shall send a copy of such statement to the Union office.

Employees in the sacker/carryout, demonstrator, salad bar and floral attendant classifications, who are promoted to the clerk classification, will be inserted on the part-time seniority list based upon the date of hire for the purpose of lay offs, recalls, transfers, claiming of available hours, earlier starting times, which shall also include Sunday and holiday hours.

When a position within the Grocery group clerk classification becomes available within the store, such position will be offered to the most senior employee in the combined classification of sacker/carryout, demonstrator, salad bar, floral attendant, and in the combined classification of Drug/GM within the store. This provision shall not preclude an employee within these classifications from refusing such promotion. However, any employee who does not qualify or fails cashier training within thirty (30) days after promotion shall revert to their previous classification and seniority date and shall not re-qualify for promotion to an available opening in the clerk classification until six (6) months have elapsed. Employees refusing such promotion shall effectuate a statement that such position was offered to them by seniority and refused, and such statement shall be signed by the employee, the Union steward and the manager on the date such employee refused the promotion to the clerk classification. However, in the event a clerk is reduced to their previous classification, their seniority date shall be their previous Union #1 seniority date in that previous classification.

Sacker/carryout employees may be upgraded by seniority within the store to the clerk classification on a temporary basis during the four (4) weeks prior to Christmas (including Christmas week).

Seniority will be determined on the basis of the employee's Union #1 seniority date. However, only those sackers who are currently eligible for promotion (not those who have in the past six (6) months failed register school or failed to qualify) will be temporarily promoted.

Any employee in the combined classifications promoted to the Grocery Group clerk classification may subsequently request to voluntarily reduce themselves to their previous classification. Employees wishing to exercise this option shall present their request in writing to the store manager. Such requests shall be signed by the employee, Union steward and the store manager. Such employee shall be reduced on the next posted work schedule following Saturday of the week in which the request was made. These employees revert to their previous Union #1 seniority date in their classification for scheduling purposes and shall be paid the applicable rate based on their length of service. Any employee who exercises this option shall not re-qualify for promotion to the Grocery Group clerk classification for six (6) months.

15.5 A Union Steward in the grocery seniority group, regardless of their date of employment, shall have seniority, except for earlier starting times, over all other employees within their classification within the store in which they work, and accordingly shall be the last employee to be reduced in hours and/or laid off and shall have the right to claim all available hours over all other employees within their classification within the store in which they work, excluding all department head classifications, assistant department head classifications or head night lead clerk. It is further understood that alternate Union steward(s) shall not have super-seniority.

15.6 Termination - Seniority shall be considered broken if an employee is duly discharged by the Employer, if they voluntarily quit, if they have been laid off continuously

for a period of more than one year, if they fail to notify the Employer within ten (10) days of recall that they will return to work, or if they fail to return to work after recall from a lay off within ten (10) days of the date of issuance of notification of recall by certified mail to the last known address of the employee, if they fail to return to work in accordance with a leave of absence provided herein.

Promotion to Non-Bargaining Unit Position - Seniority rights of an employee within the bargaining unit shall be protected for a period not to exceed one year in the event of a promotion to a non-bargaining unit position. The Union shall be notified when such promotions occur. If returned to the bargaining unit within one year, the employee shall return to their previous job classification in accordance with their seniority.

15.7 Reduction of Hours - A full-time employee regularly working thirty-six (36) hours or more during the basic work week, and who averages less than thirty-six (36) hours for more than four (4) weeks shall have the option to transfer and displace, considering the type of work, the least senior full-time employee in their seniority area who is working the largest number of hours per week more than the hours per week to which they are reduced, up to and including forty (40) hours.

If the least senior full-time employee in the seniority area is working a lesser amount of hours than the full-time employee who has been reduced, then that reduced full-time employee has the option to transfer and displace, considering the type of work, the least senior full-time employee working the largest amount of hours per week up to and including forty (40) hours in the adjoining seniority area. If the least senior full-time employee in the adjoining seniority area is working a lesser amount of hours than the full-time employee who has been reduced, then that reduced full-time employee has the option to transfer and displace the least senior employee working the largest amount of hours per week up to and including forty (40) hours in the zone closest to the employee's residence.

If the least senior full-time employee in the zone closest to the employee's residence is working a lesser amount of hours than the full-time employee who has been reduced, then that reduced full-time employee has the option to transfer and displace the least senior full-time employee working the largest amount of hours per week up to and including forty (40) hours in the Local Union's jurisdiction. The employee who is finally displaced may claim all available hours in their store and will retain seniority rights as provided in the last paragraph of Section 15.2 - involuntary reduction.

"Regularly working" shall be defined as the four (4) week average immediately preceding the four (4) weeks of reduced hours. For example:

<u>Regularly Working Weeks</u>		<u>Reduced Weeks</u>	
Week 1	38 hours	Week 5	38 hours
Week 2	37.5 hours	Week 6	24 hours
Week 3	39 hours	Week 7	30 hours
Week 4	36.75 hours	Week 8	32 hours
Average hours: 37.81 hours		Average hours: 31 hours	

In the above example, weeks (1) through (4) determine the average hours regularly worked, and weeks (5) through (8) determine the average hours reduction.

Before exercising their rights under this provision, the employee must exercise all available hours in their store, except employees will not be required to claim hours between 12:00 midnight and 6:00 a.m. to fulfill the "all available hours" criteria.

However, employees will be required to work more than two (2) evenings to fulfill the "all available hours" criteria.

A full-time employee eligible for transfer as provided above must request such transfer in writing to the Store Manager with a copy to the Union steward no later than the end of the week in which the schedule for the fourth week of reduced hours is posted.

The Employer will arrange the transfer at the beginning of the week following the fourth week of reduced hours. The employee must complete the transfer on the date scheduled by the Employer or forfeit all rights to transfer. Employees regularly working thirty-two (32) hours who are reduced to an average of less than thirty-two (32) hours for more than four (4) weeks shall be eligible to follow the same procedures as outlined in paragraphs 1 through 6.

Any employee who does not elect to exercise their seniority to transfer as a result of reduction of hours, as outlined above, will be given one additional opportunity to request a transfer. This transfer must be exercised within ten (10) days of March 1, June 1, or October 1 of the year in which the original transfer was requested.

When an employee exercises this option, the transfer shall take effect on the next posted work schedule following such request.

15.8 Any employee with three (3) months or more of seniority, whose hours are reduced during the basic work week to less than sixteen (16) hours within their basic work week, through no fault of their own, shall have the opportunity to transfer and displace the least senior employee on the same basis as specified in Section 15.7 of this Article, pertaining to full-time employees, provided the employee exercises this opportunity in writing to the store manager with a copy to the Union steward not later than Monday immediately following a reduction in hours, as specified above. The Employer will arrange the transfer at the

beginning of the next week after the request. The employee must complete the transfer on the date scheduled by the Employer or forfeit all rights to the transfer.

15.9 Store Closing - In the event of store closing, department heads shall be eligible to transfer and displace (on the basis of seniority as a department head) the least senior department head in the same classification and volume bracket in another store within first, their seniority area; second, adjoining seniority area in their zone; third, volume bracket store in the zone closest to their residence; and fourth, the volume bracket store within the Local Union jurisdiction.

In the event that the department head in the closing store is the least senior in the classification and volume bracket, they shall be eligible to transfer and displace the least senior department head in the same classification in the next lower volume bracket.

Department heads who are displaced as a result of the above process shall be eligible to transfer and displace the least senior department head in the same classification in the next lowest volume bracket until the least senior department head is reduced in classification.

As an alternative to the above, a department head with seniority in a closing store may elect to displace the least senior department head in the lowest department head classification in the seniority area and/or adjoining seniority area, as determined by rate of pay in which they were previously a department head and shall retain first option to return to this original classification based on volume brackets when such opening becomes available. In this event, the displaced department head may exercise the option to transfer as specified above.

Department head employees eligible for transfer, as provided above must request a transfer in writing to the store manager with a copy to the Union steward within ten (10) days. The Employer will arrange the transfer no later than the second week after the request by the eligible employee is made with no loss in pay until the transfer is completed, and the employee must complete the transfer on the date scheduled by the Employer or forfeit all rights to the transfer.

15.10 Before the application of the procedures called for in this Article, Sections 15.7 and 15.8, the Employer will attempt to place the affected employees so that the need for employee displacement is eliminated and/or minimized. The Union will discuss these possibilities with the Employer when requested to do so, and any mutually agreeable decisions on placement reached between the Employer and Union shall supersede the other procedures called for in these paragraphs.

15.11 New Store Openings - When a new store is opened under this Agreement, a notice of such opening will be posted approximately fifty (50) days prior to the opening of the new store in the existing stores in the zone. Those employees wishing to transfer to the new store for available job openings will sign the notice within ten (10) days.

Where a store or stores are closed in conjunction with the opening of the new store, such employees will be transferred to the new store to fill available job openings in the new store before employees from other stores in the zone are transferred. Additional job openings will then be filled on a seniority basis from those employees in the zone who sign the notice before the Employer hires new employees.

Where no store is closed in conjunction with the opening of the new store, available job openings will be filled on a seniority basis from those employees in the zone who sign the notice. Additional job openings will then be filled on a seniority basis from other employees in the bargaining unit who have indicated their desire in writing to the Human Resource Department to transfer to the new store in order to work closer to their residence. Such written request must be submitted by such employee approximately fifty (50) days prior to the opening of the new store. Only those employees whose written requests are on file will be recognized on a seniority basis before the Employer hires new employees.

On permanent transfers at the Employer's request, only the least senior full-time employees and the least senior part-time employees in the store may be required to transfer and then only if necessitated by a new store opening.

15.12 Full-time Openings - When a full-time job becomes available, it shall be offered to part-time employees in the store in accordance with the available hours provisions of this Agreement.

15.13 Department Head, Assistant Department Head, and Lead clerk vacancies - If a vacancy occurs in a department head, assistant department head, or lead clerk classification not resulting from vacation, leave of absence, etc., it shall be filled within thirty (30) days after the vacancy occurs.

15.14 Seafood/Service Meat employees will be offered Meat Clerk positions by seniority as they occur before Meat Clerks are hired off the street. Seafood/Service Meat employees will keep their seniority date if they become a Meat Clerk.

If the coffee shop closes, the coffee shop employees have the right to transfer to the Deli/Bakery and will keep their seniority date.

