AGREEMENT

BETWEEN

THE GREATER ST. LOUIS FOOD EMPLOYERS’ COUNCIL

AND

UNITED FOOD AND COMMERCIAL WORKERS UNION LOCAL NO. 655

LOCAL 655
UFCW
ST. LOUIS, MO.

JUNE 16, 2003 TO MAY 13, 2007
YOUR RIGHT TO UNION REPRESENTATION

The Supreme Court of the United States decided in the case of the NLRB vs Weingarten, Inc. that:

"an employee has the right to have a union representative present at any investigatory interview conducted by the employer, where the employee reasonably believes the interview might result in disciplinary action."

(See also NLRB vs AAA Equipment Service Company.)

As a member of the United Food and Commercial Workers Union, you can not be required to submit to an investigatory interview where you have a reasonable belief that you may be disciplined, without a representative of your Union present. However you must:

Ask for representation - this right is not automatic. If you are denied this right, offer to return to work or to clock out and go home. Do not stay in the room.

Make no statement, written or verbal, unless they are absolutely true. Any statement you make can be used against you. Always request copies of any document that you may sign.

You should state:

"I am not being insubordinate, however, I am refusing to talk with you further until my union representative is present. I will either return to my work or I will clock out and leave but I will not continue this interview."

DO NOT WAIVE THIS RIGHT BY ALLOWING THE INTERVIEW TO GO ON.

Robert J. Kelley, President
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AGREEMENT

THIS AGREEMENT, mutually entered into by and between the Greater St. Louis Food Employers' Council (Dierbergs, Schnucks and Shop 'n Save) and/or successors and assigns, a signatory hereto, hereinafter referred to as the "Company", and the United Food & Commercial Workers Union Local No. 655, chartered by the United Food & Commercial Workers International Union, AFL-CIO-CLC, hereinafter referred to as the "Union".

It is the intent and purpose of the parties hereto, by entering into this Agreement, to promote and to improve industrial and economic relationships between the Company and their associates, to recognize mutual interests, to provide a channel through which information and problems can be transmitted from one to another, to formulate rules to govern the relationship between the Union and the Company, and to promote efficiency and service. These objectives shall guide the parties and be observed by them during the term of this Agreement.

WITNESSETH: That the parties have agreed and do, by these presents, agree as follows:

ARTICLE 1 - JURISDICTION

Section 1.1 The Union shall be the sole and exclusive bargaining agent for all associates as defined in this Agreement in the City of St. Louis and in the counties of St. Louis, Franklin, St. Charles, Jefferson, Washington, Warren and Lincoln, excluding Store Management, supervisory and other associates as defined by the National Labor Relations Act, as amended, and those associates covered by other collective bargaining agreements with the Company.

Section 1.2 All work and services connected with all operations carried on at the premises of the Company's retail establishments including, but not limited to, the handling and selling of all merchandise, shall be performed only by associates within the unit as defined in this Agreement, and by associates working for the first thirty-one (31) days of their employment provided, however, that the foregoing restriction on work jurisdiction may be altered or relaxed in whole or in part by mutual agreement between the Company and the Union.

The Company agrees to notify the Union, in advance, should a new department be opened or leased within a store.

Section 1.3 Under no condition shall supervisors or Store Managers perform bargaining unit work, except in case of emergency, such as Acts of God or other conditions beyond the control of the Company, and to the extent that they may perform customer services. Customer services shall not be construed to include stocking, price marking, truck unloading or building displays, or any other bargaining unit work on a regular basis.

However, one member of store management will be allowed to perform any bargaining unit work. The company will notify the Union, when necessary, which current member of store management is so designated.

Section 1.4 The above described restriction on work jurisdiction has been relaxed and altered in the
following respect: that there shall be no restrictions on outside sales persons delivering and/or servicing commercial bakery products; milk; soda; bottled water products, isotonic drinks and teas delivered by direct store delivery (DSD) vendors; all product delivered by chip and snack vendors; cookies and crackers; beer, wine and liquor; and L'eggs.

The Greeting Card Department may be serviced by their respective vendors. Outside sales persons, Store Management, and the Company’s reset crew shall not be restricted from performing resets or rearrangements of any product once it has been initially stocked by bargaining unit associates. Removal of outdated product and rotation of perishable dated products, which are already on the shelf or in the case by vendors, shall be authorized. Vendors may clean shelves when rotating product or removing outdated product.

No associate who is on the seniority list as of October 31, 2003, shall have their hours reduced as a direct result of the relaxation of bargaining unit work jurisdiction for vendors in the contract expiring on June 15, 2003.

Any work done by any person outside of the bargaining unit in violation of this Agreement after it has been brought to the attention of management shall result in the associate on duty who reports the violation receiving pay for the time worked at time and one-half (1½) the top clerk rate in the contract, or time and one-half (1½) the associate's regular rate, whichever is the greatest, in addition to the associate’s normal pay for that day. This shall not preclude the Union Representative of the local Union from filing a grievance pertaining to a violation of this paragraph in the name of a particular associate who shall be compensated in the method herein provided above.

Once a violation of any work done by any person outside of the bargaining unit has once been brought to the attention of Management; any other violations within a two (2) week time period by the same person shall result in the associate on duty who reports the violation receiving pay for the time worked at time and one-half (1½) the top clerk rate in the contract, or time and one-half (1½) the associate's regular rate, whichever is greater, in addition to the associate’s normal pay for that day.

ARTICLE 2 - UNION SECURITY

Section 2.1 All associates who are now members of the Union shall, as a condition of employment, maintain membership in good standing consistent with the provisions of the Labor-Management Relations Act of 1947, as amended.

The Company shall not be required to discharge an associate for failure to attain or maintain membership in the Union unless it shall have received three (3) days written notice from the Union prior to the date such discharge is to be effective.

Section 2.2 All new associates must become members of the Union thirty-one (31) days after their employment date and thereafter shall, as a condition of employment, maintain membership in good standing consistent with the provisions of the Labor-Management Relations Act of 1947, as amended.

CHECKOFF: The Company agrees to deduct initiation fees, Union dues and uniform assessments where lawful, uniformly required as a condition of acquiring or maintaining membership in the Union
from the wages of each associate, present and future, as the same shall be due, provided each such associate executes written authorization therefore, in a form authorized by law, and such authorization is turned over to the Company.

The Company agrees to remit such dues and initiation fees as deducted to the Union.

The Union shall, on or before the tenth (10th) day of each month, furnish to the Company a list of member-associates and the amounts due therefore, including dues owing for the succeeding month.

The Company shall, on or before the last day of the same month, deduct and remit such dues as authorized to the Union.

The Company will deduct Union dues and initiation fees on a weekly basis. The Company shall, on or before the tenth (10th) day of the following month, remit such dues as authorized to the Union.

In the event no wages are then due the associate, or, are insufficient to cover the required deduction, it shall be the responsibility of the Union to resubmit the amount due on the next regular monthly billing.

Once each month, the Company will submit to the Union a list of associates hired the previous month. The list will include the associates’ names, social security numbers, store codes, job codes and dates of hire.

Once each year or each week, the Company will deduct from the pay of the associates, who have certified in writing, a political deduction. The Union shall furnish the Company the amounts to be deducted on the regular monthly billing.

Section 2.3 No associate shall be deprived of membership in the Union except in accordance with the Constitution and By-laws of the Union.

Section 2.4 The Company and/or its agents or representatives agree not to aid, promote or finance any other group or organization which purports to engage in collective bargaining.

Section 2.5 The Company and the Union agree that there shall be no discrimination against any associate on account of Union activities or affiliation, or because of race, religion, color, creed, national origin, sex, age, or disability in accordance with existing law.

Section 2.6 The Company agrees not to enter into any agreement or contract with their associates, individually or collectively which, in any way, conflicts with the terms and provisions of this Agreement.

Section 2.7 The Company agrees to permit an authorized representative or officer of the Union to have free access to the stores at all hours when members of Local No. 655 are on duty to satisfy the Union that the terms of this Agreement are complied with, but such representative or officer shall not interfere with the duties of any of the said associates or the business of the Company.

The Union shall have the right to designate two (2) Union Stewards for each store (three (3) Union
Stewards for stores with one hundred fifty (150) or more bargaining unit associates who shall have top ranking seniority (during the term of their office), irrespective of actual length of service, in case of layoffs, and transfers.

Section 2.8 The Union store card may be displayed in all places where members of Local No. 655 are employed. The store card shall be removed at the request of the Union.

Section 2.9 Members of the Union must wear their Union buttons when on duty.

Section 2.10 Corrective action initiated as a result of investigative shopping reports will be taken within five (5) scheduled working days. All other corrective action will be taken within a reasonable period of time.

Corrective action will be discussed in the presence of the associate and, if requested, the Union Steward or the Union Representative or another bargaining unit associate. The associate and the Union will be given a copy of the “Corrective Action.”

Work rules and regulations which apply to bargaining unit associates and changes thereafter will be given to the Union at least thirty (30) days prior to implementation.

Once during the term of the collective bargaining agreement, the Company agrees, upon request from the Union, to review specific current Company policies with a committee appointed by the Union.

ARTICLE 3 - MANAGEMENT RIGHTS

The management of the business and the direction of the working forces, including the right to plan, direct and control store operations, hire, suspend or discharge for proper cause, transfer or relieve associates from duty because of lack of work or for other legitimate reasons, the right to study or introduce new or improved production methods or facilities and the right to establish and maintain reasonable rules and regulations covering the operation of the stores, a violation of which shall be among the causes for discharge, are vested in the Company; provided, however, that their right shall be exercised with due regard for the rights of the associates and provided further that it will not be used for the purpose of discrimination against any associate. This paragraph is subject to the Grievance Procedure.

ARTICLE 4 - GRIEVANCE AND ARBITRATION

Section 4.1 Should any differences, disputes or complaints arise over the interpretation or application of the contents of this Agreement, there shall be an earnest effort made on the part of both parties to settle same promptly through the following steps:

STEP 1. By conference between the aggrieved associate, the Union Steward or Union Representative, or both, and the Store Manager. Store Management shall make its decision known within two (2) working days thereafter. If the matter is not resolved in Step 1, it shall be referred to Step 2 within two (2) working days.
STEP 2. By conference between the Union Representative and a supervisor of the Company. The Company shall make its decision known within three (3) working days thereafter. If the matter is not resolved in Step 2, it shall be reduced to writing and referred within three (3) working days to step 3.

STEP 3. By conference between an official or officials of the Union and a designated representative of the Company.

STEP 4. In the event the last step fails to settle the complaint, it shall be referred, within seven (7) working days, to Arbitration.

Section 4.2 In any case in which an associate is aggrieved and the Union promptly notifies the associate that it does not intend to request arbitration after the Step 3 meeting, the time for requesting arbitration shall be stayed pending the associate's exhaustion of internal Union appeals to the Union's Executive Board.

Section 4.3 The Company and the Union shall mutually agree to an impartial arbitrator to hear said arbitration case; however, if said arbitrator cannot be chosen within three (3) days, then the Federal Mediation and Conciliation Service will be requested to furnish a panel of seven (7) names from which the arbitrator may be chosen. The arbitrator will be selected within seven (7) days after the receipt of the panel by both parties. The arbitrator may be chosen by alternately striking names. The party striking first will be determined by the flip of a coin. The decision of the arbitrator shall be binding on both parties. The expenses of the arbitrator shall be paid for jointly. Should either party postpone a scheduled arbitration date, that party shall be responsible for any cancellation fee.

The parties request that the arbitrator render a decision within sixty (60) days of the close of the hearing or the receipt of the post-hearing briefs, whichever is later.

Both parties agree to issue a joint communiqué to any arbitrator whose ruling is not received within a reasonable time frame.

Such arbitrator shall not be empowered to add to, detract from or alter the terms of this Agreement.

Section 4.4 The Company may, at any time, discharge any associate for proper cause. The Union or the associate may file a written complaint with the Company within ten (10) days after the date of discharge, asserting that the discharge was improper. Such complaint must be taken up promptly. If the Company and the Union fail to agree, it shall be referred to arbitration. Should the arbitrator determine that it was an unfair discharge, the Company shall abide by the decision of the arbitrator.

Section 4.5 Grievances must be taken up promptly. No grievance will be considered, discussed or become arbitrable which is presented later than seven (7) days after such has happened.

Section 4.6 The Company shall have the right to call a conference with a Union Steward or officials of the Union for the purpose of discussing a grievance, criticisms or other problems.

Section 4.7 Grievances will be discussed only through the outlined procedures; except that by mutual
agreement between the Union and the Company, the time limits may be waived.

Section 4.8  There shall be no lockout or cessation of work pending the decision of the arbitrator.

Section 4.9  If the Arbitrator shall award back wages covering the period of the associate's separation from the payroll of the Company, the amount so awarded shall be less any unemployment compensation received or compensation which the associate would not have earned had the associate not been suspended or discharged. If the decision of the Arbitrator includes back pay, any back pay award shall not be in excess of one (1) year from the date of discharge or disciplinary suspension.

ARTICLE 5 - UNION COOPERATION

Section 5.1  The Union shall use its best efforts as a labor organization to enhance the interests of the Company, as an Employer of Union labor.

Section 5.2  The Union agrees to uphold the rules and regulations of the Company with regard to punctual and steady attendance, proper and sufficient notification in case of necessary absence, conduct on the job, and all other reasonable rules and regulations established by the Company.

Section 5.3  The Union agrees to cooperate with the Company in maintaining and improving safe working conditions and practices, in improving the cleanliness and good housekeeping of the stores, and in caring for equipment and machinery.

Section 5.4  The Union recognizes the need for conservation and the elimination of waste and agrees to cooperate with the Company in suggesting and practicing methods in the interest of conservation and waste elimination.

Section 5.5  The Union recognizes the need for improved methods and output in the interest of the associates and the business and agrees to cooperate with the Company in the installation of such methods, in suggesting improved methods, and in the education of its members in the necessity for such changes and improvements.

ARTICLE 6 - UNAUTHORIZED ACTIVITIES

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

Section 6.2  The failure of any associate to cross or work behind a lawful primary labor picket line which has been officially recognized by the St. Louis Labor Council and/or the United Food and Commercial Workers International Union, AFL-CIO-CLC, shall not constitute a violation of this Agreement.

Section 6.3  The Company and the Union mutually agree that in the event of an unauthorized strike or
slowdown by an associate or associates that the Company will not file or press suits for monetary damages against the Union. The Union agrees that it will immediately take every reasonable means to induce the associate or associates to return to their jobs or resume standard production. Should such associate or associates refuse to return to work or to resume normal production, the Company may exercise whatever disciplinary action it deems proper against such associate or associates, including discharge, layoff, loss of seniority rights or other privileges granted associates under this Agreement or the Company policy.

ARTICLE 7 - HOURS AND WORKING CONDITIONS

Section 7.1

A. The basic workweek for all associates covered by this Agreement shall be forty (40) hours, to be worked in five (5) eight (8) hour shifts or four (4) ten (10) hour shifts, not necessarily consecutive. The workweek shall be each Company’s seven (7) day payroll period.

B. The regular work day for associates shall not exceed eight (8) consecutive hours per shift [or ten (10) consecutive hours per shift for those associates scheduled to work four (4) ten (10) hour shifts], exclusive of an unpaid meal period.

C. All time worked in excess of forty (40) hours per week or eight (8) consecutive hours per shift [ten (10) consecutive hours per shift for associates working four (4) ten (10) hour shifts] shall be paid at the rate of time and one-half (1½) the associate’s regular rate of pay. There shall be no pyramiding of overtime or premium pay.

D. Available schedules for full-time associates of four (4) ten (10) hour shifts shall be on a voluntary basis in accordance with seniority and qualifications to perform the job. The Company will ascertain the number of four (4) ten (10) hour schedules available by department; then determine the actual number to be scheduled by department based on the number of volunteers per department. At no time shall anyone be forced to work a four (4) ten (10) hour schedule.

E. Scheduled overtime shall be offered by seniority to associates qualified to do the work within the store for the designated time. Associates shall not be required or compelled to work overtime as defined above. However, if an insufficient number of associates volunteer, then qualified associates may be required to work by inverse order of seniority.

