K# 9306

CLERK AGREEMENT

Between

ALBERTSON'S LLC
(Colorado Springs, Colorado)

and

UNITED FOOD AND COMMERCIAL WORKERS,
LOCAL #7, (Denver, CO)

Chartered by the

UNITED FOOD AND COMMERCIAL WORKERS
INTERNATIONAL UNION,

CONTRACT TO EXPIRE **SEPTEMBER 14, 2013**

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UNITED FOOD AND COMMERCIAL WORKERS,
UNION #7, DENVER, COLORADO

Chartered by the

UNITED FOOD AND COMMERCIAL WORKERS
INTERNATIONAL UNION,

CONTRACT TO EXPIRE **SEPTEMBER 14, 2013**

THIS AGREEMENT is made and entered into by and between ALBERTSON'S, LLC., hereinafter referred to as the "EMPLOYER" and UNITED FOOD AND COMMERCIAL WORKERS, LOCAL #7, Denver, Colorado, chartered by the United Food and Commercial Workers International Union, hereinafter referred to as the "Union."

ARTICLE 1
RECOGNITION AND EXCLUSIONS

Section 1. The Employer recognizes the Union as the sole collective bargaining representative for all grocery and produce department employees and bakery department sales clerks, including part-time employees regularly working one (1) day per week or more, employed by Albertson's, LLC. in its retail food stores located in the metropolitan area of Colorado Springs, Colorado; but excluding all Store Directors, Assistant Store Directors, General Merchandise Managers (in stores with average sales volume in excess of $150,000 per week), Office and Clerical Employees, Scanning Coordinators, Janitors, Parking Lot Attendants, Meat Department Employees, Bakery Department Production Employees, Demonstrators, Watchmen, Guards, Professional Employees, and Supervisors as defined in the National Labor Relations Act as amended. Any new stores opened within the contractual boundaries of this contract shall be accreted to this Agreement.

ARTICLE 2
BARGAINING UNIT WORK JURISDICTION

Section 2. All work and services performed in the bargaining unit connected with the handling or selling of merchandise to the public shall be performed exclusively by bargaining

unit members except as provided below. All persons excluded from the Contract as set forth in Article 1, Section 1, may continue to perform duties performed before May 1, 1982.

AUTHORIZED WORK FOR VENDORS

Section 3. Advance or Book Salesman. No advance or book salesmen will be allowed to stock merchandise in the store except as provided in Section 5.

Section 4. Rack Jobbers and Driver Salesmen. All rack jobbers and driver salesmen will make deliveries to the backroom, at which time it will become Bargaining Unit work exclusively, except as provided in Section 5 below.

Section 5. Exceptions. All salesmen or rack jobbers may:

1. Set up promotional displays. A promotional display is a temporary display. It is set up because of special promotional allowances, new products, or is situation or season oriented.

2. Stock merchandise during the time period immediately preceding and the two (2) week period after a new store opening or the reopening of a store after a remodeling.

3. Stock and perform all work in connection with the sale of beverages, herein defined as soda pop, liquid mixes (such as tonic water, soda, Tom Collins), beer, water (seltzer, mineral, flavored sodas), wine (where carried) and non-carbonated fruit juices and juice-flavored drinks packaged in a manner similar to soda pop items, chips and pretzels, Dr. Brown's pop, cookies and crackers, pizza, ice cream, specialty foods, gourmet food, natural food and greeting cards (and all related products such as bows, wraps, candles, balloons, ribbons), if directly delivered to the store. For purposes of this provision, the product categories as used herein shall be interpreted to include all products delivered by such vendor.

4. All vendors will be allowed to perform three (3) major resets, per section, per store, per year.

5. All vendors may rotate stock, check code dates and remove out of date or damaged merchandise, clean product, shelves and racks, affix coupons or other promotional materials to products, and they may properly realign and display the merchandise left on the shelves.

6. Additionally, all vendors shall be allowed to stock and otherwise maintain any J-hook and clip strips program.

Rack jobbers or driver salesmen who deliver bread or bakery products, dairy products, or magazines, newspapers or paperback books shall be allowed to continue as they have in the past.

It is understood and agreed that exceptions provided in this Section are based solely on the type of merchandise sold by the salesman and not the Union or non-Union status of the salesman.

ARTICLE 3
UNION SECURITY AND CONDITIONS

Section 6. Union Membership. It shall be a condition of employment that all employees covered by this Agreement who are members of the Union on the effective date of this Agreement shall remain members, and those who are not members on the effective date of this Agreement shall, on the thirty-first (31st) date following the effective date of this Agreement, become and remain members in the Union. It shall also be a condition of employment that all employees covered by this Agreement and hired on or after its effective date shall, on the thirty-first (31st) day following the beginning of such employment, become and remain members in the Union.

Section 7. For the purpose of Section 6 above, the execution date of this Agreement shall be considered as its effective date.

Section 8. Delinquent Members. Whenever the Union requires the Employer to discharge any employee for failure to join or maintain his membership in the Union in accord with the terms of this Article, the Union agrees to furnish the Employer an itemized copy of the delinquent's account with the Union together with a written request for discharge. The Employer will discharge any employee who falls within the bargaining unit as described in Section 1 hereof within ten (10) days after the receipt of said written request for discharge, unless, within said ten (10) day period, the delinquent employee pays or tenders his delinquent initiation fee (or uniform reinstatement fee, where applicable) and/or delinquent union dues to an authorized agent of the Union.

ARTICLE 4
CHECK-OFF

Section 9. The Employer agrees to deduct the weekly Union dues (including initiation fees for new employees) and uniform assessments from the net amount due each employee in the bargaining unit as described in Section 1 hereof who has furnished the Employer (either directly or through the Union) with an individual written authorization for making such deductions on a form mutually agreed upon between the Employer and the Union. It is understood that the check-off authorization is to be entirely voluntary upon the part of each such individual employee and that any such employee may revoke his individual check-off authorization upon giving thirty (30) days written notice to the Employer and the Union.

Section 10. The Employer agrees to remit all such deductions to the President of the Local Union within ten (10) days after the last pay period of each month.

Section 11. The Union shall indemnify and hold the Employer harmless against any and all suits, claims, demands and liabilities which arise out of, or by reason of, any action which shall be taken by the Employer for the purpose of complying with the provisions of this Article.

ARTICLE 5
NEW EMPLOYEES, TRANSFERRED EMPLOYEES, PROMOTED OR DEMOTED

Section 12. When an employee is hired for a job or transferred or promoted or demoted into a bargaining unit job as described in Sections 1, 2, 3, 4, and 5 hereof, the Employer agrees within three (3) days to fill out a mutually agreeable form in triplicate, which advises the employee of his obligation to join the Union. One (1) copy of this form will be given to the employee and one (1) copy will be mailed to the Union in a stamped, addressed envelope provided by the Union.

Section 13. Completion of Forms for Benefits Programs. At the time of hiring, the Employer will advise each such employee of the fact that he must become a member of the Union within thirty-one (31) days and must remain a member of the Union as a condition of employment during the life of this Agreement. The employer will likewise furnish each such employee with the address of the Union office and name of the Union representative. Completion of any necessary applications, forms and papers for qualification under the Health and Welfare Article or any other benefit programs provided by this Agreement, shall be completed on the first (1st) day of employment, but not later than the eligibility date of participation in the various plans.

Section 14. Off Premise Training. Any employee who has completed his probationary period and who is sent to an off-premise training program shall not have his rate of pay reduced, and, if subsequently reclassified, shall receive the appropriate rate for the new classification. The rate of pay for attendance at the Employer's off-premise training school shall be no less than the minimum hourly rate set forth in the labor Agreement.

ARTICLE 6
RIGHTS OF MANAGEMENT

Section 15. The Employer retains the right to manage the store (or stores), to direct the working forces, to establish reasonable standards of dress, and to make necessary and reasonable rules and regulations of the conduct of the business, providing that the said rules and regulations are not in conflict with the terms of this Agreement in any way.

ARTICLE 7
DEFINITIONS OF CLASSIFICATIONS

Section 16. For the purpose of this Agreement, the terms set forth below shall have the following meanings:

a. DEMONSTRATORS. The duties of demonstrators shall not include work normally done by employees covered by this Agreement.

b. HEAD CLERK. A Head Clerk is an employee who has been assigned by the Employer to direct or supervise the work of others. The mere fact that two persons work together does not mean that one is a Head Clerk.

c. PRODUCE DEPARTMENT HEAD. A Produce Department Head is defined as the one employee in a store who manages the operation of the Produce Department under the supervision of the Store Director.

d. HEAD BAKERY SALES CLERK. The Head Bakery Sales Clerk is the employee in each store who is directly responsible to the Employer for the operation of the Bakery Department. This shall not be construed as meaning that the Employer is required to designate a Head Bakery Sales Clerk for the Bakery Department in each store which has a Bakery Department, inasmuch as the Employer may not choose to assign the managerial responsibilities to any employee within the Department, depending on the set-up in the particular store, the size of the Department, etc.

e. COURTESY CLERK DUTIES. A Courtesy Clerk is an employee whose duties are restricted by this Agreement to the performance of limited duties within specified work areas of the Employer's retail establishments as follows:

1. Maintain the area of the checkstands and customer entrances in an orderly condition through clean-up work, including the removing from inventory and stocking of supply items in the checkstands, which shall not include merchandise offered for sale.

2. Assistance to customers in the unloading, bagging and loading of their orders and in transporting merchandise purchased by them to their vehicles, or in case such merchandise is abandoned, declined, exchanged or damaged, including reworked salvage, returning same to the shelf or point of disposal.

3. The collection of shopping carts and the required cleaning thereof.

4. The sorting, counting and stacking of empty containers, and placing them in the areas designated by the Employer, and the issuing of customer refund slips relating to such returns.

5. The breaking, stacking, and disposing of boxes, and necessary clean-up duties in the compactor area, lounges, restrooms, and customer lounge/eating areas.

6. Performing required "price checks", facing of shelves, and checking of code dates as may be requested by checkers and/or management.

7. Dusting and other cleaning of merchandise and shelves, including the removal of merchandise, and the restocking of the removed merchandise after cleaning, and the hanging and removal of signs and decorations.

8. Throughout the store area, parking lot, Retail Meat Department and Deli Department, the handling of clean-ups, window cleaning, mopping, sweeping of the floor or lot as may be required.

f. COURTESY CLERK EMERGENCY ADVANCEMENT. If an emergency situation arising wherein the Courtesy Clerk is pre-notified of the fact that he will be paid the Apprentice Clerk starting rate for temporary assignment to a higher classification, as provided elsewhere in this Agreement, there is not violation of the above.

g. A Nonfood Clerk's duties include, among other things, operation of the courtesy booth and customer service counter. An All-Purpose Clerk who is performing courtesy booth and customer service counter duties as of the date of ratification of this Agreement shall be grandfathered. When such All-Purpose Clerks leave those positions, through attrition, the hours made available may be filled by Nonfood Clerks.

h. WORK BETWEEN CLASSIFICATIONS: It is understood that employees may perform incidental work in another classification without violating this Agreement. **It is expressly understood and agreed work in a higher classification shall first be offered to workers in that classification who are in the store and available before lower classified employees are temporarily assigned thereto if the needs arises the same day. In the event the need arises one (1) day or more in advance, the work shall be offered to all workers in the higher classification before lower classified employees are temporarily assigned thereto.**

Section 17. New Classifications. If new job classifications not presently in existence are established in the bargaining unit, the parties shall, within thirty (30) days of request by either party, negotiate appropriate wage rates.

ARTICLE 8
RATES OF PAY

Section 18. The minimum wages for the indicated classifications shall be as set forth in Appendix "A" attached hereto, and by this reference made a part hereof.

Section 19. Part-time employment shall be computed in accord with the appropriate hourly rates set forth in Appendix "A" attached hereto, and by this reference made a part hereof.

ARTICLE 9
PRIOR EXPERIENCE

Section 20. In applying Sections 17, 18, and 19 of Article 8 of this Agreement to any newly-hired employee, the Employer will give recognition to the verified number of hours of actual work experience on a comparable job which said newly-hired employee may have performed within the previous five (5) years for any other employer in a similar retail grocery operation.

Any grievance over recognition given an employee for comparable work experience at the time of his employment must be filed pursuant to the terms and conditions of the grievance procedure of this Agreement (excluding the employee's trial period).

Any employee shall receive upon request to his employer or former employer, the following information: Date of hire, date of termination, total hours worked in retail store unless such hours worked shall exceed six thousand five hundred (6,500) and then such fact shall be stated. The employee must show evidence of employment in the grocery industry before making such request.

ARTICLE 10
PAY FOR WORK IN HIGHER/LOWER CLASSIFICATION

Section 21. Except as provided elsewhere in this Agreement, when an employee is required to perform work in a higher classification, he shall receive the higher rate, based on his experience, but, if required to perform work in a lower classification, he shall retain his regular rate, except in the case of actual demotion when the employee shall receive pay according to his classification.

ARTICLE 11
NO REDUCTION IN PAY

Section 22. Unless otherwise agreed between the parties, no employee shall suffer any reduction of present hourly pay because of the adoption or through the operation of this Agreement, nor shall be reclassified to defeat the purpose of this Agreement.

Section 23. The Employer shall not raise or subsequently lower hourly rates of pay for classifications covered by this Agreement without the mutual consent of the Union.

ARTICLE 12
WORKWEEK

Section 24. The workweek shall coincide with the calendar week. Forty (40) hours to be worked in any five (5) eight (8) hour days shall be the standard workweek for regular full-time employees.

Upon mutual agreement between the Employer and the employee, a regular full-time employee may work four (4) ten (10) hour days to constitute the standard workweek, except in holiday weeks when the standard workweek, at the Employer's discretion, may be five (5) eight (8) hour days or four (4) eight (8) hour days. Unless modified herein, the provisions of this Agreement shall apply to such standard workweeks.

1. Overtime to be paid for all time worked in excess of ten (10) hours in any one (1) day.

2. Payment for bereavement leave shall not exceed the straight-time hours scheduled per day missed up to a maximum of twenty-four (24) hours pay.

3. After eight (8) hours of work in a ten (10) hour workday only, the employee shall be entitled to a third fifteen (15) minute break.

4. Payment for jury duty shall not exceed eight (8) hours pay per day missed less what he is paid for serving on the jury. Pursuant to Section 96, the Employer may reschedule employees required to serve on jury duty, including but not limited to, scheduling them five (5) eight (8) hour days.

5. Sick leave pay will be paid, if eligible, and following the full workday absence, if such applies, not to exceed the number of hours scheduled on the day missed.

ARTICLE 13
OVERTIME

Section 25. Overtime compensation at the rate of time and one-half (1-1/2x) the employee's base hourly rate of pay shall be paid under the following conditions:

a. For all time worked in excess of eight (8) hours in any one (1) day.

b. For all time worked in excess of forty (40) hours in any one (1) workweek as described above.

c. For hours worked prior to an employee's scheduled starting time when less than eight (8) hours has elapsed since his last previously scheduled quitting time. (There will be at least eight (8) hours between each employee's scheduled quitting time and his next scheduled starting time.)

d. For all hours scheduled and worked on the sixth and seventh day in a workweek by part-time employees who work less than forty (40) hours in that workweek. No employee shall be permitted to claim additional hours or schedules which would provide a six (6) or seven (7) day schedule during a workweek.

Section 26. No Pyramiding of Overtime. It is understood and agreed that there shall be no pyramiding of overtime and premium pay for the same hours of work.

ARTICLE 14
SUNDAY PREMIUM

Section 27. Effective beginning July 5, 1987, work performed on Sunday will be paid at time and one-quarter (1-1/4x) the employee's regular straight-time hourly rate of pay, except that Courtesy Clerks will be paid for hours worked on Sunday at their regular rate of pay plus fifty cents (50¢) per hour. The Sunday premium, for hours worked up to eight (8), shall in no instance be offset against any weekly overtime which may be due under subparagraph b of Section 25 because of the fact that the employee worked over forty (40) hours in the particular workweek. The Sunday premium shall not be averaged into the employee's straight-time rate for the purpose of determining the rate upon which daily or weekly overtime is based in any workweek under Section 25 hereof.