15.15 Seniority Lists - Seniority lists shall be established and maintained and such lists shall be available to the Union at all times.

Each three (3) months - on February 1, May 1, August 1, and November 1 of each year - the Employer agrees to send the Union office two (2) copies of a list of employees by store, specifying job classification, rate of pay and seniority status.

The Employer also agrees to notify the Union of lay offs, leaves of absence, permanent transfers, promotions, and terminations on a weekly basis.

15.16 Definition of Full-Time Employee - The term "full-time employee", wherever it appears in this Agreement only, shall be as follows:

(a) An employee shall be classified as "full-time" at the end of the first twelve (12) consecutive work weeks, during which the average hours worked equal or exceed eighty-five percent (85%) of the hours in the basic work week. Work performed on Sundays and holidays shall be counted for the purpose of qualifying as a "full-time" employee. Example, in a store with the basic forty (40) hour work week, the employee worked 408 hours in twelve (12) consecutive weeks, an average of thirty-four (34) hours, eighty-five percent (85%) of the basic work week, this employee qualifies as a "full-time" employee.

(b) Time not worked because of a holiday shall be counted as time worked toward qualification or continuity as a "full-time" employee, regardless of whether or not the employee is entitled to holiday pay.

(c) For an employee who meets the aforesaid requirements, continuous service as a "full-time" employee shall be dated back to the first day worked in the first of the twelve (12) qualifying weeks.

(d) Once an employee has qualified as a "full-time" employee, status 1 and status 3, the employee shall be removed from "full-time" status if the employee has been reduced to part-time at the employee's voluntary written request in accordance with Section 15.3 above of this Article the week following request for demotion to part-time status, and the employee's seniority shall be dated from the original date of hire or the date the employee enters the bargaining unit, or an employee involuntarily reduced to less than twenty (20) hours for twenty-six (26) consecutive weeks.

(e) If separated from "full-time" status in accordance with paragraph (d) preceding, an employee has suffered a break in service which cannot be bridged or eliminated by subsequent employment. To qualify as a "full-time" employee, the employee must again meet the requirements set forth in (a) above.

(g) Definition of Full-Time Employee Status 3 - The term "full-time employee status 3", wherever it appears in this Agreement only, shall be as follows, an employee that averages thirty-four (34) hours in twelve (12) consecutive weeks in a basic work week. These employees must be available to work any and all hours up to forty (40). After qualifying for full-time status 3, if an employee limits their availability, they will be returned to part-time status and part-time pay by the next posted work schedule. While a full-time status 3 employee, the employee will not have full-time dependent benefits.

ARTICLE 16.

LEAVES OF ABSENCE

16.1 Sick Leave - Any employee shall be granted a sick leave (illness, injury, pregnancy and occupational) not to exceed ninety (90) days, upon written request supported

by medical evidence provided by the attending physician(s) which specifies that the employee is disabled and cannot perform regular work duties. Extensions of ninety (90) days at a time to a total of two (2) calendar years shall be granted upon written request supported by medical evidence. Two (2) additional ninety (90) day extensions may be granted if mutually agreed to by the Union and the Employer and supported by medical evidence which indicates the likelihood of the employee returning to work.

In the case of a workers compensation leave of absence, extensions of ninety (90) days at a time to a total of three (3) calendar years shall be granted upon written request supported by medical evidence.

Upon written notice to the store manager and Human Resources Department no later than Wednesday by noon of availability for work following absence because of a bona fide sick leave (illness, injury, pregnancy, and occupational), the employee shall be restored to the job previously held (in accordance with seniority) and shall begin work not later than Monday following the next posted work schedule. The notice to the Employer must be accompanied by a doctor's release which specifies that the employee is able to perform fully all assigned work duties, and such release must be presented to the store manager prior to the posting of the work schedule as referred to above. However, it is the intent of the parties that nothing in this provision shall affect any rights of the Employer to consider light duty work when available for employees whose physician specifies such employees are partially disabled.

16.2 Union Leave - The Employer shall grant the necessary time-off without discrimination or loss of seniority rights and without pay to any employee designated by the Union to attend a labor convention or serve in any capacity on other official Union business, provided the Employer is given seven (7) days notice prior to the next posted schedule specifying the length of time off, but in no case shall the cumulative length of time off exceed one (1) year.

It is understood that the number of employees so designated, requesting this leave, will not be so great in total or on an individual store basis so as to adversely affect the prudent operation of the Employer's business.

It is understood that the Employer shall grant the necessary time off with pay for each Union steward and alternate steward(s) for the purpose of attending the Stewards' Seminar, provided the steward and alternate steward(s) do attend the Seminar on the date(s) to be selected by the Union. It is also understood that the pay shall be eight (8) hours at straight-time, and the Stewards' Seminar shall be limited to one (1) Seminar each year. Three (3) stewards in each store will be paid to attend the Stewards' Seminar. In the top fifty percent (50%) of stores (by sales volume), two (2) alternate stewards will also be paid provided they attend the Seminar.

16.3 Personal Leave - Any employee who has had one year of continuous service may be granted a leave of absence up to ninety (90) days for an urgent or compelling reason, but not for the purpose of engaging in gainful employment elsewhere.

16.4 Military Leave - Any employee coming under the provisions of the Federal Selective Service Training Act of 1940 shall be returned to their job and retain their seniority according to the provisions of that Act and its amendments.

16.5 Securing Permission for Leave - Any employee who is qualified for a leave of absence as set forth in this Article, and who desires a leave of absence for more than fourteen (14) days shall secure written permission from the Human Resource Department of the Employer with a copy to the Union, the length of absence to be agreed by the Employer and the employee. The length of leave shall be commensurate with the need. Failure to comply with this provision shall result in the complete loss of seniority of the employee involved.

16.6 General Provisions - Time spent on leave of absence will not be counted as time worked for the purpose of wage computation and seniority will continue to accrue while on leave of absence. Failure to report back to work at the end of a leave of absence shall result in employee being considered a voluntary quit. Any employee accepting employment elsewhere while on leave of absence shall be considered a voluntary quit, except in a case where such employee works for the Union.

The employee shall be made whole by the Employer for any loss in pay caused by non-compliance with this Article.

16.7 Funeral Leave - The Employer agrees to pay an employee for necessary absence on account of death in the "immediate family" up to and including a maximum of three (3) scheduled work days at straight-time (a maximum of four (4) scheduled work days at straight-time in the event of death of the employee's spouse or child), not to extend beyond the day of burial, provided the employee attends the funeral, but in no case will they receive more than the basic weekly pay.

The term "immediate family" shall mean spouse, parent, child, employee's step-parent, step-child, brother, sister, father-in-law, mother-in-law, employee's grandparents, grandchildren, or any other relative residing with the employee or with whom the employee is residing. In the event the death in the "immediate family" is the death of a relative who lives out of town and additional time is necessary, the Employer will grant additional time off without pay for the purpose of attending the funeral. Proven falsification of the above shall be cause for discharge.

16.8 Jury Duty - If any employee is required to serve on a jury, they shall be paid for hours necessarily absent from work because of such service in addition to jury fee remuneration.

The schedule of part-time employees shall not be altered solely for the purpose of avoiding jury duty pay. All employees, including night shift employees, shall be listed on the posted work schedule as "jury service" and the combined hours of work and jury duty will not exceed eight (8) hours in any one day with the further understanding that, upon release of jury service, such employees will report to work to complete the remaining portion of the employee's schedule, not to exceed eight (8) hours.

16.9 Subpoena - Any employee who is absent from scheduled work hours due to being subpoenaed (for reasons having to do with the operations of the Employer's business) shall be paid for such hours at straight-time in addition to subpoena remuneration.

Any employee who is subpoenaed (for reasons having to do with the operations of the Employer's business) during unscheduled work hours shall be paid for such hours at straight-time (but not less than one hour at straight-time) in addition to subpoena remuneration.

However, any employee working five (5) days, who is subpoenaed on their day off (for reasons having to do with the operations of the Employer's business) shall be paid for such hours at time and one-half (1 1/2) their regular hourly rate of pay in addition to subpoena remuneration.

16.10 The parties will comply with the terms and conditions of the Family Medical Leave Act.

16.11 Union Counselor - The Union shall have the right to designate a Union Counselor in each store. It is understood that the Employer shall grant the necessary time off for each Union Counselor to attend conferences and/or training sessions.

16.12 Educational Leave - An educational leave of absence may be granted to employees for the purpose of attending college or specialized training. Employees must provide the Employer documentation verifying their attending college or specialized training. Employees on such leave shall retain seniority and time absent will not count as time worked toward wage progressions.

ARTICLE 17. OTHER GENERAL WORKING CONDITIONS

17.1 Employee Dress - Any uniform deemed necessary by the Employer for its employees shall be furnished by the Employer.

The Employer has the right to establish a reasonable dress code for employees. In stores where uniforms are provided by the Employer:

(a) The Employer shall have the right to require the return of, or payment for, clothing supplied by the Employer upon an employee's termination.

(b) The Employer shall have the right to limit accessory items worn to those in the catalogue and those similar in type and color.

Name badges are required.

Employees' shoes must be white, tan, brown, or black and must be clean and appropriate and adequately protect the feet (cloth sneakers and/or sandals are not permitted).

If sweaters are worn, they shall be neat and presentable and of a solid, subdued color.

17.2 Time Clocks/Computerized Recording - The Employer shall continue to provide time clocks in each of their stores throughout the life of this Agreement for the purpose of recording hours worked by each employee covered by this Agreement.

In stores where computerized recording of hours is used, the Employer shall furnish a weekly computer print-out sheet, upon request, to employees showing the payroll ending date, name of employee, total hours worked (straight-time hours, overtime hours, and premium pay hours).

The Employer and the Union agree that a proven violation of established recording of hours, whether hours are recorded by a time clock or computer, including working before or after recording time, may subject such employee to disciplinary action, up to and including discharge.

When requested to do so, the Employer will make such records available to an authorized representative of the Union for examination.

Time will be figured on the basis of an eight (8) minute break; up to eight (8) minutes, no pay; eight (8) minutes up to and including fifteen (15) minutes, fifteen (15) minutes pay. Employees will not be scheduled to work the seven (7) minutes after the quarter hour.

For the purpose of this Section, no employee will be required to work the seven (7) minutes before or after their schedule. Employees are expected to work according to posted work schedule unless changes are approved by management.