F. All associates shall receive at least one (1) full day off per calendar week, Monday through Saturday, inclusive. If associates are required to work on their scheduled day off, they shall be paid at the rate of time and one-half (1 ½) their regular rate.

Section 7.2

A. The Store Manager will post a work schedule by seniority (in ink or other permanent means) for all associates, by surname and initial, for the succeeding week by 11:00 a.m. on Friday of the current week. Any associate leaving on schedule before 11:00 a.m. and who is not scheduled to work on Saturday will be advised by store management of the associate's schedule to be
posted. This schedule shall be accessible to all associates and the Union. Copies of all master food schedules shall be posted in one central location accessible to all associates.

B. All associates shall have a minimum of eight (8) hours off between shifts except as referenced in Section 7.21 and except that at the associate's option the eight (8) hour minimum may be waived. Associates shall not work split shifts.

C. Starting time for full-time associates shall not be changed without twenty-four (24) hours notice to each associate affected by such change, except in case of emergency caused by illness, absenteeism, etc.

D. Thirty-two (32) hours or more per week associates shall have preference of available days off by seniority, job classification, and availability.

Once days off are selected, they will not be changed except in holiday weeks for reasons beyond the control of the Company or for operational changes. By agreement with the Union, the Company may elect to rotate Saturday off between all associates in a particular classification rather than to grant them to the more senior associates. This paragraph shall not preclude the right of the Company to grant, on an individual request basis, a particular day off on an infrequent basis to an associate for a valid reason.

E. When hours are added to the posted schedule during the week, they shall be given to the most senior qualified part-time associate(s) who are available to work those hours. Such added hours will be given in consideration of the associate(s) present schedule and the operational needs of the store, both in the number of hours added and when the hours are needed; and further provided such hours will not cause the payment of overtime. If the Company offers the hours to an associate not scheduled the day the added hours are needed, the Company will call the most senior qualified part-time associate not scheduled to work five (5) shifts (Monday through Saturday) excluding Sunday and offer the added hours to this associate. However, full-time associates working less than forty (40) hours because of special request, or full-time associates scheduled for thirty-two (32) hours during holiday weeks, will be offered available call-in work in accordance with this section.

F. If in case of an emergency an associate fails to report to work as scheduled, then those hours will be offered to the most senior qualified part-time associate(s) working that day and is available to work the needed hours or to the most senior qualified part-time associate not scheduled to work on those days. Such hours will be given in consideration of the associate(s) present schedule and the operational needs of the store, both in the number of hours offered and when the hours are needed; provided such hours will not cause the payment of overtime. When the Company offers the hours to an associate not scheduled the day the hours are needed, the Company will call the most senior qualified part-time associate not scheduled to work five (5) shifts (Monday through Saturday) excluding Sunday and offer the hours to this associate. However, full-time associates working less than forty (40) hours because of special request, or full-time associates scheduled for thirty-two (32) hours during holiday weeks, will be offered available call-in work in accordance with this section.

G. Daily overtime shall be offered by seniority and job classification within the store among the
associates present and qualified to do the work when the need for overtime arises. Associates shall not be required or compelled to work overtime as defined above. However, if an insufficient number of associates volunteer, then qualified associates may be required to work by inverse order of seniority.

H. It is agreed that night work after 6 p.m. will be assigned on an equitable basis among all associates who work thirty-two (32) hours or more per week and that no thirty-two (32) hours or more per week associate will be required to work more than three (3) nights per week. For the purpose of applying this clause, this associate shall have worked thirty-two (32) hours or more per week for a period of thirteen (13) consecutive weeks. An associate who works less than thirty-two (32) hours per week for a period of thirteen (13) consecutive weeks shall be disqualified from the above three (3) night provision.

I. A premium of sixty cents (60¢) per hour in addition to the regular rate of pay shall be paid for all hours worked between 12 a.m. and 5 a.m. Associates scheduled for more than five (5) hours, whose shift encompasses 12 a.m. to 5 a.m., will be paid the premium for the entire shift. Night shift differential shall be included in computing vacation pay. In the week in which a holiday occurs, the week's pay shall not be less than the basic pay plus normal shift differential. An associate working on a night shift which either begins or ends on a Sunday or holiday will be compensated at straight time plus night premium for the entire shift. However, associates who are scheduled both the night shift before and the night shift of a Sunday or a holiday will receive their appropriate Sunday or holiday premium pay (or night premium, whichever is greater) for the entire Sunday or holiday night shift.

Any shift that is scheduled to end after midnight or begin before 4 a.m. is considered to be a night shift. This shift for full-time associates shall be eight (8) hours, not to exceed five (5) nights, forty (40) hours per week, except that full-time associates may be scheduled for forty (40) hours to be worked in four (4) ten (10) hour shifts. In this event, daily overtime shall not be paid until more than ten (10) hours have been worked. Associates working the night shift must have a minimum of twelve (12) hours break between shifts.

The following are pay procedures in conjunction with this Section for associates working night shifts that work during weekends that include holidays that are celebrated on Mondays.

1. There are three possible night work shifts:
   a) Saturday night into Sunday morning
   b) Sunday night into Monday morning
   c) Monday night into Tuesday morning

2. If an associate working night shifts works any one (1) of the above shifts, they shall be paid the night premium pay for all hours worked on that shift.

3. If an associate working night shifts works any two (2) of the above shifts, they shall be paid the night premium pay for the first full shift worked and the appropriate Sunday or Holiday
premium pay for the second full shift worked. For example:

Associate works Saturday into Sunday and Monday into Tuesday; the associate shall receive night premium pay for Saturday into Sunday and Holiday premium pay for Monday into Tuesday.

4. If an associate working night shifts works all three (3) of the above shifts, they shall be paid the night premium pay for the first full shift worked, Sunday premium pay for the second full shift worked and holiday premium pay for the last shift worked.

5. When Christmas Day falls on Sunday but is legally celebrated on Monday, associates who work their second full night shift from Sunday night into Monday morning shall receive their Sunday premium pay for hours worked on that shift. Associates who work their second full night shift from Monday night into Tuesday morning shall receive their holiday premium pay for hours worked on that shift.

Available night schedules may be selected by qualified associates on the basis of seniority. In the event there are not enough volunteers, inverse seniority shall apply.

Associates working a forty (40) hour night shift schedule may replace a less senior forty (40) hour associate in their store not working a forty (40) hour night schedule seniority and qualifications permitting. Such associate shall give the Company at least ten (10) days written notice.

J. In scheduling courtesy clerks, the Company shall schedule for a minimum of ten (10) hours per week. When scheduled, they shall not be reduced below ten (10) hours per week that week. It is understood that this guarantee cannot apply to an associate called in for replacement of another associate.

K. Any associate who averages twenty-five (25) hours or more per week and who is unable to work because of injuries received during the scheduled workweek and whose injuries resulted out of or during the course of employment on the store premises, shall be entitled to full pay not to exceed eight (8) hours [ten (10) hours for associates scheduled to work four (4) ten (10) hour shifts] for each scheduled day lost because of such injuries, but not to exceed three (3) days, provided, however, that the associate shall report upon receipt of the injury to the store manager who shall refer the associate to the Company's physician. The physician's decision with respect to the length of time required off from the job shall be the controlling factor, provided further that nothing in this provision shall affect any rights accruing to either party under the Workers' Compensation Act of the State of Missouri, and that the Company shall receive credit for any payment made under this Article, should any compensation be awarded in accordance with the State Workers' Compensation Act.

The above payment is meant to compensate the associate for scheduled days lost prior to the date Workers' Compensation benefits become effective.

When an associate averaging less than twenty-five (25) hours per week is injured on the job, they will be paid for the balance of that day's work schedule provided that they conform with the
procedures set forth above.

When an associate, following an "on-the-job injury", is certified as ready and able to perform all regular duties by the associate's attending physician and/or Company doctor, but requires continued medical treatments as a result of the same injury, the Company shall adjust the work schedule upon request without penalty to the associate or Company, to provide both the time for medical care and the number of hours of work for which the associate is regularly scheduled by seniority and job classification.

**Section 7.3** All associates working shifts of six (6) or more hours per day will be allowed a paid uninterrupted rest period of fifteen (15) minutes for each one-half (½) shift worked, not to exceed two (2) rest periods per day. Associates working four (4) hour shifts up to six (6) hour shifts per day shall be entitled to one (1) paid uninterrupted fifteen (15) minute rest period per day. Rest periods shall not be required until the associate has been on duty at least two (2) hours.

**Section 7.4** The meal period, without pay, shall not exceed one (1) hour per day on the associate's time and shall be allowed between the beginning of the fourth (4th) hour and the ending of the sixth (6th) hour after starting time. Any associate working five (5) hours or more shall be entitled to an unpaid thirty (30) minute lunch period, if requested.

**Section 7.5** When an associate shall report for work at the time and place ordered or scheduled, then such associate shall be paid a minimum of four (4) hours pay at the regular rate. Students who are available regularly for as much as four (4) hours in any day during regular store hours shall be covered by the four (4) hour guarantee. The four (4) hour minimum may be waived if mutually agreed to between the Store Manager and the associate.

**Section 7.6** When supervision or the Company elects to instruct a member of the bargaining unit to report to the store for emergencies, they will be paid a minimum of two (2) hours at time and one-half (1½) their regular rate of pay.

**Section 7.7** Hours not worked, but compensated for by the Company [up to a maximum of forty (40) hours per week] shall be credited as hours worked for purposes of seniority, vacation pay, holiday pay, severance pay and wage progression.

**Section 7.8** All associates covered by this Agreement who receive hourly compensation, shall record in person, the exact number of hours worked by use of a time clock or other time record keeping instrument. The Company and the Union agree that a proven violation of established time clock rules, including work before punching in or after punching out, may subject an associate to disciplinary action, up to and including discharge. Falsification of payroll records shall be cause for dismissal. Upon request to Store Management, the Company agrees to allow the Shop Steward or Union Representative to check time records for hours worked on associates covered by this Collective Bargaining Agreement; and further agrees, upon reasonable notice, to allow records to be checked where necessary for wage rates.

**Section 7.9** The Company agrees to provide a complete first aid kit in each store.

**Section 7.10** The Company agrees to furnish a bulletin board in each break room of each store [not
to exceed two (2) per store] for official Union notices. "Official" is defined as authorized by the president of Local 655. The notices will not be detrimental to the Company, nor objectionable in nature, and will be sent to the Labor Relations/Human Resources Department prior to being posted.

Section 7.11 Associates are required to be vaccinated/inoculated as required by law or the Company. Associates will not be required to pay for these vaccinations/inoculations.

Section 7.12 The Company, at their discretion, with thirty (30) days advance notice to the Union, may offer voluntary monetary buyouts for any group of associates at any time during the term of this Agreement. The Company will determine how many associates will be eligible for this monetary buyout and the timing for when associates will be allowed to leave the Company under the terms of this monetary buyout.

ARTICLE 8 - SENIORITY

Section 8.1 Seniority shall be defined as the associate's length of continuous service with the Company, or date of entry into the bargaining unit or seniority classification, whichever is later. No associate shall acquire any seniority rights until the associate has been employed by the Company for at least forty-five (45) days and the associate shall not be deemed to be entitled to any of the privileges of seniority until the associate has been employed for that long. On the forty-sixth (46th) day, seniority shall apply from the date of employment. It is understood that by mutual agreement between the Company and the Union, an extension of the forty-five (45) day probationary period may be granted, not to exceed an additional fifteen (15) days.

Section 8.2 Seniority of an associate shall terminate for any of the following reasons:

A. Voluntary resignation.

B. Discharge for proper cause.

C. Failure of an associate to return to work following a layoff within five (5) working days after notice by certified mail or telegram by the Company to the associate's last known address on Company's records.

D. Failure of an associate to return to work under the terms and conditions of Article 11 (Leaves of Absence).

E. Where an associate has performed no work for the Company for a period of six (6) months because of layoffs.

F. Retirement.

Section 8.3 There shall be three (3) seniority lists:

A. Full-time Clerks - A full-time clerk is normally scheduled for a forty (40) hour workweek. An associate who is added to the full-time ratio and is scheduled forty (40) hours per week for one
(1) accounting period will be placed on the full-time seniority list on the first day of the succeeding accounting period, except as referenced in Sections 8.7B and 8.7D (Temporary Replacements).

B. Part-time Clerks - A part-time clerk normally works less than forty (40) hours per week.

C. Courtesy Clerks

Section 8.4

A. Full-time clerks shall have seniority over part-time clerks.

B. If any full-time associates are involuntarily reduced below forty (40) hours for an accounting period, they will have top seniority on the part-time seniority list.

C. Any full-time associate who voluntarily reduces their hours to part-time status will be put on the part-time clerk seniority list using the associate’s original seniority date in the bargaining unit.

Section 8.5 The Company shall submit to the Union, in an Excel or Access format, on a quarterly basis, a current seniority list, which includes name, social security number, store location, hire date, seniority date, classification, wage rate and hours paid in the previous accounting or payroll quarter.

Section 8.6 When a clerk’s job becomes available, a Courtesy Clerk associate will have the first opportunity to advance into the clerk’s classification within the store in which the associate works by seniority, provided the associate has the availability and ability to do the work.

Section 8.7

A. Associates shall be scheduled by seniority for the most weekly hours.

B. At least fifty-five percent (55%) of the scheduled hours for each Company (excluding Courtesy Clerk hours) shall be guaranteed forty (40) hour schedules. Forty (40) hour schedules shall be assigned to associates by job classification based on seniority and ability to perform the work.

The Company may determine the aforementioned fifty-five percent (55%) of scheduled hours by store, by the Company’s grouping of stores (division, district, zone, region, etc.) or by the entire bargaining unit. The Company will notify the Union in writing of what method will be used and it will not be changed for the term of this labor agreement.

The number of forty (40) hour schedules in a store will be the same for each week of a accounting period and will be calculated (averaged) on the budgeted hours based on expected sales for each of the weeks in the accounting period.

The Company agrees that if the actual hours worked by those associates covered under this Section deviates more than reasonably can be expected from the budgeted hours for the accounting period, appropriate adjustments shall be made immediately after the Union Representative brings such deviations to the attention of the Company officials.
The Company agrees to furnish ratio information to the Union on a Company accounting period basis.

This section shall not apply during the first eight (8) weeks of a new store opening or the first four (4) weeks of a major remodel.

Fractions of forty (40) hour schedules will be rounded up or down.

All forty (40) hour schedules that are shown on the work schedule(s) count for purposes of the ratio whether worked by the associate or not. However, full-time associates on an approved leave of absence for four (4) weeks or more shall be replaced after one (1) week, under the following conditions:

1. Will not be replaced if there is an overage in the full-time ratio.

2. If replaced within the store, the associate must be qualified to perform the job and will be considered as a "temporary replacement" and not assigned a full-time seniority date.

3. Full-time associates may be transferred to compensate for overages in the full-time ratio.

The remaining forty-five percent (45%) of the hours (excluding Courtesy Clerk hours) shall be weekly schedules assigned to part-time associates. At least forty percent (40%) of these weekly scheduled hours shall be schedules of at least twenty-five (25) hours but less than forty (40) hours. Part-time associates, by job classification, are entitled to the weekly schedule with the most hours based on seniority and ability to perform the work.

C. Associates may claim the entire weekly schedule of a less senior associate, if the less senior associate has a schedule with more weekly hours, in accordance with availability, job classification, and ability to perform the type of work within the store in which they work.

Claims under this provision of the Agreement must be made by the associate to the Company no later than 5 p.m. Saturday or the associate forfeits any claim.

D. 1. In the event a forty (40) hour Master Food or Specialty Department schedule becomes available, exclusive of department manager and assistant department manager positions, the following procedure will apply:

The most senior Master Food or Specialty Department associate as referenced in Section 8.4B above in the grouping of stores of the Company where the forty (40) hour permanent schedule becomes available will be given the first opportunity to work a forty (40) hour schedule.

