

MST #1402
exp. 10/25/14

**TENTATIVE AGREEMENT FOR A COLLECTIVE BARGAINING
AGREEMENT BETWEEN
UFCW LOCAL 5 & 648 AND RENWOOD ANDRONICO LENDING 1, LLC
(dba, Andronico's Community Market)**

The following shall set forth the parties' Tentative Agreement for a Collective Bargaining Agreement (CBA) between Local's 5 and 648 and Renwood Andronico Lending 1, LLC (dba, Andronico's Community Market) ("Renwood").

The parties agree to adopt the Food and Meat Agreement (CBA) between UFCW Local's 5 and 648 and Andronico's Market dated December 2, 2007 through October 11, 2011 (attached as Exhibit A), except as specifically modified by the provisions listed below. In the event there is any conflict between the provisions listed below and any provision of the aforementioned December 2, 2007 through October 11, 2011 CBA, the terms of this Tentative Agreement for a CBA shall prevail.

Notwithstanding the foregoing, the parties agree that Renwood is not assuming any liabilities of Andronico's Markets, Inc., or any of its predecessors, under the December 2, 2007 through October 11, 2011 CBA and that the CBA is not being assumed by Renwood. The parties agree that neither Local 5 nor Local 648 shall have or may assert any claims against Renwood arising under the CBA or actions taken by Andronico's Markets, Inc., or any of its predecessors, and that all such claims and causes of action are hereby deemed fully released and waived.

Section 1.2.2 Food Clerk's Work

- Eliminate the words "and Meat Clerks" as described in Section (9.2.4).

Section 1.2.4 Food Clerk's Work (Clarification of the term "reset crew")

- It is recognized between the parties that the words "reset crew" in the first paragraph includes work that may be performed by non-bargaining unit individuals in any area of the employer's retail store pertaining to the resetting of store merchandise. The term "reset crew" can be one or more individuals performing merchandise reset work.

Section 1.3.1 and 9.2.4

- Add as last paragraph to above two sections: *Meat Clerks may perform Salesperson work and Salespersons may perform Meat Clerk work. No Meat or*

Salesperson on the payroll as of the merging of these two classifications shall be laid off or have their hours reduced. (Note: Meat Clerks on the payroll as of the date Renwood acquires Andronico's will not have wages reduced (Grandfathered) as reflected in the Meat Appendix

Section 1.4.1 Meat Cutter's Work

- Replace 6 p.m. with 5 p.m. in the first and last sentence.

Section 1.6 Store Managers and Assistant Store Managers

- Change subtitle to the following: **STORE MANAGERS, ASSISTANT STORE MANAGERS AND *NUTRITION SPECIALIST***:
- Eliminate the words "and in stores of 35,000 square feet or more" in the first sentence of the first paragraph.
- Add "*Nutrition Specialist*" after "a second assistant store manager" in the first sentence of the first paragraph.

Section 3.1 Discharges and Layoffs

- Under subtitle **PROBATION (Food and Meat)**: Add the following as the first two sentences: *For employees on (Renwood) payroll as of October 26, 2011 (date Renwood acquires Andronico's Markets), there shall be a probationary period of 30 days. Renwood employees formerly employed by Andronico's Market Inc. will retain their original hire date once they successfully complete their 30 day probationary period.*
- Under subtitle **PROBATION (Food and Meat)**: Add the word "Meat" to subtitle and change the first sentence to the third sentence and change sixty (60) days to *ninety (90) days*.
- Eliminate third paragraph that commences with the word (MEAT).

Section 4.3 Application: (Food)

- Eliminate all verbiage commencing with the word "provided" on the third line. (Note: Eliminates employee loss of seniority for six months during transfers out of geographical seniority area).

Section 4.9.1 Transfers (Meat)

- Eliminate all verbiage commencing with the word "provided" on the third line. (Note: Eliminates employee loss of seniority for six months during transfers out of geographical seniority area).

4.10.1 Request for full-time work (Food)

- Eliminate the first and third paragraph in its entirety.
- Replace the second paragraph with the following: *No less than thirty five percent (35%) of the employees covered by this Agreement in all classifications except Courtesy Clerks shall be employed on a full-time forty (40) hour basis in each store of the Employer. The Employer may reduce the thirty five percent (35%) to thirty percent (30%) through the process of full-time employee attrition.*

At the time the percentage of the aforementioned full-time positions drop below the required ratio in any of the job classifications, as defined in the Agreement's Appendices, employees in the appropriate job classification will be offered full-time positions by seniority.

Section 6.2 Time and One-Third (Food & Meat) and Section 7.9 Premium Day (Food)

- Section 6.2 and 7.9 are to be suspended (no Sunday pay for all employees) until the expiration of the October 26, 2011 through October 25, 2014 Agreement between the parties, or successor agreement.

Section 7.8 Night Premium (Food & Meat) and Section 7.8.1 (Meat)

- Section 7.8 and 7.8.1 are to be suspended (no shift differential premium pay) until the expiration of the October 26, 2011 through October 25, 2014 Agreement between the parties, or successor agreement.

Section 6.1 (Food) and 7.5.1 (Meat) - Meal Period

- Replace the words "one-half (1/2) uninterrupted hour" with "thirty five (35) uninterrupted minutes" in first sentence of first paragraph (Section 7.5.1 - Meat); and replace the words "one-half (1/2) hour" with "thirty five (35) uninterrupted minutes" in last sentence of first paragraph (Section 6.1 - Food).