17.3 Payday - The Employer shall establish a regular payday and furnish to each employee on such payday a wage statement showing the payroll ending date, name of employee, total hours worked, total amount of wages paid, and itemized deductions made therefrom.

17.4 Polygraph Test - No employee will be required to take a polygraph or related test.

17.5 Employees on Duty - The Employer agrees that there will be a minimum of two (2) employees, not necessarily members of the bargaining unit, in the store at all times when work is required.

17.6 Travel Expense - In case of temporary transfer at the request of the Employer involving additional transportation cost, employees will be reimbursed at the same rate per mile as is applicable to management.

17.7 The Employer shall furnish any or all tools necessary to bargaining unit employees to perform the job required. In addition, a first aid kit will be furnished and maintained by the Employer at all times.

17.8 Coverage - Meat Departments - A Journeyman (this includes a Meat Department Manager and Assistant Meat Department Manager) of the meat department shall be on duty between the hours of 8:00 a.m. to 5:00 p.m. provided sufficient Journeymen who were on the payroll as of November 12, 1986 are available to cover such schedules. A member of the bargaining unit will be used to cover the meat market from 5:00 p.m. until 11:00 p.m. No other employee will be hired or promoted to fill the coverage provision as outlined above.

Journeymen Meat Cutter - (Effective January 11, 1987)(on the payroll as a Journeyman as of November 12, 1986) Journeyman meat cutters will be scheduled in their store up to eight (8) hours a day before a new hire meat clerk (hired after November 8, 1981) may be scheduled on that day.

It is further agreed that, if it becomes necessary to reduce Journeymen (as of November 12, 1986), the market coverage shall revert back to the former coverage that was in effect prior to November 10, 1986.

ARTICLE 18. UNION COOPERATION

18.1 The Union agrees to uphold the rules and regulations of the Employer in regard to punctual and steady attendance, proper and sufficient notification in case of necessary absence, conduct on the job and all other reasonable rules and regulations established by the Employer.

18.2 The Union agrees to cooperate with the Employer in maintaining and improving safe working conditions and practices, in improving the cleanliness and good housekeeping of the stores and in caring for equipment and machinery.

18.3 The Union recognizes the need for improved methods and output in the interest of the employees and the business and agrees to cooperate with the Employer in the installation of such methods, in suggesting improved methods and in the education of its members in the necessity for such changes and improvements.

Any employee who is terminated, and who is eligible for and accepts severance pay, forfeits all seniority and recall rights. An employee who does not accept severance pay shall retain their recall rights for a period of six (6) months, and if still not recalled by the Employer, shall then receive their severance pay and have no further recall rights.

If a store is sold and the successor Employer offers employment to an employee who is otherwise eligible for severance pay under the terms of this Article and the new job is comparable, then no provisions of this Article shall apply.

The Employer agrees to give employees and the Union at least sixty (60) days notice in advance of a store closing or sale. When such notice is given, employees shall remain with the Employer until the closing or forfeit their rights under this Article, unless an exception is mutually agreed to in writing by the Employer and the employee with a copy to the Union.

No benefits shall accrue under the terms of this Article, unless the Employer makes a business decision to close or sell a store. If a store closing is caused by fire, flood, storm, land condemnation, then this Article shall not apply.

Any vacation pay or holiday pay paid to the employee at termination will be based on the highest rate of pay paid to the employee during the one year prior to the receipt thereof.

ARTICLE 22.

HEALTH AND WELFARE

22.1 The Employer agrees to pay the monthly contributions to provide a PPO Plan for eligible full-time employees and part-time employees. The contribution rate shall be adjusted annually in accordance with the guidelines established by the Trustees of the Plan. Contributions shall be submitted to the Fund by the tenth (10th) day of each month.

One Employer contribution rate per month per eligible employee, inclusive of employee contributions (current practice):

Effective January 1, 2008 - \$289.31

Effective January 1, 2009 - \$409.84

Effective January 1, 2010 - \$446.59*

*January 1, 2010, Employer contribution rate may increase up to this amount in order to meet total operational expense and maintain a Fund asset level at the end of the period as calculated by the Fund consultant of at least equal to the projected IBNR plus three (3) months of total expenses.

All eligible and enrolled employees will pay the following weekly contributions:

- Employee - \$5.00
- Employee/Child(ren) - \$10.00
- Employee/Spouse - \$15.00
- Employee/Family - \$15.00

Spousal Fee- If a spouse is eligible for health care from his/her (non-Kroger) employer and does not elect this coverage, a \$25.00 per week fee will be charged to the employee.

Benefit improvements effective January 1, 2008, January 1, 2009, and January 1, 2010 has been documented in the Trust agreement.

Opt-Out Provision – Employees that meet the eligibility requirements will be given the option to waive coverage through a yearly enrollment. The Employer will make full contributions on behalf of every employee who waives coverage. Employees who waive coverage will be eligible for life insurance and sick pay. Employees will be provided the opportunity through the yearly enrollment to re-enroll into the Plan.

22.2 Eligibility For Dependent Coverage – The term “eligible employee” shall mean an employee whose seniority date is within the ratio structure and who has worked an average of thirty-four (34) hours or more (including Sunday and/or holiday hours worked and/or paid) for twelve (12) consecutive weeks immediately preceding the first day of any month. Employees who attain full-time status 1 through the ratio operational system shall receive dependent coverage as of the first of the month following such status change.

22.3 Contributions to the Trust Fund shall be discontinued as of the first day of the month following:

- (a) Approved leave of absence (personal)
- (b) Voluntary quit
- (c) Termination for cause
- (d) Employee's request for change in status from full-time to part-time
- (e) Part-time and full-time employees ceasing to be an eligible employee because of failure to work an average of twenty-five (25) hours per week for the twelve (12) consecutive weeks immediately preceding the first of such month.

22.4 Contributions to the Trust Fund shall be continued under the following conditions.

In case of absence from work due to illness, pregnancy, and/or injury, six (6) months contributions following the month in which illness started or accident occurred.

22.5 Employer contributions which have been discontinued as provided for in Section 22.3 and 22.4 above will be resumed on the first day of the month immediately following return to work on the Employer's active payroll after illness, injury, pregnancy or leave of absence. However, if an employee has been disqualified as provided in Section 22.3 (e) above, he must again qualify as an eligible employee as provided in Section 22.2 above before a contribution will be made in his behalf.

22.6 Full-time to Part-time Benefit - When a contribution is discontinued as provided in Section 22.3 (e) above, and the employee qualifies as provided in Section 22.7 below, the applicable contribution provided in such Section will be made when the contribution provided in Section 22.1 is discontinued.

22.7 Eligibility for Part-Time Employees - Eligible part-time employees are those who have worked an average of twenty-five (25) hours or more per week for the twelve (12) consecutive weeks. No Contributions will be made on a part-time high school student under 18 years of age or an employee who has another full-time job.

Part-time employees, after eighteen (18) months of service, may elect to utilize their part-time plan for dependent coverage. Once a part-time employee makes a selection, it can only change at the yearly open enrollment.

22.8 Commencement of Contributions - Contributions for eligible full-time employees shall commence after six (6) months of employment. Part-time employees shall receive contributions on the following basis: on the first of the 13th month of employment for dental, vision, S & A, life, and prescription drugs effective January 1, 2008 and on the 19th month of employment for medical.

Part-time employees hired after October 27, 2004 will be placed in the new part-time health care plan. Effective January 1, 2005, newly qualified full-time employees under the ratio will be placed in the new full-time health care plan.

Part-time Drug/GM employees hired after October 25, 2005 will be placed in the new part-time health care plan. Effective January 1, 2006, newly qualified Drug/GM full-time employees under the ratio will be placed in the new full-time health care plan.

Employees migrate to the higher benefit plan after five (5) years (Plan B to Plan A) (Plan B is for employees qualified on or after January 1, 2005).

22.9 Retiree Health Care – The Employer will contribute to the UFCW Unions and Employers Benefit Plan of Southwest Ohio on behalf of each employee who retires and is eligible for pension benefits, as defined in Article 23 of this Agreement.

Health and welfare and Kroger prescription drug coverage will continue until such time that such retiree is eligible for Medicare coverage in accordance with applicable federal law. Such retiree coverage shall cover the spouse until the spouse is eligible for Medicare.

Effective January 1, 2005, employees must have twenty (20) years of service to be eligible for retiree health care.

Effective January 1, 2005, retiree monthly contributions are listed below.

35 yrs. and over	15% of the total health care costs.
30 – 34 years	20% of the total health care costs.
25 – 29 years	25% of the total health care costs.
15 – 24 years	30% of the total health care costs.

Effective January 1, 2005, anyone with less than twenty (20) years of service will pay fifty percent (50%) of the total health care costs, if and when they qualify for retirement.

Article 22.9 does not apply to Drug/GM employees. Drug/GM employees will continue to qualify for the eligible retiree benefits as defined in the Company's Plan and all changes thereto.

22.10 Opt-Out Provision – Retirees that meet the eligibility requirement will be given the option to waive coverage; however, the Employer will be required to make their contribution on behalf of those individuals.

Article 22.10 does not apply to Drug/GM employees.

22.11 Prescription Drug Plan - Coverage for prescription drug card is based on employee eligibility for full-time and part-time employees as per Section 22.8.

This drug card will be valid at any Kroger Pharmacy.

Full-time employees who qualify under the ratio will have coverage for eligible dependants.

Part-time employees will have coverage for the employee only effective the first of the 13th month of employment effective January 1, 2008.

A deductible charge will be paid by the employee for each prescription as follows:

	<u>Co-Insurance</u>	<u>Minimum Co-Pays</u>	
Generic	10%	\$10	\$20 cap effective January 1, 2008
Brand	20%	\$20	\$50 out of pocket maximum
Non-Formulary	30%	\$30	\$50 out of pocket Maximum

Mail order maintenance – Co-Insurance with minimum co-pays at 2x retail, \$100 maximum.

Step Therapy applies and Specialty Drugs apply. Annual changes in Formulary and non-co- pay cost containment initiatives are aligned with Company plan. Special maintenance drug categories (medication includes hypertension, high cholesterol, diabetes control drugs, asthma, glaucoma, osteoporosis, and related supplies which require a prescription):

	<u>30 day supply</u>	<u>90 day supply</u>
Generic	\$7	\$14
Brand	\$15	\$30
Non-Formulary	\$25	\$50

Any employee who works in an outlying area where Kroger Pharmacy is not readily available, provisions will be made:

1. Mail in
2. Network Local Pharmacy
3. Area to be defined

Employees not now covered by the prescription drug program will become eligible for the Prescription Drug Card Program when they become eligible for benefits as outlined in Article 22. (Health and Welfare) of the current Agreement.