Section 28. An employee whose straight-time scheduled shift begins on Saturday and continues beyond midnight on Saturday shall receive Sunday Premium Pay for those hours worked on Saturday, and such shifts in their entirety shall be the first shift of the new workweek.

Section 29. In those situations where an employee's straight-time scheduled shift begins at or after 8:00 p.m. on Saturday and continues beyond midnight on Saturday, the Employer shall not reschedule or reduce the hours of such employee for the sole purpose of avoiding the payment of such Sunday premium, though it is recognized that changes in the schedule may be necessitated by changes in business operations.

Section 30. On the first day of January and on the first day of July of each year (or on the thirtieth (30th) day after the date of ratification of this Agreement), each employee may elect in writing not to be scheduled for Sunday hours. An employee who has made this election shall be excluded from Sunday scheduling except as specified below.

The Employer will schedule those employees who have not excluded themselves as set forth above for Sunday hours within each store and department, considering the job assignment required, and provided the employee normally performs the work required. Should the Employer not be able to staff his schedule requirements though this procedure, qualified employees who have restricted themselves from Sunday work as set forth above shall be assigned the remaining available schedules by reverse seniority, within their respective classifications within each department and store.

On the first day of January and on the first day of July of each year, an employee may cancel in writing his or her prior election to be excluded from Sunday work and will thereafter be considered for Sunday work in accordance with this Agreement.

Section 31. No employee who, because of his or her religion, has conscientious objections to working on his or her day of Sabbath, will be required to work on his or her Sabbath as a condition of employment. If the rights of the employees under this paragraph operate in conflict with the seniority provisions contained elsewhere in this Agreement, the right of seniority shall prevail.

Section 32. Employees hired on or after May 1, 2005 shall not be eligible for Sunday Premium.

ARTICLE 15
TRAVEL BETWEEN STORES

Section 33. When an employee is transferred from one store to another store during his workday, reasonable time spent in traveling between said stores shall be considered as time worked. Required travel between stores in the employee's personal vehicle shall be reimbursed at the IRS rate exclusive of travel to and from the employee's home. No employee will be required to use his personal vehicle to conduct Company business.

ARTICLE 16
NIGHT PREMIUMS

Section 34. A premium of fifty cents (50¢) per hour shall be paid for all work performed between the hours of 12:00 midnight and 6:00 a.m. to all employees (excluding Courtesy Clerks).

All Courtesy Clerks shall receive twenty-five cents (25¢) per hour in addition to the hourly rate for all work performed between the hours of midnight and 6:00 a.m.

Night premium shall not apply where the employee is working at overtime or on Sunday or on a holiday.

ARTICLE 17
HOLIDAYS AND HOLIDAY PAY

Section 35. All employees hired on or before April 30, 2005 who have completed their probationary period shall be paid for the following holidays whether or not they fall on what would normally be a workday for the employees involved: New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, and Christmas Day. Such employees shall be

entitled to two (2) personal holidays, which must be requested two (2) weeks in advance and approved by the Store Manager.

The Employer may operate its stores, at its sole discretion, on any of the holidays recognized by this agreement. The Employer will staff on Christmas Day by voluntary sign up list only. To the extent the Employer does not receive sufficient volunteers in a store, the Employer may schedule by inverse seniority.

All employees hired on or after May 1, 2005 who have completed their probationary period shall be paid for the following holidays whether or not they fall on what would normally be a workday for the employees involved: Thanksgiving Day, Christmas Day. After two years of service, such employees shall be entitled to one (1) personal holiday, two (2) personal holidays after three (3) years of service and three (3) personal holidays after four years of service, which must be requested two (2) weeks in advance and approved by the Store Manager. In the event an employee fails to schedule his personal holiday by October 1 of the calendar year, the Employer will select a date and schedule such employee for his remaining personal holidays for that year. Further, personal holidays shall be granted by seniority, and classification.

Section 36. Commencing in 1984, to be eligible for personal holidays during each calendar year, an employee must be on the payroll as of January 1 of each year. Such holidays must be taken during the respective calendar year. An employee whose employment terminates prior to his having taken his personal holidays shall not be entitled to holiday pay in lieu thereof.

Section 37. When a holiday falls on Sunday, the following day shall be observed.

Section 38. Holiday Pay for Full-Time. As pay for an unworked holiday, regular full-time employees will be paid at straight-time for the number of hours they would normally have worked on the day in question, but not to exceed eight (8) hours. If the holiday falls on a day which would normally have been such employee's scheduled day off, he shall be paid eight (8) hours at straight-time as pay for the unworked holiday.

Section 39. Holiday Pay for Part-Time. Holiday pay for part-time employees who have completed their probationary period, and who otherwise qualify, shall be based on the number of hours worked in the calendar week immediately prior to the week in which the holiday occurs, divided by five (5). Provided the employee actually performs work in the calendar week immediately prior to the Holiday week, (unless on vacation or receiving sick pay for time not worked during such week or during the first thirty (30) days of an absence for which an employee is receiving Workers' Compensation) the employee shall not receive less than three (3) hours holiday pay.

Section 40. Qualification for Unworked Holiday Pay. In order to qualify for pay for an unworked holiday, an employee otherwise eligible for such pay under the terms of this Article

must work his regularly scheduled day immediately preceding the holiday and his regularly scheduled day immediately following the holiday, unless he has been previously excused from such work by the Employer or unless he was prevented from so working due to a bona fide illness. In any event, the employee must perform work during the week in which the holiday occurs, unless on vacation, or receiving sick pay for time not worked during the week in which the holiday occurs, or during the first thirty (30) days of an absence for which an employee is receiving Workers' Compensation.

Section 41. An unworked holiday, even though paid for under the terms of this Article, shall not be counted as a day worked for the purpose of computing overtime pay in a holiday workweek.

Section 42. Premium Pay for Holiday Work. For employees hired on or before April 30, 2005, when a holiday is worked, the employee shall be paid the hourly rate set forth in Appendix "A", in addition to the holiday pay provided herein. For non probationary employees hired on or after May 1, 2005, when a holiday is worked, the employee shall be paid one dollar ($1.00) per hour worked in addition to the holiday pay provided herein."

Section 43. Holiday Scheduling. No later than the second Wednesday prior to the beginning of the week in which a holiday observed hereunder occurs (exclusive of personal holidays), the Employer shall post in each store a holiday volunteer work list. An employee desirous of working the upcoming holiday, in the job assignment which he normally performs, shall sign such list no later than the Tuesday prior to the holiday week. Signing of another employee's name on such list shall be cause for disciplinary action.

The Employer will select the necessary employees from this list in accordance with seniority and ability within each store and department, considering the job assignment required, and provided the employee normally performs the work required. Should the Employer not be able to staff his schedule requirements through this procedure, qualified employees shall be assigned the remaining available schedules by reverse seniority and ability within their respective classifications within each department and store.

ARTICLE 18
VACATIONS

Section 44. All regular employees covered by this agreement who were hired on or before April 30, 2005 and who have worked eight hundred and thirty two (832) or more hours in their anniversary year, shall receive one (1) week paid vacation after one (1) year of continuous service, two (2) weeks paid vacation after two (2) years of continuous service, three (3) weeks paid vacation after five (5) years of continuous service, four (4) weeks paid vacation after twelve (12) years of continuous service and five (5) weeks paid vacation after twenty (20) years of continuous service.

All regular employees covered by this agreement hired on or after May 1, 2005 and who have worked one thousand forty (1,040) or more hours in their anniversary year, shall receive one (1) week paid vacation after one (1) year of continuous service, two (2) weeks paid vacation after three (3) years of continuous service, and three (3) weeks paid vacation after eight (8) years of continuous service.

The Employer will convert the employees' weekly vacation allotment to a daily vacation allotment by multiplying the number of weeks of vacation due by five (5). The hours paid for each day of vacation will be based on the average weekly hours of vacation, as calculated herein, divided by five (5). Employees may be allowed to take vacations one day at a time, subject to approval by the Employer and based on the following requirements:

1. Daily vacation must be requested of the Store Manager in writing by Tuesday prior to the posting of the schedule for the week in which time off is requested.
2. Employees may not receive more than five (5) days vacation pay in any calendar week.
3. Not more than one (1) week (five (5) days) may be taken one (1) day at a time per anniversary year.
4. Weekly vacation requests shall take preference over daily vacation requests.

All vacation shall be paid at straight-time rates. The number of hours for which such employees shall be paid for a vacation week shall be the average number of weekly hours worked during the twelve (12) months immediately preceding the employee's anniversary date of employment not to exceed forty (40) hours pay for each week of vacation. Hours paid for vacations, holidays and sick leave shall be considered as hours worked for the purpose of computing vacation amounts.

Section 44a. Courtesy Clerk Vacations. All regular full-time Courtesy Clerks and all part-time Courtesy Clerks who normally work twenty-four (24) or more hours in the workweek, covered by this Agreement, shall receive vacations in accordance with the schedule set forth in the immediately preceding Section.

Section 44b. Effective on anniversary dates after January 1, 1983, Courtesy Clerk vacations shall be the same as all other employees.

Section 45. Vacation Pay in Advance. The Employer may pay the employee the vacation pay accrued during the employee's anniversary year either prior to the taking of the vacation (if requested in writing at least two (2) weeks in advance of such vacation) or on the employee's anniversary date.

Section 46. Holiday During Vacation. If any one of the holidays enumerated in Article 17 hereof falls during an employee's vacation, the employee shall receive an extra day's vacation pay because of it.

Section 47. A vacation may not be waived by an eligible employee and extra pay received for work during that period, unless agreed by the Union and the Employer. Vacations must be taken during each anniversary year.

Section 48. Vacation Upon Lay Off or Termination. When an employee is laid off, or discharged, or leaves his place of employment, and at said time he is entitled to a vacation, he shall receive his vacation wages at the time of the layoff or discharge, or at the time he leaves his place of employment. Provided, however, that if such employee be discharged for dishonesty **or drunkenness or being under the influence of illegal narcotics,** he shall not be entitled to any vacation or vacation pay, whether the same has accumulated or not.

Section 48a. In the event a regular full-time employee, covered by this Agreement, who has been employed two (2) years or longer voluntarily quits or is discharged for reasons other than proven dishonesty, such employee shall be paid pro rata vacation pay earned up to the time the employment relationship is severed.

Section 48b. The Employer retains the right to determine the number of employees who may be on vacation at any given time. However, in no event shall it be less than one (1) person per Store. If a dispute arises between employees as to vacation preference, seniority shall govern within the department, then classification and store.

ARTICLE 19
SCHEDULE POSTING

Section 49. By 9:00 a.m. on Friday of the previous week, management will post the work schedule in each store for the following week, which schedule shall be in ink and which shall include employee's first initial and last name and which work schedule shall not be changed by management for that particular workweek except where the change is predicated on circumstances beyond the control of management such as sickness, injury, leaves of absence, vacations, jury duty, wide fluctuations in volume, Acts of God. This clause shall not be construed as preventing management from calling in employees for extra work outside of the posted schedule, or from bringing in additional employees where it appears advisable in the opinion of management.

Section 50. Any changes in the work schedule will be reflected on the posted schedule at the time the change is made.

ARTICLE 20
MINIMUM DAILY SCHEDULE

Section 51. Employees shall not be scheduled for less than four (4) hours per day, provided they are available for work. Students and Courtesy Clerks shall not be scheduled for less than three (3) hours per day, provided they are available for such work.

ARTICLE 21
NO FREE WORK

Section 52. It is intended that there shall be no "free" or "time-off-the-clock" work practices under this Agreement. Any employee found by the Employer or the Union to be engaging in such unauthorized practice shall be subject to discipline.

ARTICLE 22
TIME CARDS

Section 53. In stores where time cards are used, employees shall be required to punch their own time card immediately before beginning work and immediately upon ending work. No employee shall have the right to punch another employee's time card.

In stores without time clocks, time cards shall be filled in daily by each employee. Any employee punching or filling in another employee's time card shall be subject to immediate discipline.

ARTICLE 23
SPLIT SHIFTS

Section 54. A split shift is defined as two work periods separated by more than a normal meal period, but within eight hours. Notwithstanding the above, store meetings which are covered elsewhere in this Agreement shall under no circumstances be considered a split shift.

ARTICLE 24
STORE MEETINGS

Section 55. All time spent by an employee actually attending any store meeting where his attendance is required by the Employer shall be counted as time worked with a minimum of one (1) hour at the applicable rate of pay when an employee is called back for such a meeting. In the event the employee is required to attend more than four (4) meetings per calendar year, the call-in provision in Article 25 shall apply. The Company shall make a reasonable effort to schedule store meetings to inconvenience the fewest number of employees, as business conditions exist.

ARTICLE 25
REPORTING PAY

Section 56. Any employee able and available to render required services shall, if called for work, be guaranteed an amount equal to four (4) hours pay at his straight-time of pay. Employees working in two (2) stores of the Employer in any one (1) day shall receive a full day's pay for such work.

Notwithstanding the above, students and Courtesy Clerks able to render required services shall, if called for work, be guaranteed three (3) hours' pay, provided the employee is able and available to work the three (3) hours.

ARTICLE 26
LUNCH BREAKS

Section 57. Each employee who is scheduled to work in excess of five (5) hours in a day shall receive, on his own time, a one (1) hour lunch period, or, upon mutual agreement between the employee and the Employer, a one-half (1/2) hour lunch period at approximately the middle of his workday. Individual employees' change of lunch period from one (1) hour to one-half (1/2) hour, or vice versa, shall occur only at the beginning of a new work schedule.

Employees' scheduled lunch periods will be set forth on the schedule, but the parties recognize it may be necessary to alter the lunch period schedule due to the needs of the business.

ARTICLE 27
RELIEF PERIODS

Section 58. The Employer will give employees a relief period of fifteen (15) uninterrupted minutes for each four (4) hour period worked, as near as practical to the middle of the four (4) hours. Notwithstanding the above, any employee whose work shift is seven (7) hours or more shall receive at least two (2) rest periods. When an employee is required to work ten (10) hours in a day, he shall be entitled to a third relief period.

ARTICLE 28
PROBATIONARY PERIOD

Section 59. The first thirty (30) calendar days of employment shall be considered a trial period, during which time an employee may be terminated for any reason and he shall have no recourse to the grievance or arbitration procedures set forth in this Agreement concerning such termination. This probationary period may be extended an additional thirty (30) calendar days by mutual agreement between the Employer, employee and the Union.

ARTICLE 29
DEMOTION FOR JUST CAUSE

Section 60. Except under the provisions of Section 81, no employee shall be demoted from a higher classification within the bargaining unit without just cause, which includes business needs, except that the third (3rd) person can be demoted without cause.

ARTICLE 30
SENIORITY

Section 61. Seniority is the length of continuous employment with the Employer. Seniority shall be dated from the date the employee actually reports for work.

Section 62. Termination of Seniority.

Seniority shall be broken only by the following:

1. Quit

2. Justifiable Discharge

3. Lay-off of nine (9) months for employees with less than two (2) years of service; twelve (12) months for employees with two (2) or more years of services.

4. Failure to return to work in accordance with the terms of a leave of absence.

5. Failure to report for work upon recall after a layoff within five (5) days after date of mailing of recall notice sent by registered letter to the last address furnished in writing to the Employer by the employee.

Section 63. Seniority Lists. Bargaining unit seniority lists shall be provided to the Union on no more than two (2) occasions during the calendar year, upon request by the Union.

Section 64. Definition of Full-Time Employee. A regular full-time employee is described as an employee who has been hired as such or scheduled or worked forty (40) or more hours a week for four (4) consecutive weeks, except for employees hired as or advanced to a full-time schedule between June 1st and September 15th and between November 15th and January 15th. If the employee who has worked the four (4) forty (40) hours weeks is not the senior employee on the "full-time" list, such employee shall remain in part-time status, and the senior qualified employee in that classification, who has signed the full-time list as provided in Section 76, shall be changed to full-time status.