The Company will offer the position to the most senior associate(s) within the associate's respective group (i.e., Master Food or Specialty Department) in each Company's grouping of stores (division, district, zone, region, etc.) or by the entire bargaining unit who has indicated to the Company in writing that they desire to work a forty (40) hour schedule.
These written requests for forty (40) hour jobs must be sent to the Labor Relations/Human Resources Department prior to August 1st and February 1st of each year for each succeeding six (6) month period and must include which store(s) and job classification(s) within the associate's respective group (i.e., Master Food or Specialty Department) in which the associate is willing to work. Associates will not be offered a forty (40) hour job at a store or in a job classification that they do not have listed on their forty (40) hour request form.

Associates who refuse to transfer to obtain a forty (40) hour schedule that they have listed on their request form relinquish their opportunity for that six (6) month request period to be transferred for a forty (40) hour schedule and will only be offered the opportunity to work an available forty (40) hour schedule by seniority in the associate's store during the remainder of that six (6) month period. Associates will acknowledge in writing each time a forty (40) hour schedule is offered and they refuse the opportunity.

2. In the event a forty (40) hour schedule becomes available due to volume fluctuations, the most senior associate in the store where the opening is deemed to exist, who desires forty (40) hours will be given an opportunity to work a forty (40) hour schedule.

The associate placed in the forty (40) hour position will be a temporary replacement and not assigned to a full-time seniority date. If the forty (40) hour job continues to exist after three (3) full accounting periods, it will be filled by the process outlined in Section 1. above.

3. If necessary, training in the job to be performed will be provided. The Company will determine within a two (2) to four (4) week period if the associate can perform the work satisfactorily. If an associate is disqualified because of this provision the associate will be transferred back to the associate's original store. These associates may only be offered forty (40) hour schedules in the future in the associate's present job classifications (i.e., grocery, produce, checking and office). The associate at any time during or at the end of the four (4) week period may return to the associate's former classification and/or store with no loss of seniority.

4. If the associate mentioned in No. 1 above refuses a forty (40) hour schedule at a store and in a job classification they have requested, then the Company will repeat the procedure in No. 1 until the ten (10) most senior associates who have requested that store and job classification in writing, have been offered the schedule. If none of these ten (10) associates accept this forty (40) hour schedule, then the Company may offer the schedule to the most senior associate in the store where this opening is deemed to exist who desires to work a forty (40) hour schedule.

5. The Company will assign, at their discretion, associates to any forty (40) hour jobs available in a new or remodeled store by selecting forty (40) hour associates from other stores or as outlined in Section 8.7D. Forty (40) hour schedules vacated in other stores because of the new store will be filled in accordance with No. 1 above.

6. The Company may elect not to replace the forty (40) hour job if there is an overage in the full-time ratio.
7. When a forty (40) hour position is filled, the Company will notify the Union in writing of the associate’s name, social security number, store location and full-time date.

Section 8.8 Associates who, at any time, have voluntarily limited their availability for work may, thereafter, claim a weekly schedule with more hours only when a vacancy occurs or when additional hours become available. The associate shall notify the Company in writing of their intent to claim a schedule with a greater number of hours when their availability is, again, unlimited on a permanent basis.

Associates may limit their availability as it regards total number of shifts they are available to work in a week and/or the total number of weekly hours they are available to work. This shall not be construed to mean preferential shifts.

Section 8.9 It is agreed by the Company that the Store Manager will not use the scheduling of hours as a punitive measure.

Section 8.10 A full-time (40-hour) associate, who has been reduced below forty (40) hours per week for four (4) out of six (6) weeks in the associate’s store, seniority permitting, may replace the least senior full-time associate in the same job classification in the Company’s grouping of stores or bargaining unit. Requests to exercise seniority in this regard must be made in writing to the Labor Relations/Human Resources Department within one (1) week following the four (4) week period.

Section 8.11 In the event of a store closing, full-time (40-hour) associates in the closed store will be treated as laid off associates in accordance with Section 8.12, paragraphs “A”, “B”, and “C”.

Section 8.12 In the event of layoff, all associates may exercise their seniority in the following manner:

A. Associates may exercise their seniority on the basis of replacement of the least senior associate working the same classification in the Company’s grouping of stores.

B. An associate who is displaced as a result of “A” above may have the opportunity to displace the least senior associate in the same classification in another of the Company’s grouping of stores closest to that associate’s residence.

C. An associate who is displaced as a result of “B” above may have the opportunity to displace the least senior associate in the same classification in the unit covered by this Agreement.

D. An associate who is displaced as a result of “C” above will be considered to be on layoff status. Recall to work shall be in accordance with seniority, with the last associate laid off being the first to be recalled within the affected job classification.

E. A part-time clerk who is laid off, seniority permitting, may displace a courtesy clerk in the store in which the associate is working. Such associate shall receive the prevailing courtesy clerk rate of pay and be placed on the courtesy clerk seniority list in accordance with the associate’s part-time clerk seniority date or the associate’s original courtesy clerk seniority date, whichever is earlier.
F. All changes occurring due to paragraphs "A", "B", and "C" above shall be completed in a period of not more than two (2) weeks.

Section 8.13 Department managers may exercise their seniority as described in Section 8.12, "A", "B", "C", and "D" above, with the exception:

Department managers may not displace another department manager, but may displace a full-time associate.

Section 8.14 PROMOTIONS. In the matter of promotions after giving due regard to seniority, the Company shall have the right to exercise its judgment.

Section 8.15 TRANSFERS. Transfers from one type of work to another or from one store to another will be made for justifiable reasons and will not be used for the purpose of discriminating against any associate.

When the Company opens a new store where there are additional full-time openings, associates working forty (40) hours a week, who have advised the Labor Relations/Human Resources Department or the Company in writing of their desire to transfer to a store nearer their home will be considered for such openings in accordance with seniority and availability.

ARTICLE 9 - UNIFORMS AND DRESS CODE

Section 9.1 Any uniforms or specific neckwear deemed necessary by the Company for its associates shall be furnished by the Company. Such uniforms shall be laundered by the associate and will be replaced as necessary, provided the associate turns in the worn uniform for a new uniform.

Section 9.2 During excessively cold weather, reasonable wearing apparel may be worn.

Section 9.3 Associates will be allowed to wear any light, solid colored dress shirt. Hairstyles will be neat and trimmed and subject to review and approval by the store manager.

Facial hair will be neat and trimmed and subject to review and approval by the store manager. The repeated starting and stopping of the growth of facial hair will not be tolerated.

Non-canvas athletic shoes may be worn by the associates. The color of the shoes shall be solid and neutral and conducive to good business practice and customer acceptance. The shoes are subject to review and approval by the store manager.

Section 9.4 Associates not conforming to the Company's dress code will be reviewed by the supervisor or the Labor Relations/Human Resources Department and the Union Representative before the discharge of the associate.
ARTICLE 10 - SUBSTANCE ABUSE

Section 10.1 The Company and the union recognize the seriousness of substance abuse in our society and in the workplace and the need to approach this problem in a humane and progressive manner and in a manner which recognizes the legitimate privacy rights of the associates.

Section 10.2 In addition, the use of drugs or the consumption of alcohol during breaks or meal periods is strictly prohibited and subjects the associate to disciplinary action up to and including discharge.

Any associate found to be consuming alcoholic beverages, or using drugs, while on duty or while on Company property, will be subject to disciplinary action up to and including discharge.

Section 10.3 Where there is a reasonable basis for believing that an associate is having a problem on the job that may be drug or alcohol related, the Company may request the associate to submit to a testing procedure consistent with the steps set forth below. At the time that such a request is made, both the associate and the Union Representative (or in the event of the unavailability of the Union Representative, the steward or another member of the bargaining unit) shall be specifically advised of all of the facts forming the basis of the Company's belief that the associate may be having a problem that may be drug or alcohol related. The manager requiring the test will complete a report supporting the reason for having the associate tested.

Section 10.4 In our continued effort to provide a safe, drug free and alcohol free work environment, the Company will require a breathalyzer and/or blood test for alcohol and an urinalysis test for drugs as a routine part of the investigation of the circumstances present at the time of an "on-the-job accident" which results in medical treatment away from the store. A drug and alcohol screen will be required of all associates involved in or contributing to the incident giving rise to the injury.

Section 10.5 Any test performed under this Article shall be performed at a doctor’s office, clinic or hospital at the Company’s expense. The associate shall be compensated for all time involved with the testing and for travel to and from the test site.

Furthermore, the Company agrees that the testing lab(s) selected shall be certified by the Department of Health and Human Services (DHHS) and will meet any future governmental guidelines that may be developed for the purpose of controlling laboratories involved in alcohol and drug screen testing. Testing facilities used by the Company follow the Department of Health and Human Services (DHHS) chain of custody requirements.

For alcohol, if available, a breathalyzer test will be given. If the breathalyzer test is negative no further tests will be performed. Should the breathalyzer test not be available or if available and it is positive a confirming test shall be performed (i.e., a blood test).

For drugs, two tests may be performed on the sample taken. The first test performed shall be a screening test of an enzyme immunoassay more commonly called the EMIT test. Should the EMIT test be negative, no further tests will be performed. Should the EMIT test be positive, a second confirming test shall be performed. The test shall be the Gas Chromatography/Mass Spectrometry (GC/MS) test. The aforementioned tests will be used unless a more reliable test(s) becomes available.
in the future.

Section 10.6 If an associate is tested for reasonable cause, and the tests prove positive for drugs or alcohol, the associate will be subject to discipline up to and including discharge. Prior to administering discipline, consideration will be given to the associate’s length of service [if at least eighteen (18) months], work history, the seriousness of the violation and other factors involved. However, any gross misconduct will result in immediate discharge. Should the associate not be discharged, the associate will be placed on a leave of absence and/or a disciplinary suspension for the first incident of a positive test. The associate will be referred to an assistance program for evaluation and must complete any recommended program. Subsequent positive tests will result in disciplinary action, up to and including discharge.

If an associate is tested because they were injured “on-the-job” and the tests prove positive for drugs or alcohol the associate will be placed on a leave of absence and/or a disciplinary suspension for the first incident of a positive test. Subsequent positive tests will result in disciplinary action, up to and including discharge. Should the associate not be discharged the associate will be given the opportunity to be referred to an associate assistance program and, after an evaluation, the associate may be urged to consider participation in an alcohol and/or drug treatment program.

To the extent required to enable the associate to participate in such a program, the associate shall be allowed to take an unpaid leave of absence in accordance with the Leave of Absence provisions of the collective bargaining agreement. Cost of any rehabilitation program shall be the responsibility of the associate or the associate’s medical program if applicable.

It shall be a condition of continued employment for associates at the completion of the aforementioned Leave of Absence and/or disciplinary suspension to submit to a follow-up drug and/or alcohol screen prior to returning to work. Should the results of the follow-up drug and/or alcohol screen also show a positive finding, and the results have been verified by a second test, the associate will be terminated.

As a further condition of returning to work after the aforementioned Leave of Absence and/or a disciplinary suspension an associate will be subject to random tests during the first (1st) year after returning to work. In the event the random test proves positive for drugs or alcohol, the associate will be discharged.

Section 10.7 If the associate refuses to take any of the aforementioned drug and/or alcohol tests the associate will be discharged.

Section 10.8 Test results are sent to the AAP representative or designated representative(s) at the Company’s corporate offices. The Company will inform the Union in writing of the designated representative(s).

Company records shall be kept in strict confidence, and neither said records nor the contents thereof shall be disseminated to any third party except upon written authorization by the associate, or to the extent required by law, or to the extent required by the Company for use in any proceeding involving the associate.
Section 10.9 In the event any test results do not establish that the associate tested positive for alcohol or drugs, then the Company shall expunge from its records all references to the testing.

ARTICLE 11 - LEAVES OF ABSENCE

Section 11.1 A Leave of Absence shall be defined as a period during which an associate must, for legitimate reasons, be absent from work. Leaves under this Article shall be limited to:

A. Military  
B. Medical/Maternity  
C. Union  
D. Management  
E. Personal  
F. Care of newborn or adopted child  
G. College Casual

They shall be for a specified length of time and without pay.

Section 11.2 MILITARY LEAVE. In the event an associate covered by this Agreement enters into the Armed Forces of the United States, the associate shall be eligible for reinstatement in accordance with the provisions of the applicable Federal Legislation.

Associates who are members of a National Guard unit and are required to attend training will be granted a leave of absence for this purpose. The associate may, at the associate’s option, elect to take this time as vacation time or take vacation time at another time.

Section 11.3 MEDICAL/MATERNITY LEAVE. A leave of absence for reason of extended personal illness, injury or maternity shall be granted to all associates, with six (6) months or more of consecutive service, for an initial period not to exceed thirty (30) days, provided such request is supported by satisfactory medical evidence. If at the end of thirty (30) days, the associate is unable to return to work, the leave may be extended for an additional thirty (30) days and each thirty (30) days thereafter, up to a maximum of twelve (12) months, provided such request for an extension is supported by satisfactory medical evidence.

Section 11.4 Following compliance with the terms of Section 11.3 above, an associate, upon returning to work with a doctor’s release indicating physical fitness to return to work, shall be placed in the same or comparable job classification, seniority permitting, and shall receive the rate of pay then established for the job. The associate will be scheduled for work on the next posted schedule in accordance with seniority, provided that the necessary notification and/or release was presented to the Company at least twenty-four (24) hours prior to the time called for in this Agreement for the posting of the written schedule.

Section 11.5 UNION LEAVE. When an associate leaves employment with the Company to take employment with United Food & Commercial Workers Union Local No. 655 or the United Food & Commercial Workers International Union, the Associate shall be considered on a leave of absence up to a maximum of three (3) years, and the associate shall, after completion of such employment with
the Union, return to the associate’s former employment with the Company, and the associate’s
seniority shall continue uninterrupted.

Associates duly elected to serve as a Vice President with Local Union No. 655, or appointed as a
Shop Steward, shall upon giving proper notice, be granted an unpaid leave of absence to attend
scheduled meetings or conferences. However, at the associate’s request, when attending meetings
of four (4) or less hours, the associate will have the daily work schedule adjusted without penalty to
the associate.

Section 11.6 MANAGEMENT LEAVE. A management leave of absence may be granted to an
associate accepting a management position with the same Company subject to the written approval
of the Company for a period of time not to exceed three (3) years. Seniority will not be interrupted
during this period.

Section 11.7 PERSONAL LEAVE. A personal leave of absence may be granted to associates
having six (6) months or more of continuous service subject to the written approval of the Company.

Section 11.8 LEAVE OF ABSENCE FOR CARE OF NEWBORN OR ADOPTED CHILD. For
associates with six (6) months or more of continuous service, a leave of absence for either parent
shall be granted without pay for a period of up to twelve (12) weeks for the purpose of newborn or
adopted child care. The associate shall be guaranteed reinstatement in accordance with the
associate’s seniority. An associate who wishes to change the associate’s date of return to work shall
notify the Store Manager 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) weeks from the date of birth
or date of adoption. The Company may require verification of the parent relationship to the newborn
or the adopted child.

Section 11.9 GENERAL PROVISIONS. Except in cases of emergencies, a written request to the
Human Resources Department for a leave shall be made at least five (5) working days prior to the
requested starting date of the leave.

It shall be the responsibility of an associate who is on leave to notify the Company if they are unable
to return to work at the expiration of the leave and to request an extension in accordance with proper
procedure.

A copy of the approved Leave of Absence will be forwarded to the Union office.

Seniority shall continue to accrue during leaves of absence.

Section 11.10 COLLEGE CASUAL. The following is the procedure for classifying associates with six
(6) months or more of service who attend college to remain as an active associate while continuing to
perform work on an irregular basis:

Work on irregular basis is defined as:

1. Some weekends only
2. During holiday breaks
3. During the summer

Associates wishing to be so classified must complete a Company-authorized form and return to their Store Manager no later than two (2) weeks prior to their last day of work before leaving for college. The Store Manager will forward the form to the Human Resources Department and the associate will then be classified as a "Casual College Store Associate". The Human Resources Department will notify the Union of each associate so classified.

These associates, as long as they have performed work during the past twelve (12) months, will continue to be treated as "active" associates and will not be required to complete any employment forms when they perform work on an irregular basis as defined above. Should they not work during any consecutive twelve (12) month period they will be terminated and treated as newly hired associates should they re-apply for employment in the future.