The Employer may not make changes to the program without prior notice and consent by the Union. Any such changes must be communicated to the plan participants at least thirty (30) days prior to the effective date of the change. This includes, but not limited to, changes in the formulary program. The Employer will meet and discuss any changes with the Union before the changes are communicated to the plan participants.

The Employer will present reports to the Union on the cost and operation of the plan at least semi-annually in a format mutually agreeable to the Employer and the Union. The Employer shall also provide information reports to the trustees of the Southwest Ohio Health and Welfare Fund annually.

1) The same .10¢ pension contribution changes will be made effective January 1, 2009 for Columbus and July 1, 2009 for Dayton Kroger employees, that is Tier I \$1.11, Tier II .90¢, and Tier III .45¢.

2) Kroger representatives for Columbus and Dayton are in agreement with these changes for employees in those respective UFCW agreements and will abide by these terms, as signified by their written agreement to this Letter of Understanding. It is understood that this agreement does not require any change pertaining to current Columbus and Dayton accrual rates, nor does it require any change pertaining to current Tier I and Tier III accrual rates in Cincinnati.

3) The bargaining parties in Cincinnati recommend that Pension Fund trustees will approve a change in actuarial methods, namely, the combination of bases, provided that co-actuaries recommend such a change based on the terms of this agreement.

This agreement is predicated upon actuarial analysis and assumptions by Fund co-actuaries, including actuarial projections that show appropriate “green zone” status for purposes of the Pension Protection Act.

In addition, the co-actuaries shall perform projections of the plan’s zone status under the PPA on an annual basis. If at any time the annual projections show that the plan will remain in the “green zone” for eight years, the Board of Trustees is authorized and directed to restore all or part of the reductions (including retroactive application) which were put in place during the 2004 agreement, subject to the following conditions:

1) After the restoration, the plan will be projected to remain in the “green zone” for eight years (that is, to be “green” in the eighth year means the projection shows a positive credit balance for the following seven years); and

2) The co-actuaries agree that the actuarial basis for the annual projection is appropriate after reviewing the recent experience under the plan and reasonable expectations as to anticipated experience.

Status of Grocery Pension Fund - Contributions shall be made to the United Food and Commercial Workers Unions and Food Employers Pension Plan of Central Ohio which shall be administered by an equal number of trustees representing the Employer and an equal number of trustees representing the Union. The Pension Trust Fund shall be established pursuant to a Pension Trust Agreement and Pension Plan to be hereafter entered into by the parties hereto for the sole purpose of providing pensions for eligible employees as defined in such Pension Plan.

Contributing employers shall report all hours worked for employees who would be participants on a monthly basis submitted by the 15th of the month.

23.2 Meat Pension Employer Contributions - Employer contributions: The Employer shall continue to pay one hundred seventeen dollars and thirty-eight cents (\$117.38) per month for employees who work an average of twenty-eight (28) hours for the four (4) consecutive weeks immediately preceding the first of the month into a jointly administered Employer-Union Pension Fund. The contributions under this section shall be due and payable by the tenth (10th) day of the month. Effective December 1, 1986, no contribution shall be made for the first twelve (12) months of employment.

Effective with employees hired after October 16, 1989, no contributions will be made for the first full eighteen months of employment after which thirty cents (.30¢) per hour will be paid into the Central Ohio Pension Fund (Clerks) in accordance with paragraph one above.

A. Continuation of Payments - In case of compensable injury, the Employer shall make six (6) monthly contributions including the month in which such compensable injury occurs.

B. In case of illness or pregnancy, the Employer shall make two (2) monthly contributions after the month in which the illness occurs or after the month in which the employee begins her pregnancy leave of absence.

C. In case of non-compensable injury, the Employer shall make one (1) monthly contribution after the month in which the illness or injury occurs.

D. In case of termination, the Employer shall make one (1) monthly contribution after the month in which the termination occurs.

Paragraphs A through D do not apply to employees hired after October 16, 1989.

Jointly Administered Meat Pension Fund - The jointly administered Employer-Union Pension Fund shall be administered by an equal number of Trustees representing the Employer and an equal number of Trustees representing the Union. Said Pension Fund shall be used to provide benefit pensions for eligible employees of the Employer as provided in a Pension Plan, the terms and provisions of which are to be agreed upon by the parties hereto. Said Pension Plan shall, among other things, provide that all benefits under the Plan and costs, charges and expenses of administering the Plan and all taxes levied or assessed upon or in respect of said Plan or Trust or any income therefrom shall be paid out of the Pension Fund.

A copy of the Trust Agreement and any amendments thereto shall be made a part hereto, as herein at length set forth. Trust Agreement and Pension Plan shall in all respects comply with all applicable legal requirements.

APPENDIX "A" WAGES

A.1 Rates of Pay - Rates of pay as set forth in Appendix "A" attached hereto shall remain in effect for the life of this Agreement and shall constitute the basis for determination of wages.

Previous Experience: Previous, proven retail experience from the date of present employment shall be the basis for the determination of the employee's rate of pay. However, an employee's rate will not exceed the top rate negotiated for the employee's classification.

1. Previous experience must be shown on the employment application; or otherwise documented in writing.
2. The Employer will notify the Union, in writing, when an employee is a candidate for previous experience credit, stating the employee's classification, rate of pay, and the reason for recognizing special aptitude.
3. Experience Credit Guidelines
 - A. Credits are done in terms of months, not \$ per hour (i.e., grant employee 18 months experience credit rather than .50¢ per hour experience credit.)
 - B. Experience must be job-related and must be shown on the employment application.
 - C. Experience credit will not exceed the months of actual experience shown on the application.
 - D. Store managers will be responsible for submitting requests for credit to Human Resources. Such requests will be made at the time a new employee is hired or within one (1) year of hire date and will be accompanied by a copy of the new hire's application showing relevant experience.
 - E. Experience credit will be applied when approved by Human Resources. The Company may review experience credit within one (1) year of an employee's date of hire, with a retroactive limit of 60 days of pay.
 - F. All employees who have completed their probationary period shall be eligible for a one-time merit increase based on overall documented performance. Such an increase may be a maximum of two levels from the employee's current rate within the employee's current pay bracket. No one-time merit increase can exceed the top rate of the classification.

A.2 New Job Classification - Rates of pay shall be established and shall become part of Appendix "A" attached hereto for any new job classification which involves new job duties, responsibilities or skills which may hereafter be established and which job classifications are not now covered by Appendix "A".

The Employer agrees to notify in advance and negotiate with the Union the rate of pay for the new job classification.

A.3 Department Head/Assistant Department Head/Lead Relief - Employees assigned to relieve a classified position as defined in Appendix "A" Wages for one week or more shall receive the appropriate hourly rate for the all work performed at this position. This provision shall also apply to relief required for a full midweek to midweek vacation.

A.4 Other Work - Employees shall perform any work in and about the store and on or around the premises connected with or incidental to the operation of the Employer's retail establishment which may be assigned by the store manager or zone manager, except as otherwise provided for in Appendix "B" - Job Descriptions.

It is further understood that, when an employee is assigned to a job with a lesser rate, they shall be entitled to their regular rate of pay unless the employee is permanently assigned to a job with a lesser rate of pay.

A.5 Progression Increases - Progression increases in pay rate which are effective Sunday, Monday, Tuesday or Wednesday of the current week shall be effective for all hours worked in the current week. Progression increases in pay rate which are effective Thursday, Friday or Saturday of the current week shall be effective the following week.

A.6 Any employee in the clerk classification who changes from part-time to full-time shall receive the rate in the full-time clerk progression scheduled based upon the employee's length of service in the clerk classification. Any employee who changes from full-time clerk to part-time clerk shall receive not less than the full-time clerk rate established by length of service within the clerk classification.

Any employee promoted to a higher paid classification will receive the next highest rate of pay in that classification in the part-time/full-time classification whichever is applicable at the time promotion takes place.

A.7 The following number of assistant front-end managers will be utilized within these store volume brackets:

0 - \$150,000 - One (1)
\$150,001 - \$250,000 - Two (2)
\$250,001 - and over - Three (3)

A.8 All wage rates based on store volume as provided for in this Appendix "A" will be determined by establishing the average weekly store sales (except meat department which will be based on the sales of the Meat Market only) over the prior calendar year (52 weeks) effective the first week of the first period. The calculation of sales volume brackets for all departments will not include fuel sales.

In new or remodeled stores, the average weekly sales for the first twelve (12) weeks, excluding the first two (2) weeks, the third (3rd) through the fourteenth (14th) week will be used.

The Head Grocery Clerk, Head Produce Clerk, Front End Manager, Meat Department Manager, Deli/Bakery Manager and Drug/GM Manager, Red-Circled Head Non-Foods (if applicable) in stores with an average sales volume of one (1) million or more per week excluding fuels sales will receive an additional premium of fifty cents (.50¢) per hour on their rate. This will only be given to one of each of the above listed positions per store.

The Head Dairy, Head Frozen, Night Leader, Assistant Head Produce, Assistant Front End Manager, Assistant Meat Manager, Seafood Manager, Assistant Deli Manager, Assistant Drug/GM Manager, Lead Baker, Lead Floral in stores with an average sales volume of one (1) million or more per week excluding fuels sales will receive an additional premium of twenty-five cents (.25¢) per hour on their rate.

The Lead Salad Bar, Cosmetician 1, Lead Liquor, Lead Coffee, Lead Pizza, Lead Back Door Receiver, Lead File Maintenance Clerk in stores with an average sales volume of one (1) million or more per week excluding fuels sales will receive an additional premium of fifteen cents (.15¢) per hour on their rate.

A.9 Night premiums as provided for in Article 9, Section 9.6 will not be applicable to the head night lead clerk classification.

A.10 There shall be one head grocery clerk, one head produce clerk, one front-end manager, one head dairy clerk, one head frozen food clerk, one head non-food clerk (if applicable) or one drug/gm department head, one head night lead clerk, one assistant head produce clerk, lead floral clerk, lead salad bar clerk, lead liquor shop clerk, lead coffee shop clerk, lead file maintenance clerk, one lead back door receiver in each store for the volumes indicated in each of the classifications, and one Lead Fuel Clerk in each store with a fuel center. There shall also be one meat department manager, one assistant meat department manager, one head deli clerk, one lead seafood clerk, one lead baker and one assistant head deli clerk, and one lead pizza in each store for the volumes indicated in each of the classifications. For training purposes, more than one department head or assistant department head may be assigned to a department for a maximum of four (4) weeks. This paragraph does not apply to new store openings or major resets.