Section 64a. When a holiday week falls on one of the four (4) consecutive weeks, hours paid for this holiday (not worked) will count in determining if an employee has met the four (4) week, forty (40) hour requirement.

Section 65. Involuntary Loss of Full-Time Status. An employee who has achieved the status of regular full-time shall retain that status unless he is scheduled and works an average of less than forty (40) hours per week for twelve (12) consecutive weeks, at which time he shall be reclassified as part-time.

Section 66. Voluntary Reduction to Part-Time. A full-time employee, who has requested

requested a change from a full-time to a part-time status, and has been assigned a part-time schedule, shall immediately be classified as part-time.

Section 67. Promotions. The Employer agrees to make promotions to lesser classified jobs than Head Clerks to the most senior qualified employee. Seniority shall prevail throughout the entire number of stores of the Employer in the area covered by this Agreement.

1. A promotion is an assignment to a classification which has a higher "journeyperson" or "thereafter" rate than the classification being vacated.

2. An employee desirous of promotion shall make this wish known by submitting a written request form to his then-current Store Director. Such request must be submitted during the first fifteen (15) days in January (for consideration for promotions necessary from the first workweek in February until the first workweek in August) or the first fifteen (15) days in July (for consideration for promotions necessary from the first workweek in August until the first workweek in February). The Employer will send the Union a copy of the new promotion request list no later than March 1 and September 1 of each calendar year.

3. An employee who is assigned a promotion in accordance with such request shall accept such promotion and shall have his request canceled, and shall not be allowed to submit another request until the next subsequent request period.

4. Any employee who wishes to withdraw such written request may do so in writing to the Store Director at any time before the time when promotion is assigned.

5. The Employer shall not make promotional assignment to employees who are not scheduled to work during the workweek in which the assignment is to begin; nor to any employee in a probationary period.

6. None of the above shall be applicable to emergency situations as set forth in Article 7, Section 15f, or to temporary assignments as set forth in Article 10, Section 21 of this Agreement.

After the Promotion Request List is exhausted, the Company agrees to post at its individual stores notice of openings which may occur for a period of five (5) calendar days so that employees may express their interest for a promotion. If the most senior employee who has signed the job posting does not get the promotion, that employee may request a meeting with the store's Director and one person designated by the store's Director for the purpose of receiving an explanation of the store Director's decision. The employee will also be allowed to have another employee of his choice sit in on that meeting. In no event, however, will either the procedures or the substance of this paragraph be arbitrable.

Anything in the Collective Bargaining Agreement notwithstanding, Section 67, Promotions will not apply to jobs filled by persons with experience entitling them to the second step or higher apprentice rate in a classification and paid at the appropriate contractual rate for such experience.

Section 68. Probationary Period for Promotions. When any employee is promoted to a higher classification, he shall be on probation for thirty (30) calendar days if full-time, forty-five (45) calendar days if part-time. The probationary period may be extended an additional thirty (30) calendar days by mutual agreement between the Employer, employee, and the Union. If an employee is unsuccessful during probation, the employee will be returned to his prior classification with regard to position and status.

Section 69. Minimum Weekly Schedule. No employee shall be scheduled for less than twenty (20) hours in a workweek, if the employee is available.

Section 70. Available Hours. Effective the first Sunday following ratification, the Company agrees to do the following: Except where the provisions of paragraph 78 are applicable, when hours become available on a new schedule because of increased sales or termination, the Company will assign those hours to all current reduced full-time employees, and to all current part-time employees who have requested additional hours in the store in the affected job classification in seniority order up to forty (40) hours per week, provided that management shall have the right to adequately staff the store consistent with sound business practices and provided the employee is qualified to work the hours available.

Section70a. Employee Training. An employee may request in writing to be trained in a job function, within his job classification, for which the Employer feels the employee is not currently qualified. After the request is made, the Employer will train within a reasonable time consistent with the business needs of the Employer.

The above training shall be limited within each of the following classifications:

1. Bakery Clerks

2. Courtesy Clerks

3. All-Purpose Clerks with respect to day or night grocery stocking and checking.

Section 71. Additional Hours Request. When it is necessary to work additional hours, the additional hours shall be assigned to employees in the same classification in the store who are scheduled for less than forty (40) hours in the week, in the order of seniority, provided the employee possesses the ability and skill to perform the work required and provided the employee is available to work the necessary hours and has notified the Store Director in writing of his desire for additional hours.

Section 71a. Additional hours shall include schedules made available by a terminating employee who has been assigned less than a full-time schedule and whose hours the Store Director deems necessary to fill. The employee being assigned the additional hours shall not

have the right to accept such hours in part, but shall be obliged to accept the entire weekly schedule as written. It is understood, however, each employee who has made written request for additional hours may revoke such requests by written notice to the Store Director no later than the close of business on Wednesday of the week preceding the week involved.

Section 71b. Written requests for additional hours shall be submitted to the Store Director no later than the close of business on Wednesday to be implemented the following week. When making the request for additional hours, the employees must declare which hours they are not available. Nothing herein shall be construed to require the scheduling of additional hours for any employee which will provide him more than forty (40) hours in a week, or five (5) days of work.

Section 71c. Employees who have requested additional hours, full-time status, or schedule changes in writing as set forth above, shall have until noon on the Saturday following posting of the schedule to take issue with that schedule or his right to take issue shall be waived. Should he raise such issue in timely fashion and should it not be resolved, it shall be subject to the grievance procedure set forth elsewhere in this Agreement. It shall be the responsibility of each employee to make himself aware of the schedule and any changes made therein.

Section 72. Written requests under Section 71 (not including Sections 71a, 71b, or 71c) shall remain in effect until forty (40) hours is achieved or until such request is revoked. Written requests are not transferable from store to store. Full-time scheduled vacancies shall be filled as defined elsewhere in this Agreement.

Section 73. Assignment of Additional or Vacated Hours. When hours not on the posted schedule become needed, or hours on the posted schedule become available (and the Employer elects to fill some or all of these hours) the Employer shall assign those hours, in seniority order, to qualified employees, already at work, who have submitted written requests for additional hours. Such assignment cannot result in a split shift and must be an extension of a current shift which will not result in overtime pay. When these hours cannot be assigned to employees already at work, the Employer shall contact and require the most senior available and qualified employee(s), who have submitted written requests for additional hours, to replace the needed hours.

Section 74. Removal From Additional Hours List. An employee who has a compelling reason for not reporting, when called for additional hours, shall not be required to do so. However, three (3) failures to report within any consecutive three (3) month period shall result in such employee's name being removed from the additional hours list and he shall be ineligible to resign such list for six (6) months subsequent to its removal.

Section 75. Full-Time Reduced to Part-Time. An employee who has been reduced from full-time to part-time may sign the full-time request list and shall be placed on such list in accordance with his seniority immediately.

Section 76. Full-Time Request List. There shall be established a "full-time request" list. This shall be made up of the names of employees in the bargaining unit who have made written request during the first fifteen (15) days in January (to be effective from the first workweek in February until the first workweek in August) or for the first fifteen (15) days in July (to be effective from the first workweek in August until the first workweek in February) of each year in which they state their wish to receive a full-time assignment, regardless of the hours or shift. Such written request shall be submitted to the designated Employer representative. This request shall remain in effect until the following request period or until assigned full-time.

Section 77. The Employer will send the Union a copy of the "full-time request" list, no later than March 1 and September 1 of each calendar year.

Section 78. Assignment to Full-Time. When an employee who has been assigned a full-time status schedule for the immediately preceding twelve (12) or more weeks is terminated because of quit or discharge, or is transferred by the Employer, or when a new position of full-time is created within an existing store, the job vacancy created by such quit, discharge, transfer or new job creation shall be filled by assignment of the most senior qualified employee in the same classification as the job vacancy who has signed the then-current "full-time request" list, when it is deemed necessary to fill the vacancy. When the new assignment is within ten (10) miles of the store in which the employee is working, the employee so assigned shall be required to fill the new assignment regardless of hours, shift or store location within the bargaining unit. In the event the new assignment is to a store more than ten (10) miles from the store in which the employee is working, the employee may refuse the new assignment, but must so advise the Employer at the time the assignment is offered. It is understood, however, each employee who has made written request for a full-time assignment retains the right to revoke such request by written notice submitted to the designated Employer representative at any time prior to the time he is offered such full-time assignment. If an employee revokes such request, that employee cannot renew his request until the next regular request period. Sections 76 and 78 are intended to maximize the number of hours a senior employee can work, up to and including forty (40) hours per week, but shall not be construed to be a guaranteed workweek.

Section 79. Reduction in Hours. When a reduction in hours is necessary within the store, as opposed to a layoff in the workforce, hours will be reduced from employees in the affected classification who have not requested additional hours in writing as set forth elsewhere in this Agreement, before any reduction shall occur in the employee group which has requested additional hours.

Section 80. Reduction of Full-Time Employees. If, after all part-time employees in the affected classification in the store have either had their hours reduced to twenty-four (24) or have been laid off, it is still necessary to reduce hours in the store, the least senior full-time employee in the affected classification in the store must have his or her hours reduced to twenty-four (24) before the hours of any other full-time employee in the affected classification are reduced, except as otherwise provided below.

For the purpose of this section, the reducing of hours of full-time employees in the All-Purpose Clerk classification, reduction will be made on the basis of three (3) groupings: Night Stockers, Produce Clerks and all other All-Purpose Clerks. If a reduction of hours has to be made among employees of one grouping, the least-senior full-time employee working in that grouping will be reduced unless he has ninety (90) days of verifiable experience working in one of the other groupings within the five (5) years preceding the date of layoff or has completed training for the job duty in another grouping pursuant to Section 70(a) of the Agreement. In the event the employee has such experience or training, the least-senior full-time employee working in the grouping for which he has qualifications shall have his hours reduced. If the employee to be reduced in grouping is qualified hereunder to work in both other groupings, the least-senior full-time employee in both groupings will have his hours reduced.

Section 81. Layoffs. When a reduction in the workforce is necessary, as opposed to a reduction in hours, the following procedure shall be used:

Layoff will begin in departments (Checker, **Courtesy Clerk,** Day Stocker, Night Stocker, and Produce for All-Purpose Clerk classifications) in the classification to be affected in reverse seniority order. The affected person shall be notified and given the following options:

(a) Displacing the least senior employee in the same classification in the store, if the affected employee is qualified for such position,

(b) **Displacing the least senior employee within the same classification within a ten (10) mile radius from the store within the bargaining unit, if the affected employee is qualified for such a position; if the least senior employee within the same classification is outside the ten (10) mile radius, the laid off employee may displace a less senior employee within the same classification within the bargaining unit if the affected employee is qualified for such a position,**

(c) Displacing the least senior employee in a lower classification within the same store,

(d) Accepting the layoff,

(e) Employees on medical leave of absence, and subject to layoff, shall be placed on layoff until such time as they are released to return to work. The affected employee shall be given his or her layoff options immediately upon his or her release to work.

Such employee shall receive the rate of pay for any lower classification to which he moves under this procedure.

Section 82. Employees Accepting a Lower Classification. Laid off employees, and employees who accept a job in a lower classification in lieu of layoff, shall be recalled as needed, in order of seniority, to jobs they are qualified to perform. The Employer shall not hire a new employee or promote an existing employee into a position for which a laid off employee or employee who accepts a job in a lower classification is qualified and available to perform.

Section 83. Employees Accepting Layoff. An employee accepting a layoff, rather than accepting a job in a lower classification, may inform the Employer in writing at the time of the layoff of his desire to be recalled to a lower classification, which was not available at the time of his layoff, and such notification shall be honored when a vacancy occurs. The notice shall specify the lower classification, which was not available at time of his layoff, to which the employee desires recall. It is understood that any employee on layoff from the classification where the vacancy occurs shall have preferential rights to such vacancy.

Section 84. **Deleted.**

ARTICLE 31
BID SCHEDULES

Section 85. All-Purpose Clerks, Bakery Clerks, Non-foods or General Merchandise Clerks (exclusive of employees assigned as night stockers, and all probationary employees) may request particular weekly schedules, and schedules which have consecutive days off as may be posted, and be so assigned in accordance with their seniority within their classification within the store by submitting such request in writing, provided they are qualified and available to perform the necessary work. An employee who has made such election as outlined above shall retain the schedule, providing the schedule continues to be available. Such elections are to be implemented commencing the first Sunday of January, April, July, and October of each year.

After six (6) months of work on a night stocking crew, All-Purpose Clerks shall have the rights expressed above based on seniority to request particular weekly schedules.

ARTICLE 32
UNSCHEDULED OVERTIME

Section 86. Unscheduled Overtime Hours. Daily overtime not previously scheduled shall be offered in seniority order within the department, the classification and the store, to the employees present when the need for overtime arises. Nothing herein shall be construed to require the scheduling of overtime when another employee's scheduled hours can be extended or part-time employees may be called in without overtime penalty. Hours unclaimed under this procedure may be assigned in reverse order of seniority among those employees within the department within the classification within the store present when the need for overtime arises.

Overtime assignments of four (4) hours or more may be filled by calling employees, in seniority order, within the classification and the department on their non-scheduled day without violating this Section.

ARTICLE 33
TRANSFER FROM STORE TO STORE

Section 87. Transfers from Store to Store. Transfers from store to store shall not be made or denied for capricious, arbitrary or discriminatory reasons. Full-time employees desiring a transfer to another store within the bargaining unit, in order to be near their residence, may indicate their desire for transfer in writing to their Store Director. Such transfer requests will be considered at the time an opening occurs within their classification and status.

ARTICLE 34
NEW STORE LANGUAGE

Section 88. In the event of the opening of a new store within the bargaining unit (not a replacement of an existing store), the following procedures shall apply:

1. At least four (4) weeks prior to the opening of a new store, the Employer will post a sheet in each location for interested employees to sign if desirous of a transfer to the new location. The sheet shall remain posted for at least ten (10) days.

2. Job openings either at the new store or created by transferring employees at their former store shall first be filled by employees on layoff in the classification of the vacancy before any new employees are hired or current employees are promoted.

3. Employees who have signed the new store transfer request sheet shall be given consideration based on their qualifications and the requirements of the store. It is understood that the Employer may move employees from its own competitive stores which may be impacted by the new store opening before consideration of other employee desires.

4. In the event the Employer opens new stores within the geographical area of this Agreement, as set forth in Article 1, not less than sixty percent (60%) of the initial staffing of the new store shall be made by employees covered by this bargaining agreement, if available.

ARTICLE 35
LEAVES OF ABSENCES

Section 89. Sickness, Injury or Pregnancy. Leaves of absence shall be granted for up to eighteen (18) months without pay when an employee with three (3) months of continuous service is unable to work because of bona fide sickness, accident, disability, or pregnancy. However, in the event such an employee is unable to return to work at the end of eighteen (18) months of his leave period, he shall be entitled to an additional leave of six (6) months if he submits satisfactory medical evidence that he will be able to return to duties within his classification within the said additional period.

Section 90. Personal Leaves. Leaves of absence without pay for reasonable periods not to exceed thirty (30) days may be granted by the Employer to employees who have completed one (1) year of service for other reasons mutually agreed to between the Employer and the employee. Personal leaves may be extended at thirty (30) day intervals up to a maximum of sixty (60) days by mutual agreement between the Employer and the employee.

Section 91. Military Leave. All seniority granted employees under the terms of this Agreement shall be subject to the rights granted by law to the employees volunteering, called or conscripted for active military service under the National Guard Act of 1940 and the Selective Service Act of 1942, and any additions or amendments thereto, or rulings and interpretations thereof by an authorized court or agency.

Section 92. Union Leave. Leaves of absence without pay for Union business not to exceed six (6) months may be granted by the Employer to employees who have completed one (1) year of service. The six (6) months may be extended by an additional six (6) months by mutual agreement between the Employer and employee.