These associates will retain their original date of hire only for the purposes of vacation, Sunday premium entitlement, holiday premium entitlement and eligibility for holiday pay (except if they terminate under the provisions of this Section), but will not retain their original seniority within the bargaining unit. They will be entitled to the privileges of seniority and other provisions of the labor agreement based on their then current continuous length of employment in accordance with the labor agreement. Hours worked will continue to accumulate for purposes of wage increases in accordance with the provisions outlined in Schedule "A" – Wages and the Supplemental Agreements attached to the labor agreement. "Casual College Store Associates" may be so classified for a period of time not to exceed five (5) years. After five (5) years these associates, if not again working on a regular basis, will be terminated.

ARTICLE 12 - SICK DAYS

Effective January 1, 2004, and each January 1 thereafter, associates who were paid one thousand eight hundred seventy-two (1872) hours or more in the prior calendar year will be granted two (2) sick days.

Associates with one (1) or more years of service who normally work thirty-six (36) or more hours per week who were on an approved leave of absence during the prior calendar year will be afforded the sick days should they average thirty-six (36) or more hours per week for the weeks actually worked.

All sick days will be paid off in the first full week of December each year. However, associates have the option to use sick days as personal holidays in accordance with the procedure outlined in Section 15.1.

ARTICLE 13 - FUNERAL LEAVE

In the event of the death of a parent, grandparent, grandchild, brother, sister, spouse, son, daughter or present mother-in-law, father-in-law, brother-in-law, sister-in-law, present step-father, present step-mother of an associate with six (6) months or more of service or other relative residing with the associate, the Company will grant a leave of absence from day of death until and including the day of
the funeral, not to exceed three (3) days with pay for scheduled working days, provided the associate attends the funeral. In the case of son-in-law or daughter-in-law not living with the associate, one (1) day will be given off, that day being the day of the funeral. The associate shall not be paid beyond the date of the funeral.

ARTICLE 14 - JURY DUTY

Associates with six (6) months or more of service who are subpoenaed and who report for jury service shall receive the difference in pay for the time lost and the amount received as jury pay, but in no case shall the total pay exceed forty (40) hours pay at the associate's regular straight time hourly rate of pay. Jury pay shall not exceed ten (10) working days per calendar year. When an associate is released for a day or the greater part of the day, the associate shall report to the store for work except that if a night work associate is required to be on jury duty more than four (4) hours in any one day, the associate shall not be expected to report for work that night providing the associate is scheduled to serve on jury duty the following day.

ARTICLE 15 - SUNDAYS AND HOLIDAYS

Section 15.1 The following days shall be recognized as holidays and shall apply only to associates who have completed six (6) months of service: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day, or on days legally celebrated in lieu thereof.

In addition to the above holidays, associates, after they have attained full-time seniority status, shall be granted three (3) personal holidays subject to the same conditions set forth in this Article for other holidays. These personal holidays shall be celebrated on any day which is mutually agreeable to the associate and the Company. No weeks may be blocked out. After associates have initially qualified for personal holidays, they will qualify for future personal holidays as of January 1st.

Each January 1, eligibility for personal holidays shall be determined for that year based on the continuation of full-time status. Personal holidays will be paid in accordance with Section 15.2.

Section 15.2 All eligible associates shall receive holiday pay on a pro-rated basis based on the average hours worked during the preceding four (4) week period in accordance with the following schedule:

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<thead>
<tr>
<th>Hours Worked</th>
<th>Pay Rate</th>
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<tbody>
<tr>
<td>Under 16 hours</td>
<td>3 hours</td>
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<tr>
<td>16 through 24 hours</td>
<td>4 hours</td>
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<tr>
<td>25 through 31 hours</td>
<td>6 hours</td>
</tr>
<tr>
<td>32 through 40 hours</td>
<td>8 hours</td>
</tr>
</tbody>
</table>

Effective January 1, 2004, the above Section 15.2 will be null and void and will be replaced with the following:

All eligible associates shall receive holiday pay on a pro-rated basis based on the hours paid during the prior calendar year in accordance with the following schedule:
Under 833 hours ................... 3 hours pay
833 hours through 1,248 hours ..... 4 hours pay
1,249 hours through 1,456 hours ... 5 hours pay
1,457 hours through 1,664 hours ... 6 hours pay
1,665 hours through 1,872 hours ... 7 hours pay
Over 1,872 hours ................... 8 hours pay

Section 15.3 Associates must work the scheduled day before and the scheduled day after the holiday to qualify for holiday pay, unless absent due to proven illness or the absence is approved in advance by the Company.

Section 15.4 During weeks in which holidays occur, full-time associates will be scheduled for a minimum of thirty-two (32) hours work in four (4) shifts, except for those full-time associates who are working ten (10) hour shifts during a holiday week. These associates shall be scheduled a minimum of thirty (30) hours work in three (3) shifts. The holiday pay for these individuals shall be ten (10) hours. Weekly overtime will not be paid in a holiday week until after forty (40) hours of actual work.

Section 15.5 Sunday work may be part of the basic workweek.

Associates shall be paid a premium of one dollar ($1.00) per hour in addition to their regular straight time hourly rate of pay for hours worked on holidays.

Work on Sundays and holidays shall be on a voluntary and rotating basis among qualified associates in the seniority classifications needed. However, if not enough associates volunteer to work, then such work will be assigned to qualified associates on an inverse seniority basis.

A Sunday and holiday volunteer list will be posted by seniority classification in each store in order to determine those associates who desire Sunday and holiday work. This Sunday and holiday list shall be posted for each four (4) week period throughout the year. Associates may add their names to the list at any time or delete their names from the Sunday and holiday volunteer list at any time. If an associate elects to delete their name from the volunteer list, they will be passed over on that particular Sunday or holiday until such time as they volunteer again. When said associate again places their name on the volunteer list, they will be placed on the bottom of the volunteer list and begin to work their way up through the rotation process.

When Sunday work is part of the basic workweek, management will attempt whenever possible to make schedules with two (2) consecutive days off.

Hours worked on Sundays and holidays will apply toward the following:

1. Wage progression
2. Vacation hours
3. Holiday pro rata pay
4. Seniority
5. Funeral leave
6. Jury duty
Section 15.6 There shall be no work on Easter Sunday, Thanksgiving Day, Christmas Day and after 6:00 p.m. on Christmas Eve and 8:30 p.m. on New Year's Eve. Stores will be closed no later than 5:30 p.m. on Christmas Eve and 8:00 p.m. on New Year's Eve to allow associates to finish work by the appropriate time. Work after 6:00 p.m. on New Year's Eve shall be voluntary, however, should an insufficient number of associates volunteer, the Company may assign associates to work after 6:00 p.m. by inverse seniority. Stores will open no earlier than 8:00 a.m. on New Year's Day. No associate will be required to work before 8:00 a.m. on New Year's Day. However, associates may work before 8:00 a.m. on New Year's Day on a voluntary basis. When Christmas Day falls on Sunday, there shall be no work on that day, and pay and work for the following Monday will be in accordance with Section 15.5 above.

ARTICLE 16 - VACATIONS

Section 16.1 Associates shall be entitled to vacation in accordance with the following:

A. Earned vacation shall be taken between January 1 and December 31. Associates earn vacation in the year prior to that which it is taken.

B. Associates shall be eligible for vacation with pay according to the following schedule:

Any associate who has completed one (1) year of continuous employment as of January 1 is entitled to one (1) week vacation with pay to be taken any time during the following twelve (12) months.

Any associate who has completed three (3) years of continuous employment as of January 1 is entitled to two (2) weeks vacation with pay to be taken any time during the following twelve (12) months.

Any associate who has completed seven (7) years of continuous employment as of January 1 is entitled to three (3) weeks vacation with pay to be taken any time during the following twelve (12) months.

Any associate who has completed fifteen (15) years of continuous employment as of January 1 is entitled to four (4) weeks vacation with pay to be taken any time during the following twelve (12) months.

Any associate who has completed twenty (20) years of continuous employment as of January 1 is entitled to five (5) weeks vacation with pay to be taken any time during the following twelve (12) months.

C. Associates who have completed their probationary period and who have less than one (1) year of continuous service on January 1 following their employment date will be entitled to a pro rata vacation as follows:

1 month by January 1 1/12 vacation pay
<table>
<thead>
<tr>
<th>Time Period</th>
<th>Vacation Pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 months by January 1</td>
<td>2/12 vacation pay</td>
</tr>
<tr>
<td>3 months by January 1</td>
<td>3/12 vacation pay</td>
</tr>
<tr>
<td>4 months by January 1</td>
<td>4/12 vacation pay</td>
</tr>
<tr>
<td>5 months by January 1</td>
<td>5/12 vacation pay</td>
</tr>
<tr>
<td>6 months by January 1</td>
<td>6/12 vacation pay</td>
</tr>
<tr>
<td>7 months by January 1</td>
<td>7/12 vacation pay</td>
</tr>
<tr>
<td>8 months by January 1</td>
<td>8/12 vacation pay</td>
</tr>
<tr>
<td>9 months by January 1</td>
<td>9/12 vacation pay</td>
</tr>
<tr>
<td>10 months by January 1</td>
<td>10/12 vacation pay</td>
</tr>
<tr>
<td>11 months by January 1</td>
<td>11/12 vacation pay</td>
</tr>
</tbody>
</table>

This pro rata vacation must be taken in the calendar year following the year of hire, but not before the associate has been employed for at least six (6) months.

**Section 16.2** Vacations may be scheduled throughout the year, except for three (3) weeks per year during which no vacations may be taken. The Company also retains the right to limit vacations for an additional three (3) weeks per year in which no more than five (5) associates per store may take vacations. The Company shall determine by store, the number of associates, by department (produce, grocery, checking, etc.), who may be away on vacation during weeks which are not blocked or limited, subject to the operational needs of the business.

The Company will notify the associates and the Union which weeks are to be blocked or limited in accordance with the above prior to the posting of the vacation schedule each year.

Vacation schedules shall be posted by December 1st and vacations selected by January 15th of each year. The completed vacation schedule shall be posted by February 15th of each year. Vacations shall be selected by date of hire.

Associates who fail to select vacations by January 15th will select on a first come first served basis.

Associates may request, two (2) weeks in advance, to be paid for unscheduled vacation throughout the year in accordance with the following:

- Associates with three (3) or four (4) weeks vacation - up to one (1) week will be paid.
- Associates with five (5) or six (6) weeks vacation – up to two (2) weeks will be paid.

No vacations can be carried over from year to year.

**Section 16.3** Vacation pay for all associates shall be based on the associate’s rate of pay at the time vacation is taken and will be determined by averaging the hours worked per week in the twelve (12) month period commencing January 1st to December 31st in the year prior to taking vacation. However, in no event shall a week’s vacation pay exceed the number of hours in the basic workweek times the associate’s regular straight time hourly rate.

Full-time associates who average thirty-eight (38) hours or more per week will receive forty (40) hours vacation pay.
The Company must notify the Union within sixty (60) days after the effective date of this Agreement as to the method used to determine vacation and must at all times stay with this choice during the life of this Agreement.

Section 16.4 Associates will be allowed to use two (2) weeks of their vacation, one (1) day at a time, for sickness or other personal reasons. Associates abusing this privilege shall be subject to corrective action. If these days are used for other than sickness, the rules of selecting personal holidays in Article 15, Section 15.1 will apply.

Section 16.5 All unused vacation will be paid no later than February 15th of each year.

Section 16.6 Leaves of absence for illness and/or injury of less than ninety (90) days in a calendar year shall not affect vacations. Such leaves of more than ninety (90) days but not over one hundred eighty (180) days shall reduce vacation and vacation pay by one quarter (¼). Such leaves of more than one hundred eighty (180) days but not over two hundred seventy (270) days shall reduce vacation and vacation pay by one half (½). Such leaves of more than two hundred seventy (270) days shall disqualify an associate for vacations.

In the event an associate is off work because of an on-the-job injury of one hundred twenty (120) days or less, the Company shall count all time off as time worked for the purpose of computing vacation pay. In the event an associate is off work because of an on-the-job injury over one hundred twenty (120) days, the above formula shall apply.

Section 16.7 If a holiday, as enumerated in Article 15 hereof, occurs during an associate's vacation, the associate shall be paid an additional day's pay or receive an extra day off in addition to the vacation pay.

Section 16.8 In case of a death of an associate, unpaid vacation benefits will be paid to the associate's beneficiary.

Section 16.9 Any associate who is laid off or quits after the associate's anniversary date shall be entitled to earned vacation due, but not taken. In addition, any associate with three (3) years of service shall be entitled to pro-rata vacation pay based on one-twelfth (1/12) for each full month worked past January 1 of that year. Any associate who is discharged for dishonesty or does not give at least one (1) week's notice shall forfeit all vacation rights.

ARTICLE 17 - HEALTH & WELFARE

Section 17.1 Effective November 1, 2003, for hours paid in October, 2003, the Company shall pay two dollars and eighty-two cents ($2.82) per hour for all hours paid with a maximum of forty (40) hours per week for all associates covered by this Agreement, into the United Food and Commercial Workers Union, Local No. 655 Welfare Fund.

Effective November 1, 2003, for hours paid in October, 2003, the Company shall make a special contribution of fifty-eight cents (58¢) per hour for all hours paid with a maximum of forty (40) hours per
week that represents a restoration of reserves to the incurred but not reported (IBNR) level. This special contribution will be paid in twelve (12) payments. This contribution will be offset by any amount prepaid by the Company.

Effective October 1, 2004, for hours paid in September, 2004, the Company will pay an amount determined by the Fund consultant who will calculate the maintenance of benefits contribution rate, not to exceed three dollars and nineteen cents ($3.19) per hour; effective October 1, 2005, for hours paid in September, 2005, not to exceed three dollars and sixty-five cents ($3.65) per hour; effective October 1, 2006, for hours paid in September, 2006, an amount necessary to maintain the benefits in effect on October 1, 2005.

Section 17.2 The Company shall not be required to make contributions on behalf of all associates for the first twelve (12) months of employment.

Section 17.3 If the Local 655 Health & Welfare Trust Fund reaches eight (8) months or more in reserves, then the Company will be allowed to cease Health and Welfare contributions without interruption of benefits for those associates covered under the Trust Fund until such time as the reserves return to a six (6) month level.

Section 17.4 A copy of the Trust Agreement and any amendment thereto shall be made a part hereof as fully as in herein at length set forth.

Section 17.5 If the Company fails to make monthly Health and Welfare contributions as set forth herein, the Company shall be notified by certified or registered mail of the Company's delinquency by the Health and Welfare Administrator if said remittance is not paid within ten (10) days; notwithstanding any provision of this Agreement the Union, without the necessity of giving any other further notice, shall have the right to strike or to take such action as it shall deem necessary until such delinquency payments are made. It is further agreed that in the event such action is taken, the Company shall be responsible to the associates for any losses resulting therefrom. The Company hereby waives the requirement of any other notice or notices being given by the Health and Welfare Administrator or by the Union to the Company or anyone else other than such notice or notices expressly provided for in this Article.

Section 17.6 The Company agrees, upon reasonable notice, to allow records to be checked where necessary for Health and Welfare contributions.

Section 17.7 The Company agrees that effective on January 1, 2004, an Early Retirement Incentive Program shall be offered to all bargaining unit members who are vested with at least ten (10) full pension credits and eligible for a pension from the UFCW Local No. 655 Pension Fund and are age sixty (60) through age sixty-four (64) or have at least forty (40) full pension credits. Said program shall consist of a two (2) month "window" from January 1, 2004 to February 28, 2004, wherein each participant of the program shall have their monthly retiree health care coverage paid jointly by UFCW Local No. 655 Welfare Fund one-third (1/3), the Company one-third (1/3) and the respective associate one-third (1/3) until such time as the participant attains the age of sixty-five (65).

Effective January 1, 2005, January 1, 2006 and January 1 2007, an Early Retirement Incentive Program shall be offered to all bargaining unit members who are vested with at least twenty (20) full
pension credits and eligible for a pension from the UFCW Local No. 655 Pension Fund and are age sixty (60) through age sixty-four (64) or have at least forty (40) full pension credits. Said program shall consist of a two (2) month "window" from January 1 to February 28 wherein each participant of the program shall pay one-half (½) of their monthly retiree health care coverage until such time as the participant attains the age of sixty-five (65).