The Employer may appoint additional department heads and assistants as follows:

An average of one (1) per store per zone in total. Example: In a zone with fourteen (14) stores, the Employer may appoint up to fourteen (14) additional department heads and/or assistant department heads.

In stores with an average annual sales volume of \$250,000 per week or less, the Employer shall maintain a department head in meat, grocery, produce, front-end and deli/bakery. The appointment of other department heads and assistant department heads is at the option of the

Company. No present department head or assistant department head will be reduced in their classification or forced to transfer solely because of this change.

A.11 Assistant deli managers and lead bakers whose rate of pay (base rate plus current contract premium) exceeds the new classified rate for their job will be grandfathered and will receive their base rate plus premium adjusted for contract increases to the base rate until such time as the classified rate exceeds their personal rate.

	Current KY – IN	Current Ohio	10/7/07	1/1/08	10/5/08	1/1/09	7/20/09	10/4/09
CLASSIFICATION								
Head Grocery, Head Produce, Front End Mgr., Deli Mgr.								
(Total store sales excluding fuel)								
200,000 and less	\$16.47	\$16.47	\$16.77	\$16.77	\$17.12	\$17.12	\$17.12	\$17.47
200,001 - 400,000	\$16.62	\$16.62	\$16.92	\$16.92	\$17.27	\$17.27	\$17.27	\$17.62
400,001 - 600,000	\$16.80	\$16.80	\$17.10	\$17.10	\$17.45	\$17.45	\$17.45	\$17.80
600,001 - 700,000	\$16.90	\$16.90	\$17.20	\$17.20	\$17.55	\$17.55	\$17.55	\$17.90
700,001 - 1,000,000	\$17.00	\$17.00	\$17.30	\$17.30	\$17.65	\$17.65	\$17.65	\$18.00
1,000,000 +	\$17.50	\$17.50	\$17.80	\$17.80	\$18.15	\$18.15	\$18.15	\$18.50
Head Dairy, Head Frozen, Head NF								
200,000 and less	\$15.45	\$15.45	\$15.75	\$15.75	\$16.10	\$16.10	\$16.10	\$16.45
200,001 - 400,000	\$15.55	\$15.55	\$15.85	\$15.85	\$16.20	\$16.20	\$16.20	\$16.55
400,001 - 600,000	\$15.70	\$15.70	\$16.00	\$16.00	\$16.35	\$16.35	\$16.35	\$16.70
600,001 - 700,000	\$15.75	\$15.75	\$16.05	\$16.05	\$16.40	\$16.40	\$16.40	\$16.75
700,001 - 1,000,000	\$15.85	\$15.85	\$16.15	\$16.15	\$16.50	\$16.50	\$16.50	\$16.85
1,000,000 +	\$16.10	\$16.10	\$16.40	\$16.40	\$16.75	\$16.75	\$16.75	\$17.10
Head Night Clerk								
200,000 and less	\$15.91	\$15.91	\$16.21	\$16.21	\$16.56	\$16.56	\$16.56	\$16.91
200,001 - 400,000	\$16.05	\$16.05	\$16.35	\$16.35	\$16.70	\$16.70	\$16.70	\$17.05
400,001 - 600,000	\$16.10	\$16.10	\$16.40	\$16.40	\$16.75	\$16.75	\$16.75	\$17.10
600,001 - 700,000	\$16.20	\$16.20	\$16.50	\$16.50	\$16.85	\$16.85	\$16.85	\$17.20
700,001 - 1,000,000	\$16.30	\$16.30	\$16.60	\$16.60	\$16.95	\$16.95	\$16.95	\$17.30
1,000,000 +	\$16.55	\$16.55	\$16.85	\$16.85	\$17.20	\$17.20	\$17.20	\$17.55
Asst Front End Manager	\$15.24	\$15.24	\$15.54	\$15.54	\$15.89	\$15.89	\$15.89	\$16.24
Asst Front End Manager in \$1m + total store sales w/o fuel	\$15.49	\$15.49	\$15.79	\$15.79	\$16.14	\$16.14	\$16.14	\$16.49
Lead Floral	\$15.28	\$15.28	\$15.58	\$15.58	\$15.93	\$15.93	\$15.93	\$16.28
Lead Floral in \$1m+ total store sales w/o fuel	\$15.53	\$15.53	\$15.83	\$15.83	\$16.18	\$16.18	\$16.18	\$16.53
Asst Produce	\$15.24	\$15.24	\$15.54	\$15.54	\$15.89	\$15.89	\$15.89	\$16.24
Asst Produce in \$1m+ total store sales w/o fuel	\$15.49	\$15.49	\$15.79	\$15.79	\$16.14	\$16.14	\$16.14	\$16.49
Clerks/Meat Clerks								
(Hired before 11/09/81)	\$14.68	\$14.68	\$14.98	\$14.98	\$15.33	\$15.33	\$15.33	\$15.68

	Current KY – IN	Current Ohio	10/7/07	1/1/08	10/5/08	1/1/09	7/20/09	10/4/09
Clerks/Meat Clerks								
(Hired after 11/8/81)								
First 175 hours	\$6.60 and less	\$6.85 and less	\$6.85	\$7.00	\$7.00	\$7.15	\$7.25	\$7.25
Next 350 hours			\$7.00	\$7.15	\$7.15	\$7.30	\$7.40	\$7.40
Next 500 hours	\$7.10	\$7.10	\$7.15	\$7.30	\$7.30	\$7.40	\$7.55	\$7.55
Next 600 hours			\$7.25	\$7.40	\$7.40	\$7.50	\$7.65	\$7.65
Next 600 hours			\$7.35	\$7.50	\$7.50	\$7.60	\$7.75	\$7.75
Next 600 hours			\$7.45	\$7.60	\$7.60	\$7.70	\$7.85	\$7.85
Next 600 hours	\$7.60	\$7.60	\$7.60	\$7.70	\$7.70	\$7.80	\$7.95	\$7.95
Next 800 hours			\$7.90	\$7.90	\$7.90	\$7.90	\$8.05	\$8.05
*Next 800 hours	\$8.40	\$8.40	\$8.40	\$8.40	\$8.45	\$8.45	\$8.45	\$8.50
Next 1000 hours	\$8.80	\$8.80	\$8.80	\$8.80	\$8.80	\$8.80	\$8.80	\$8.80
Next 1000 hours	\$9.50	\$9.50	\$9.50	\$9.50	\$9.50	\$9.50	\$9.50	\$9.50
Next 1000 hours			\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
Next 1000 hours	\$10.50	\$10.50	\$10.50	\$10.50	\$10.50	\$10.50	\$10.50	\$10.50
Next 1000 hours	\$12.30	\$12.30	\$12.30	\$12.30	\$12.30	\$12.30	\$12.30	\$12.30
Thereafter			\$12.60	\$12.60	\$12.95	\$12.95	\$12.95	\$13.30
Salad Bar and Floral Shoppe								
First 175 hours	\$6.80 and less	\$6.85	\$6.85	\$7.00	\$7.00	\$7.15	\$7.25	\$7.25
Next 350 hours			\$7.00	\$7.15	\$7.15	\$7.30	\$7.40	\$7.40
Next 350 hours			\$7.15	\$7.30	\$7.30	\$7.45	\$7.55	\$7.55
Next 600 hours			\$7.25	\$7.40	\$7.40	\$7.55	\$7.65	\$7.65
Next 600 hours			\$7.35	\$7.50	\$7.50	\$7.65	\$7.75	\$7.75
Next 600 hours			\$7.45	\$7.60	\$7.60	\$7.75	\$7.85	\$7.85
Next 1000 hours			\$7.60	\$7.70	\$7.70	\$7.85	\$7.95	\$7.95
Next 1000 hours			\$7.80	\$7.80	\$7.80	\$7.95	\$8.05	\$8.05
Next 1000 hours			\$8.05	\$8.05	\$8.05	\$8.05	\$8.15	\$8.15
Next 1000 hours	\$8.40	\$8.40	\$8.40	\$8.40	\$8.40	\$8.40	\$8.40	\$8.40
Thereafter			\$8.70	\$8.70	\$9.05	\$9.05	\$9.05	\$9.40
Floor Maintenance								
First 600 hours	\$6.95 and less	\$6.95 and less	\$7.50	\$7.50	\$7.50	\$7.50	\$7.50	\$7.50
Next 600 hours			\$8.00	\$8.00	\$8.00	\$8.00	\$8.00	\$8.00
Next 600 hours			\$8.50	\$8.50	\$8.50	\$8.50	\$8.50	\$8.50
Next 600 hours			\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00
Next 600 hours	\$9.50	\$9.50	\$9.50	\$9.50	\$9.50	\$9.50	\$9.50	\$9.50
Thereafter			\$9.80	\$9.80	\$10.15	\$10.15	\$10.15	\$10.50