Section 92a. Leave of Absence for Care of Newborn or Adopted Child. For employees with one (1) year of continuous service in the bargaining unit, a Leave of Absence for either parent shall be granted without pay for a period of up to twelve (12) months for the purpose of Newborn or Adopted Child Care. The employee shall be guaranteed reinstatement in accordance with their seniority. An employee who wishes to change his or her date of return to work shall notify the Store Director two (2) weeks in advance and shall be returned to work as set forth above. The Leave of Absence for either parent must end no later than twelve (12) months from the date of birth or date of adoption. The Employer may require verification of the parent relationship to the newborn or adopted child.

Section 92b. Leave of Absence for Family Care. A family care leave, without pay, shall be granted, upon request by an employee for a total of up to six (6) consecutive months within a two (2) year period. The employee requesting the leave must have a minimum of one (1) year's continuous service in the bargaining unit at the time of the request. The employee shall be guaranteed reinstatement in accordance with their seniority at the end of their leave. Any employee who wishes to change his or her date to return to work shall notify the Store Director two (2) weeks in advance of the date they intend to return. The purpose of this leave shall be to care for seriously ill family members. For the purpose of this leave, "family members" shall be:

1. Spouse and parents of the employee.

2. Biological or adopted unmarried children under nineteen (19) years of age and full-time students up to age 23.

3. A child of any age who is incapable of self-support.

4. Any relative residing in the employee's home and dependent upon the employee for care.

The employee shall be required to present satisfactory evidence of serious illness of the family member, the expected duration of the absence, and the reason for the employee's involvement.

Section 93. Request for Leave of Absence. All leaves of absence must be requested in writing to the Store Director unless the employee is physically disabled to the extent that such advance request is not possible and shall state: (1) the reason, (2) the date leave is to begin, and (3) expected date of return to work. Leaves of absence shall be granted in writing in advance and a copy shall be given to the employee.

Section 94. Returning from Leave of Absence. The employee must be qualified to resume his regular duties upon return to work from an approved leave of absence. A doctor's certificate verifying that the employee is able to resume his normal duties may be required. The employee shall be returned to the job previously held, or to a job comparable with regard to rate of pay no later than on the first (1st) weekly schedule, provided the notice of intent to return to work is received prior to 9:00 a.m., Wednesday of the week preceding the next available schedule.

ARTICLE 36
BEREAVEMENT LEAVE

Section 95. Upon request, an employee covered by this Agreement shall be granted the necessary time off with pay at his regular straight-time rate of pay in order to make arrangements for and/or attend a funeral occasioned by a death in his immediate family, and/or for grieving. Such time off with pay shall in no event exceed three (3) regularly scheduled working days, and the amount of such paid time off actually granted shall normally depend upon the distance involved. The immediate family is defined as the employee's father, mother, grandparents, spouse, children, father-in-law, mother-in-law, brother-in-law, sister-in-law, of the then-existing spouse, brother, sister, step-child, **step-parents,** and grandchildren. In the event of the death of a grandparent of the employee's spouse, the Company shall allow the affected employee to take one (1) day bereavement leave with pay to attend the funeral. Payments shall not be made hereunder where the relative's death occurs while the employee is on vacation or on a leave of absence. **Additional time, without pay shall be granted as is needed by the employee up to seven (7) days.**

Section 95a. If an employee is notified of the death of his spouse, parent, child or grandchild while at work, he shall be granted the remainder of day off and paid for scheduled work hours that day. This shall not be counted as part of the above three (3) days. Employees must attend the funeral in order to qualify for pay, and the Employer may require satisfactory evidence confirming the relationship to the deceased person.

ARTICLE 37
JURY DUTY

Section 96. Whenever any employee covered by this Agreement is required to serve on a petit jury during his regular working hours, the Employer agrees to pay such employee the difference between what he is paid for serving on the jury and what he would have received from the Employer in straight-time pay had said jury duty not prevented him from being at work. On any scheduled work day, the employee shall promptly report to complete any remaining hours of his scheduled work day; provided, no employee shall be required to so report for work on any day on which he has served and been compensated by the court for at least eight (8) hours jury duty, nor shall any employee who reports back to work under this Section be required to work more than ten (10) hours, less the number of hours for which he served and was compensated for jury duty by the court on that day. The Employer may require a statement from the court certifying attendance.

ARTICLE 38
SICK LEAVE

Section 97. All employees covered by this Agreement, (Courtesy Clerk coverage set forth below) who normally work one hundred four (104) hours a month or more and who have been continuous employed by the Employer for a period of one (1) year shall be credited with the equivalent of six (6) days' sick leave with pay.

Employees hired on or after May 1, 2005 who have completed three (3) consecutive years of employment shall commence accumulating sick leave credit of up to two (2) hours for each month that such employee works at least one hundred twelve (112) hours in a four week month or one hundred forty (140) hours in a five week month. Such credit shall be determined by dividing the actual hours worked for such month by one hundred sixty (160) hours (in a four week month) or two hundred (200) hours in a five week month times two (2). Unused sick leave shall not exceed a maximum accumulation of sixty (60) hours.

Courtesy Clerks who normally work or are scheduled forty (40) hours per week shall be eligible for sick leave benefits.

Unused sick leave shall be cumulative, and after the first year of continuous employment, said employees shall accumulate unused sick leave at a rate of one-half (1/2) day per month for each month of continuous employment in which they work one hundred four (104) hours, but not to exceed a maximum accumulation equivalent to sixty (60) full days.

A doctor's certificate or other authoritative verification of illness may be required by the Employer. Said sick leave is to commence on the second (2nd) workday's absence, employees hired on or after May 1, 2005, said sick leave is to commence on the third (3rd) full scheduled workday's absence for sickness or non-occupational injury, and on the first (1st) workday's absence if the employee is hospitalized or has accumulated an excess of two-hundred forty (240)

hours sick leave and shall be paid at the rate of one hundred percent (100%) of a day's pay for each workday's absence thereafter until such sick benefit allowance is used up.

For the purpose of full-time employees, one hundred percent (100%) of a day's pay shall mean eight (8) hours' pay at the employee's regular classification rate for those days which the employee would have worked had the disability not occurred, calculated at straight-time. The waiting period herein provided, before one hundred percent (100%) of a day's pay commences, shall apply for each illness or non-occupational injury in case the sick benefits allowance has not been used up in previous illnesses or non-occupational injuries.

Sick leave shall be paid to part-time employees who normally work one hundred four (104) hours a month or more on the basis set forth on a pro rata of total hours worked during the year preceding the anniversary date as a ratio to two thousand eighty (2080) hours.

Sick leave benefits are not convertible to cash.

Any unused sick leave which an eligible employee has accumulated under prior contract sick leave plans shall be credited to him for use hereunder provided the total accumulation under said prior contract sick leave plans, and the plan herein provided shall at no time exceed the limit provided in the third paragraph of this Section.

Section 97 of this Article is subject to the following conditions: All qualifying periods of employment and/or requirements as to hours of employment per month relate to employment in the employ of this particular Employer and employment by any other Employer cannot be added together to determine if an employee qualifies or meets the requirements.

ARTICLE 39
INJURY ON JOB

Section 98. When an employee is injured on the job, there shall be no deduction from the employee's pay for the day in which the employee was injured and reported for medical care.

ARTICLE 39A
CHILD CARE DISCOUNT PROGRAMS

The Employer agrees to participate with United Food and Commercial Workers, Local No. 7 on discount programs established with local child care facilities.

ARTICLE 39B
FLEXIBLE BENEFIT PLANS

The Employer agrees to participate in a Child Care Flexible Benefit Plan. The administrator of the Plan shall be selected by the Employer.

ARTICLE 40
HEALTH AND WELFARE COVERAGE

Section 99. Trust Fund. The Rocky Mountain UFCW Unions and Employers Health Benefit Trust ("Health Benefit Trust") is a trust fund jointly administered by an equal number of Trustees representing the Employer and the Union. All contributions provided for in this Article will be paid into the Health Benefit Trust. The Trust Fund is to be jointly administered by an equal number of Trustees representing the Employer and the Union. There shall be three (3) Plans of benefits, Plan A, Plan B and Plan C with contributions as provided herein. As a condition of receiving the contributions provided above, the Trustees of the Plan will:

1. Establish Plan(s) of benefits, which can be supported by the contributions provided in this Agreement, and

2. Maintain the Trust in a fully funded status as provided herein and in the Trust Agreement.

The Trustees shall establish a separate accounting of income and expenses for participants of the Fund who agree in their collective bargaining Agreements to a fixed contribution rate as described below. The Trustees are expressively prohibited from using the contributions of the Employers contributing on fixed contribution rate basis to pay benefits for participants of other employers who have not adopted these fixed contributions.

Section 100. Employer Contributions and Benefit Levels - The Employer agrees to contribute the following amounts per month for each eligible employee:

Employees hired on or before April 30, 2005

	PLAN A	PLAN B
Effective January 1, 2008	$755.42	$604.33
Effective June 1, 2009 (May hrs)	**$379.02**	**$303.21**
Effective June 1, 2010 (May hrs)	**$447.63**	**$358.10**
Effective June 1, 2011 (May hrs)	**$602.71**	**$482.17**
Effective June 1, 2012 (May hrs)	**$807.14**	**$645.70**

Employees hired on or after May 1, 2005

	PLAN A	PLAN B	PLAN C
Effective January 1, 2008	$649.84	$519.88	$327.51
Effective June 1, 2009 (May hrs)	**$326.04**	**$260.84**	**$164.32**
Effective June 1, 2010 (May hrs)	**$385.07**	**$308.06**	**$194.07**
Effective June 1, 2011 (May hrs)	**$518.48**	**$414.79**	**$261.30**
Effective June 1, 2012 (May hrs)	**$694.33**	**$555.47**	**$349.93**

Section 101. Employee Co-Premiums: Effective July 1, 2005, employees who are eligible to participate and enroll in the Health Plan shall as a condition of such participation make a monthly co-premium payment equal to $5.00 per week if enrolled in employee only coverage, $10.00 per week if enrolled as employee plus spouse or employee plus children and $15.00 per week if enrolled in family coverage. Such co-premiums shall be made by payroll deduction and forwarded to the Trust Fund on a monthly basis by the Employer.

Section 102. Enrollment and eligibility: **Effective calendar year enrollment period beginning January 1, 2010, the Plan shall conduct an annual enrollment in accordance with the following procedure.**

General Rule

- **Currently Enrolled**
  - **If enrolled for 2009 and no changes desired – need not do anything – terms of enrollment for 2009 remain in effect until coverage under the Plan terminates or until a change is desired.**
  - **If enrolled and a change is desired – need to timely complete new enrollment form on same basis as in prior years.**
  - **If not enrolled in 2009, but want to enroll for 2010 or for a subsequent year, need to timely complete enrollment form on same basis as in prior years.**
    - **Newly eligible employee must initially make a positive election to enroll in the Plan. Terms of initial enrollment will remain in effect until coverage under the Plan terminates or until a change is desired.**

Special Rules

- **Newly eligible employees – must enroll within 90 days.**
- **Currently special enrollment event rules that remain in effect.**
- **Newly acquired dependent – must enroll within 30 days. The effective date of coverage will be:**
- **Marriage – the date of marriage.**
- **Birth of a dependent – the date of birth.**
- **Adoption or Placement for Adoption of Dependent – date of adoption or placement for adoption.**
  - **Employee or dependent lose coverage under another plan – must enroll within 30 days (Exception: if loss of coverage is under this Plan, individual has 60 days to enroll under Plan). The effective date of coverage will be the first day of the month following the termination of coverage.**
  - **Special disenrollment rules that remain in effect:**
    - **Dependent spouse becomes covered under spouse's employer's plan or employment status so that the spouse is no longer eligible to participate in a health plan sponsored or maintained**

by his/her employer – Plan must be notified within 60 days of spouse's coverage to discontinue payment of working spouse fee. The cessation of the working spouse fee is prospective only.

- **Disenrollment – if dependent loses status as eligible dependent or an employee or dependent becomes covered under another plan – must disenroll within 60 days of event causing loss of coverage or effective date of coverage under another plan. The reduction in the weekly payroll deduction is prospective only.**

- **New Procedures/rules.**
  - **Administration office will need to do semi-annual verification of continuation of student status of known students plus any child who attains age 19 in the spring and fall of each calendar year.**
  - **For first claim filed by spouse each calendar year, administration office will need to verify working status of spouse and if working, determine if covered by employer's plan.**
- **Continuation of Rule Regarding Special Enrollment Events**
  - **Employees currently enrolled in the Plan shall continue to be enrolled in the Plan unless they make a positive election to discontinue their enrollment or change their coverage. A discontinuation in coverage may be made within sixty (60) days of a special enrollment event as defined by the Plan. Administration Office will need to do semi-annual verification.**

Employees must initially make a positive election to enroll in the Plan. Enrollment is for the entire plan of benefits for the Plan and an employee's failure to make an initial positive enrollment into the Plan shall result in such employee being ineligible for all benefits of the Plan for the remainder of the calendar year or until there has been a special enrollment event as provided in the Plan's Rules and Regulations, whichever occurs first.

The administrator of the fund will use the enrollment data in order to establish the eligibility of employees and their dependents for participation in plan coverage. None other than those employees contained on the enrollment report shall receive benefits from the Trust without the express authorization of the Trustees. The administrator will promptly notify the Trustees in writing of any instances where coverage has been provided to persons who are not included in the enrollment data, or where a claim for payment has been submitted by or on behalf of such person.

The Fund will audit its enrollment and claims records at least once within each 24 month period to ensure that no employees of the Employer, or the dependents of such employees, are participating in plan coverage for which they are not eligible and to ascertain that claims and other plan expenses are being paid in accordance with the Plan's provisions.

Section 103. Initial Eligibility – Part-time employees hired before May 1, 2005 who on April 30, 2005 have met the initial eligibility requirement for benefits under the Trust will continue to be eligible for coverage provided the employee enrolls in the Plan beginning in 2005, and further provided the employee has made the required employee co-premium payment. Such employees shall continue to be eligible for Plan A if such employee was eligible for Plan A on April 30, 2005. Employee's who were eligible for and were participating in Plan B on April 30, 2005, shall participate in Plan B until such employee has been covered under such Plan B for 24 months. Thereafter, such employee may advance to Plan A provided they continue to enroll and meet the eligibility requirements of the Plan. Employees hired on or before April 30, 2005, who are not eligible for coverage as of April 30, 2005 shall be required to meet initial eligibility for Plan B, and subsequent eligibility to begin participation in Plan A, as provided in the predecessor agreement which terminated in 2004.

All part-time employees (excluding Courtesy Clerks) hired on or after May 1, 2005 shall, beginning the first of the month following 12 calendar months of employment (but not before January 1, 2010 with regard to their eligible dependents), be eligible to enroll and participate in the Health Plan, under the Health Plan C. Upon completion of the first (36) months of eligibility under Plan C, such employee and their eligible dependents may enroll in Plan B for the next (36) months of eligibility under Plan B. Thereafter, provided the employee continues to maintain eligibility, such employee and their eligible dependents may enroll and participate in Plan A.

Full-time employees (excluding Courtesy Clerks) shall on the first of the month after 3 months of employment, be eligible to enroll with their eligible dependents in Plan B, and after (36) months of eligibility under Plan B, shall be allowed to enroll with their eligible dependents in Plan A.

Courtesy Clerks hired on or after May 1, 2005 shall, beginning the later of the first of the month following thirty-six (36) months of employment or attaining the age of nineteen (19), be eligible to enroll and participate in the Health Plan on an employee only basis under the Health Plan C. Upon completion of the first thirty-six (36) months of employee only eligibility under Plan C, such Courtesy Clerks and their eligible dependents may enroll in Plan B. Such Courtesy Clerks shall not be eligible to progress to Plan A.

Section 104. On-going Eligibility – After satisfying initial eligibility requirement provisions and enrollment in the Health Plan, the employee must continue to meet the monthly on-going eligibility requirements as a condition of continued participation in the Health Plan. Enrolled employees who work (80) hours in a (4) week month or (100) hours in a (5) week month shall be eligible for coverage on a lag month basis. **For the purpose of this Article, hours worked shall include hours paid directly by the Company for holiday, vacation, jury duty, bereavement leave and sick pay.**

Employees shall continue to be eligible for benefits provided they enroll for coverage in accordance with this Article. In any event, all employees must continue to meet all eligibility requirements of the Plan as a condition of continued eligibility.

Section 105. Trust Plan Changes. The Trustees on the earliest date possible shall revise the plan of benefits to include:

- The Plan's current coordination of benefit provision and credit balance system shall be replaced with a coordination of benefit provision that limits payment to the maximum payable under the Plan.

- The Plan shall adopt a fee of $100 per month for a spouse of a covered employee who is eligible to enroll in health coverage at their employer, but fails to do so, as a condition of enrollment in this Plan.

- Adopt the long term funding policy contained herein.

- The Parties agree to adopt true managed care approaches to providing mental/nervous and physical benefits under the Plan. The Plan Administrator should not perform such managed care.

- The Parties will adopt cost control measures that will aid the Fund in managing costs within the contributions provided by the Employers and Participants to this Plan.

Effective January 1, 2010, the Trustees of the Plan shall be directed to adopt the following modifications to the active plan(s) of benefits:

Health and Care Management

Direct Trustees to Implement Integrated Health and Care Management Programs. The programs shall be designed to progress over the term of the Agreement to "best-in-class" levels with respect to the key characteristics listed below:

- **Quality education campaign for all participants**
- **Superior participant communications, including robust web tools**
- **Superior participant information tools**
- **Analytics measuring participation, compliance, and results**
- **Very strong comprehensiveness of programs**
- **High levels of integration**
- **Strong physician behavior change mechanisms**
- **Significant levels of medical and drug trend reduction**

1. **Establish a health risk assessment questionnaire to be completed annually. If employee and spouse complete annually, such employee's co-premium to the Plan shall be reduced $5 per month for each employee and spouse (max $10) for that enrollment's calendar year. An HRQ must be completed each year during enrollment to be eligible to receive the HRQ incentive for each year.**

During the term of this Agreement, the Trustees may, by mutual agreement, reallocate the HRQ incentive amounts provided above.

2. Establish 24-hour nurse call-in line and/or medical decision support.

3. Develop a medical management program that targets high-risk participants with chronic diseases such as diabetes, obesity, asthma and cardiovascular disease. In order to encourage participant engagement in such programs and to enhance the goal of improving health status a series of incentives must be developed.

   There is recognition that incentives may take various forms and will likely evolve and change over time based on program experience with a goal of maximizing program effectiveness and reducing health costs and medical trend. The initial focus will be a thorough educational campaign in connection with program roll out.

4. Establish free and/or reduced cost educational programs such as:

   a. Weight management
   b. Smoking cessation
   c. High Cholesterol

5. Reduce prescription drug co-pays as shown below for participants taking maintenance drugs (and related supplies which require a prescription) for certain disease states which would include categories of drugs such as:

   a. Hypertension
   b. High cholesterol
   c. Diabetes control drugs
   d. Asthma
   e. Glaucoma
   f. Osteoporosis

Drug Class	Co-Pay
Generic	$2.50
Formulary Brand	$10
Nonformulary Brand	$20

It is understood that the Plan's consultants will continue to evaluate the effectiveness of including these scheduled drug categories on Plan costs and based on their recommendations the Trustees may remove drugs from this list and/or add other categories of drugs consistent with the objective of increasing compliance with prescribed drug therapies which will lower plan costs and trend.

6. **Complex/Catastrophic Care Management to provide case management of the entire health care and treatment for participants with high-risk health conditions.**

7. **Preventive health care at medically appropriate times (see below)**

Service	PPO coverage (In-network)
Mammography	Plan pays 100%
Routine Annual Physical Exam	Plan pays 100%
Well-baby care	Plan pays 100%
Childhood Immunizations	Plan pays 100%
Papanicolaou (Pap) smear and pelvic examination	Plan pays 100%
Prostate specific antigen (PSA) testing	Plan pays 100%
Colonoscopy	Plan pays 100%

Utilize nationally recognized guidelines as a basis for coverage.

Section 106. Long Term Funding Policy

1. The parties recommend to the trustees that a Minimum Reserve Requirement be established equal to IBNR reserves plus a lag month reserve. The Fund consultants shall calculate the IBNR and lag month reserve requirement at least once every twelve months beginning on (date to be set by trustees) and report these amounts to the Trustees at their next regularly scheduled meeting. Any withdrawing employer shall reimburse the Fund for their participants claims run off.

2. If the market value of the assets at any twelve-month review point is ever below the calculated minimum reserve requirement level as calculated by the Fund consultants, then the Fund consultants shall prepare recommendations for benefit plan redesign and/or employee co-premium contributions such that the dollar amount of any such deficiency will be fully recovered by the end of the 12-month period beginning after the trustee meeting in which the deficiency is first projected.

3. No changes are permitted that would violate any contractual agreement between the Fund and any third party vendor.

4. If the Fund consultants cannot agree on a recommended plan of benefit redesign and/or employee co-premium contributions, and the Trustees cannot agree to a corrective action plan, by virtue of deadlock motions, then the trustees must act to adopt the recommended corrective action plan that has the least adverse impact on plan participants, however, one set of Trustees may exercise the Fund's dispute resolution procedure on an expedited basis to determine if other corrective actions must be taken.

5. The minimum reserve target defined above is solely meant to be a "floor". It is not also a "ceiling". That is, no Trustee action is required or expected in the event that reserve levels are above the minimum reserve target.

Section 107. Extended Benefits. An employee who has been eligible for benefits for six (6) months or more immediately prior to becoming physically disabled and thereby unable to work, shall continue to be eligible for benefits during his continuing period of disability, up to a maximum of six (6) months.

Section 108. Courtesy Clerk Coverage. Courtesy Clerks who are qualified for coverage under any other Plan as a dependent are not entitled to benefits under the Health Benefit Trust; except that under the coordination of benefits provision as established by the Trustees, where a Courtesy Clerk is covered as a dependent under any other "Plan," shall be considered the primary carrier and this Health Benefit Trust shall be considered as secondary carrier.

Section 109. Retiree's Benefits. The Employer will contribute eighteen dollars and thirty-four cents ($18.34) per month per eligible active bargaining unit employee, covered under this Agreement, in the Health Plan to subsidize the self pay costs of providing Health and Welfare benefits to eligible retirees under the Rocky Mountain UFCW Unions and Employers Health Benefit Plan (the "Retiree's Health Plan.").

Effective for employees who retire on or after October 1, 1996, the eligibility requirements for participation in Retiree's Health Plan shall be:

Employees retiring on or after October 1, 1996, must have a combined total of 15 years of service and have attained age 50, or be totally disabled, at the time of his termination of employment.

ARTICLE 40A
NON-DUPLICATION OF BENEFITS

Section 110. In the event that any law or government regulation requires any payment from the Employer for benefits which would replace, supplement or modify the Health and Welfare, Dental, Pension or other benefits provided hereunder this Contract, the parties will upon thirty (30) days notice, by either party, meet and negotiate new provisions pertaining to such affected benefits.

ARTICLE 41
PENSION

Section 111. Employer Contributions. **Effective January 1, 2010 (December hours) for all employees covered by this Agreement, the Employer shall pay eighty-two cents ($0.82) per hour for all hours worked at straight time (including hours worked on Sunday, vacation and holiday hours paid) into the Rocky Mountain UFCW Unions and Employers**

Pension Plan, which shall be jointly administered by the Union and the Employer by an equal number of trustees as provided in an agreement establishing such Pension Fund. Though no contributions are required on Courtesy Clerks, except as set forth below, they shall be granted past service credits if promoted from the Courtesy Clerk classification.

In the event the New Hire Benefit goes into effect as provided therein, then effective with hours worked after the adoption of such Benefit, the Employer shall pay an additional seven cents ($0.07) per hour for all hours worked at straight time (including hours worked on Sunday, vacation and holiday hours paid) to fund the benefit.

New Hire Benefit

If the Trustees adopt the Alternate Schedule described herein, and such Schedule becomes fully effective, the Trustees are authorized to amend the Plan (if they believe it is appropriate to do so) in order to provide the following Benefit for those participants whose employers have adopted the Alternate Schedule herein. Newly hired employees hired on or after March 6, 2005 shall be eligible to receive an accrual rate per month for each year of credited service earned by such employees, commencing on January 1, 2010 (i.e. for service on or after January 1, 2010) subject to the following terms, conditions and limitations:

- **Funding through an employer supplemental contribution of seven cents ($0.07) per hour;**
- **Normal retirement age of 65;**
- **The accrual rate shall be ten dollars ($10) per month for each year of credited service earned between January 1, 2010 and December 31, 2012;**
- **The accrual rate shall be fifteen dollars ($15) per month for each year of credited service earned on or after January 1, 2013;**
- **Any adjustable benefits otherwise provided by the Plan, including but not limited to Rule of 80 Pension, are inapplicable to this "new hire" benefit, and**
- **Agreement by the Plan's co-actuaries that the "new hire" benefit can be funded by the seven cents ($0.07) per hour employer contribution, otherwise the benefit shall be in the amount, up to $10 or $15 per month per year of credited service as specified above, the co-actuaries agree can be provided by said funding.**

Section 112. Courtesy Clerk Contributions. Pension contributions will be made on behalf of all Courtesy Clerks with ten (10) years or more of continuous service with the Employer. Pension contributions shall be made as set forth above. All hours worked as a Courtesy Clerk prior to the time contributions are required will count towards pension eligibility and credits.

Section 113. Long-Term Funding Policy

1. The trustees shall, no later than April 1, 2005, adopt the following Long Term Funding Policy. Such Long Term Funding Policy shall be applicable for plan year 2005 and subsequent plan years. Effective with the January 2005 contribution payment, the Employer will increase the hourly contribution by $0.15 per hour from $.85 to $1.00 for employees hired on or before April 30, 2005. Effective with the first contribution payment after ratification, the Employer will

increase the hourly contribution from $1.00 to $1.20 for employees in the bargaining unit on or before April 30, 2005.

This $0.15 per hour increase in contribution is a "supplemental" contribution dedicated solely to improving the funding of the pension plan, will not be used to increase benefits and will be discontinued at the times set forth in paragraph 2.

2. This supplemental contribution shall continue to be made until the earlier of such time the Plan reaches a financial state whereby either: (i) the funding ratio of the Plan (actuarial value of assets over actuarial liability) is at least 100%; or any contribution of the employers would not be deductible for federal income tax purposes in the year in which it is required to be made. However, unless changes are needed to support contribution deductibility, no changes shall be made when the Plan has withdrawal liability.

Effective January 1, 2010 (December hours) the supplemental contribution provided above in subsections 1 and 2 shall no longer apply and shall be replaced by any supplemental contribution that may be provided in the Pension Protection Act Section of this Agreement.

3. If as of any valuation date commencing with the 01/01/06 valuation, a funding deficiency is projected to occur in less than 5 years, the Trustees will reduce benefits such that a projected funding deficiency will not occur within any of the 8 years following the valuation date. The parties agree to apply for section 412(e) relief if available before the benefit reductions are enacted. It is understood that application for section 412(e) requires the parties to reduce benefits as a condition of the application. Such section 412(e) application, if approved, must cure the funding deficiency as prescribed above.
If the section 412(e) application is not approved, or not acted on, within 18 months of the valuation date (for example 01/01/06 valuation), then the Trustees will immediately enact benefit reductions to cure the funding deficiency as prescribed above.

4. In no event will benefit reductions be delayed to or beyond a time that would expose the employers to liability beyond the supplemental contribution including but not limited to liability for the payment of excise taxes or additional contributions. Any deadlocked issue over the enactment of benefit reductions and/or the application of this policy shall be submitted to expedited arbitration ahead of any other matter pending arbitration. Such expedited arbitration shall occur within 60 days of the request for arbitration and the arbitrator shall render his decision within 60 days following the close of the hearing in the matter.

5. The parties authorize and direct the Trustees of the Plan to develop Maintenance of Equity Policy for employers that do not adopt this agreement upon renewal of the collective bargaining agreement (or for new agreements).

6. If the Plan experiences a minimum funding deficiency, any excise tax that is levied against the employers will be allocated amongst such employers in a way that first makes all employers not contributing the full amount of the supplemental contribution responsible for fully paying any accumulated missed supplemental contributions with interest. Thereafter, the balance of any

excise tax remaining will be allocated to all employers in proportion to their non-supplemental contribution rate. Finally, for any employer not adopting this agreement, future benefits will be based on the assumption that $. 15 of the current rate being contributed are deemed to be supplemental.

7. The parties recognize there is a possibility of merger of the Denver Area Meatcutters Pension Fund with the Rocky Mountain UFCW Union and Employers Pension Plan and give full authority to effectuate such merger to the Board of Trustees of the two pension plans without further approval of the parties of this Agreement.

Section 114. 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 there from shall be paid out of the Pension Fund.

Section 115. Said Pension Plan and Trust Agreement establishing the Pension Fund have been submitted to the United States Treasury Department and the United States Department of Labor for the approval and rulings satisfactory to the Employer, that said Plan is qualified under I.R.C. Section 401, et seq. and that no part of such payments shall be included in the regular rate of pay of any employee.

Section 116. If, for any reason, the United States Treasury Department and the United States Department of Labor withholds approval and rulings satisfactory to the Employer, the parties to this Agreement hereto agree to negotiate other fringe benefits or wage increases in the amount equal to the cents per hour provided for in this Article for all hours worked at straight-time in lieu of payments into the Pension Fund.

Section 117. The Employer shall be represented by its employees, or some other representative on the Board of Trustees administering such Pension Plan. A copy of the Trust Agreement and any amendments thereto shall be made a part hereto as if herein at length set forth, when adopted.

Section 117a. The Employer will direct is trustee to expedite the adoption of new prohibitive employment rules which restrict employment while drawing pension.

Section 117b. Pension Protection Act ("PPA") The bargaining parties agree and understand that the Employer may be obligated to make pension contributions in addition to the base contribution rate specified in the Employer Contributions Section. The amount of any such supplemental contribution shall be determined as follows:

(i) Alternate Schedule Contribution Rate: In the event the Trustees of the Plan adopt the Rehabilitation Plan Alternate Schedule attached hereto as Alternate Schedule, the Employer shall pay the contribution rate required in Alternate

Schedule (modified only as provided herein) of one dollar and thirty-seven cents ($1.37) per hour effective January 1, 2010 (on December hours) which includes the rate of eight-two cents ($0.82) per hour described in the Employer Contribution section above and a supplemental contribution of fifty-five cents ($0.55) per hour. In the event the New Hire Benefit goes into effect as provided herein, then effective with hours worked after the adoption of such Benefit, the Employer shall pay a total of contribution rate of one dollar and forty-four cents ($1.44) per hour which reflects the sum of the contribution rate required in the Employer Contribution section, the supplemental contribution rate of this section and the new hire benefit contribution rate provided herein.

(ii) **Default Schedule Contribution Rate: In the event the Trustees of the Plan do not adopt the Rehabilitation Plan Alternate Schedule, but instead adopt a legally valid "Default Schedule" within the meaning of the PPA, the Employer shall pay the contribution rate required under the Default Schedule effective January 1, 2010 (on December hours); provided that in no event shall such contribution rate be payable prior to the effective date of all of the benefit adjustments required under the Default Schedule. For example, if the Default Schedule benefit adjustments do not become effective until the start of the Rehabilitation Period under the PPA, the Employer shall not be required to pay the Default Schedule contribution rates until that time.**

If any required Default Schedule contribution rate exceeds the rate provided for under subsection (i) above, then each annual increase in the top pay rate provided for in this contract shall be permanently reduced by fifteen cents ($0.15) per hour, and ten cents ($0.10) per hour in the case of Courtesy Clerks, effective with the next scheduled pay rate increase following the implementation of the Default Schedule contribution rate. The permanent reductions provided for herein shall continue year after year. It is understood that each annual top rate increase will be reduced until either sufficient reductions have occurred so as to equal the amount of the increase to the supplemental contribution rate of subsection (i) caused by the implementation of the Default Schedule or until the date on which the Employer implements contribution rates which are reduced to, or below, the contribution rates under subsection (i) above and in accordance with subsection (vii) below, whichever occurs first, but in no event shall any such wage reductions made be restored.