The provisions of this Early Retirement Incentive Program may be modified at the discretion of the Board of Trustees of the Health and Welfare Fund during the term of this agreement.

ARTICLE 18 - PENSIONS

Section 18.1 Subject to the terms of this Article, the Company shall continue to pay sixty cents (60¢) [effective December 1, 2003, for hours paid in November, 2003. sixty-five cents (65¢)] per hour for all hours paid with a maximum of forty (40) hours for all associates covered by this Agreement, into the Company-Union Pension Fund, which shall be jointly administered by the Union and the Company as provided in an agreement establishing such Pension Fund.

Section 18.2 The Company agrees to increase the Pension contribution to the level necessary to maintain the new benefit in effect as of January 1, 2004, by preventing the fund from dropping below the minimum funding standard as determined by the Board of Trustees.

Section 18.3 The nature, type and extent of pension benefits to be provided shall be such as the Trustees in their discretion will determine, and which are in accordance with the Trust Agreement.

Section 18.4 The Company shall not be required to make contributions on behalf of all associates for the first eighteen (18) months [effective November 1, 2003, twelve (12) months] of employment.

Section 18.5 Said Pension Fund shall be used to provide benefit pensions for eligible associates of the Company as provided in a Pension Plan, the terms and provisions of which are to be agreed upon by the parties hereto. Said Pension Plan shall, among other things, provide that all benefits under the Plan and costs, charges and expenses of administering the Plan and all taxes levied or assessed upon or in respect of said Plan or Trust or any income therefrom, shall be paid out of the Pension Fund.

Section 18.6 Said Pension Plan and the Trust Agreement establishing the Pension Fund shall be submitted to the United States Treasury Department and the United States Department of Labor for the approval and rulings satisfactory to the Company, 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 associate.

Section 18.7 It is understood and agreed that any and all steps necessary and advisable will be taken to obtain and maintain the approval and rulings of government agencies as outlined in Section 18.6 above, but payment of contributions to the Fund will not be delayed pending such approval and rulings; provided, however, that if such Plan is disapproved, then all contributions made by the Company to the Pension Fund will be refunded to the Company.
Section 18.8 A copy of the Trust Agreement and any amendments thereto shall be made a part hereof as if herein at length set forth, when adopted.

Section 18.9 If the Company fails to make monthly Pension contributions as set forth herein, they shall be notified by certified or registered mail of their delinquency, by the Pension Plan Administrator, if said remittance is not paid within ten (10) days; notwithstanding any provision of this Agreement, the Union, without the necessity of giving any other further notice, shall have the right to strike or to take such action as it shall deem necessary until such delinquency payments are made. It is further agreed that in the event such action is taken, the Company shall be responsible to the associates for any losses resulting therefrom. The Company hereby waives the requirement of any other notice or notices being given by the Pension Plan Administrator or by the Union to the Company or anyone else other than such notice or notices expressly provided for in this Article.

Section 18.10 The Company agrees, upon reasonable notice, to allow records to be checked where necessary for Pension contributions.

ARTICLE 19 - 401(K) - SAVINGS PLAN

The Company agrees to provide to all eligible associates a 401(k) Savings Plan. The Company agrees to institute a provision that would allow associates to borrow 401(k) funds in accordance with Company policy.

ARTICLE 20 - TECHNOLOGICAL CHANGE

The parties recognize that automated equipment and technology is now available for the retail food industry. The Company recognizes that there is a desire to protect and preserve work opportunities. At the same time, the Union recognizes that the Company has a right to avail itself of modern technology. With this common objective, the parties agree as follows:

In the event the Company introduces major technological changes which would have direct material impact affecting bargaining unit work, thirty (30) days advance notice of such change will be given to the Union.

With regard to any technological changes implemented by the Company during the life of this agreement, the parties agree to meet and to bargain over the effects of such a decision upon associates. Both parties are obligated to bargain in good faith in an effort to reach an agreement on the effects of the Company's decision upon the associates.

In addition, the Company agrees:

A. Any retraining necessary will be furnished by the Company at no expense to the associates.

B. Where retraining is not applicable, the Company will make every effort to effect a reassignment to another job classification or transfer to another store. Should the associate not be retrained or reassigned to another job classification, and is reduced in hours or laid off, such associate shall
be able to exercise the associate's seniority in accordance with Article 8.

C. In the event an associate is not retrained, reassigned to another job classification, or does not exercise seniority, and is permanently displaced as a direct result of major technological changes above, the associate will be eligible for severance pay in accordance with the following provisions:

1. All associates, excluding Courtesy Clerks, with two (2) or more years of continuous service will be eligible for one (1) weeks severance pay for each year of continuous service. Maximum severance pay of eight (8) weeks pay to be paid on a weekly basis. 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.

2. An associate shall be disqualified for severance pay in the event the associate:
   a. Refuses retraining.
   b. Refuses a transfer within a radius of forty (40) miles.
   c. Voluntarily terminates employment.

ARTICLE 21 - STORE CLOSING

Section 21.1 In the event the Company closes or sells a store and associates are terminated as a result thereof, pay equal to one (1) weeks pay for each year of continuous service commencing with the third (3rd) year of continuous service for associates averaging twenty-five (25) or more hours per week and the fifth (5th) year for associates averaging less than twenty-five (25) hours per week up to but not to exceed eight (8) weeks pay at their regular rate. However, those associates who have an incomplete year of continuous service as an associate, will receive pro-rata severance pay for that year as follows:

0 - 3 months equals twenty-five percent (25%) of a weeks pay.
3 - 6 months equals fifty percent (50%) of a weeks pay.
6 - 9 months equals seventy-five percent (75%) of a weeks pay.
Over nine (9) months equals one (1) weeks pay.

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

Section 21.2 The Company shall continue contributions to the Pension and Health and Welfare Trust Fund for three (3) full months following termination for those associates who were eligible for coverage at the time of their termination. This does not apply to those associates who secure employment with a contributing Company in the Pension and Health and Welfare Trust Fund who makes a payment on their behalf for the first three (3) full months.

Section 21.3 Associates who are eligible for severance pay shall be entitled to holiday pay for
calendar holidays that fall within thirty (30) days after their termination.

All associates who are terminated as a result of store closing shall receive pay for earned personal holidays and earned and pro-rata vacation in accordance with the provisions of Article 16, Section 16.9.

Section 21.4 All monies due associates shall be paid in a lump sum upon termination.

Section 21.5 An associate who is terminated and who is eligible for severance pay, and accepts severance pay, forfeits the associate’s seniority and has no recall rights. However, an associate may elect to accept a voluntary layoff not to exceed ninety (90) days. At the end of the ninety (90) day period if the associate has not been recalled, the associate will be paid severance pay and forfeit the associate’s seniority. Any extensions of this ninety (90) day period must be agreed in writing and signed by the associate, a representative of the Union, and the Company. In no case will such extension exceed a total of six (6) months from the date the associate accepted the layoff.

Section 21.6 If an associate is offered a transfer within forty (40) miles of the store in which the associate was last working, and the job is comparable (similar type of work and similar number of hours worked per week) and the associate refuses to accept the transfer, the associate shall forfeit all rights to severance pay, holiday pay and Pension and Health and Welfare contributions.

Section 21.7 If a store is sold and the successor Company offers employment to an associate who is otherwise eligible for severance pay under the terms of this Article, and the new job is comparable, then Section 21.1 of this Article shall not apply. Comparable is defined as:

A. Similar type of work (i.e., within the same seniority classification).

B. Similar number of hours [i.e., an associate’s average weekly hours for the first thirteen (13) weeks of employment with a new Company is as least within two (2) hours of the average weekly hours worked for the prior fifty-two (52) weeks for the former Company].

C. Rate of pay is not less than one (1) bracket below their current rate of pay.

Section 21.8 The Company agrees to give to the associates and the Union three (3) weeks notice in advance of a store closing or sale. When such notice is given, an associate shall remain with the Company or forfeit the associate’s rights under this Article unless mutually agreed to by the associate, Company and Union. Failure of the Company to give the required three (3) weeks notice shall result in the payment of three (3) weeks pay to the associates terminated as a result of the store closing.

Section 21.9 No benefits shall accrue under the terms of this Article unless the Company makes a business decision to close or sell a store. If a store closing is caused by fire, flood, storm and condemnation, then this Article shall not apply.

Section 21.10 Associates who are eligible for severance pay and accept a transfer to a lower rated job will maintain their present rate or the rate for the contract covering the area to which they are transferred, whichever is greater.
Department managers who are displaced as a result of store closing shall maintain their present rate of pay for a period of ninety (90) days and thereafter will be placed on the appropriate contract rate.

ARTICLE 22 - SEPARABILITY

Nothing contained in this Agreement is intended to violate any Federal or State laws, rules or regulations made pursuant thereto. If any part of this Agreement is construed to be in such violation by any court of competent jurisdiction, then that part shall be null and void and the parties will negotiate to replace said void part with a valid provision.
ARTICLE 23 - TERM OF CONTRACT

THIS AGREEMENT shall continue in full force and effect from June 16, 2003, through May 13, 2007, and shall continue from year to year thereafter unless either party serves notice in writing sixty (60) days prior to the expiration date or prior to any anniversary thereafter of a desire for termination of or for changes in this Agreement.

It is further provided that any improvements, changes or amendments, unless otherwise provided for in the new Agreement, shall become effective on the day following the expiration date of the old Agreement provided there has not been a work stoppage.

FOR THE UNION:

________________________________________
Robert J. Kelley
President
United Food and Commercial Workers Union, Local 655
Date: ________________________________

FOR THE GREATER ST. LOUIS FOOD EMPLOYERS' COUNCIL:

________________________________________
Linda C. Ryan
Vice President, Human Resources
Dierbergs Markets, Inc.
Date: ________________________________

________________________________________
Robert J. Flacke
Director, Labor Relations
Schnucks Markets, Inc.
Date: ________________________________

________________________________________
John T. Dougherty
Vice President, Labor and Employee Relations-Retail SuperValu Inc.
Date: ________________________________
SCHEDULE "A" - WAGES

Associates presently employed who have been in the employ of the Company for the following designated periods of time shall receive these minimum wages during the life of this Agreement.

A. Department Managers

<table>
<thead>
<tr>
<th>Dierbergs and Schnucks</th>
<th>6/16/03</th>
<th>11/8/04</th>
<th>11/7/05</th>
<th>11/6/06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shop 'n Save</td>
<td>6/15/03</td>
<td>11/7/04</td>
<td>11/6/05</td>
<td>11/5/06</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Position</th>
<th>6/16/03</th>
<th>11/8/04</th>
<th>11/7/05</th>
<th>11/6/06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grocery Manager</td>
<td>17.65</td>
<td>17.90</td>
<td>18.15</td>
<td>18.40</td>
</tr>
<tr>
<td>Customer Service Manager</td>
<td>17.65</td>
<td>17.90</td>
<td>18.15</td>
<td>18.40</td>
</tr>
<tr>
<td>Produce Manager</td>
<td>17.56</td>
<td>17.81</td>
<td>18.06</td>
<td>18.31</td>
</tr>
<tr>
<td>Head Cashier</td>
<td>16.65</td>
<td>16.90</td>
<td>17.15</td>
<td>17.40</td>
</tr>
<tr>
<td>Dairy Manager</td>
<td>16.65</td>
<td>16.90</td>
<td>17.15</td>
<td>17.40</td>
</tr>
<tr>
<td>Dairy/Frozen Manager</td>
<td>16.65</td>
<td>16.90</td>
<td>17.15</td>
<td>17.40</td>
</tr>
<tr>
<td>Frozen Food Manager</td>
<td>16.65</td>
<td>16.90</td>
<td>17.15</td>
<td>17.40</td>
</tr>
<tr>
<td>GM Manager</td>
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<td>14.10</td>
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</tr>
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<tr>
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<tr>
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<td>13.20</td>
<td>13.45</td>
<td>13.70</td>
</tr>
<tr>
<td>Salad Bar Manager</td>
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<td>13.20</td>
<td>13.45</td>
<td>13.70</td>
</tr>
<tr>
<td>Bulk/Nutrition Manager</td>
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<td>13.20</td>
<td>13.45</td>
<td>13.70</td>
</tr>
<tr>
<td>Gourmet Manager</td>
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<td>13.45</td>
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</tr>
<tr>
<td>Snack Bar Manager</td>
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<td>13.45</td>
<td>13.70</td>
</tr>
<tr>
<td>Specialty Manager</td>
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<td>13.45</td>
<td>13.70</td>
</tr>
<tr>
<td>Nutrition Manager</td>
<td>12.95</td>
<td>13.20</td>
<td>13.45</td>
<td>13.70</td>
</tr>
</tbody>
</table>

Associates at rates of pay in excess of those listed above will receive a twenty-five cent (25¢) increase on November 8, 2004 (Dierbergs and Schnucks) November 7, 2004 (Shop 'n Save); November 7, 2005 (Dierbergs and Schnucks) November 6, 2005 (Shop 'n Save); and November 6, 2006 (Dierbergs and Schnucks) November 5, 2006 (Shop 'n Save).

Effective November 3, 2003 (Dierbergs and Schnucks) November 2, 2003 (Shop 'n Save) Receivers, Night Managers, Party Center Managers and Scan Coordinators will receive twenty-five cents (25¢) per hour over their base hourly rate of pay.

B. Salaried Department Managers

At the Company's option, and with the associate's consent, an associate may be appointed to a salaried position in addition or in lieu of the above-mentioned Grocery Manager and Customer Service Manager classifications. The Grocery Manager’s and Customer Service Manager’s salary shall be:
Dierbergs and Schnucks
Effective: 6/16/03 11/8/04 11/7/05 11/6/06
Shop 'n Save
Effective: 6/15/03 11/7/04 11/6/05 11/5/06

Weekly Salary
785.00 797.00 808.00 819.00
Sunday
230.00 234.00 237.00 240.00
Sunday (½ day)
115.00 117.00 118.50 120.00

C. Clerks


Dierbergs and Schnucks
Effective: 6/16/03 11/8/04 11/7/05 11/6/06
Shop 'n Save
Effective: 6/15/03 11/7/04 11/6/05 11/5/06

1st 520 hours
11.00 11.00 11.00 11.00
Thereafter
12.50 12.75 13.00 13.25

Associates subsequently reduced below full-time will retain the associate's rate of pay.


Dierbergs and Schnucks
Effective: 6/16/03 11/8/04 11/7/05 11/6/06
Shop 'n Save
Effective: 6/15/03 11/7/04 11/6/05 11/5/06

1st 520 hours
7.00 7.00 7.00 7.00
Next 520 hours
7.45 7.45 7.45 7.45
Next 520 hours
7.70 7.70 7.70 7.70
Next 520 hours
7.95 7.95 7.95 7.95
Next 520 hours
8.50 8.50 8.50 8.50
Thereafter
9.00 9.00 9.00 9.00

Associates at the rate of nine dollars ($9.00) or higher as of October 31, 2003, will receive a twenty-five cent (25¢) increase on November 8, 2004 (Dierbergs and Schnucks) November 7, 2004 (Shop 'n Save); November 7, 2005 (Dierbergs and Schnucks) November 6, 2005 (Shop 'n Save); and November 6, 2006 (Dierbergs and Schnucks) November 5, 2006 (Shop 'n Save).

Associates who subsequently attain the rate of nine dollars ($9.00) or higher as of November 8, 2004 (Dierbergs and Schnucks) November 7, 2004 (Shop 'n Save); November 7, 2005 (Dierbergs and Schnucks) November 6, 2005 (Shop 'n Save); November 6, 2006 (Dierbergs and Schnucks) November 5, 2006 (Shop 'n Save); will receive a twenty-five cent (25¢) increase on that date(s).