	Current KY - IN	Current Ohio	10/7/07	1/1/08	10/5/08	1/1/09	7/20/09	10/4/09
Sacker and Demo								
First 175 hours	\$6.70 and less	\$6.85	\$6.85	\$7.00	\$7.00	\$7.15	\$7.25	\$7.25
Next 250 hours			\$6.95	\$7.10	\$7.10	\$7.25	\$7.35	\$7.35
Next 250 hours			\$7.05	\$7.20	\$7.20	\$7.35	\$7.45	\$7.45
Next 250 hours			\$7.15	\$7.30	\$7.30	\$7.45	\$7.55	\$7.55
Next 500 hours			\$7.25	\$7.40	\$7.40	\$7.55	\$7.65	\$7.65
Next 500 hours			\$7.35	\$7.50	\$7.50	\$7.65	\$7.75	\$7.75
Next 750 hours	\$7.35	\$7.35	\$7.45	\$7.60	\$7.60	\$7.75	\$7.85	\$7.85
Next 750 hours			\$7.55	\$7.70	\$7.70	\$7.85	\$7.85	\$7.95
Thereafter			\$7.65	\$7.80	\$7.90	\$8.05	\$8.15	\$8.25
Meat Dept Manager								
(Total store sales excluding fuel)	\$17.08	\$17.08						
	\$17.28	\$17.28						
200,000 and less	\$17.58	\$17.58	\$17.88	\$17.88	\$18.23	\$18.23	\$18.23	\$18.58
200,001 - 400,000	\$17.88	\$17.88	\$18.18	\$18.18	\$18.53	\$18.53	\$18.53	\$18.88
400,001 -600,000	\$18.15	\$18.15	\$18.45	\$18.45	\$18.80	\$18.80	\$18.80	\$19.15
	\$18.32	\$18.32						
600,001 - 700,000	\$18.48	\$18.48	\$18.78	\$18.78	\$19.13	\$19.13	\$19.13	\$19.48
	\$18.78	\$18.78						
700,001 - 1,000,000	\$18.88	\$18.88	\$19.18	\$19.18	\$19.53	\$19.53	\$19.53	\$19.88
1,000,000 +	\$19.38	\$19.38	\$19.68	\$19.68	\$20.03	\$20.03	\$20.03	\$20.38
Assistant Meat Dept Manager								
(Total store sales excluding fuel)	\$16.23	\$16.23						
	\$16.53	\$16.53						
200,000 and less	\$16.58	\$16.58	\$16.88	\$16.88	\$17.23	\$17.23	\$17.23	\$17.58
200,001 - 400,000	\$16.63	\$16.63	\$16.93	\$16.93	\$17.28	\$17.28	\$17.28	\$17.63
400,001 -600,000	\$16.68	\$16.68	\$16.98	\$16.98	\$17.33	\$17.33	\$17.33	\$17.68
	\$16.73	\$16.73						
600,001 - 700,000	\$16.78	\$16.78	\$17.08	\$17.08	\$17.43	\$17.43	\$17.43	\$17.78
	\$16.83	\$16.83						
700,001 - 1,000,000	\$16.88	\$16.88	\$17.18	\$17.18	\$17.53	\$17.53	\$17.53	\$17.88
1,000,000 +	\$17.13	\$17.13	\$17.43	\$17.43	\$17.78	\$17.78	\$17.78	\$18.13
Journeyman (cancels letter of understanding)	\$16.18	\$16.18	\$16.48	\$16.48	\$16.83	\$16.83	\$16.83	\$17.18
Clerk Cutter Premium	\$1.50	\$1.50	\$1.50					

	Current KY - IN	Current Ohio	10/7/07	1/1/08	10/5/08	1/1/09	7/20/09	10/4/09
Deli Clerks								
(Hired after 11/8/81)								
First 175 hours	\$6.70 and less	\$6.85	\$6.85	\$7.00	\$7.00	\$7.15	\$7.25	\$7.25
Next 350 hours			\$7.00	\$7.15	\$7.15	\$7.30	\$7.40	\$7.40
Next 500 hours			\$7.15	\$7.30	\$7.30	\$7.40	\$7.55	\$7.55
Next 600 hours	\$7.20	\$7.20	\$7.25	\$7.40	\$7.40	\$7.50	\$7.65	\$7.65
Next 600 hours			\$7.35	\$7.50	\$7.50	\$7.60	\$7.75	\$7.75
Next 600 hours			\$7.45	\$7.60	\$7.60	\$7.70	\$7.85	\$7.85
Next 600 hours			\$7.60	\$7.70	\$7.70	\$7.80	\$7.95	\$7.95
Next 800 hours	\$7.75	\$7.75	\$7.90	\$7.90	\$7.90	\$7.90	\$8.05	\$8.05
Next 800 hours			\$8.40	\$8.40	\$8.40	\$8.40	\$8.40	\$8.40
* Next 1000 hours	\$8.60	\$8.60	\$8.60	\$8.60	\$8.80	\$8.80	\$8.80	\$8.80
** Next 1000 hours	\$9.40	\$9.40	\$9.50	\$9.50	\$9.55	\$9.55	\$9.55	\$9.60
Next 1000 hours			\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
Next 1000 hours	\$10.50	\$10.50	\$10.50	\$10.50	\$10.50	\$10.50	\$10.50	\$10.50
Next 1000 hours	\$12.30	\$12.30	\$12.30	\$12.30	\$12.30	\$12.30	\$12.30	\$12.30
Thereafter			\$12.60	\$12.60	\$12.95	\$12.95	\$12.95	\$13.30
Lead Coffee Shop	\$10.05	\$10.05	\$10.35	\$10.35	\$10.70	\$10.70	\$10.70	\$11.05
Lead Coffee Shop in								
\$1m + total store sales w/o fuel	\$10.20	\$10.20	\$10.50	\$10.50	\$10.85	\$10.85	\$10.85	\$11.20
Head Drug / GM								
200,000 and less	\$13.30	\$13.30	\$13.60	\$13.60	\$13.95	\$13.95	\$13.95	\$14.30
200,001 - 400,000	\$13.30	\$13.30	\$13.65	\$13.65	\$14.00	\$14.00	\$14.00	\$14.35
400,001 - 600,000	\$13.30	\$13.30	\$13.70	\$13.70	\$14.05	\$14.05	\$14.05	\$14.40
600,001 - 700,000	\$13.30	\$13.30	\$13.75	\$13.75	\$14.10	\$14.10	\$14.10	\$14.45
700,001 - 1,000,000	\$13.30	\$13.30	\$13.80	\$13.80	\$14.15	\$14.15	\$14.15	\$14.50
1,000,000 +	\$13.80	\$13.80	\$14.30	\$14.30	\$14.65	\$14.65	\$14.65	\$15.00
Asst. Drug/GM Receiving Clerk								
First 350 hours	\$8.05	\$8.05	\$8.05	\$8.05	\$8.05	\$8.05	\$8.05	\$8.05
Next 350 hours	\$8.15	\$8.15	\$8.15	\$8.15	\$8.15	\$8.15	\$8.15	\$8.15
Next 600 hours	\$8.25	\$8.25	\$8.25	\$8.25	\$8.25	\$8.25	\$8.25	\$8.25
Next 600 hours	\$8.35	\$8.35	\$8.35	\$8.35	\$8.35	\$8.35	\$8.35	\$8.35
Next 600 hours	\$8.50	\$8.50	\$8.50	\$8.50	\$8.50	\$8.50	\$8.50	\$8.50
Next 600 hours	\$8.65	\$8.65	\$8.65	\$8.65	\$8.65	\$8.65	\$8.65	\$8.65
Next 1000 hours	\$8.80	\$8.80	\$8.80	\$8.80	\$8.80	\$8.80	\$8.80	\$8.80
Next 1000 hours	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00
Next 1000 hours	\$9.50	\$9.50	\$9.50	\$9.50	\$9.50	\$9.50	\$9.50	\$9.50
Next 1000 hours	\$9.80	\$9.80	\$9.80	\$9.80	\$9.80	\$9.80	\$9.80	\$9.80
Thereafter			\$10.10	\$10.10	\$10.45	\$10.45	\$10.45	\$10.80

	Current KY – IN	Current Ohio	10/7/07	1/1/08	10/5/08	1/1/09	7/20/09	10/4/09
Cosmetician I	\$11.50	\$11.50	\$11.80	\$11.80	\$12.15	\$12.15	\$12.15	\$12.50
Cosmetician I in \$1m+								
Total store sales w/o fuel	\$11.65	\$11.65	\$11.95	\$11.95	\$12.30	\$12.30	\$12.30	\$12.65
Drug GM Clerks hired before 6/4/87	\$10.10	\$10.10	\$10.40	\$10.40	\$10.75	\$10.75	\$10.75	\$11.10
Asst. Drug GM Clerks hired before 6/4/87	\$10.85	\$10.85	\$11.15	\$11.15	\$11.50	\$11.50	\$11.50	\$11.85
Asst. Drug GM Clerks hired before 6/4/87 in \$1m + total store sales w/o fuel	\$11.10	\$11.10	\$11.40	\$11.40	\$11.75	\$11.75	\$11.75	\$12.10
Drug GM Clerks, Photo								
First 175 hours	\$6.80 and less	\$6.85	\$6.85	\$7.00	\$7.00	\$7.15	\$7.25	\$7.25
Next 350 hours	\$7.00	\$7.00	\$7.00	\$7.15	\$7.15	\$7.30	\$7.40	\$7.40
Next 500 hours			\$7.15	\$7.30	\$7.30	\$7.45	\$7.55	\$7.55
Next 600 hours			\$7.25	\$7.40	\$7.40	\$7.55	\$7.65	\$7.65
Next 600 hours			\$7.35	\$7.50	\$7.50	\$7.65	\$7.75	\$7.75
Next 600 hours			\$7.45	\$7.60	\$7.60	\$7.75	\$7.85	\$7.85
Next 600 hours			\$7.55	\$7.70	\$7.70	\$7.85	\$7.95	\$7.95
Next 800 hours			\$7.75	\$7.80	\$7.80	\$7.95	\$8.05	\$8.05
* Next 800 hours	\$8.00	\$8.00	\$8.00	\$8.00	\$8.00	\$8.05	\$8.15	\$8.15
Next 1000 hours			\$8.20	\$8.20	\$8.20	\$8.20	\$8.25	\$8.25
Next 1000 hours			\$8.35	\$8.35	\$8.35	\$8.35	\$8.35	\$8.35
Next 1000 hours			\$8.50	\$8.50	\$8.50	\$8.50	\$8.50	\$8.50
Next 1000 hours	\$8.75	\$8.75	\$8.75	\$8.75	\$8.75	\$8.75	\$8.75	\$8.75
Next 1000 hours	\$9.05	\$9.05	\$9.05	\$9.05	\$9.05	\$9.05	\$9.05	\$9.05
Thereafter			\$9.35	\$9.35	\$9.70	\$9.70	\$9.70	\$10.05
Full Time Liquor Shop								
First 350 hours	\$8.35		\$8.35	\$8.35	\$8.35	\$8.35	\$8.35	\$8.35
Next 350 hours	\$8.95		\$8.95	\$8.95	\$8.95	\$8.95	\$8.95	\$8.95
Next 600 hours	\$9.80		\$9.80	\$9.80	\$9.80	\$9.80	\$9.80	\$9.80
Next 1000 hours			\$10.70	\$10.70	\$10.70	\$10.70	\$10.70	\$10.70
Next 1000 hours			\$11.70	\$11.70	\$11.70	\$11.70	\$11.70	\$11.70
Next 1000 hours	\$12.10		\$12.80	\$12.80	\$12.80	\$12.80	\$12.80	\$12.80
Next 1000 hours	\$13.90		\$13.90	\$13.90	\$13.90	\$13.90	\$13.90	\$13.90
Thereafter			\$14.20	\$14.20	\$14.55	\$14.55	\$14.55	\$14.90