(iii) **Long Term Funding Policy Contribution Rates: In the event the Alternate Schedule in subsection (i) above and the Default Schedule in subsection (ii) above are not applicable during the term of this Agreement, but the Long Term Funding Policy is implemented, the Employer shall not be obligated to pay a supplemental contribution under any other provision of this Agreement, but shall continue to pay the base contribution specified in the Employer Contribution Section plus a supplemental contribution under this subsection (iii) that shall not exceed fifty-five cents ($0.55) per hour. This supplemental contribution shall be a contribution amount which as the same proportionate value relative to the value of the benefit**

adjustments under the Long Term Funding Policy as the value of the supplemental contribution of fifty-five cents ($0.55) per hour under subsection (i) has to the value of the benefit adjustments under the Alternate Schedule. This approach shall be accomplished by utilizing the following formula: a) the present value of benefit adjustments under the Long Term Funding Policy, divided by b) the present value of benefit adjustments under the Alternate Schedule, multiplied by c) the supplemental contribution of fifty-five cents ($0.55) per hour under subsection (i). These calculations shall be made by the employer consultants and shall be final and binding on all parties.

For example: If $5M is the present value of benefit adjustments under the Long Term Funding Policy and if $10M is the present value of benefit adjustments under the Alternate Schedule and fifty-five cents ($0.55) per hour is the supplemental contribution under subsection (i), then the supplemental contribution under this subsection (iii) is $0.55 times $5M divided by $10M, or twenty seven and one-half cents ($0.275) per hour.

(iv) It is understood and agreed that the Employer may reduce the amount of any of the above supplemental contributions due the Trust (but not below zero) by the amount of any surcharge, deficiency or excise tax required to be paid by the Employer any time after entering Critical Status. The supplemental contribution provided for herein shall be dedicated solely to improving the funding of the Plan, and shall not be used t increase or improve benefits, and will be reduced or discontinued upon determination by the Plan's Trustees, based on projections provided by the Plan's actuaries, that such supplemental contribution are no longer needed to support the level of benefits provided for under the Plan in accordance with the provisions of subsection (vii) below.

(v) As a result of the Plan's having been certified as being in Critical Status for the Plan Year beginning January 1, 2009, the Trustees are authorized to adopt the Rehabilitation Plan Alternate Schedule attached as Alternate Schedule hereto (if they believe it is appropriate to do so). If the Alternate Schedule is adopted by the Trustees, it is hereby deemed approved by the bargaining parties and automatically incorporated into this Agreement.

(vi) In no event shall any contribution increases by required during the term of this Agreement as a result of any annual updates or other changes to the Rehabilitation Plan Alternate Schedule or, if applicable, to any Default Schedule.

(vii) In the event the Trustees determine, based on projections provided by the actuaries for the Plan, that, at any time during the term of this Agreement, an Alternate Schedule or Default Schedule with lesser contribution rates and/or benefit reductions would be sufficient to reasonably enable the Plan to emerge from Critical Status by the end of the Rehabilitation Period, the Trustees may amend the Alternate Schedule or Default Schedule in a manner that, to the extent possible,

would restore reduced benefits and would reduce the Employer's supplemental contribution in an equal manner and amount, based on actuarial equivalence, provided that such modifications to the Alternate Schedule or Default Schedule would still allow the Plan to emerge from Critical Status by the end of the Rehabilitation Period, taking into account to the extent legally permitted any relief available under IRC Section 431(d). In the event the Trustees amend the Alternate Schedule or Default Schedule as provided in this subsection (vii), then the parties agree to adjust the supplemental contribution rates provided above to reflect the lower rates in the amended Alternate Schedule or Default Schedule. Notwithstanding the foregoing, if, prior to the effective date of any benefit cuts specified in the Alternate Schedule or the Default Schedule, the Trustees determine that (a) such benefit cuts are no longer required to avoid Critical Status or to have a valid Rehabilitation Plan, and (b) supplemental contributions could be reduced or eliminated, then the Employer shall be further entitled to recoup the value of any supplemental contribution paid prior to the effective date of the benefit reductions et forth in the Alternate Schedule or Default Schedule. This provision shall apply regardless of the reason for the Trustees' determination, including a change in the law (e.g. a further extension of the Plan's green status) and/or improved investment returns. The value of the contributions shall be recouped via a suspension of contributions in an amount equal to the amount of the supplemental contribution paid.

(viii) The Board of Trustees is authorized to take all reasonable measures to cooperate and assist in achieving the objectives set forth in this section.

ALTERNATE SCHEDULE

Rocky Mountain UFCW Unions and Employers Pension Fund
Schedule of Contributions and Benefits

REHABILITATION PLAN – 2009 PLAN YEAR ALTERNATE SCHEDULE
Contribution and Benefit Adjustments
• **Total contribution rate of one dollar and thirty seven cents ($1.37) per hour on January 1, 2010 (December hours). All contributions are deemed to be inclusive of any surcharges, deficiency, and/or excise tax any time after entering Critical Status.** • **In the event the Board of Trustees adopts a New Hire benefit, the total contribution rate will increase to one dollar and forty four cents ($1.44) per hour effective January 1, 2010 or with the adoption of such benefit, whichever occurs later.**
• **Elimination of 100% of the value of all adjustable benefits on all accrued benefits and future benefit accruals to the maximum permitted by law, except as noted below. Adjustable benefits to be eliminated include the following:** — **Rule of 85 Pension;** — **Subsidized Early Retirement Reduction Factors;** — **Age 60 Supplement;** — **Post-Retirement Death Benefits in Excess of QJSA (including $1,000 Lump Sum Death Benefit);** — **Pre-retirement Death Benefits in Excess of QPSA;** — **Payment options other than Single Life Annuity and QJSA; and** — **All other adjustable benefits within the meaning of Code section 432(e)(8)(A)(iv) (other than Disability Pension and modified Rule of 80 Pension as described below).** • **The following adjustable benefits shall be retained:** — **Disability Pension; and** — **Rule of 80 Pension, except that this benefit will be modified to require that a Participant must have attained age 55 at his Termination Date in order to be eligible** • **Reduction of future benefit accruals to $30 per month of credited service for credited service on or after January 1, 2010.** • **Benefit reductions effective January 1, 2010**

Rehabilitation Period
January 1, 2010 through December 31, 2022.
Plan to Emerge from the Red Zone and Annual Benchmarks to Assess Progress Toward Emergence
The Plan's actuaries certify that the Contribution and Benefit Adjustments shown above are sufficient for the Plan to emerge from the Red Zone at the end of the Rehabilitation Period based on the funded status of the Plan as of January 1, 2009 before the addition of any New Hire benefits. In the event that the New Hire benefits are implemented, the Plan's actuaries certify that with the additional contributions specifically designated to fund the New Hire benefits, the plan is still reasonably expected to emerge from Critical Status after such benefit increases, as shown in the annual benchmarks including the New Hire benefits. These schedules will be updated as needed throughout the Rehabilitation Period. Progress toward emergence from the Red Zone will be measured by the Plan's Funding Standard Account Credit (Deficiency) Balance being greater than (less than) the amounts in the following projections. These projections have been made in accordance with the provisions of the Pension Protection Act of 2006 including: • **Contribution rates effective for hours worked in December 2009 payable in January 2010 in accordance with the Collective Bargaining Agreement.** • **An assumption of the same number of contributable hours as reported for the actuarial valuation as of 1/1/2008. The reasonableness of this assumption has been verified by the Trustees.** • **No market related investment gains or losses from 9/30/2009 forward and no other actuarial gains or losses from 1/1/2009 forward.**

ALTERNATE SCHEDULE

Rocky Mountain UFCW Unions & Employers Pension Plan

Annual Benchmarks for Emergence from the Red Zone

As of	Funding Standard Account Credit (Deficiency) Balance	Funding Standard Account Credit (Deficiency) Balance With New Hire Benefits
12/31/2010	$ 17,473,000	$ 17,892,000
12/31/2011	28,829,000	29,593,000
12/31/2012	33,676,000	34,719,000
12/31/2013	31,190,000	32,445,000
12/31/2014	28,483,000	29,885,000
12/31/2015	22,601,000	24,087,000
12/31/2016	14,669,000	16,175,000
12/31/2017	5,118,000	6,577,000
12/31/2018	(489,000)	859,000
12/31/2019	(3,922,000)	(2,754,000)
12/31/2020	(4,621,000)	(3,703,000)
12/31/2021	(2,243,000)	(1,644,000)
12/31/2022	239,000	447,000
12/31/2023	1,158,000	903,000
12/31/2024	16,098,000	15,307,000
12/31/2025	15,836,000	14,819,000
12/31/2026	21,237,000	19,946,000

ARTICLE 42
DISCHARGE AND NO DISCRIMINATION

Section 118. The Employer hereby agrees not to discriminate against any employee or discharge him because of membership in the Union and/or for upholding Union principles; and further, no employee who falls within the bargaining unit shall be discharged without good and sufficient cause. Employees may not wear buttons, patches, or any other type of insignia while at work unless it is worn in connection with a recognized and Company-sponsored promotion or is requested by the Store Director for business reasons. Employees shall be allowed to wear one (1) Union button of normal size.

Section 119. The Employer and the Union agree that each will fully comply with the applicable laws and regulations regarding discrimination against any employee, or applicant for employment, because of such person's race, religion, color, national origin, sex, age or disability.

Section 120. Use of the male gender herein shall, except as the context requires, be deemed to include the female gender.

ARTICLE 43
UNION REPRESENTATIVE VISITATION

Section 121. The President or the Business Representative of Local #7, shall have the right of entering the premises of the Employer for the purpose of interviewing employees, except such representatives shall not in any way interfere with or disrupt any employee's production or ability to service customers. The said representative shall make their presence known to the Director, or the person in charge in the absence of the Director, when possible, upon entering the premises. The Employer shall, upon request of an authorized Union Representative, furnish satisfactory evidence to ascertain whether employees are being paid in accordance with the terms of this Agreement and review with the Union Representative the facts giving rise to disciplinary action. It shall be the Union Representative's obligation at all times to gather any and all payroll, schedules and timecard information relevant to a written grievance from the Store itself. The Store Director shall provide this relevant information to the Union Representative within seventy-two (72) hours after the request (exclusive of Saturdays and Sundays).

ARTICLE 44
UNION STEWARD

Section 122. The Union shall have the right to designate two (2) Stewards per store (stores that employ over one hundred (100) clerks may have three (3) Stewards, and stores that employ over one hundred seventy-five (175) clerks may have four (4) Stewards) in which they work who shall perform their duties with the least possible inconvenience to the Employer. Such Stewards shall not be discriminated against because of their Union activities, and such Stewards shall have top seniority for the purpose of layoff in that store. The Store Director shall be advised in writing by the Union of the name of the Steward(s) in his store.

Section 122a. The Employer shall schedule Union Stewards off without pay one (1) day per year for the purpose of attending a Union seminar. Schedules shall be arranged so that Stewards will not suffer any loss in pay.

Section 123. Employees Rights to Union Representation. When an employee is involved in a disciplinary interview where the probable result of such interview will be the imposition of disciplinary action, the employee may request Union representation.

ARTICLE 45
DISPUTE PROCEDURE

Section 124. Should any dispute or complaint arise over the interpretation or application of this Agreement, there shall be an earnest effort on the part of the parties to settle such promptly through the following steps, and failure to follow the procedures set forth below shall result in forfeiture of the grievance.

Section 125. Step 1. By conference during scheduled working hours between the Steward and/or the Union's Business Representative and/or the aggrieved employees and the Director of the store.

Section 126. Step 2. If the grievance cannot be satisfactorily resolved under Step 1 above, the grievance shall be reduced to writing and submitted to the representative designated by the Employer to handle such matters. Such submission shall be made within twenty (20) days of the date of the occurrence of the event which gives rise to the grievance and shall clearly set forth the issues and contentions of the aggrieved party or parties and must reasonably allege a specific violation of an express provision of this Agreement. (In the case of discharge the time limits shall be fourteen (14) days.) The Employee designee and the Union Business Representative shall meet within ten (10) days after receipt of written notice of the grievance and attempt to resolve the grievance. Within thirty (30) days of the Union's receipt of a written response from the Company to the written grievance, the Union Representative and the Grievant will contact the appropriate Company Representative by conference phone call. In an instance where an employee feels he has not been paid in accordance with the wage progression scales set forth herein, such employee shall have an obligation to bring this to the attention of the Store Director as soon as the employee first has knowledge of such alleged error. In the event the employee has been improperly paid, said payment error shall be corrected on a retroactive basis, but not beyond ninety (90) days prior to the date on which the grievance is presented in writing. This ninety (90) day retroactive liability shall not be applicable to situations covered by Article 9, Section 20, paragraph 2.

Section 127. Step 3. If the grievance is not satisfactorily adjusted in Step 2, either party may, with reasonable promptness, but in no event later than thirty (30) days from the date of the Step 2 meeting, in writing, request arbitration and the other party shall be obliged to proceed with arbitration in the manner hereinafter provided. The parties shall forthwith attempt to agree upon an impartial arbitrator.

Section 128. In the event the parties are unable to reach agreement upon the selection of an arbitrator within fifteen (15) days of the written request for arbitration, the party requesting arbitration may, with reasonable promptness, request a panel of five (5) arbitrators from the Federal Mediation and Conciliation Service. The parties shall agree upon at least two (2) additional geographical areas to submit to the FMCS for purposes of requesting panels of arbitrators. From this panel of five (5) names, each party shall alternately strike two (2) names, the moving party striking first. The remaining arbitrator from the list shall be the impartial arbitrator. A finding or award of the arbitrator shall be final and conclusive upon the parties hereto.

The parties agree to conduct quarterly grievance resolution meetings (alternating between the Company's headquarters and the Union's offices) for the purpose of attempting to resolve outstanding grievances between the parties. The parties will reach agreement on a hearing date for otherwise arbitrable grievances requested to be set for arbitration by the Union within 60 days of the Union's request to set such a hearing date. The parties specifically agree that the actual hearing itself may occur outside of this 60-day period, **but within six (6) months from the date the Union has requested such a hearing date. The parties can extend such deadlines by mutual agreement.**

Section 129. The arbitrator shall have all the rights, power, and duties herein given, granted and imposed upon him; but his award shall not change, alter, or modify any of the terms and conditions set forth in this Agreement. The parties specifically agree that the hearing shall be conducted in accordance with the recognized, formal arbitration practices and procedures. The parties also agree that post hearing briefs shall be written and submitted to the arbitrator in all discharge and contract interpretation cases unless otherwise mutually agreed to by the parties. In those cases where the grievance is sustained, the Employer will pay the arbitration expenses. In those cases where the grievance is denied, the Union will pay the arbitration expenses. If the grievance is denied in part and sustained in part, the parties will share the expenses equally. The arbitrator will issue a decision within thirty (30) calendar days after the close of the proceedings. This thirty (30) calendar day time limit may be extended by mutual agreement between both parties.

Section 130. In the event either party refuses to arbitrate on demand of the other party, and an order compelling arbitration is obtained in Federal Court on the basis contended by the moving party, the refusing party will pay to the moving party reasonable legal fees incurred, up to Two Hundred Dollars ($200.00). Similarly, if the moving party fails to prevail in such an issue, the moving party will pay reasonable legal fees incurred up to Two Hundred Dollars ($200.00) to the refusing party.

ARTICLE 46
NO STRIKE OR LOCKOUT

Section 131. During the life of this Agreement, there shall be no lockout, strike, picketing, boycotting, stoppage of work, anti-Company publicity, corporate campaign activity, or other economic action of whatsoever nature against the Company.

It is understood that it shall be a violation of this Agreement for the Union or its Agents to require its members to observe picket lines set up by any labor organization at the premises of the Company.

It also is recognized that various monies from Local 7 are paid to UFCW International Union funds. The Local does not control such funds. Consequently, the UFCW International Union's use of those funds for corporate campaign purposes will not be a violation of this Agreement.