Dierbergs and Schnucks
Effective:  
Shop 'n Save
Effective:

<table>
<thead>
<tr>
<th></th>
<th>10/31/03</th>
<th>11/8/04</th>
<th>11/7/05</th>
<th>11/6/06</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st 520 hours</td>
<td>7.00</td>
<td>7.00</td>
<td>7.00</td>
<td>7.00</td>
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<tr>
<td>Next 1040 hours</td>
<td>7.45</td>
<td>7.45</td>
<td>7.45</td>
<td>7.45</td>
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<tr>
<td>Next 1040 hours</td>
<td>7.70</td>
<td>7.70</td>
<td>7.70</td>
<td>7.70</td>
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<tr>
<td>Next 1040 hours</td>
<td>7.95</td>
<td>7.95</td>
<td>7.95</td>
<td>7.95</td>
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<tr>
<td>'Next 1040 hours</td>
<td>8.50</td>
<td>8.50</td>
<td>8.50</td>
<td>8.50</td>
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<tr>
<td>Thereafter</td>
<td>9.00</td>
<td>9.00</td>
<td>9.00</td>
<td>9.00</td>
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</tbody>
</table>

Associates who attain the rate of nine dollars ($9.00) or higher as of November 8, 2004 (Dierbergs and Schnucks) November 7, 2004 (Shop 'n Save); November 7, 2005 (Dierbergs and Schnucks) November 6, 2005 (Shop 'n Save); November 6, 2006 (Dierbergs and Schnucks) November 5, 2006 (Shop 'n Save); will receive a twenty-five cent (25¢) increase on that date(s).

D. Courtesy Clerks

Dierbergs and Schnucks
Effective:  
Shop 'n Save
Effective:

<table>
<thead>
<tr>
<th></th>
<th>6/16/03</th>
<th>11/8/04</th>
<th>11/7/05</th>
<th>11/6/06</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st 520 hours</td>
<td>6.40</td>
<td>6.45</td>
<td>6.50</td>
<td>6.55</td>
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<tr>
<td>Thereafter</td>
<td>6.50</td>
<td>6.55</td>
<td>6.60</td>
<td>6.65</td>
</tr>
</tbody>
</table>

Courtesy Clerks on the payroll as of October 31, 2003, will receive a ten cent (10¢) increase on November 8, 2004 (Dierbergs and Schnucks) November 7, 2004 (Shop 'n Save); November 7, 2005 (Dierbergs and Schnucks) November 6, 2005 (Shop 'n Save); and November 6, 2006 (Dierbergs and Schnucks) November 5, 2006 (Shop 'n Save).

E. The duties of a Courtesy Clerk are confined to: bagging, carrying customers' purchases, handling bascarts, parcel pickup, sorting of empty beverage containers, sweeping and mopping store, and returning merchandise left in the checkstands to the shelves.

In the event of a proven violation of this Agreement with respect to the duties and use of the Courtesy Clerk classification, the aggrieved associate shall be paid the clerk rate of pay for all hours worked that week and will be elevated to a regular associate with a seniority date of that date and shall remain in that classification.

In the event of a second violation in the same store of the Company within a six (6) month period (following the first violation), the Union may advise the Company, in writing, that the classification of Courtesy Clerk in that store is terminated for a period of six (6) months; and that all associates in the
Courtesy Clerk classification will be reclassified as of the first (1st) day of the next pay period to the appropriate clerk rate, and remain in this classification.

A violation is constituted when work, other than proper duties for Courtesy Clerk, is by the direction of Management and/or work that is done with Management's knowledge.

F. All stores will have a Grocery Manager, Produce Manager, Head Cashier and a Dairy Manager or Dairy/Frozen Manager.

Assistant Department Managers may be appointed in accordance with three (3) Assistant Department Managers for every one hundred (100) bargaining unit associates or portion thereof working in the store. For example:

<table>
<thead>
<tr>
<th>Number of Bargaining Unit Associates Per Store</th>
<th>Number of Assistant Department Managers</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 33</td>
<td>0</td>
</tr>
<tr>
<td>34 - 66</td>
<td>1</td>
</tr>
<tr>
<td>67 - 99</td>
<td>2</td>
</tr>
<tr>
<td>100 - 133</td>
<td>3</td>
</tr>
<tr>
<td>134 - 167</td>
<td>4</td>
</tr>
<tr>
<td>etc.</td>
<td>etc.</td>
</tr>
</tbody>
</table>

Assistant Department Managers will be paid fifteen cents (15¢) per hour over their base rate of pay.

G. An associate relieving a Department Manager for one (1) week or more shall receive the Department Manager's contract rate of pay.

H. Associates receiving in excess of the above scales shall not have their pay decreased because of this Agreement.

I. Associates hired above the starting rate of pay or moved to a higher bracket will progress to the next pay bracket upon completion of the required hours.

J. The Company may provide an optional profit participation plan in the future.

K. The Company, at its discretion and with notice to the Union, may institute motivational incentive programs with monetary or other rewards. The programs may be for any group of associates and may commence or be discontinued at any time.

L. The Company agrees that during the term of this Agreement they will maintain the wage rates at a level which is at least fifteen cents (15¢) higher than the Federal Minimum Wage.

M. All associates employed as of the date of payment will receive a cash payment based on forty-five cents (45¢) multiplied by the hours paid in the fifty-two full weeks preceding October 7, 2003, less deductions required by law. This cash payment will be made within two (2) weeks of October 31, 2003.
SUPPLEMENTAL AGREEMENT

SPECIALTY DEPARTMENTS

All provisions of the Master Agreement shall apply except as noted below:

This Supplemental Agreement will apply to associates working in the following departments:

1. General Merchandise/Home Entertainment
2. General Merchandise/Non-Food
3. Home Entertainment
4. Video
5. Bakery
6. Florist/Gift*
7. Salad Bar
8. Bulk Food
9. Nutrition
10. Gourmet
11. Bulk/Nutrition
12. Snack
13. Ice Cream
14. Specialty**
15. Pharmaceutical Commissary

* The associate(s) so classified shall order, display, arrange, care for, sell and inventory those items commonly sold by florist gift shops, including fresh or artificial flowers, potted plants, bulbs, seeds, garden plants, accessories to floral arrangements; i.e., ribbon, vase, basket, gift items, such as floral arrangements, fruit baskets, corsages, and combination gift packages, and items sold in nurseries including nursery stock, fertilizers, garden tools or equipment, and plant spray.

The above is intended to refer to gift baskets through the year. It is not the intent of the parties to change the present practice of mass fruit basket preparation at the holiday season.

The above is not intended to include the sale of regular produce items except as they are parts of gift packages.

** A specialty department associate is an associate who works in a specialty service oriented department such as a Pizza Department, Bulk Foods Department or any combination of such departments.

1. The associates so classified in the above classifications shall perform all duties necessary for the efficient operation of their department in conjunction with the Company’s merchandising technique, including but not limited to selling, stocking, processing, weighing/pricing as necessary, displaying and cleaning.
2. Department Managers covered under this Supplemental Agreement are as follows:

Bakery Manager
General Merchandise Manager
Video Department Manager
Floral Department Manager
Salad Bar Manager
Bulk/Nutrition Manager
Gourmet Department Manager
Snack Bar Manager
Specialty Department Manager
Nutrition Manager

3. There will be one seniority list for all associates working in the Specialty Departments, but apart from those other associates covered under the Master Agreement.

Associates may claim the entire weekly schedule of a less senior associate, if the less senior associate has a schedule with more weekly hours, in accordance with availability, job classification, and ability to perform the type of work within the store in which they work.

Claims under this provision of the Agreement must be made by the associate to the Company no later than 5:00 p.m. Saturday or the associate forfeits any claim.

4. When an opening in a Specialty Department occurs of twenty (20) or more hours per week, the Company agrees to post that opening in accordance with the following:

a. Only associates in other Specialty Departments may bid for the job.

b. Bidding associates must be employed for at least ninety (90) days.

c. Bidding associates must have a satisfactory work record and available to work the needed hours.

d. An associate can only bid to increase their present average weekly hours. Average weekly hours are defined as the weekly average for the last eight (8) weeks.

e. An associate may not bid for a job if the associate was successful in bidding for another job during the past nine (9) month period.

f. The job will be posted for a seven (7) day period in a conspicuous place.

g. Anyone wishing to bid must do so within the aforementioned seven (7) day period and put in writing to the store manager.

h. If more than one qualified associate bids for the job, it will be awarded to the most senior associate.
5. Associates may, when necessary, bag customer purchases at the checkout area.

This Supplemental Agreement shall expire with the expiration of the Master Agreement.
SUPPLEMENTAL AGREEMENT – SCHNUCKS

MEAT AND DELICATESSEN/SEAFOOD DEPARTMENT ASSOCIATES

DEСOTO, WASHINGTON AND WENTZVILLE STORES

All provisions of the Master Agreement shall apply except as noted below:

Associates in the Meat and Delicatessen/Seafood Departments of the Company’s stores located in Desoto, Washington and Wentzville, Missouri are covered under this Supplemental Agreement.

1. **Meat Department Associates**

   **A. WAGES**

   Effective:  
   
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<thead>
<tr>
<th></th>
<th>6/16/03</th>
<th>11/8/04</th>
<th>11/7/05</th>
<th>11/6/06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meat Department Manager</td>
<td>19.90</td>
<td>20.15</td>
<td>20.40</td>
<td>20.65</td>
</tr>
<tr>
<td>Journeyman</td>
<td>18.25</td>
<td>18.50</td>
<td>18.75</td>
<td>19.00</td>
</tr>
</tbody>
</table>

   Associates at rates of pay in excess of those listed above will receive a twenty-five cent (25¢) increase on November 8, 2004, November 7, 2005 and November 6, 2006.

   **B. Apprentice Meat Cutters and Meat Clerks** shall be paid the same rates as Clerks in Schedule “A” Wages.

   **C.** When a Journeyman Meat Cutter relieves a Meat Department Manager for a period of one (1) week or longer, the Journeyman shall be paid the Meat Department Manager’s contract rate of pay.

   **D.** The apprenticeship for a Journeyman Meat Cutter will be no more than four thousand one hundred sixty (4,160) hours and said apprentices will be assigned to various jobs in the market in order to give the apprentice the opportunity to qualify as a journeyman at the end of four thousand, one hundred sixty (4,160) hours.

   **E.** A Journeyman Meat Cutter who volunteers to work on Sunday will be scheduled for eight (8) hours work, provided the store is open for business at least eight (8) hours. Additional Journeymen may be scheduled for four (4) hours. The Journeyman Meat Cutter will work the eight (8) hours prior to 6:00 p.m.

   **F.** Any Journeyman Meat Cutter hired shall be paid at the rate of $1.00 per hour less than the contract rate for the first year of employment, and $.50 per hour less than the contract rate for the 2nd year of employment.

   **G.** A Meat Clerk shall perform all of the duties of a Journeyman Meat Cutter except for using the band saw.
## WAGES

**Effective:**

<table>
<thead>
<tr>
<th>Deli/Seafood Manager</th>
<th>6/16/03</th>
<th>11/8/04</th>
<th>11/7/05</th>
<th>11/6/06</th>
</tr>
</thead>
<tbody>
<tr>
<td>D/S Deli/Seafood Department Manager</td>
<td>13.85</td>
<td>14.10</td>
<td>14.35</td>
<td>14.60</td>
</tr>
<tr>
<td>Seafood Department Manager</td>
<td>13.30</td>
<td>13.55</td>
<td>13.80</td>
<td>14.05</td>
</tr>
</tbody>
</table>

Associates at rates of pay in excess of those listed above will receive a twenty-five cent (25¢) increase on November 8, 2004, November 7, 2005 and November 6, 2006.

**Full-time Deli/Seafood Associates**

**Effective:**

<table>
<thead>
<tr>
<th>6/16/03</th>
<th>11/8/04</th>
<th>11/7/05</th>
<th>11/6/06</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st 520 hours</td>
<td>11.00</td>
<td>11.00</td>
<td>11.00</td>
</tr>
<tr>
<td>Thereafter</td>
<td>12.50</td>
<td>12.75</td>
<td>13.00</td>
</tr>
</tbody>
</table>

Associates at rates of pay in excess of those listed above will receive a twenty-five cent (25¢) increase on November 8, 2004, November 7, 2005 and November 6, 2006.

**Part-time Deli/Seafood Associates hired before October 31, 2003**

**Effective:**

<table>
<thead>
<tr>
<th>6/16/03</th>
<th>11/8/04</th>
<th>11/7/05</th>
<th>11/6/06</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st 520 hours</td>
<td>7.00</td>
<td>7.00</td>
<td>7.00</td>
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<tr>
<td>Next 520 hours</td>
<td>7.45</td>
<td>7.45</td>
<td>7.45</td>
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<tr>
<td>Next 520 hours</td>
<td>7.70</td>
<td>7.70</td>
<td>7.70</td>
</tr>
<tr>
<td>Next 520 hours</td>
<td>7.95</td>
<td>7.95</td>
<td>7.95</td>
</tr>
<tr>
<td>Next 520 hours</td>
<td>8.50</td>
<td>8.50</td>
<td>8.50</td>
</tr>
<tr>
<td>Thereafter</td>
<td>9.00</td>
<td>9.00</td>
<td>9.00</td>
</tr>
</tbody>
</table>

Associates at the rate of nine dollars ($9.00) or higher as of October 31, 2003, will receive a twenty-five cent (25¢) increase on November 8, 2004, November 7, 2005 and November 6, 2006.

Associates who subsequently attain the rate of nine dollars ($9.00) or higher as of November 8, 2004, November 7, 2005 or November 6, 2006, will receive a twenty-five cent (25¢) increase on that date(s).
Part-time Deli/Seafood Associates hired on or after October 31, 2003

<table>
<thead>
<tr>
<th>Effective:</th>
<th>10/31/03</th>
<th>11/8/04</th>
<th>11/7/05</th>
<th>11/6/06</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st 520 hours</td>
<td>7.00</td>
<td>7.00</td>
<td>7.00</td>
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<tr>
<td>Next 1040 hours</td>
<td>7.45</td>
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<tr>
<td>Next 1040 hours</td>
<td>7.70</td>
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<td>Next 1040 hours</td>
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<tr>
<td>Next 1040 hours</td>
<td>8.50</td>
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<tr>
<td>Thereafter</td>
<td>9.00</td>
<td>9.00</td>
<td>9.00</td>
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</tr>
</tbody>
</table>

Associates who attain the rate of nine dollars ($9.00) or higher as of November 8, 2004, November 7, 2005 or November 6, 2006, will receive a twenty-five cent (25¢) increase on that date(s).

B. Delicatessen/Seafood associates shall prepare, slice, package, display and sell all Delicatessen/Seafood Department products.

C. Delicatessen/Seafood associates and Bakery associates may work in either the Bakery or Delicatessen/Seafood Department for the purpose of relieving for breaks and meal periods.

D. A separate seniority list shall be maintained for the Delicatessen/Seafood Department associates and shall apply only to associates in that Department.

3. Associates covered under this Supplemental Agreement may, when necessary, bag customer purchases at the checkout area.

This Supplemental Agreement shall expire with the expiration of the Master Agreement.
SUPPLEMENTAL AGREEMENT - SCHNUCKS

PORTERS

DESO TO, FESTUS, WASHINGTON AND WENTZVILLE STORES

All provisions of the Master Agreement shall apply except as noted below:

1. WAGES

<table>
<thead>
<tr>
<th>Effective:</th>
<th>6/16/03</th>
<th>11/8/04</th>
<th>11/7/05</th>
<th>11/6/06</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st 520 hours</td>
<td>7.00</td>
<td>7.00</td>
<td>7.00</td>
<td>7.00</td>
</tr>
<tr>
<td>Next 520 hours</td>
<td>7.25</td>
<td>7.30</td>
<td>7.30</td>
<td>7.30</td>
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<tr>
<td>Next 520 hours</td>
<td>7.50</td>
<td>7.65</td>
<td>7.65</td>
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<tr>
<td>Next 520 hours</td>
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<td>8.00</td>
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<tr>
<td>Thereafter</td>
<td>8.50</td>
<td>8.65</td>
<td>8.80</td>
<td>8.95</td>
</tr>
</tbody>
</table>

Porters at rates of pay in excess of those listed above will receive a fifteen cent (15¢) increase on November 8, 2004, November 7, 2005 and November 6, 2006.

2. A seniority list shall be maintained by the Company for the associates in this unit, separate from those now covered in the Master Agreement.