	Current KY - IN	Current Ohio	10/7/07	1/1/08	10/5/08	1/1/09	7/20/09	10/4/09
Part-Time Liquor Shop								
First 175 hours	\$6.20		\$6.85	\$7.00	\$7.00	\$7.15	\$7.25	\$7.25
Next 350 hours			\$7.00	\$7.15	\$7.15	\$7.30	\$7.40	\$7.40
Next 350 hours	\$7.20		\$7.20	\$7.30	\$7.30	\$7.45	\$7.45	\$7.55
Next 600 hours			\$7.40	\$7.45	\$7.45	\$7.55	\$7.55	\$7.65
Next 600 hours	\$7.80		\$7.80	\$7.80	\$7.80	\$7.80	\$7.80	\$7.80
Next 600 hours			\$8.20	\$8.20	\$8.20	\$8.20	\$8.20	\$8.20
Next 600 hours	\$8.65		\$8.70	\$8.70	\$8.70	\$8.70	\$8.70	\$8.70
Next 1000 hours			\$9.20	\$9.20	\$9.20	\$9.20	\$9.20	\$9.20
Next 1000 hours	\$9.80		\$9.80	\$9.80	\$9.80	\$9.80	\$9.80	\$9.80
Next 1000 hours	\$10.25		\$10.40	\$10.40	\$10.40	\$10.40	\$10.40	\$10.40
Next 1000 hours	\$11.70		\$11.70	\$11.70	\$11.70	\$11.70	\$11.70	\$11.70
Thereafter			\$12.00	\$12.00	\$12.35	\$12.35	\$12.35	\$12.70
Lead Salad Bar Premium	\$0.25	\$0.25	\$0.25					
Lead Salad Bar Premium in \$1m+								
Total store sales w/o fuel	\$0.40	\$0.40	\$0.40					
File Maintenance Clerk Premium	\$0.50	\$0.50	\$0.50					
File Maintenance Clerk Premium in								
\$1m + total store sales w/o fuel	\$0.65	\$0.65	\$0.65					
Back Door Receiver Premium	\$0.50	\$0.50	\$0.50					
Back Door Receiver Premium in								
\$1m + total store sales w/o fuel	\$0.65	\$0.65	\$0.65					
Cheese Steward Premium***			\$0.50					
Cheese Steward Premium in \$1m+								
Total store sales w/o fuel***			\$0.65					
Wine Steward Premium***			\$0.50					
Wine Steward Premium in \$1m+								
Total store sales w/o fuel***			\$0.65					
Nutrition Clerk Premium***			\$0.50					
Nutrition Clerk Premium in \$1m+								
Total store sales w/o fuel***			\$0.65					
Cake Decorator Premium***			\$0.50					
Cake Decorator Premium in \$1m+								
Total store sales w/o fuel***			\$0.65					

	Current KY - IN	Current Ohio	10/7/07	1/1/08	10/5/08	1/1/09	7/20/09	10/4/09
Lead GM Premium (Marketplace)			\$0.50					
Lead GM Premium in \$1m+ total								
Store sales w/o fuel (Marketplace)			\$0.65					
Lead Liquor Clerk Premium KY only	\$0.25		\$0.50					
Lead Liquor Clerk Premium in \$1m+								
Total store sales w/o fuel KY only	\$0.40		\$0.65					
Lead Fuel Clerk	\$0.50	\$0.50	\$0.50					
Lead Fuel Clerk Premium in \$1m+								
Total store sales w/o fuel	\$0.65	\$0.65	\$0.65					
Night Crew Premium	\$1.00	\$1.00	\$1.00					
* Experience Credit Cap								
** Coffee Shop Cap								

***In stores as determined by the Company, employees will be eligible for the above premiums upon completion of training and certification programs as may be established and modified by the Company. (The above premiums do not immediately qualify an employee for health insurance, consistent with the current practice for clerk cutter and night crew premiums).

Effective October 7, 2007, Marketplace cashier rate will increase .10¢, effective October 5, 2008 .20¢, and effective October 4, 2009 .20¢.

Method for Transfer from the Months Progression to the Hours Progression:

a. Each associate presently at a rate greater than \$6.85 will remain in the months progression until his or her next regularly scheduled increase in the months progression. Once the associate receives that increase, he or she will transfer to the new hours progression at that rate.

b. Each associate at the rate of \$6.85 or less will immediately move to the \$6.85 rate in the hours progression.

Ohio Clerks currently at the \$6.85 pay rate who have 18 months or more of service will receive a \$100.00 Kroger Gift Card.

APPENDIX "B" JOB DESCRIPTIONS

A violation of the following "Job Descriptions" sacker/carryout, floral, and salad bar attendant, will result in penalty pay for a proven violation at the premium rate of time and one-half (1 1/2), but no less than one (1) hour's pay at the employee's regular rate of pay for the employee filing the grievance.

A violation of the intent of this section is defined as the knowing performance of job duties outside the above classifications by the direction of or with the permission of the store manager, co-manager(s), department head or assistant department head.

Sacker/Carryout - A sacker/carryout employee's work is restricted to the following duties:

1. Maintain the area of the checkstand and customer entrances in an orderly condition through clean-up work and the stocking of supplies in the checkstands (also the distribution of supply orders throughout the store), which shall not include merchandise for sale, except for product to shelf price checks requested by a cashier and the return of all perishable merchandise to stock from the checkstand area and misplaced throughout the store.

2. Assistance to customers in the bagging and unloading of their orders and in transporting merchandise purchased by them to their automobile in the store's parking lot.

3. The collection of shopping carts.

4. Sort empty returned containers (i.e., bottles, cans, etc.) and put in proper area for return.

5. Cleaning up "spills".

6. General cleaning, including the moving and replacing of shelf product and backroom product in order to engage in general cleaning, baling and loading of salvage, as well as the necessary removal and reposting of window signs while washing windows.

7. Sign and decorate the store.

8. Reshop/restock all misplaced merchandise.

Demonstrators - Demonstrators' duties shall be limited to securing, preparing and demonstrating product, but will otherwise not perform any bargaining unit work.

Salad Bar - This classification is to be used in produce departments to operate salad bars. The salad bar section will be considered a distinct part of the produce department and as part of the responsibility of the Head Produce Clerk.

Salad bar clerks' duties shall be limited to performing duties directly related to the salad bar only. It is not the intent of this section to expand salad bar clerk duties; however, only at the customer's request, will it be permissible for a salad bar clerk to weigh items that are not part of the salad bar classification.

Clerks may be required to work in the salad bar section at their current rate of pay.

Salad bar clerks shall order, prepare, display, price, arrange, care for, sell and inventory those items specifically sold by the salad bar section. They shall also be responsible for maintaining sanitation in their work and sales areas.

Clerks working primarily in salad bar as of November 12, 1986 may continue to work in the salad bar at their clerk rate of pay. Their hours may not be claimed by other clerks. Should any of these clerks accept an assignment to other duties, they will be replaced by a salad bar attendant.

Floral Shoppe Attendant - Floral Shoppe attendants' duties shall be limited to performing duties directly related to the floral shop only.

This classification is to be used in produce departments to operate floral shops. The floral shop will be considered a distinct part of the produce department and as part of the responsibility of the Head Produce Clerk.

Clerks working primarily in floral shops as of November 12, 1986 may continue to work in the floral shop at their clerk rate of pay. Their hours may not be claimed by other clerks. Should any of these clerks accept an assignment to other duties, they will be replaced by a floral shop attendant.

Floral shop attendants assigned after November 12, 1986, will have separate seniority among floral shop attendants only and benefits under the same conditions described in the appropriate articles of this Agreement.

Clerks may be required to work in the floral shop on special occasions such as Mother's Day, Valentine's Day, Sweetest Day, etc. to assist the Floral department.

Clerks may be required to work in floral shops to fill in for vacations, emergencies, and/or absenteeism.

In all instances mentioned above, Floral attendants must be scheduled all available hours according to their seniority and availability, FIRST, before requiring clerks to work in the Floral Shoppe.

The floral shop attendants shall order, prepare, display, price, arrange, care for, sell and inventory those items specifically sold by the floral shop. They shall also be responsible for maintaining sanitation in their work and sales area.

Department Trainer: The Employer may designate a maximum of one (1) employee per major department (i.e. grocery, front end, produce, meat, and deli) to work with new hires for the purpose of facilitating their training. This employee will not be subject to the provisions of Article 9.9.2 or Article 11, 11.4. This employee will receive an additional \$.75 per hour above their base rate. This premium shall not apply to department heads and assistant department heads who facilitate training as part of their normal job duties.

When a department trainer is scheduled to facilitate training and works 50% or more of their scheduled hours training, they shall receive the department trainer premium for the entire shift. Department trainers scheduled to train less than 50% of their scheduled hours shall receive the department trainer premium for those hours actually spent training.

In no case will a department trainer be scheduled for a shift earlier than their seniority would otherwise allow. NOTE: Department Trainer premium shall apply on holiday and vacation pay in the same manner as night crew.

Liquor Shop Attendant

1. The Employer has a classification - Liquor Shop Attendant. This classification is to be used in grocery departments to operate wine and liquor shops (within stores located in the States of Kentucky and Indiana).

2. The job duties of a Liquor Shop Attendant shall normally include customer service and transactions, ordering and inventory of merchandise and supplies, product receiving, pricing, stocking and displaying, and operation of the department in accordance with the Employer's operations merchandising policies and applicable state laws. It is understood that employees in such classification shall not perform work outside of such department - a violation of which shall be considered a grievance within the scope of Article 2 of this Agreement.

3. Employees classified as Liquor Shop Attendants will have seniority under the same conditions as provided for in the appropriate Articles of this Agreement, but seniority shall be applied only among themselves in such classification.

4. When a liquor shop(s) is open under this Agreement, a notice of such opening(s) shall be sent to the Union Office and simultaneously posted in all of the Employer's stores in Zone E, four (4) weeks in advance. Such notice shall specify the rates of pay (beginning at the starting rate); that the employee must be 21 years of age; that separate seniority and work duties are involved. Those clerk, sacker/carryout, demonstrator, floral and salad bar employees who are desirous of being considered for such position shall submit a letter of such intent to the Human Resource Department (with a copy to the Local Union Office) within two (2) weeks of such notice posting.