Section 9.1.6 Additional Duties

- Add the following as the last paragraph in section: *Notwithstanding the above, employees classified as Department Heads and Head Clerks may assist customers in any area of the store if a department is unattended due to another employee's break or meal period.*

Section 9.3 Courtesy Clerks

- Add the following as number 10 to section 9.3: *Stock candy and also display magazines and seasonal promotional items in the immediate area of the front lobby check out counters.*
- Add the following as number 11 to Section 9.3: *Face merchandise within the store.*
- Add the following as number 12 to Section 9.3: *Hang or remove shelf tags under the supervision of the Price Change Coordinator. It is understood that this provision will not reduce hours of any other classification that may be assigned to price changing duties.*

Section 11.1.3 Industry Vacation

- It is understood between the parties that employees hired by Renwood (dba Andronico's Community Market) will be subject to the industry vacation time as outlined in Section 11.1.3 which reads as follows: Employees hired after January 25, 2008 with over ten (10) years of industrial time will receive three (3) weeks of vacation after twelve (12) months of employment, four (4) weeks after five (5) years of employment with the Employer and five (5) weeks after ten (10) years with the Employer.

Section 11.9 Vacation Period

- Change the vacation selection period from March 1st and November 1st to February 1st and October 31st.
- Add as last sentence in first paragraph: *Notwithstanding the above, the Employer may restrict employees from taking vacation during Memorial Day, July 4th and Labor Day.*

Section 9.5 Demonstrators (Food)

- Replace section with the following: *All work connected with the demonstration of merchandise offered for sale in the Employer's retail store shall not be covered by this Agreement.*

Section 12.2 Health and Welfare Contributions

The signatory to this MOA, Renwood Andronicos Lending I LLC (Employer), will be bound by the major food industry negotiations regarding health and welfare design plan changes and premium increases. The Employer will pay the current rate of \$6.20 but any increases to be paid by the Employer will be limited to not more than five percent (5%) of the \$6.20, or \$.31 the first year of the Agreement, three percent (3%)

of \$6.51, or \$.20 the second year of the Agreement and two percent (2%) of \$6.71, or \$.13 the last year of the Agreement. Employees will be responsible for any increases above those percentages and the difference, if necessary, will be deducted from their hourly wage rate.

- Side Letter of Understanding, attached hereto, regarding Renwood Andronien Lending 1 LLC's responsibility for the health and welfare and pension contributions on behalf of UFCW Local 5 bargaining unit employees for the months of September, 2011 (due October 20, 2011) and October, 2011 (due November 20, 2011).

Wages

- Attached hereto

Favored Nations Clause

- It is understood between the parties that if more favorable provisions or conditions are agreed to in the major food industry negotiations (Safeway, Lucky/Save Mart, Raley's) than those bargained in this Tentative Agreement, which incorporates the December 2, 2007 through October 11, 2011 UFCW Local 5 and Local 648/Andronico's Market CBA, the more favorable provisions or conditions will prevail upon request of UFCW Local 5 and 648.

Term of Agreement

October 26, 2011 through October 25, 2014.

This Tentative Agreement, made and entered into this 26th day of October 2011, by and between UFCW Locals 5 and 648 and Renwood shall be submitted and fully recommended for ratification and will be effective upon its ratification date.

For the Employer,

Scott B. Lavie 10/25/11
Scott B. Lavie Date

For the Unions,

Ron Lind
Ron Lind, UFCW Local 5 Date

Michael Sharpe
Michael Sharpe UFCW Local 648 Date

Letter of Understanding

Between

UFCW Local 5 and 648

And

Renwood Andronico Lending 1, LLC

It is the understanding between the bargaining parties that those employees on an Employer authorized leave of absence (LOA) at the time Renwood Andronico Lending 1, LLC (Renwood) acquires Andronico's Markets Inc., will have their employment separated.

It is further agreed between the parties that the aforementioned LOA individuals will be afforded the opportunity to interview for employment with Renwood upon a medical clearance to return to work. Upon employment by Renwood, any LOA individual will be placed on a thirty (30) day probationary period.

A list has been provided of those LOA employees by Andronico's Market Inc., and is attached hereto as Exhibit A.

For the Employer

Scott B. Lavie 10/25/11
Scott B. Lavie Date

For the Union

Ron Lind _____
Ron Lind UFCW Local 5 Date

Michael Sharpe _____
Michael Sharpe UFCW Local 648 Date

LETTER OF UNDERSTANDING

Regarding Payment of Certain Health & Welfare Premium Payments

October 24, 2011

Mr. Ron Lind
UFCW Local 5
240 S. Market Street
San Jose CA 95113

Dear Mr. Lind:

This will confirm our agreement during the negotiations that in the event Andronico's Markets does not make the premium payments for its employees' Health & Welfare Plan coverage for the month of November, 2011, Renwood Andronicos Lending 1, LLC ("Renwood") agrees to make the payment required by October 20, 2011. Said payment will be based upon the formula for September hours as required by the Trust Fund. In addition, Renwood agrees to make the payment due on November 20, 2011 for December benefits based upon the October hours formula.

Very truly yours,

Renwood Andronicos Lending 1, LLC

By: *Scott B. Jance*
Title *Authorized Signatory*