3. The Porter classification is defined as covering associates employed in retail stores whose duties are confined to sweeping, mopping, cleaning and other general maintenance and handling salvage. These associates may, when necessary, bag customer purchases at the checkout area.

This Supplemental Agreement shall expire with the expiration of the Master Agreement.
SUPPLEMENTAL AGREEMENT - SCHNUCKS

EQUIPMENT AND RETAIL SERVICE ASSOCIATES

All provisions of the Master Agreement shall apply except as noted below:

1. **WAGES**

   Effective:  
<table>
<thead>
<tr>
<th></th>
<th>6/16/03</th>
<th>11/8/04</th>
<th>11/7/05</th>
<th>11/6/06</th>
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</table>

   **Equipment Service Associates**

   Senior Equipment Specialist
<p>| | | | | |</p>
<table>
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<tr>
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   10.80 | 11.05  | 11.30  | 11.55  |        |
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   12.20 | 12.45  | 12.70  | 12.95  |        |

   Utility Technician
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   10.80 | 11.05  | 11.30  | 11.55  |        |
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   12.20 | 12.45  | 12.70  | 12.95  |        |

   **Retail Service Associates**

   Sr. Retail Service Engineer
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   15.65 | 15.90  | 16.15  | 16.40  |        |

   Retail Service Associate
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<tr>
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   1st 1040 Hours
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<th></th>
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</table>
   12.10 | 12.35  | 12.60  | 12.85  |        |
   Thereafter
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<th></th>
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</thead>
</table>
   12.60 | 12.85  | 13.10  | 13.35  |        |

   Printer Service Associate
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   1st 1040 Hours
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
</table>
   12.10 | 12.35  | 12.60  | 12.85  |        |
   Thereafter
<p>| | | | | |</p>
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<th></th>
<th></th>
</tr>
</thead>
</table>
   12.60 | 12.85  | 13.10  | 13.35  |        |

   **Equipment Repair Associates**

   Sr. Equip. Repair Specialist
<p>| | | | | |</p>
<table>
<thead>
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   13.00 | 13.25  | 13.50  | 13.75  |        |

   Equipment Repair Specialist
<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
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</table>
   1st 1040 Hours
<p>| | | | | |</p>
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</table>
   10.80 | 11.05  | 11.30  | 11.55  |        |
   Thereafter
<p>| | | | | |</p>
<table>
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</thead>
</table>
   12.20 | 12.45  | 12.70  | 12.95  |        |
Associates at rates of pay in excess of those listed above will receive a twenty-five cent (25¢) increase on November 8, 2004, November 7, 2005 and November 6, 2006.

Associates in the above classifications may be eligible for annual bonus payments based upon semi-annual performance reviews. The criteria established to receive a bonus, and the amount paid, shall be the exclusive right of the Company based upon the aforementioned performance appraisals.

2. A seniority list shall be maintained by classification by the Company for associates covered under this Supplemental Agreement separate from associates covered in the Master Agreement.

This Supplemental Agreement shall expire with the expiration of the Master Agreement.
## SUPPLEMENTAL AGREEMENT - SCHNUCKS

### VIDEO SUPER STORES

1. **WAGES**

**Video Store Manager**

<table>
<thead>
<tr>
<th>Effective:</th>
<th>6/16/03</th>
<th>11/8/04</th>
<th>11/7/05</th>
<th>11/6/06</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st 520 hours</td>
<td>13.30</td>
<td>13.55</td>
<td>13.80</td>
<td>14.05</td>
</tr>
<tr>
<td>Thereafter</td>
<td>13.85</td>
<td>14.10</td>
<td>14.35</td>
<td>14.60</td>
</tr>
</tbody>
</table>

Associates at rates of pay in excess of those listed above will receive a twenty-five cent (25¢) increase on November 8, 2004, November 7, 2005 and November 6, 2006.

**Assistant Video Store Manager** (Maximum two per store)

<table>
<thead>
<tr>
<th>Effective:</th>
<th>6/16/03</th>
<th>11/8/04</th>
<th>11/7/05</th>
<th>11/6/06</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st 520 hours</td>
<td>8.55</td>
<td>8.55</td>
<td>8.55</td>
<td>8.55</td>
</tr>
<tr>
<td>Next 520 hours</td>
<td>10.15</td>
<td>10.15</td>
<td>10.15</td>
<td>10.15</td>
</tr>
<tr>
<td>Next 520 hours</td>
<td>10.85</td>
<td>10.85</td>
<td>10.85</td>
<td>10.85</td>
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<tr>
<td>Thereafter</td>
<td>12.60</td>
<td>12.85</td>
<td>13.10</td>
<td>13.35</td>
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</tbody>
</table>

Associates at rates of pay in excess of those listed above will receive a twenty-five cent (25¢) increase on November 8, 2004, November 7, 2005 and November 6, 2006.

**Clerks**

**Full-time Associates**

<table>
<thead>
<tr>
<th>Effective:</th>
<th>6/16/03</th>
<th>11/8/04</th>
<th>11/7/05</th>
<th>11/6/06</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st 520 hours</td>
<td>11.00</td>
<td>11.00</td>
<td>11.00</td>
<td>11.00</td>
</tr>
<tr>
<td>Thereafter</td>
<td>12.50</td>
<td>12.75</td>
<td>13.00</td>
<td>13.25</td>
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</tbody>
</table>

Associates at rates of pay in excess of those listed above will receive a twenty-five cent (25¢) increase on November 8, 2004, November 7, 2005 and November 6, 2006.

<table>
<thead>
<tr>
<th>Effective:</th>
<th>6/16/03</th>
<th>11/8/04</th>
<th>11/7/05</th>
<th>11/6/06</th>
</tr>
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<tbody>
<tr>
<td>1st 520 hours</td>
<td>7.00</td>
<td>7.00</td>
<td>7.00</td>
<td>7.00</td>
</tr>
<tr>
<td>Next 520 hours</td>
<td>7.45</td>
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<td>7.45</td>
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<tr>
<td>Next 520 hours</td>
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<td>7.70</td>
<td>7.70</td>
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<tr>
<td>Next 520 hours</td>
<td>7.95</td>
<td>7.95</td>
<td>7.95</td>
<td>7.95</td>
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<tr>
<td>Next 520 hours</td>
<td>8.50</td>
<td>8.50</td>
<td>8.50</td>
<td>8.50</td>
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<tr>
<td>Next 520 hours</td>
<td>9.00</td>
<td>9.00</td>
<td>9.00</td>
<td>9.00</td>
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</tbody>
</table>

Associates at the rate of nine dollars ($9.00) or higher as of October 31, 2003, will receive a twenty-five cent (25¢) increase on November 8, 2004, November 7, 2005 and November 6, 2006.

Associates who subsequently attain the rate of nine dollars ($9.00) or higher as of November 8, 2004, November 7, 2005 or November 6, 2006, will receive a twenty-five cent (25¢) increase on that date(s).

### Part-time Associates hired on or after October 31, 2003.

<table>
<thead>
<tr>
<th>Effective:</th>
<th>10/31/03</th>
<th>11/8/04</th>
<th>11/7/05</th>
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<tbody>
<tr>
<td>1st 520 hours</td>
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<tr>
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<tr>
<td>Next 1040 hours</td>
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<tr>
<td>Next 1040 hours</td>
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<tr>
<td>Next 1040 hours</td>
<td>8.50</td>
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<tr>
<td>Thereafter</td>
<td>9.00</td>
<td>9.00</td>
<td>9.00</td>
<td>9.00</td>
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</table>

Associates who attain the rate of nine dollars ($9.00) or higher as of November 8, 2004, November 7, 2005 or November 6, 2006, will receive a twenty-five cent (25¢) increase on that date(s).

2. A seniority list shall be maintained by classification by the Company for associates covered under this Agreement separate from associates covered in the Master Agreement.

However, should the Company elect to transfer an existing Supplemental Agreement – Specialty Departments associate from an in-store General Merchandise/Video Department to a Video Super Store, the associate shall retain the associate’s original date of seniority.

3. Associates shall be scheduled by seniority for the most weekly hours; however, Article 8, Section 8.7.B. of the Master Agreement (Ratios) does not apply to this Agreement.

4. All provisions of the Master Agreement regarding Article 15, Sundays and Holidays shall apply except for Section 15.6 (Holiday Hours). Schnucks Video Super Stores may be open for business any day of the year. Work on holidays shall be voluntary; however, should an
insufficient number of associates volunteer to work, the Company may assign associates to work by inverse seniority. If the Company so desires to be open for business because of major competition being open on Easter Sunday, Thanksgiving Day, or Christmas Day, associates working on these days shall be paid at the rate of one and one-half (1½) times their normal rate of pay, regardless of date of hire.

This Supplemental Agreement shall expire with the expiration of the Master Agreement.
1. Dierbergs will continue to provide an IRS-approved Section 125 Plan for the purpose of licensed certified child care for the associate who is participating in this Plan as of October 31, 2003. Deductions will be on a pretax basis for this eligible associate. The associate participating in this program will be required to make their election for the next calendar year during the last calendar quarter of the preceding year.

When the associate referenced in the paragraph above ceases to participate, the Company will no longer be obligated to provide such Plan.

2. Regarding Section 7.2H, all associates hired before May 1, 1972, who work thirty-two (32) hours or more per week for thirteen (13) consecutive weeks will not be required to work more than two (2) nights per week, except Grocery Managers and Produce Managers may work three (3) nights per week.

3. Regarding Section 8.4, associates who were placed on the full-time seniority list on May 11, 1985, and who were classified as regular on that date will be ranked on the full-time seniority list using that regular seniority date.

4. Regarding Section 8.4, associates who were classified as regular on May 11, 1985, will retain that date and will have seniority over associates who were classified as part-time on that date.

5. Regarding Section 8.10, in the event an associate who was on the regular seniority list on May 11, 1985, and is eligible for the twenty-five (25) hour minimum schedule as specified in Section 8.7B, and the associate is reduced below twenty-five (25) hours for two (2) consecutive weeks, the associate may request, in writing, to be trained in a different job function in the associate’s store. If such training would make available to the associate a work schedule with more hours in the associate’s store, the Store Manager will make such training available. The Company will determine within three (3) weeks if the associate can perform the work satisfactorily.

6. Regarding Section 9.3, 2nd paragraph, facial hair will be restricted to mustaches only in food handling departments (Bakery, Salad Bar and Produce).

7. Regarding Section 15.1, 2nd paragraph, associates who were on regular status on May 11, 1985, who continue to average at least twenty (20) hours per week will be eligible for personal holidays.

8. Regarding Section 15.1, 2nd paragraph, associates hired before May 9, 1982, are eligible for personal holidays regardless of how many hours they work.

Associates hired after May 9, 1982, and before August 1, 2000, who average twenty-five (25) or more hours per week will be eligible for personal holidays.

Each January 1, eligibility for personal holidays shall be determined for that year based on the average hours worked in the prior calendar year.
9. Regarding Section 15.5, associates hired prior to June 13, 1985, shall be paid time and one-half (1½) their straight time hourly rate of pay for work performed on Sunday.

Associates hired after June 13, 1985, and before June 19, 1991, shall be paid a premium of two dollars ($2.00) per hour in addition to their straight time hourly rate of pay for work performed on Sundays.

Associates hired after June 19, 1991, and before August 1, 2000, shall be paid a premium of one dollar ($1.00) per hour in addition to their straight time hourly rate of pay for work performed on Sundays.

10. Regarding Section 15.5, associates hired prior to June 18, 1988, shall be paid time and one-half (1½) their straight time hourly rate of pay for work performed on a holiday.

Associates hired after June 18, 1988, and before June 19, 1991, shall be paid a premium of two dollars ($2.00) per hour in addition to their straight time hourly rate of pay for work performed on a holiday.

11. Regarding Section 15.5, associates hired before May 8, 1982, will not be required to work on Sundays and/or holidays.

12. Regarding Article 16, all associates hired before June 13, 1997, will continue to be eligible for additional weeks of vacation based on their anniversary date and in accordance with the schedule outlined below:

All associates who have been in the continuous employment of the Company for one (1) year or more shall be granted one (1) weeks vacation with pay.

All associates who have been in the continuous employment of the Company for three (3) years or more shall be granted two (2) weeks vacation with pay.

All associates who have been in the continuous employment of the Company for seven (7) years or more shall be granted three (3) weeks vacation with pay.

All associates who have been in the continuous employment of the Company for fifteen (15) years or more shall be granted four (4) weeks vacation with pay.

All associates who have been in the continuous employment of the Company for twenty (20) years or more shall be granted five (5) weeks vacation with pay.

13. Regarding Article 16, all associates previously eligible for six (6) weeks of vacation shall continue to be granted six (6) weeks of vacation with pay.

14. Regarding Section 16.9, any associate hired before June 13, 1997, with three (3) years of service shall be entitled to pro-rata vacation pay based on one-twelfth (1/12) for each full month worked past the anniversary date.
15. Regarding Schedule “A” Wages, Section C, associates at the top rate of pay on June 16, 1985, will be paid $16.40 per hour.

These associates will receive a twenty-five cent (25¢) increase on November 8, 2004, November 7, 2005 and November 6, 2006.

16. Regarding Schedule “A” Wages, Section C, General Merchandise Clerks hired prior to June 13, 1985 will be paid $12.75 per hour.

These associates will receive a twenty-five cent (25¢) increase on November 8, 2004, November 7, 2005 and November 6, 2006.

17. Regarding Schedule “A” Wages, Section F, full-time (40-hour) clerks as of June 18, 1988, shall not be reduced in hours to create room under the full-time ratio for new Assistant Department Managers.

18. Regarding Schedule “A” Wages, no associate who has received merit pay increases from the associate’s Company will have these increases subsequently taken away by the Company.

19. The Company’s Seniority Reporting Quarters are as follows:

2003

3rd Quarter Week ending 07/06/03 – 09/28/03
4th Quarter Week ending 09/05/03 – 12/28/03

2004

1st Quarter Week ending 01/04/04 – 03/28/04
2nd Quarter Week ending 04/04/04 – 06/27/04
3rd Quarter Week ending 07/04/04 – 09/26/04
4th Quarter Week ending 10/03/04 – 12/26/04
2005

1st Quarter Week ending 01/02/05 – 03/27/05
2nd Quarter Week ending 04/03/05 – 06/26/05
3rd Quarter Week ending 07/03/05 – 09/25/05
4th Quarter Week ending 10/02/05 – 01/01/06

2006

1st Quarter Week ending 01/08/06 – 03/26/06
2nd Quarter Week ending 04/02/06 – 06/25/06
3rd Quarter Week ending 07/02/06 – 10/01/06
4th Quarter Week ending 10/08/06 – 12/31/06

2007

1st Quarter Week ending 01/07/07 – 04/01/07
2nd Quarter Week ending 04/08/07 – 07/07/07
LETTER OF UNDERSTANDING – SCHNUCKS

1. Regarding Section 7.2H, all associates hired before May 1, 1972, who work thirty-two (32) hours or more per week for thirteen (13) consecutive weeks will not be required to work more than two (2) nights per week, except Grocery Managers and Produce Managers may work three (3) nights per week.

2. Regarding Article 8, all former National associates hired by Schnucks during the first week of the acquisition of National by Schnucks will be assigned the same seniority date, i.e., June 12, 1995. As among the former National associates hired by Schnucks, their seniority shall be in accordance with their date of hire as a National associate.

3. Regarding Section 8.4, associates who were placed on the full-time seniority list on May 11, 1985, and who were classified as regular on that date will be ranked on the full-time seniority list using that regular seniority date.

4. Regarding Section 8.4, associates who were classified as regular on May 11, 1985, will retain that date and will have seniority over associates who were classified as part-time on that date.

5. Regarding Section 8.10, in the event an associate who was on the regular seniority list on May 11, 1985, and is eligible for the twenty-five (25) hour minimum schedule as specified in Section 8.7B, and the associate is reduced below twenty-five (25) hours for two (2) consecutive weeks, the associate may request, in writing, to be trained in a different job function in the associate’s store. If such training would make available to the associate a work schedule with more hours in the associate’s store, the Store Manager will make such training available. The Company will determine within three (3) weeks if the associate can perform the work satisfactorily.

6. Regarding Section 15.1, 2nd paragraph, associates who were on regular status on May 11, 1985, who continue to average at least twenty (20) hours per week will be eligible for personal holidays.

7. Regarding Section 15.1, 2nd paragraph, associates hired before May 9, 1982, are eligible for personal holidays regardless of how many hours they work.

Associates hired after May 9, 1982, and before June 29, 2000, who average twenty-five (25) or more hours per week will be eligible for personal holidays.

Each January 1, eligibility for personal holidays shall be determined for that year based on the average hours worked in the prior calendar year.
8. Regarding Section 15.5, associates hired prior to June 13, 1985, shall be paid time and one-half (1½) their straight time hourly rate of pay for work performed on Sunday.

Associates hired after June 13, 1985, and before June 19, 1991, shall be paid a premium of two dollars ($2.00) per hour in addition to their straight time hourly rate of pay for work performed on Sundays.

Associates hired after June 19, 1991, and before June 29, 2000, shall be paid a premium of one dollar ($1.00) per hour in addition to their straight time hourly rate of pay for work performed on Sundays.

9. Regarding Section 15.5, associates hired prior to June 19, 1988, shall be paid time and one-half (1½) their straight time hourly rate of pay for work performed on a holiday.

Associates hired after June 19, 1988, and before June 19, 1991, shall be paid a premium of two dollars ($2.00) per hour in addition to their straight time hourly rate of pay for work performed on a holiday.

10. Regarding Section 15.5, associates hired before May 8, 1982, will not be required to work on Sundays and/or holidays.

11. Regarding Article 16, all associates hired before May 22, 1997, (except associates hired from National Supermarkets in June of 1995), will continue to be eligible for additional weeks of vacation based on their anniversary date and in accordance with the schedule outlined below:

All associates who have been in the continuous employment of the Company for one (1) year or more shall be granted one (1) weeks vacation with pay.

All associates who have been in the continuous employment of the Company for three (3) years or more shall be granted two (2) weeks vacation with pay.

All associates who have been in the continuous employment of the Company for seven (7) years or more shall be granted three (3) weeks vacation with pay.

All associates who have been in the continuous employment of the Company for fifteen (15) years or more shall be granted four (4) weeks vacation with pay.

All associates who have been in the continuous employment of the Company for twenty (20) years or more shall be granted five (5) weeks vacation with pay.

12. Regarding Article 16, associates previously eligible for six (6) weeks of vacation shall continue to be granted six (6) weeks of vacation with pay.

13. Regarding Section 16.9, any associate hired before May 22, 1997 (except associates hired from National Supermarkets in June of 1995), with three (3) years of service shall be entitled to pro-rata vacation pay based on one-twelfth (1/12) for each full month worked past the anniversary date.


16. Regarding Schedule "A" Wages, Section C, associates at the top rate of pay on June 16, 1985, will be paid $16.40 per hour. These associates will receive a twenty-five cent (25¢) increase on November 8, 2004, November 7, 2005 and November 6, 2006.

17. Regarding Schedule "A" Wages, Section C, Cosmeticians will be paid $12.70 per hour. These associates will receive a twenty-five cent (25¢) increase on November 8, 2004, November 7, 2005 and November 6, 2006.

18. Regarding Schedule "A" Wages, Section C, General Merchandise Clerks hired prior to June 13, 1985 will be paid $12.75 per hour. These associates will receive a twenty-five cent (25¢) increase on November 8, 2004, November 7, 2005 and November 6, 2006.

19. Regarding Schedule "A" Wages, Section F, full-time (40-hour) clerks as of June 18, 1988, shall not be reduced in hours to create room under the full-time ratio for new Assistant Department Managers.

20. Regarding Schedule "A" Wages, no associate who has received merit pay increases from the associate's Company will have these increases subsequently taken away by the Company.
21. **Supplemental Agreement – Specialty Departments of the U.F.C.W. Union, Local No. 655 Master Food Agreement** will apply to Schnucks Thrift Store associates hired on and after May 6, 1991, as a new and separate department.

Supplemental Agreement – Specialty Departments will continue to apply to Thrift Store associates hired before May 6, 1991, and remain on the Bakery Department seniority list.

These associates shall perform all duties necessary for the efficient operation of their store in conjunction with the Company’s merchandising technique, including but not limited to selling, stocking, processing, weighing/pricing as necessary, displaying and cleaning.

22. Associates working as Pharmacy Technicians in the Company’s stores shall be covered under Supplemental Agreement – Specialty Departments.

A Pharmacy Technician’s duties include, but are not limited to, medication distribution, inventory ordering and control, computer entry, physician office communication, prescription processing and assisting the pharmacist.

Pharmacy Technicians’ seniority shall be separate and apart from all other associates covered under the Supplemental Agreement – Specialty Department.

23. One (1) non-bargaining unit supervisor in the Pharmaceutical Commissary would be allowed to perform any work necessary for the efficient operation of that facility.

24. **Regarding Supplemental Agreement - Schnucks - Meat and Delicatessen/Seafood Department Associates - Desoto, Washington and Wentzville Stores, Section 1, a premium of fifty cents (50¢) per hour shall be paid for all hours worked after 6:00 p.m. for Meat Department associates hired before June 29, 2000, Monday through Saturday inclusive.**

25. **Regarding Supplemental Agreement - Schnucks - Meat and Delicatessen/Seafood Department Associates - Desoto, Washington and Wentzville Stores, Section 1H, should any modification be made to Section 24.3E in the UFCW Local 88 labor agreement expiring September 28, 2003, regarding any expansion of Meat Clerk duties, the same modification will be made immediately to the aforementioned Supplemental Agreement.**

26. In order to compete with online grocery services, any and all work required to process Schnucks Express Connection orders may be performed by Courtesy Clerks or by a contractor.
27. The following understandings were reached with regard to the Company's desire for continued management development:

**Assistant Department Manager**

a. This classification shall apply to only those associates whom the Company deems to have the potential to be managers and who have significant previous retail grocery experience.

b. All terms and conditions regarding this classification as indicated in our Collective Bargaining Agreement dated June 16, 2003, shall apply.

c. All hours worked and the full-time position of this classification shall apply towards ratio requirements.

**Management Trainee Program**

a. This classification shall apply to only those associates whom the Company deems to have the potential to be managers.

b. Participants, upon selection, shall become members of UFCW Union, Local No. 655.

c. Representatives of Local No. 655 shall be notified of all Management Trainee placements.

d. The duties, assignments, and training afforded a Management Trainee shall be structured on an individual basis, based upon the previous experience, education, etc., of the candidate.

e. The pay rate for participants in this program will be at the discretion of the Company, with the minimum being equal to that of any entry level clerk position.

f. All hours worked by those associates in this program shall be regarded as "Training Hours", and as such shall be nonbumpable and shall not be utilized for ratio purposes.

g. The maximum number of Management Trainees shall not exceed one per Super Center store.

h. Participants must receive favorable evaluations from their Store Manager to remain in the program; if not, the classification of Management Trainee shall be removed.
i. The maximum length of the program for full-time associates shall be two years. Upon completion, the candidate shall be assigned to an Assistant Department Manager or a Department Manager position.

28. The following provisions apply to former Rock Bottom associates:

All associates who formerly worked in a Rock Bottom store will be merged into the Master Agreement seniority list based on their seniority status at that time.

Associates who were normally working full time (40 hours) will be assigned to a full-time seniority date as of October 2, 1989. (See list below) Associates who were assigned to a full-time position after October 2, 1989, were given a full-time seniority date at that time.

Associates who were classified as regular on October 2, 1989, will retain that date and will have seniority over associates who were classified as part time on that date.

Associates hired on or before July 26, 1986, who work on Sundays will be paid time and one half (1½) their straight time hourly rate of pay. Associates hired after July 26, 1986, will be paid a premium of two dollars ($2.00) per hour in addition to their regular straight time hourly rate of pay for all hours worked on Sundays. Courtesy Clerks hired after July 26, 1986, will receive one dollar ($1.00) per hour premium for Sunday work in addition to their regular straight time rate of pay.

Associates hired on or before October 2, 1989, who work on Holidays will be paid time and one half (1½) their straight time hourly rate of pay. Associates hired after October 2, 1989, will be paid a premium of two dollars ($2.00) per hour in addition to their regular straight time hourly rate of pay for all hours worked on Holidays. Courtesy Clerks hired after October 2, 1989, will receive one dollar ($1.00) per hour premium for holiday work in addition to their regular straight time rate of pay.

Should Rock Bottom associates become Schnuck associates and subsequently quit the Company, their pro rata termination vacation pay will be calculated from January 1 of that year since they have already received pro rata vacation for their first year of employment.

Rock bottom associates assigned a full-time seniority date as of October 2, 1989 are as follows:

Roger Breer
Gerald Carton
Deb Dzierwa
Linda Evans
Jim Golden
Rich Hermeyer
Randy Horst
Glenn Markwardt
Tom McNamee
Bob Menke
29. The Company's Seniority Reporting Quarters are as follows:

2003

3rd Quarter Week ending 06/28/03 - 09/28/03
4th Quarter Week ending 10/05/03 - 12/28/03

2004

1st Quarter Week ending 01/04/04 - 03/21/04
2nd Quarter Week ending 03/28/04 - 06/13/04
3rd Quarter Week ending 06/20/04 - 10/03/04
4th Quarter Week ending 10/10/04 - 12/26/04

2005

1st Quarter Week ending 01/02/05 - 03/20/05
2nd Quarter Week ending 03/27/05 - 06/12/05
3rd Quarter Week ending 06/19/05 - 10/02/05
4th Quarter Week ending 10/09/05 - 12/25/05

2006

1st Quarter Week ending 01/01/06 - 03/19/06
2nd Quarter Week ending 03/26/06 - 06/11/06
3rd Quarter Week ending 06/18/06 - 10/01/06
4th Quarter Week ending 10/08/06 - 12/31/06

2007

1st Quarter Week ending 01/01/07 - 03/18/07
2nd Quarter Week ending 03/25/07 - 06/10/07
LETTER OF UNDERSTANDING – SHOP 'N SAVE

1. Regarding Section 7.2I, 1st paragraph, associates regularly scheduled to begin their night shift schedule between the hours of 10:00 p.m. and 4:00 a.m., as of October 31, 2003, shall continue to be compensated at the rate of sixty cents (60¢) per hour in addition to their regular rate of pay for the entire shift. A list of these associates will be attached to this labor agreement.

2. Regarding Section 8.4, associates who were classified as guaranteed regular and regular on October 31, 2003, will retain that date and will have seniority over associates who are classified as part-time. If an associate outlined in the sentence above voluntarily reduces their hours to part-time they will be placed on the part-time seniority list using the associate's original part-time date.

3. Regarding Section 8.4, any full-time associate, as of October 31, 2003, who is involuntarily reduced below forty (40) hours per week will be placed on the regular clerk seniority list in accordance with the aforementioned Number 2 using the associate's original regular seniority date. If the associate was not on the regular list their full-time date will become their regular date.

4. Regarding Section 8.4, any full-time associate, as of October 31, 2003, who is voluntarily reduced below forty (40) hours per week will be placed on the regular clerk seniority list in accordance with the aforementioned Number 2 using the associate's original regular seniority date. If the associate was not on the regular list their full-time date will become their regular date.

5. Regarding Section 8.4, as long as regular associates on October 31, 2003, shall be scheduled for twenty-five (25) hours or more per week, they shall have those hours scheduled in not more than five (5) days, Monday through Saturday. The intent of this provision is to allow regular associates to qualify for benefits without the necessity of working a sixth (6th) day.

6. Regarding Section 8.7, the Company agrees to develop and implement a cross-training program to allow interested bargaining unit associates to learn the essential functions of other bargaining unit classifications.

7. Regarding Section 8.7, the Company agrees to periodically post notices of bargaining unit vacancies, together with job descriptions (including essential job functions) so that associates and applicants may be advised of the various bargaining unit employment opportunities within the Company's organization.

8. Regarding Section 15.1, 2nd paragraph, associates hired before July 16, 1983, are eligible for personal holidays regardless of how many hours they work.

Associates hired after July 16, 1983, and before July 22, 2000, who average twenty-five (25) or more hours per week will be eligible for personal holidays.

Each January 1, eligibility for personal holidays shall be determined for that year based on the average hours worked in the prior calendar year.
9. Regarding Section 15.5, Sunday work will be outside the basic workweek for all associates hired prior to September 12, 1991.

10. Regarding Section 15.5, associates hired on or before July 26, 1986, shall be paid time and one-half (1½) their straight time hourly rate of pay for work performed on Sunday.

   Associates hired after July 26, 1986, and before August 2, 2000, shall be paid a premium of two dollars ($2.00) per hour in addition to their straight time hourly rate of pay for work performed on Sundays.

11. Regarding Section 15.5, associates hired prior to July 23, 1989, shall be paid time and one-half (1½) their straight time hourly rate of pay for work performed on a holiday.

   Associates hired after July 22, 1989 and before October 31, 2003, with one (1) year of service, shall be paid a premium of two dollars ($2.00) per hour in addition to their straight time hourly rate of pay for work performed on holidays.

12. Regarding Schedule “A” Wages, Section A, associates who are classified as Department Managers as of October 31, 2003, and who are paid above scale will retain that differential as long as they remain Department Managers.

13. Regarding Schedule “A” Wages, Section C, associates at the top rate of pay on July 14, 1985, will be paid $16.40 per hour.

   These associates will receive a twenty-five cent (25¢) increase on November 7, 2004, November 6, 2005 and November 5, 2006.

14. Regarding Schedule “A” Wages, Section G, an associate relieving a Department Manager for three (3) days or more shall receive the Department Manager’s contract rate of pay.

15. Regarding Schedule “A” Wages, associates classified as Office Checkers will receive twenty-five cents (25¢) per hour in addition to their rate of pay.

16. Regarding Schedule “A” Wages, associates classified as Apprentice Department Managers as of October 31, 2003, will be red-circled and continue to be paid $14.10 per hour.

   These associates will receive a twenty-five cent (25¢) increase on November 7, 2004, November 6, 2005 and November 5, 2006.

17. Regarding Schedule “A” Wages, no associate who has received merit pay increases from the associate’s Company will have these increases subsequently taken away by the Company.

18. Regarding Supplemental Agreement – Specialty Departments, Shop ’n Save shall continue its practice of having Master Food Clerks perform the duties related to and including the sale of nursery stock, garden fertilizers or heavy duty garden tools or equipment.
Floral section shall be construed as a distinct part of the Produce Department and as a part of the responsibility of the Produce Manager.

19. Regarding Supplemental Agreement – Specialty Departments, associates working as Pharmacy Technicians in the Company's stores shall be covered under Supplemental Agreement – Specialty Departments.

A Pharmacy Technician's duties include, but are not limited to, medication distribution, inventory ordering and control, computer entry, physician office communication, prescription processing and assisting the pharmacist.

Pharmacy Technicians' seniority shall be separate and apart from all other associates covered under the Supplemental Agreement – Specialty Department.

20. The Company's Seniority Reporting Quarters are as follows:

2003

3rd Quarter Week ending 06/28/03 - 09/20/03
4th Quarter Week ending 09/27/03 - 12/27/03

2004

1st Quarter Week ending 01-03-04 - 03-27-04
2nd Quarter Week ending 04-03-04 - 06-26-04
3rd Quarter Week ending 07-03-04 - 09-25-04
4th Quarter Week ending 10-02-04 - 12-25-04

2005

1st Quarter Week ending 01-01-05 - 03-26-05
2nd Quarter Week ending 04-02-05 - 06-25-05
3rd Quarter Week ending 07-02-05 - 09-24-05
4th Quarter Week ending 10-01-05 - 12-24-05
2006

1st Quarter Week ending 12-31-05 - 03-25-06
2nd Quarter Week ending 04-01-06 - 06-24-06
3rd Quarter Week ending 07-01-06 - 09-23-06
4th Quarter Week ending 09-30-06 - 12-23-06

2007

1st Quarter Week ending 12-30-06 - 03-24-07
2nd Quarter Week ending 03-31-07 - 06-23-07
UFCW Local 655

300 WEIDMAN ROAD
BALLWIN, MISSOURI 63011
(636) 394-6500
TOLL FREE: 1-800-392-6550