ARTICLE 47
STORE CLOSING

Section 132. Severance Pay Upon Termination When Store is Sold or Closed. In the event the Employer closes or sells a store and employees are terminated as a result thereof, pay equal to one week's pay for each year of continuous service commencing with the third (3rd) year of continuous service for employees, up to, but not to exceed eight (8) weeks pay at their regular rate. However, those employees who have an incomplete year of continuous service as an employee will receive pro-rata severance pay for that year as follows:

0-3 months equals twenty-five (25) percent of a week's pay

3-6 months equals fifty (50) percent of a week's pay

6-9 months equals seventy-five (75) percent of a week's pay

Over 9 months equals one week's pay

Severance pay shall be computed based on the average hours worked per week for the fifty-two (52) weeks preceding a voluntary lay-off or termination.

Section 133. The Employer shall continue contributions to the Pension and Health and Welfare Trust Funds for three (3) full months following termination on an hourly basis in direct relationship to the severance pay received for those employees who receive severance pay, except those employees who secure employment with a contributing Employer in the Pension and Health and Welfare Trust Funds.

Section 134. All monies due employees, including severance pay, shall be paid in a lump sum upon termination.

Section 135. An employee who is terminated and who is eligible for severance pay, and accepts severance pay, forfeits his seniority and has no recall rights. However, an employee may elect to accept a voluntary layoff not to exceed ninety (90) days. At the end of the ninety (90) day period, if he has not been recalled, he will be paid severance pay and forfeit his seniority. Any extensions of this ninety (90) day period must be agreed upon in writing and signed by the

employee, a representative of the Union and the Employer. In no case will such extension exceed a total of six (6) months from the date the employee accepted the layoff.

Section 136. If an employee is offered a transfer or other employment with the Employer within forty (40) miles of the store in which he was last working and he refuses to accept the transfer or other employment with the Employer he forfeits his rights to severance pay and pensions and health and welfare contributions.

Section 137. 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.

Section 138. The Employer agrees to give to the employees and the Union four (4) weeks notice in advance of a store closing or sale. When such notice is given, an employee shall remain with the Employer until the plant or store closes, or forfeit his rights under this Article, unless mutually agreed to by the employee, Employer and Union.

Section 139. 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 or remodeling, then this Article shall not apply.

Section 140. It is understood and agreed that employees can exercise their rights under the Layoff Article; however, if they bump a person in another store that is not being closed, the person bumped shall not be subject to the store closing provisions of this Article.

ARTICLE 48
BULLETIN BOARD

Section 141. The Employer will provide bulletin board space for the posting of official Union notices.

ARTICLE 49
UNION STORE CARDS

Section 142. The Union Store Card is the property of the UFCW and is loaned to the Employer for display. Said card may be removed from the store by the Union if the Employer refuses to comply with a final decision of an arbitrator reached under the provisions of this Agreement.

ARTICLE 50
LIE DETECTOR TESTS

Section 143. The Employer shall not require any employee to submit to a polygraph examination.

ARTICLE 51
UNIFORMS/EQUIPMENT

Section 144. The Employer agrees to provide all required uniforms and laundry service for all required caps, uniforms, smocks, aprons, towels and rags, except for laundering of wash and wear garments. The employee agrees to exercise care in the use of Company property and equipment.

Section 144a. Courtesy Clerks shall be allowed to wear shorts May 1 to October 1.

ARTICLE 52
SAVING CLAUSE

Section 145. If, during the term of this Agreement, or during any renewal or extension of the same, any Federal or State Law is enacted, or any rule or regulation is issued under any Federal or State Law, which would make compliance by the Union, the Employer, employees, or any of them, with the terms, provisions, or condition of this Agreement a violation of any of said laws, rules or regulations, then such terms, provisions or conditions shall become inoperative and of no effect from the effect date of any such law, rule or regulation. The remainder of this Agreement not in conflict with any said laws, rules or regulations shall continue in full force and effect.

Section 146. In the event any such terms, provisions or conditions become inoperative and of no effect, either party to this Agreement may open the same for bargaining only as to substitute provisions, if any, for those provisions made inoperative upon a thirty (30) day written notice to the other party.

It is specifically understood that the no-strike and no-lockout provision set forth elsewhere in this Agreement shall remain in effect throughout the term of this Agreement.

ARTICLE 53
APPRENTICE ADVANCEMENT

Section 147. When an apprentice employee is due to be advanced on the basis of actual hours of work experience as set forth in this Agreement, and the Employer believes that such employee has not acquired sufficient knowledge, skill, experience, and ability to justify such increases, the Employer may, with written prior consent of the Union, jointly request an apprentice evaluation committee, as set forth in the next paragraph, to review the employee and make a determination as to whether a period of up to two hundred sixty (260) hours additional training is warranted at the existing classification rate then in effect for such employee to give the employee an opportunity to improve his performance. At the end of such two hundred sixty (260) hour period, the employee must either be advanced to the next higher wage classification, or be terminated, if such termination is justified under the terms of the Agreement.

Section 148. Upon request, as set forth in the previous paragraph, an apprentice evaluation committee may be established by the parties as follows: two (2) members appointed by Mountain States Employers Council and two (2) members appointed by UFCW, Local No. 7. The apprentice evaluation committee will meet with and review any apprentice employee who, in the opinion of the Employer, does not have the capabilities to warrant a classification increase.

Section 149. The committee shall determine whether additional training is warranted for the employee's classification requirements.

ARTICLE 54
TECHNOLOGICAL CHANGES

Section 150. The parties recognize that automated equipment and technology is now available for the retail food industry.

The Employer recognizes that there is a desire to protect and preserve work opportunities. At the same time, the Union recognizes that the Employer has a right to avail itself of modern technology. With this common objective, the parties agree as follows:

Section 151. In the event the Employer introduces major technological changes which, for the purpose of this Article, are defined as price marking and electronic scanners and which would have a direct material impact affecting bargaining unit work, thirty (30) days advance notice of such change will be given to the Union.

In addition, the Employer agrees:

1. Any retraining necessary will be furnished by the Employer at no expense to the employees.

2. Where retraining is not applicable the Employer will make every effort to effect a transfer to another store, or other equipment.

3. In the event the employee is not retraining or transferred and is permanently displaced as a direct result of major technology changes as defined above, the employee will be eligible for one (1) weeks severance pay for each year of continuous service. Maximum severance pay of ten (10) weeks pay to be paid on a lump sum basis.

Section 152. Weekly severance pay shall be determined by the average number of hours worked for the four (4) weeks preceding displacement, not to exceed forty (40) hours straight-time pay.

Section 153. An employee shall be disqualified from severance pay in the event the employee:

1. refuses retraining,

2. refuses a transfer or other employment within a radius of forty (40) miles

3. voluntarily terminates employment.

ARTICLE 55
REMEDY FOR ERRORS

Section 154. If an error is made by management in the application of the provisions of Article 2 (Bargaining Unit Work Jurisdiction), Article 7 (Definitions of Classifications), Article 17, Section 43 (Holiday Scheduling), Article 30 (Seniority -- with the exception of Sections 62, 67, 68, 69, 80, 81, 82, 83, and 84), Article 31 (Bid Schedules), or Article 32 (Unscheduled Overtime) resulting in a lost work opportunity for the aggrieved employee, and the affected employee immediately files a grievance with the Union and Albertson's Labor Relations Department, the employee shall be made whole by being permitted to work the number of hours lost. Such hours shall be above and beyond the posted schedule. The employee shall advise management anytime after the next schedule is finalized for the workweek of their desire to exercise their right to work the additional hours. An aggrieved employee may not demand such remedy on an overtime or premium pay basis if the alleged violation occurred on what would have been straight-time for such employee. The employee must exercise this right to work within four (4) weeks of the settlement of error with the employee or such right shall be forfeited and no further remedy shall be required. **In the event of a subsequent violation in the same store of the same article within six (6) months of a previous violation, the employee shall be eligible for monetary damages.**

ARTICLE 56
ENTIRE AGREEMENT

Section 155. This Agreement contains all of the covenants, stipulations and provisions agreed upon between the parties hereto and no representative of either party has authority to make, and none of the parties shall be bound by, any statement, representation or agreement reached prior to the signing of this Agreement or made during these negotiations not set forth herein.

ARTICLE 57
TERM OF AGREEMENT

Section 156. The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining, and that the understandings and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this Agreement. Therefore, the Employer and the Union, for the life this Agreement, each voluntarily and unqualifiedly waives the right and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter referred to, or covered in this Agreement, or with respect to any subject or matter not specifically referred to or covered in this Agreement even though such subject or matter may not have been within the knowledge or contemplation of either or both of the parties at the time that they negotiated or signed this Agreement.

THIS AGREEMENT shall be in full force and effect beginning 12:01 a.m. **May 10. 2009**, and shall remain in full force and effect until midnight on **September 14, 2013**, and shall be automatically renewed from year to year thereafter, unless either party desires change or termination at the expiration of said Agreement. In such event, the party desiring such change or termination shall notify the other party in writing sixty (60) days prior to the expiration date, specifying the changes desired. Changes in the Agreement shall be limited to those outlined in writing by either party and the negotiations shall begin within fifteen (15) days after receipt of such notice.

IN WITNESS WHEREOF, the Parties above names have signed their names and/or affixed the signature of their authorized representatives this 10 day of February, **2011**.

ALBERTSON'S, LLC.

By: _____
Andrew Scoggin
Senior Vice President, Labor Relations
& Human Resources

UFCW LOCAL NO. 7, DENVER, COLORADO, Chartered by the UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION

By: _____
Kim Cordova
President

COLORADO SPRINGS CLERKS AGREEMENT
APPENDIX "A"

The minimum hourly rates of pay for the indicated classifications shall be as set forth below on the dates indicated. The Employer may hire any employee at any rate in the progression schedule at its sole discretion.

Rate Determination
Employees hired before May 1, 2005 who remain in their classification after commencement of this Agreement shall be paid in accordance with the "Employees Hired and Assigned in the Bargaining Unit Prior to 5/1/05" wage schedule while they remain in that classification.

Demotions, Step Downs and layoffs: An employee who is demoted, steps down, or who is laid off in accordance with this Agreement, shall be placed back in the same wage schedule in which the employee was working immediately prior to their assignment into management or promotion into the classification from which they are being demoted, stepping down or laid off. In determining the proper progression level for an employee demoted, stepping down, or laid off from a classification with a higher "thereafter" hourly rate to a classification with a lower "thereafter" hourly rate, such affected employee shall be placed in the appropriate progression level in the rate schedule referenced in this paragraph based on their experience in the newly assigned classification, regardless of whether such assigned rate results in a reduction in hourly rate. In determining prior experience hereunder, the Employer will give recognition to the verified number of hours of actual work experience in the same classification which said employee may have performed for the Employer and the verified number of hours of actual work experience on a comparable job which said employee may have performed within the previous five (5) years for any other employer in a similar retail grocery operation.

Promotions, new hires and new entrants into the bargaining unit:
Employees hired into, or assigned to, or promoted to a different classification in the bargaining unit on or after May 1, 2005 shall be assigned to the "Employees Hired into the Bargaining Unit or assigned or promoted on or after 5/1/05" wage scale. Employees who are promoted to a different classification after April 30, 2005 shall not receive a reduction in their hourly rate of pay if when promoted to such classification they are being paid an hourly rate of pay greater than the minimum, unless they are above the "thereafter" hourly rate in which case they will immediately be paid the "thereafter" hourly rate. When such employee is paid less than the "thereafter" hourly rate, prior to receiving an increase in their hourly rate of pay, they must work 1,040 hours at their current rate before promotion to the hourly rate in the new classification that would give them an increase in their hourly rate of pay.

Wages

Employees Hired and assigned in the Bargaining Unit Prior to 5/1/05	September 9, 2007	**First Sunday After Ratification**	**September 12, 2010**	**September 11, 2011**	**September 9, 2012**
All Purpose Clerk					
1st 960 Hours	$10.13	$10.13	$10.13	$10.13	$10.13
2nd 960 Hours	$11.93	$11.93	$11.93	$11.93	$11.93
3rd 960 Hours	$12.85	$12.85	$12.85	$12.85	$12.85
4th 960 Hours	$13.87	$13.87	$13.87	$13.87	$13.87
Journeyperson	$16.26	**$16.56**	**$16.81**	**$17.06**	**$17.31**
Foliage Clerk					
1st 960 Hours	$9.54	$9.54	$9.54	$9.54	$9.54
2nd 960 Hours	$10.53	$10.53	$10.53	$10.53	$10.53
Thereafter	$12.91	**13.21**	**$13.46**	**$13.71**	**$13.96**
Bakery Sales Clerk					
1st 960 Hours	$9.59	$9.59	$9.59	$9.59	$9.59
2nd 960 Hours	$10.75	$10.75	$10.75	$10.75	$10.75
3rd 960 Hours	$11.76	$11.76	$11.76	$11.76	$11.76
Thereafter	$13.63	$13.93	$14.18	$14.43	$14.68
Head Bakery Clerk	$14.17	**$14.47**	**$14.72**	**$14.97**	**$15.22**
Non Food Clerk					
1st 960 Hours	$7.79	$7.79	$7.79	$7.79	$7.79
2nd 960 Hours	$8.59	$8.59	$8.59	$8.59	$8.59
3rd 960 Hours	$9.60	$9.60	$9.60	$9.60	$9.60
Thereafter	$10.73	**$11.03**	**$11.28**	**$11.53**	**$11.78**
Non Food Clerks (employed prior to 5/6/79)	$12.56	**$12.86**	**$13.11**	**$13.36**	**$13.61**
Coffee Bar Clerk					
1st 1040 Hours	$7.43	**$7.14**	**$7.14**	**$7.14**	**$7.14**
2nd 1040 Hours		**$8.02**	**$8.02**	**$8.02**	**$8.02**
3rd 1040 Hours	$8.97	**$9.69**	**$9.69**	**$9.69**	**$9.69**
4th 1040 Hours	$9.86	**$12.18**	**$12.18**	**$12.18**	**$12.18**
Thereafter	$11.06	**$14.17**	**$14.42**	**$14.67**	**$14.92**
Salad Bar					
1st 960 Hours	$7.79	$7.79	$7.79	$7.79	$7.79
2nd 960 Hours	$8.59	$8.59	$8.59	$8.59	$8.59
Thereafter	$10.20	**$10.50**	**$10.75**	**$11.00**	**$11.25**

Courtesy Clerk					
1st 480 Hours	$6.91	$6.91	$6.91	$6.91	$6.91
Thereafter	$7.30	**$7.40**	**$7.50**	**$7.60**	**$7.70**
Produce Manager	$16.81	**$17.11**	**$17.36**	**$17.61**	**$17.86**
Head Clerk	$16.66	**$16.96**	**$17.21**	**$17.46**	**$17.71**
Lobby Supervisor	$12.56	**$12.86**	**$13.11**	**$13.36**	**$13.61**
Coffee Bar Super	$12.35	**$16.96**	**$17.21**	**$17.46**	**$17.71**

Employees Hired into the Bargaining Unit or assigned or promoted on or after 5/1/05	September 9, 2007	**First Sunday After Ratification**	**September 12, 2010**	**September 11, 2011**	**September 12, 2012**
All Purpose Clerk					
1st 1040 Hours	$9.13	$9.13	$9.13	$9.13	$9.13
Next 1040 Hours	$10.13	$10.13	$10.13	$10.13	$10.13
Next 1040 Hours	$11.03	$11.03	$11.03	$11.03	$11.03
Next 1040 Hours	$11.80	$11.80	$11.80	$11.80	$11.80
Next 1040 Hours	$12.55	$12.55	$12.55	$12.55	$12.55
Next 1040 Hours	$13.25	$13.25	$13.25	$13.25	$13.25
Next 1040 Hours	$14.00	$14.00	$14.00	$14.00	$14.00
Next 520 Hours	$14.80	$14.80	$14.80	$14.80	$14.80
Thereafter	$16.26	**$16.56**	**$16.81**	**$17.06**	**$17.31**
Foliage Clerk					
1st 1040 Hours	$7.79	$7.79	$7.79	$7.79	$7.79
Next 1040 Hours	$8.09	$8.09	$8.09	$8.09	$8.09
Next 1040 Hours	$8.39	$8.39	$8.39	$8.39	$8.39
Next 1040 Hours	$8.64	$8.64	$8.64	$8.64	$8.64
Next 1040 Hours	$9.00	$9.00	$9.00	$9.00	$9.00
Next 1040 Hours	$9.89	$9.89	$9.89	$9.89	$9.89
Next 1040 Hours	$10.75	$10.75	$10.75	$10.75	$10.75
Next 520 Hours	$11.69	$11.69	$11.69	$11.69	$11.69
Thereafter	$12.91	**$13.21**	**$13.46**	**$13.71**	**$13.96**
Bakery Sales Clerk					
1st 1040 Hours	$7.79	$7.79	$7.79	$7.79	$7.79
Next 1040 Hours	$8.45	$8.45	$8.45	$8.45	$8.45
Next 1040 Hours	$9.10	$9.10	$9.10	$9.10	$9.10
Next 1040 Hours	$9.75	$9.75	$9.75	$9.75	$9.75
Next 1040 Hours	$10.40	$10.40	$10.40	$10.40	$10.40
Next 1040 Hours	$11.05	$11.05	$11.05	$11.05	$11.05

Next 1040 Hours	$11.70	$11.70	$11.70	$11.70	$11.70
Next 520 Hours	$12.35	$12.35	$12.35	$12.35	$12.35
Thereafter	$13.63	**$13.93**	**$14.18**	**$14.43**	**$14.68**
Head Bakery Clerk	$14.17	**$14.47**	**$14.72**	**$14.97**	**$15.22**
Non Food Clerk					
1st 1040 Hours	$7.79	$7.79	$7.79	$7.79	$7.79
Next 1040 Hours	$8.09	$8.09	$8.09	$8.09	$8.09
Next 1040 Hours	$8.39	$8.39	$8.39	$8.39	$8.39
Next 1040 Hours	$8.64	$8.64	$8.64	$8.64	$8.64
Next 1040 Hours	$8.89	$8.89	$8.89	$8.89	$8.89
Next 1040 Hours	$9.14	$9.14	$9.14	$9.14	$9.14
Next 1040 Hours	$9.39	$9.39	$9.39	$9.39	$9.39
Next 520 Hours	$9.69	$9.69	$9.69	$9.69	$9.69
Thereafter	$10.73	**$11.03**	**$11.28**	**$11.53**	**$11.78**
Coffee Bar Clerk					
1st 1040 Hours	$7.79	$8.09	$8.09	$8.09	$8.09
Next 1040 Hours	$8.09	$8.39	$8.39	$8.39	$8.39
Next 1040 Hours	$8.39	$8.64	$8.64	$8.64	$8.64
Next 1040 Hours	$8.65	$8.89	$8.89	$8.89	$8.89
Next 1040 Hours	$8.89	$9.14	$9.14	$9.14	$9.14
Next 1040 Hours	$9.14	$9.69	$9.69	$9.69	$9.69
Next 1040 Hours	$9.39	$10.13	$10.13	$10.13	$10.13
Next 1040 Hours	$10.19	$11.28	$11.28	$11.28	$11.28
Thereafter	$11.66	**$14.17**	**$14.42**	**$14.67**	**$14.92**
Salad Bar					
1st 960 Hours	$7.79	$7.79	$7.79	$7.79	$7.79
2nd 960 Hours	$8.59	$8.59	$8.59	$8.59	$8.59
Thereafter	$10.20	**$10.50**	**$10.75**	**$11.00**	**$11.25**
Courtesy Clerk					
1st 480 Hours	$6.91	**Minimum Wage**	**Minimum Wage**	**Minimum Wage**	**Minimum Wage**
Thereafter	$7.30	**Minimum Wage**	**Minimum Wage**	**Minimum Wage**	**Minimum Wage**
Produce Manager	$16.81	**$17.11**	**$17.36**	**$17.61**	**$17.86**
Head Clerk	$16.66	**$16.96**	**$17.21**	**$17.46**	**$17.71**
Lobby Supervisor	$12.56	**$12.86**	**$13.11**	**$13.36**	**$13.61**
Coffee Bar Supervisor	$12.35	**$16.96**	**$17.21**	**$17.46**	**$17.71**

Coffee Clerks

Employer will adopt the Starbucks of King Soopers in effect at the time of ratification of this Agreement. Any current employee who is paid at a higher rate than King Soopers for the same progression will be "red circled". Future adjustments during this Agreement, except for the "red circled" employees who are paid more than the contract rates, will be those provided by this Agreement. "Red circled" employees will receive yearly increases once the contractual rates meet or exceed their "red circled" rates. The Kings Soopers rates as of ratification are listed in the above wage scales.

Ratification Bonus: Effective not later than the second Sunday following ratification, all employees who have been continuously employed for one consecutive year, to the date of ratification, shall receive a gift card (net of taxes) equal to $1,000 for top rate FT employees, $500 for top rate PT employees, $400 for employees in wage progression and $150 for Courtesy Clerks.

Payroll checks will be provided to the workers in an envelope from the Employer that can be reused by the Employer (employees must return the envelope to the Employer immediately after having received their payroll checks).

* In Stores averaging over $150,000 per week, the General Merchandise Manager shall be excluded from the bargaining unit.

It is further agreed that seasonal employees working in the classifications listed above shall be excluded from the terms of this Agreement.

Non-Food or General Merchandise Clerk duties shall not include operating a checkstand where food items are handled, or stocking or price marking food or bakery merchandise, but shall include pricing, handling, displaying, selling and stocking those items generally considered as non-food, general merchandise or drug merchandise. Lobby Clerks shall be allowed to continue handling and selling the lines and/or type or product they are currently handling and selling. Further, Lobby Clerks shall be allowed to ring employee purchases for breaks and lunches.

Employees receiving more than the agreed upon rates shall continue to receive the higher rate of pay and shall receive raises in accordance therewith.

Holiday Premium will be paid at the rate of one and one-half times (1-1/2x) the employee's regular rate of pay for hours worked on contractual holidays.

APPENDIX "B"

Based on the Union's commitment that Safeway and King Soopers will continue to pay an hourly bonus as they have in the past, Albertson's LLC will pay an additional fifteen cents (15¢) per hour bonus [five cents (05¢)] per hour for courtesy clerks], payable on all hours worked each fiscal quarter to those employed throughout the entire fiscal quarter and within thirty (30) days of the end of the quarter. Effective beginning with the third quarter of 1999, Albertson's LLC will pay the hourly bonus on hours paid for the duration of this Agreement.

Converted $.20 of prior quarterly bonus to current pension contribution.

COLORADO SPRINGS CLERKS AGREEMENT

LETTER OF UNDERSTANDING
TRANSFERRED EMPLOYEES-REVERSION RIGHTS

Letter of Understanding made by and between ALBERTSON'S, LLC. and UNITED FOOD AND COMMERCIAL WORKERS UNION LOCAL NO. 7.

Any employee who transferred from a Store covered by a Union Contract to a new store who becomes subject to discipline or termination before the new store is under Contract will be transferred back to the store they came from before such discipline or termination. However, the right to transfer back is limited to ninety (90) days after he or she transfers into the new non-Union Store.

No employee shall be transferred from a unionized store to a non-unionized store without the consent of said employee.

Signed this 10 day of February, **2011.**

ALBERTSON'S, LLC.

By: _____
Andrew Scoggin
Senior Vice President, Labor Relations
& Human Resources

UFCW LOCAL NO. 7, DENVER, COLORADO, Chartered by the UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION

By: _____
Kim Cordova
President

COLORADO SPRINGS CLERKS AGREEMENT

LETTER OF UNDERSTANDING
SAFETY COMMITTEE

Letter of Understanding made by and between Albertson's, LLC. and United Food and Commercial Workers Union Local No. 7.

The Company and the Union will establish a Safety Committee made up of two (2) representatives of the Company and two (2) representatives of the Union and five (5) independent employee representatives. The purpose of the committee shall be to exchange information regarding any and all workplace hazards. The Committee will meet in July, 1990, and one other time in 1990. Thereafter, the Committee shall meet twice each year. The parties to this Agreement may exchange safety information between meetings as needed. Nothing in this Agreement shall be construed to create an arbitrable issue, nor shall the Committee have the authority to alter the Collective Bargaining Agreement in any fashion. The Company will order checkstand floor mats for its Stores. This Agreement shall not be construed to ascribe to the Union any increased liability.

Signed this 10 day of February, **2011**.

ALBERTSON'S, LLC.

By: _____
Andrew Scoggin
Senior Vice President, Labor Relations
& Human Resources

UFCW LOCAL NO. 7, DENVER, COLORADO, Chartered by the UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION

By: _____
Kim Cordova
President

COLORADO SPRINGS CLERKS AGREEMENT

LETTER OF UNDERSTANDING
TRANSFERRED EMPLOYEES-SENIORITY

Letter of Understanding made by and between ALBERTSON'S, LLC. and UNITED FOOD AND COMMERCIAL WORKERS UNION LOCAL NO. 7.

An Albertson's employee transferring from one bargaining unit to another within Local No. 7's jurisdiction shall retain his seniority based on his most-recent date of hire with the Company anywhere.

An Albertson's employee transferring into a bargaining unit represented by Local No. 7 from a bargaining unit not represented by Local No. 7 will not have seniority for the first thirty (30) days of employment. After thirty (30) days of employment within said bargaining unit, the employee's seniority will be his most-recent date of hire with the Company anywhere.

It is understood and agreed that an employee can transfer into the new said bargaining unit provided such employee does not bump another employee from his job or take hours being worked by another employee.

Signed this 10 day of February, **2011.**

ALBERTSON'S, LLC.

By: _____
Andrew Scoggin
Senior Vice President, Labor Relations
& Human Resources

UFCW LOCAL NO. 7, DENVER, COLORADO, Chartered by the UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION

By: _____
Kim Cordova
President

COLORADO SPRINGS CLERKS AGREEMENT

LETTER OF UNDERSTANDING
NO INSIGNIFICANT COURTESY CLERK GRIEVANCES

Letter of Understanding made by and between ALBERTSON'S, LLC. and UNITED FOOD AND COMMERCIAL WORKERS UNION LOCAL NO. 7.

The Union agrees not to file insignificant grievances concerning alleged Courtesy Clerk violations. Furthermore, the Union understands there will be emergency situations that would necessitate the Courtesy Clerk performing work in higher classifications.

The Company agrees to make reasonable efforts to schedule the proper amount of hours in each of the respective classifications to prevent emergency situations.

If the Union or the Company feel either has violated the above, there shall be a discussion between the head of Albertson's Labor Relations Department and the head of UFCW International Region 13 to review all allegations or complaints by either party in hopes of resolving such matters before proceeding to arbitration.

Signed this 10 day of February, **2011**.

ALBERTSON'S, LLC.

By: _____
Andrew Scoggin
Senior Vice President, Labor Relations
& Human Resources

UFCW LOCAL NO. 7, DENVER, COLORADO, Chartered by the UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION

By: _____
Kim Cordova
President

COLORADO SPRINGS CLERKS AGREEMENT

LETTER OF UNDERSTANDING
SCHEDULING

The parties agree that Albertson's will continue to take the seniority, availability, experience, merit and ability of its employees into account in writing its weekly schedules. Albertson's commits that if the Union notifies the Company's Labor Relations Department of instances of improper favoritism in the scheduling of employees, such scheduling will be straightened out for the future. In no event, however, will the terms and conditions of this Letter of Understanding be arbitrable.

Signed this 10 day of February, **2011.**

ALBERTSON'S, LLC.

By: _____
Andrew Scoggin
Senior Vice President, Labor Relations
& Human Resources

UFCW LOCAL NO. 7, DENVER, COLORADO, Chartered by the UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION

By: _____
Kim Cordova
President

COLORADO SPRINGS CLERKS AGREEMENT

LETTER OF-UNDERSTANDING
AMICABLE RELATIONSHIP/ADR

Letter of Understanding made by and between ALBERTSON'S, LLC. and UNITED FOOD AND COMMERCIAL WORKERS UNION LOCAL NO. 7 regarding the parties' good faith working relationship and policy to encourage ADR, as follows:

As evidence of a good faith working relationship between UFCW Local 7 and Albertson's, and for the purpose of encouraging Alternative Dispute Resolution (ADR), Local 7 agrees to counsel any employee with a complaint(s) and/or allegation(s) of illegal employment discrimination or violation of other state or federal law of Local 7's policy to address and resolve such issues through utilization of the collective bargaining agreement's grievance process. Local 7 will counsel any employee with such a complaint that the employee also may have rights under applicable civil rights and/or other laws enforced by state and federal agencies and that the employee can exercise his/her discretion to utilize either, or both, processes.

Signed this 10 day of February, **2011.**

ALBERTSON'S, LLC.

By: _____
Andrew Scoggin
Senior Vice President, Labor Relations
& Human Resources

UFCW LOCAL NO. 7, DENVER, COLORADO, Chartered by the UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION

By: _____
Kim Cordova
President

COLORADO SPRINGS CLERKS AGREEMENT

LETTER OF UNDERSTANDING
COURTESY CLERKS

Letter of Understanding made by and between ALBERTSON'S, LLC. and UNITED FOOD AND COMMERCIAL WORKERS UNION LOCAL NO. 7.

There will be a premium of fifty-five cents ($0.55) per hour for courtesy clerks who have more than three years of service as a courtesy clerk with Albertson's.

Signed this 10 day of February, **2011.**

ALBERTSON'S, LLC.

By: _____
Andrew Scoggin
Senior Vice President, Labor Relations
& Human Resources

UFCW LOCAL NO. 7, DENVER, COLORADO,
Chartered by the UNITED FOOD AND
COMMERCIAL WORKERS
INTERNATIONAL UNION

By: _____
Kim Cordova
President

COLORADO SPRINGS CLERKS AGREEMENT

LETTER OF UNDERSTANDING
EMPLOYEE BUY OUT

The Employer, at its discretion, may establish a buyout program as follows:

1. Employees with ten (10) or more years of service who elect this buyout by a date determined by the Employer and who work through their release date.
   - $500 per year of service – Part-time employees
   - $1,000 per year of service - Full-time employees
2. Employer retains the right upon notification to the Union to:
   - establish offer dates and release dates
   - terminate or extend the program
   - require employees to sign a waiver and release
   - limit the maximum payout under this program to any employee to 20 years of service
3. The employer may limit, by bargaining unit, the number of employees who can take this buyout at each store or facility. If more employees elect than permitted – Go by seniority.
4. Program not subject to Grievance and Arbitration Procedure

Signed this 10 day of February, 2011.

ALBERTSON'S, LLC.

By: _____
Andrew Scoggin
Senior Vice President, Labor Relations
& Human Resources

UFCW LOCAL NO. 7, DENVER, COLORADO,
Chartered by the UNITED FOOD AND
COMMERCIAL WORKERS
INTERNATIONAL UNION

By: _____
Kim Cordova
President

COLORADO SPRINGS CLERKS AGREEMENT

LETTER OF UNDERSTANDING
ABC CHECKOFF (2002)

The Employer agrees to deduct amounts designated by employees for the Active Ballot Club ("ABC") when the Employer has been furnished an individual written authorization for making such deductions on a form mutually agreed upon between the Employer and the Union. It is agreed that the ABC authorization is to be entirely voluntary upon the part of each individual employee and that any such employee may revoke his ABC check off authorization upon giving thirty (3) days written notice to the Employer and the Union.

Signed this 10 day of February, **2011.**

ALBERTSON'S, LLC.

By: _____
Andrew Scoggin
Senior Vice President, Labor Relations
& Human Resources

UFCW LOCAL NO. 7, DENVER, COLORADO,
Chartered by the UNITED FOOD AND
COMMERCIAL WORKERS
INTERNATIONAL UNION

By: _____
Kim Cordova
President