The Employer shall have the right to exercise final judgment as to the selection of employees to classify as Liquor Shop Attendants after giving due regard to seniority. This shall not preclude the Union from questioning through the Grievance and Arbitration Procedure, whether the Employer has given due regard to seniority.

5. Any clerk or sacker/carryout, demonstrator, floral and salad bar employee(s) who transfers into a Liquor Shop Attendant position shall have the right to voluntarily return to their prior position in the event the Liquor Shop is closed within eighteen (18) months of the date of such transfer. Furthermore, if a forty (40) hour work week becomes unavailable to any "full-time" Liquor Shop Attendant within eighteen (18) months of the date of such transfer, they shall have the right to voluntarily return to their prior position with no loss of seniority and/or benefits.

6. In the event the Employer elects to operate Liquor Shops in State(s) other than the State of Kentucky, it is understood and agreed that advance notice shall be furnished to the Union in order that both parties can negotiate rates of pay and conditions for same.

7. Part-time liquor shop attendants who average thirty-four (34) hours of work per week for twelve (12) consecutive weeks shall qualify for the full-time rate (but not for benefits).

Meat Department Manager - Shall be qualified to perform all the duties in the meat department. Because of the greater skill and experience Meat Department Managers must possess, they shall, in the performance of their work, be responsible for the operation of the Meat Department in accordance with the Employer policy and direct the movements and operations of all employees in the Meat Department.

Assistant Meat Department Manager - Is a skilled Meat Department employee, who shall do any work assigned by the Meat Department Manager, including ordering (assisting in ordering with the Meat Department Manager), wrapping, rewrapping, weighing, pricing, and displaying meat in forms acceptable to the Employer and in a manner that will yield the maximum profitable cuts from the carcass. An Assistant Meat Department Manager will see that the products are being taken care of through the request of the Meat Department Manager in the cutting room, take charge when the Meat Department Manager is not on duty, and carry out the Employer's policy, the same as the Meat Department Manager.

No employee will be assigned to the Assistant Meat Department Manager classification who does not have at least one (1) year of seniority in the bargaining unit. Employees who desire consideration for a promotion to Assistant Meat Department Manager or Meat Department Manager shall

make their wishes and availability known in writing to their Zone Manager and a copy to the Union. If there are no letters on file to fill a particular store, then one (1) year prohibition in the above paragraph shall not apply.

In stores with a sales volume of \$175,000 per week or less, the appointment of an Assistant Meat Department Manager is at the discretion of the company (Assistant Meat Department Managers in such stores on October 10, 1992 shall not be reduced because of this change). Volume changes shall be based on the procedure outlined in Appendix "A" - A.8.

Journeyman - A Journeyman is a skilled Meat Cutter who shall do any work assigned, including ordering (assisting in ordering), wrapping, rewrapping, weighing, pricing, and displaying meat in forms acceptable to the Employer and in a manner that will yield the maximum profitable cuts from a carcass.

Meat Clerk - A Meat Clerk is an employee in a market who is engaged in wrapping, weighing, pricing, cleaning and displaying all product assigned to the operation of the department. If no Journeyman as of November 12, 1986, is reduced in hours, a Meat Clerk on duty in a market may perform all necessary duties in the department. No Meat Clerk will be required to operate the saw until the Company provides a training program and a standardized test.

Any employee in the Meat Clerk classification who has the ability, qualifications and desires to perform the work to qualify for the Meat Clerk Cutter's list will indicate this desire in writing to the zone manager with a copy to the Union and Human Resource Department. Such individuals will be considered for available openings as they occur.

Upon passing a training program and standardized test, the cutter will receive \$1.50 premium over their personal rate, not to exceed the journeyman rate. This test will be conducted by the Meat department manager and Employer's Meat M.R.

Such cutters will qualify to receive vacation relief pay for the Meat Department Manager and the Assistant Meat Department Manager.

Service Meat/Seafood Clerk - Will be used only in those markets having service meat and seafood operations in whole or in part. Service Meat/Seafood Clerk employees are those employees engaged in service meat and seafood operations, waiting on customers by suggesting purchases, displaying, weighing, wrapping, and pricing of meat and seafood product assigned to the service meat and seafood operations.

Such employees will not use the tools of the trade in the cutting room, but may perform such incidental work in waiting on customers as is necessary to complete the transaction at the customer's request. Examples of this type of customer service are trimming, grinding, cubing, slicing, and other such incidental work.

In addition to the duties enumerated above, Service Meat/Seafood employees may be used for cleaning and sanitation assignments in Service Meat and Seafood Departments.

Definition of Status 1 - An employee who is eligible under the benefit ratio shall be classified as Full time status 1 at the end of the first 12 consecutive weeks during which the average hours worked equal or exceed 85% (34 hours) of the hours in the basic workweek. Work performed on Sundays and holidays shall be counted for the purpose of qualifying for status 1 full time. The employee who qualifies under this definition through the ratio operational system shall receive dependent (family) medical benefits as of the 1st of the month following the status change. Full time status 1 employees have scheduling over all less senior full time employees and all part time employees.

Definition of Status 3 - The term full time status 3 is an employee who averages 85% (34 hours) of the basic workweek over any 12 consecutive week period. Work performed on Sundays and holidays shall be counted for the purpose of qualifying for status 3 full time. Status 3 applies to all classifications excluding sacker carryout, demonstrator, floral, and salad bar. An employee who accepts status 3 must be available for full time work up to 40 hours per week. Any employee who limits their availability on a regular basis shall be disqualified for status 3 full time. Status 3 full time employees are eligible for all contractual provisions pertaining to full time except Article 9.2 and Article 22.2 (dependent health care coverage). Contributions under Article 22 for status 3 full time employees shall commence after 6 months of employment. Full time status 3 employees shall have scheduling seniority over all less senior full time employees and all part time employees.

Definition of Status 4 - Any employee classified as part time status 4 is an employee who limits their availability on a regular basis. Status 4 employee's seniority date will be their most recent date of hire. They will not have seniority over any full time employee. Status 4 employees includes employees in all classifications.

APPENDIX "C" SENIORITY AREAS

	A-1		A-2
Westwood	310	Lawrenceburg, Ind.	363
Monfort Heights	370	Batesville, Ind.	406
Price Hill	382	Whitewater, Ohio	445
Mt. Airy	400	Harrison	916
Ferguson	432		
Dent	436		
Northgate	908		
Delhi	944		
Western Hills	948		
	B-1		B-2
Middletown/Trenton	335	Landen	376
Monroe	336	West Chester	383
Oxford	412	Maineville	408
Liberty	430	Mason	426
Middletown	441	Mason Montgomery Rd	448
Hamilton (W)	909	Beckett Ridge	919
Hamilton	934	Fairfield	939
		Forest Park	943
		Tylersville	945
	C-1		C-2
Harper's Point	304	Norwood	371
Montgomery	351	Brentwood	384
Hyde Park	355	Hillcrest	388
Maderia	402	College Hill	390
Kenwood	414	Hartwell	405
Mariemont	421	Queen City Center	428
Sharonville	429	Woodlawn	433
Blue Ash	942		
	D-1		D-2
Mt. Carmel	305	Goshen	344
Hillsboro	380	Amelia Station	368
Blanchester	395	Amelia	396
Mt. Orab	442	Milford	411
Lebanon	447	Loveland	413
Wilmington	817	Cherry Grove	431
Eastgate	902	Miami Township	435
		Mt. Washington	438
		Anderson	915
		Mulberry	921
	E-1		E-2
Ft. Mitchell	277	Vine Street	301
Bellevue	359	Walnut Hills	379
Mt. Zion	364	Corryville	407
Florence	366		
Covington	381		
Latonia	392		
Alexandria	410		
Maysville	420		
Union	424		
Independence	425		
Burlington	434		
Erlanger	901		
Cold Spring	946		

APPENDIX "D"

PERMANENT PANEL OF ARBITRATORS

1. Earl Curry
2. Barbara Doering
3. James Duff
4. Theodore High
5. Jonas Katz
6. Fred Kindig
7. Thomas P. Lewis
8. Edwin Render
9. Stanley Sargent
10. John Murphy
11. (to be determined)
12. (to be determined)

SUNDAY OPTIONS

In January 1995, employees hired prior to November 10, 1986 will be offered a one-time opportunity to receive a lump sum payment equal to the amount of money earned by the employee for hours worked on Sundays in the year 1993. In return for the payment, the employees will agree to forfeit future Sunday premium and the provision for Sunday being outside of the work week. For employees accepting this option, Sunday work will continue to be voluntary and they will not be required to work Sundays in order to maximize their schedules for the week.

Mr. Lennie Wyatt
United Food and Commercial Workers
United Local 1099
913 Lebanon Street
Monroe, Ohio 45050

Dear Lennie:

During our recent negotiations we reaffirmed the understandings set forth in the October 17th, 1989 letter attached to the expired contract. Those understandings are:

1. Liquor Shop at Store 363, Lawrenceburg – As we discussed in negotiations, the Liquor Shop at the Lawrenceburg Store (#363) will be handled like the Kentucky Liquor Shops and the same rates of pay shall apply.
2. Job Descriptions/Customer Requests – It is our understanding that people who work in the Sacker/Carryout, Salad Bar, Floral Attendant and Customer Service Attendant classifications are to be limited to performing work as outlined in their job description. Should any grievance arise regarding application of the above, it may proceed directly to the 3rd Step of the grievance procedure.
3. A. It is understood and agreed that no commodity classification handled by food employees in any future SavOn conversion stores opening during the term of this Agreement will be transferred to non-food employees.
B. The Head Non Food clerk classification will be maintained in a conversion store until an opening in this classification occurs in the appropriate seniority area or a transfer is accepted to another store.
C. Non Food clerks may only be utilized to handle new commodity classifications until four (4) weeks prior to completion of the conversion after which they will handle all items as provided for above. The restriction shall not apply to the restaurant clerks, lobby clerks, head receiving clerks or cosmetician classification.
D. The Union shall be advised at least ninety (90) days prior to the start of any conversion construction.

Signed this _____ day of _____, 2001.

FOR THE UNION:

FOR THE EMPLOYER:

