



**RETAIL CANNABIS  
AGREEMENT  
BETWEEN**

**Viktoriya's Medical Supplies, LLC dba Buddy's**

**&**

**UNITED FOOD & COMMERCIAL WORKERS UNION  
Local 5**

**July 1, 2021 through December 31, 2024**





**RETAIL CANNABIS AGREEMENT**  
**BETWEEN**  
**UNITED FOOD & COMMERCIAL WORKERS UNION, LOCAL 5**  
**AND**  
Viktoriya's Medical Supplies, LLC dba Buddy's

**AGREEMENT**

This Agreement is entered into by and between the following separate licensed cannabis employer entities who have elected to bargain together: Viktoriya's Medical Supplies, LLC dba Buddy's (currently located at 1075 N. 10<sup>th</sup> St., San Jose, CA 95112) hereinafter referred to as the "Employer" and the United Food and Commercial Workers Union, Local 5 hereinafter referred to as the "Union." The parties hereby agree to be bound by the following terms and provisions covering wages, benefits and other working conditions.

**ARTICLE 1 – RECOGNITION**

**Section 1:** The Employer hereby recognizes the Union as the sole collective bargaining agents with respect to rates of pay, wages, hours of employment and other conditions of employment for an appropriate unit consisting of all regular full-time and part-time employees working at the Employer's cannabis facilities within the jurisdiction of the Union party to this Agreement, working in job classifications referenced on Exhibit "A". The Employers will notify the Union of any new cannabis facilities within the jurisdiction of these Local Union within fourteen (14) days of becoming aware of the new facility. Upon recognition, those facilities shall be covered by this Agreement. In those newly opened facilities, the parties will bargain over the wages of any additional employee classifications not covered by this Agreement.

**Section 2:** When new or additional employees are needed, the Employer shall notify the Union, as one of its sources, for new or additional employees. The Union may refer applicants to fill vacancies. It shall be the sole determination of the Employer as to which applicants shall be interviewed for employment.

**Section 3:** On a monthly basis, the Employer will notify the Union of all new bargaining unit employees hired, terminated, promoted, or transferred. The notice of new hires shall include the employees' classification, social security number, hire date, address and phone number.



## **ARTICLE 2- UNION MEMBERSHIP/PAYROLL DEDUCTION**

**Section 1:** All employees shall, as a condition of employment, become members of the Union not later than the thirty-first (31st) day of their employment or the thirty-first (31st) day following the date of signature or the effective date of this Agreement, whichever is later, and shall remain members in good standing as a condition of continued employment. As used herein, the phrase "membership in good standing" shall be construed, consistent with applicable law, to mean that the Employee must pay to the Union the requisite membership dues and initiation fees, or the amount equivalent thereto, required by the Union for membership. Upon written notice by the Union to an Employee (with a copy to the Employer) that an Employee has not complied with any requirement affecting the Employee's membership in good standing, the Union shall afford the Employee no less than seven (7) calendar days from the date such written notice is received to rectify the matter. The Employer will not take any action with respect to the employment of the employee until such time as the Union have notified the Employer that the Employee has not satisfactorily rectified the matter within the allotted timeframe.

**Section 2:** It shall be the obligation of the Union to notify any newly hired Employees of their obligations to the Union under this Article. The Employer, upon written authorization of an employee, shall deduct the periodic dues and the initiation fees required as a condition of acquiring or retaining Union membership from that employee's pay. Such deductions shall be made equally from the first (1st) two bi-weekly payments of wages each month beginning with the second (2nd) month of employment and promptly sent to the Union by the fifteenth of the following month. If an error occurs and properly payable dues are not deducted, they should be deducted the following month. The Employer also agrees to deduct and remit to the Union political check-off contributions upon written authorization by an employee.

**Section 3:** If an employee quits, is discharged or laid off, deductions in accordance with this Article shall be made from the last payment of wages.

**Section 4:** The Union shall defend, with counsel of Employer's selection, indemnify and hold the Employer harmless against any and all claims, demands, suits or other forms of liability that shall arise out of, or result by reason of, action taken or not taken by the Employer in reliance upon signed authorization cards furnished to the Employer by the Union or for the purpose of complying with any of the provisions of this Article.

## **ARTICLE 3 - MANAGEMENT RIGHTS**

Except as otherwise expressly limited by the terms of this Agreement, the management of the business of the Employer and the direction of its personnel is the exclusive responsibility of the Employer, including but not limited to: (i) the right to hire, promote, demote for just cause, schedule hours of work, assign duties, transfer or relieve employees from duty for lack



of work or other legitimate reasons, discharge and discipline for just cause; (ii) the right to be the sole and final judge of the qualifications of all applicants for employment; (iii) the right to determine the number and type of machines, equipment, materials, products, and supplies to be used; (iv) the right to determine staffing levels, and to expand, reduce, alter, combine, transfer, assign or cease any job function; and (v) the right to establish reasonable work rules and regulations. The Employer shall be the exclusive judges of their business and the methods, processes, means and material to be used. Nothing contained in this Agreement shall be intended or construed as a waiver of any of the usual, inherent, or fundamental rights of the Employer, whether the same has been exercised heretofore or not; and these rights are reserved to the Employer except to the extent limited by this Agreement. The Parties further agree that if the Employer do not exercise particular right(s) reserved to them under this Agreement or chooses to exercise reserved rights in a particular way, it shall not be deemed a waiver of their prerogative to exercise such rights in the future or preclude them from exercising such rights in a different way not in conflict with this Agreement.

#### **ARTICLE 4 - HOLIDAYS**

**Section 1:** The following days shall be considered paid holidays:

New Year's Day	Thanksgiving Day
Dr. Martin Luther King, Jr. Day	Friday after Thanksgiving
4/20 (April 20)	Christmas Eve
Memorial Day	Christmas Day
4th of July	New Year's Eve
Labor Day	

**Section 2:** Holiday Pay is in addition to pay for actual hours worked on the Holiday. Holiday Pay will be based on the employee's straight-time hourly rate. Full-time employees shall be paid for eight (8) hours. Part-time employees shall be paid for six (6) hours. In order to be eligible for Holiday Pay, employees must have worked their last regularly scheduled shift immediately before the Holiday and immediately following the Holiday, unless excused by the Employer.

**Section 3:** The employee may request the day off at least two (2) weeks before the posting of the schedule. The Employer will try to accommodate the request where business conditions permit. Seniority will prevail in granting time off on Holidays.

#### **ARTICLE 5 - PAID SICK LEAVE**

**Section 1:** Employees who have completed ninety (90) days of employment are entitled to six (6) paid sick days per year. Paid sick time may be used by employees for the diagnosis,





care, or treatment of an existing health condition of, or preventive care for, the employee or an employee's "family member," or if the employee is a victim of domestic violence, sexual assault, or stalking. Paid sick leave may be taken in increments of two (2) or more hours.

**Section 2:** If the need for paid sick leave is foreseeable, the employee must provide reasonable advance notice. If the need for paid sick leave is unforeseeable, the employee must provide notice as soon as possible.

**Section 3:** Paid sick days that remain unused at year-end shall be rolled over to the next calendar year, up to a maximum of seventy-two (72) hours. If an employee is rehired within a year of separation from employment, all previously accrued and unused paid sick leave will be reinstated.

## **ARTICLE 6 - VACATION**

**Section 1:** Employees shall accrue ten (10) days of paid vacation per year. Employees may begin to use accrued vacation upon completion of their probationary period.

**Section 2:** One day of paid vacation for full-time employees shall be equal to eight (8) hours of pay at the employee's straight-time hourly rate. Part-time employees shall accrue vacation time based on the ratio of their hours worked per week to forty (40) hours.

**Section 3:** A vacation schedule for each year shall be posted no later than January 15<sup>th</sup> of that year. Employer shall set forth the vacation blackout dates on the vacation schedule. The schedule may have a maximum of ten (10) black-out dates per year (i.e. 4/20, Thanksgiving Day - Cyber Monday, December 23-26). Employees shall have the right to request their vacation days based upon seniority within their classification. Vacation requests submitted by January 15<sup>th</sup> shall be either approved or denied by February 28<sup>th</sup>. Thereafter, vacations shall be approved on a first-come, first-serve basis. Once approved, vacations may not be canceled absent mutual agreement. Vacation accrual shall be capped at two times (2x) the annual allotment (160 hours). Unused vacation may be carried forward up to the permissible maximum cap. Once the maximum accrual cap is reached, no additional hours will accrue until the employee has used a portion of their accrued vacation, thereby reducing the amount below the permitted maximum.

**Section 4:** Vacation shall be paid at the time it is taken.

**Section 5:** Employees who are out on a leave of absence of two weeks or more will not accrue vacation time while out on leave.

**Section 6:** All accrued but unused vacation shall be paid upon separation of employment.



## **ARTICLE 7 – COMMUNITY IMPACT HOURS**

Employees who have completed ninety (90) days of employment are eligible for the Employer's Community Impact Hours program, in accordance with the Community Impact Hours policy, which extends paid time off to eligible employees to participate in community volunteerism, as follows:

- Employees in the first year of employment may take up to eight (8) hours per calendar year;
- Employees in the second-fourth years of employment may take up to sixteen (16) hours per calendar year; and,
- Employees in the fifth year of employment and beyond may take up to twenty-four (24) hours per calendar year.

Eligible employees may use up to half of their annual allotment of Community Impact Hours to participate in community impact activities of their choice; and the remaining half to participate in community impact activities related to the cannabis industry. Community Impact Hours must be taken in at least four (4) hour increments.

Employees must request approval to schedule Community Impact Hours at least two (2) weeks in advance with the scheduling request and describing the type of community event / volunteerism in which the employee seeks to participate. Employees who have been issued a Written Warning or Final Warning in the immediately preceding thirty (30)-day period are ineligible for Community Impact Hours.

Community Impact Hours must be used for participation in a community activity or cause, and not for vacation or other personal time off. Employees may not use Community Impact Hours for activities resulting in personal profit or profits for another for-profit business. The Employer has discretion to request documentation or other supporting information verifying an employee's participation in appropriate Community Impact Hours activities.

## **ARTICLE 8 - JURY DUTY**

The Employer agrees to pay the difference between the employee's regular straight time daily rate and the amount received by the employee for jury service if the employee is required to report for jury service and misses work as a result. The maximum annual benefit paid by the Employer is five (5) days. Upon completion of service on the jury, the employee must immediately notify the Employer for further scheduling. Proof of daily jury service is required for payment of this benefit.



## **ARTICLE 9 - BEREAVEMENT LEAVE**

**Section 1:** Employees are eligible for paid bereavement leave within two (2) weeks of the death of a family member. An employee shall be entitled to additional unpaid leave up to fourteen (14) days. Proof of death and relationship shall be provided upon request of the Employer as a condition of payment of bereavement leave.

**Section 2:** Employees shall be entitled to five (5) days of pay for the death of a spouse, domestic partner, parent, child, step-child or grandchild. Employees shall be entitled to three (3) days of pay for the death of a brother or sister, step-parent, grandparent and any other relative living in the employee's household.

## **ARTICLE 10 - LEAVE OF ABSENCE**

**Section 1:** The Employer shall comply with all federal, state and municipal laws regarding Leave of Absences including but not limited to: FMLA, CFRA, Pregnancy Protection Laws, Baby Bonding leaves, USERRA, workers' compensation.

**Section 2:** The Employer agrees that they will make an effort to grant an unpaid leave of absence of up to thirty (30) days for any reasonable purpose, once per twelve (12) month period. This provision shall only apply to employees who have been continuously employed for one (1) or more years.

**Section 3:** Time spent on personal leave of absence of two (2) weeks or more will not be used for computing benefits such as vacation or holidays.

**Section 4:** Employees must comply with all Employer policies regarding leaves of absences.

## **ARTICLE 11 - HOURS OF WORK**

**Section 1:** Full-time employees shall be scheduled to work no less than forty (40) hours over five (5) days each week. A full-time employee called in for work on their scheduled day off shall be guaranteed eight (8) hours of pay.

**Section 2:** An employee who works eight (8) consecutive weeks at forty (40) hours shall be classified as full-time.

**Section 3:** The Employer may utilize part-time employees. Part-time employees shall be scheduled no less than four (4) hours per day and no less than twenty (20) hours per week. Part-time employees who desire more hours, up to and including full-time, must request those hours in writing. Available hours shall be offered to those employees who have



requested those hours in writing, based on seniority within their classification before hiring new employees.

**Section 4:** An employee called back to work after leaving the facility, at the end of their work shift shall receive a minimum of four (4) hours of pay at time and one-half (1½ x) their current hourly rate.

**Section 5:** Work schedules shall be posted no later than two (2) weeks prior to the first day of the workweek. The schedule shall not be changed once posted except by mutual agreement.

**Section 6:** All time worked in excess of eight (8) hours in one (1) day or in excess of forty (40) hours in one (1) week shall be paid at the rate of time and one-half (1-1/2x) the straight time hourly rate. For full-time employees, one and one-half (1 ½) times the hourly rate shall be paid on the sixth (6<sup>th</sup>) day of work in a workweek and/or on the seventh (7<sup>th</sup>) consecutive day of work in any combination of weeks. Alternative workweeks, as defined in the California wage orders, may be arranged by mutual consent so long as they comply with state and federal laws.

**Section 7:** Each employee shall be entitled to a forty-five (45) minute unpaid lunch period beginning no later than the end of the fifth hour of work. All employees shall receive a rest period of at least fifteen (15) uninterrupted minutes during every four hours of work or major fraction thereof.

**Section 8:** The provisions of Sections 1, 3, and 4 shall not apply to mandatory meetings scheduled by the Employers. Employees called in for a mandatory meeting that does not coincide with their scheduled hours will be guaranteed at least three (3) hours pay, at straight time hourly rate. Absent exigent circumstances, notice of Mandatory Meetings shall be included on the posted schedule.

## **ARTICLE 12 - SENIORITY**

**Section 1:** New employees shall serve a probationary period of ninety (90) days during which time they are subject to discharge without recourse to the grievance procedure or notice. Seniority shall not apply to any employee until they have completed the probationary period. Once probation is completed, the employee's seniority date shall be retroactive to the first (1<sup>st</sup>) day of hire.

**Section 2:** In the reduction of forces, the last employee hired into the job classification and at the facility having the reduction shall be the first employee laid off. Employees subject to layoff within their own facility shall have the ability to bump a probationary employee in the





same classification in another facility within a reasonable travel distance or apply for available openings. Laid off employee(s) shall be recalled in the reverse order of layoff within the classification.

**Section 3:** Non-probationary employees are entitled to receive two (2) weeks' notice of layoff or two (2) weeks' pay at the employee's regular rate in lieu thereof. For a period the lesser of six (6) months after a laid off employee's layoff date, or the employee's length of service when the layoff began, a laid off employee will have preference over new hires for openings in other classifications at the same location so long as they possess the skills and ability to do the job, subject to a thirty (30) day probationary period.

**Section 4:** Non-probationary employees shall have the opportunity to apply for vacancies for which they are qualified within their own store and a specified number of positions for which they are qualified in new stores before hiring new employees. In the event two (2) or more non-probationary employees apply for the same vacancy under this provision, and both are qualified for the vacancy, the vacancy shall be offered first to the most senior of the qualified non-probationary employee applicants.

**Section 5:** Seniority shall terminate for the following reasons:

- a. Discharge for just cause.
- b. Resignation.
- c. Layoffs of six (6) consecutive months or a period equal to the employee's length of service when the layoff began, whichever is less.
- d. Failure to respond to a recall offer within three (3) calendar days after receiving notice of a recall from layoff; and, failure to report to work within five (5) calendar days after recall from layoff. The Employer will notify the employee and the Union by e-mail at the employee's last known e-mail address.
- e. Absence due to illness, or injury which continues for more than six (6) months, or the employee's length of service when the leave began, whichever is less.
- f. Employee fails to timely return to work from a leave of absence.
- g. Employee is absent from work for three (3) consecutive workdays without reporting to management unless due to extraordinary circumstances, the employee was unable to report through no fault of their own. Such three (3) day no report shall be deemed a voluntary quit.

**Section 6:** The Employer will forward the seniority list to the Union quarterly.

**Section 7:** It shall be the responsibility of the employee to keep the Employer informed of the employee's current e-mail address and mailing address and to notify the Employer in



writing of any changes to the employee's contact information. Written notice by e-mail to the Employer is sufficient to meet this written notice requirement.

**Section 8:** An employee seeking to exercise bumping, transfer or preferred applicant rights under this Article is ineligible to do so if the employee has been issued a Final Warning or disciplinary suspension for a non-attendance-related violation within the prior six (6) months (or, in the case of an attendance-related violation, within the prior three (3) months). A laid off employee is ineligible for recall if the laid off employee was issued a Final Warning or disciplinary suspension for a non-attendance-related violation within the six (6) months (or, in the case of an attendance-related violation, within the three (3) months) immediately preceding the employee's layoff date.

### **ARTICLE 13 - DISCIPLINE AND DISCHARGE FOR CAUSE**

**Section 1:** The Employer may discipline, demote, suspend, or discharge non-probationary employees only for just cause. A letter or notice shall be given to the employee setting forth the reason for the disciplinary action with a copy sent to the Union. Warning notices will be issued within one (1) week of the conduct that gave rise to the discipline, or within one (1) week of the Employer's knowledge of such conduct.

**Section 2:** In all investigatory interviews that may lead to discipline, the employee has the right to request union representation at the interview.

**Section 3:** No prior warning notice shall be necessary if the cause of discharge or suspension is for serious infractions. Examples that constitute just cause for immediate termination shall include but are not limited to theft, dishonesty, recklessness, violation of the Employer's drug and alcohol policy (evidence of cannabis in an employee's system shall not be used as the sole basis for establishing impairment) use of unauthorized drugs, solicitation of tips, falsification of tip records, failure to report tips in accordance with the law and the Employer's tips policy, fighting while on company premises (including, but not limited to pushing or shoving), sleeping on the job, or gross misconduct.

**Section 4:** Except for attendance, a warning notice over twelve (12) months old shall generally not be used as a basis for future discipline unless a pattern of similar conduct can be shown to exist over a longer period of time. In cases where the Union or an employee initiate an arbitration under this Agreement, the employee's entire work record may be entered into evidence (including discipline more than 12 months old).

**Section 5:** Any non-probationary employee or the Union may file a grievance concerning an employee's discipline, demotion, suspension, or discharge. Any such grievance shall be



presented to the Employer in writing within fourteen (14) days after the discharge or suspension and if not presented within such period, the right to grieve shall be waived.

#### **ARTICLE 14 - GRIEVANCE PROCEDURE**

**Section 1:** In the event of a dispute or grievance over the interpretation of this Agreement the following procedure shall be followed:

**Step 1:** Either the Union representative or the employee shall have the option to bring a grievance to the attention of a manager or Human Resources within seven (7) calendar days of the knowledge of the facts giving rise to the grievance. A response will normally be provided within seven (7) calendar days.

**Step 2:** If the grievance is not resolved in Step 1, or if Step 1 is not used, the grievance must be reduced to writing and submitted to the Employer no later than fourteen (14) days from the event giving rise to the grievance. A representative of the Union and the Employer will discuss the grievance. If the Employer does not respond within 14 days of the submission of the grievance, the grievance shall be deemed denied.

**Step 3:** If the previous steps in the grievance procedure fail to resolve the grievance, either party may submit the grievance to arbitration by notifying the other party in writing of its intentions to do so. Unless otherwise agreed to in writing by the Parties, the request for arbitration must be communicated to the other party no later than sixty (60) days following the submission of the grievance.

**Section 2:** Should the Union fail to move the grievance to the next step, the grievance will be considered resolved.

**Section 3:** An arbitrator may be selected by mutual agreement of the parties. If the parties cannot mutually agree on an arbitrator, the selection of an arbitrator shall be from a list of seven (7) names submitted by the Federal Mediation and Conciliation Service. The arbitrator shall have no authority whatsoever to add to, modify, amend, alter or delete or in any way change the express provisions of this Agreement. The arbitrator's decision shall be final and binding on the Employer, the Union and the employee(s) involved.

**Section 4:** The expense of the arbitrator shall be borne equally by the signatory parties. Each party shall pay its own costs for transcripts.

**Section 5:** By mutual agreement, the parties may incorporate a mediation process at any point during the grievance process.



## **ARTICLE 15 - UNION REPRESENTATION/SHOP STEWARD**

**Section 1: Union Access to Facilities.** A Union Representative employed by the Union shall be allowed to visit the worksite to ascertain whether this Agreement is being observed and to carry out any other obligations of the Union. The Union shall furnish a list of authorized representatives to the Employer. This right shall be exercised reasonably and in such a manner so as to not interfere with the Employer's business or distract any employee during the employee's working time. The Union Representative shall follow State rules and procedures related to non-employee visits to the facility and Employer's security protocols related to visitor access. The Union Representative shall notify a designated management representative upon arrival at the premises and will be given a guest badge. The Employer reserve the right to accompany the Representative in sensitive areas.

**Section 2: Bulletin Board.** The Employer shall provide space for a bulletin board conveniently located for the posting of notices of official business of the Union, which shall not be defamatory or disparaging towards the Employer or any member of management.

**Section 3: Time Off For Union Business.** Up to one (1) employee at any given time per facility shall be allowed unpaid time off for union business. In all such instances, the Employer shall be notified in writing not less than thirty (30) days in advance of such absence. If an employee is requesting time off for union business to attend collective bargaining negotiation sessions that are scheduled less than thirty (30) days in advance, the requesting employee must make the request during their next shift after the bargaining session is scheduled.

**Section 4: Shop Steward.** The Union shall be allowed to designate a reasonable number of shop stewards for the purpose of monitoring compliance with this Agreement and other legitimate Union business. The Union shall notify the Employer in writing of the name of each designated Shop Steward. Stewards shall not be allowed to conduct Union business on company time without the express permission of the Employer. Stewards may not unreasonably delay or avoid their customary duties to conduct Union business. The Employer and Shop Stewards will treat each other with mutual respect. Once per year, one steward per location shall be scheduled off to attend an annual steward training seminar.

**Section 5: Orientation.** New employees will be allowed fifteen (15) minutes of paid time with their Union representative for Union orientation.

**Section 6: Joint Labor/Management Committee.** The Union and the Employer agree to establish a Joint Labor and Management Committee (JLMC) consisting of bargaining unit employees, management, and the Union. The JLM Committee shall have one (1) bargaining unit member per facility and an equal number of representatives from management.





The JLM Committee shall meet quarterly to discuss issues, including safety concerns, impacting the bargaining unit and the Cannabis Industry. The purpose of the JLMC is to further the parties' collaborative effort to advocate for and protect the rights of workers and consumers in the Cannabis Industry and oppose efforts to undermine or interfere with these rights. The Employer will pay bargaining unit members for their time spent serving on the JLMC. Employees shall be paid for attendance, up to a maximum of eight (8) hours plus reasonable travel time.

JLM Committee members also will prioritize the health and safety of Employer's locations by communicating any hazards or unsafe conditions to the Employer; and, discussing emergency planning and health-related precautions to increase worker safety, and/or other health and safety measures specific to emergency situations.

In the event an employee encounters an unsafe situation at any time, the employee should immediately contact onsite Management to promptly address the matter.

**Section 7: Management/Steward Meetings.** At each facility, the Employer agrees that one (1) steward per facility shall have a monthly meeting on the clock with their General Manager to discuss issues of concern to the members. If no steward has been designated, the union shall have the right to designate an employee to participate in these monthly meetings. If the steward believes that the issues from these meetings have not been addressed, the steward can include these issues in the quarterly JLM meetings referenced in Section 6. Meetings shall be scheduled and conducted at a mutually agreeable time for Steward and Manager.

**Section 8: Apprenticeship Program.** The Union and the Employer agree to discuss the possibility of establishing an Industry Apprenticeship Program. The Apprenticeship Program, when established, would revolve around the basic premise of Training, Education and Industry Standards.

## **ARTICLE 16 - NO STRIKE, NO LOCKOUT**

**Section 1:** The Union, on behalf of itself and its bargaining unit employees, agree not to sanction, authorize, condone, or participate in any strikes, sympathy strike, "slowdown," stoppage of work, hand billing, displaying of banners, the use of visual objects or displaces, picketing, sit-down, sit-in, boycott, refusal to handle merchandise, unlawful trespass, or any other interference with the conduct of the Employer's business, for any reason whatsoever during the term of this Agreement. The Employer agree there will be no lockouts during the term of this Agreement.



**Section 2:** In the event of a violation of this No Strike/No Lockout Article by bargaining unit employees, the Union agree to use all reasonable means to induce employees engaged in a strike, work stoppage, or other conduct in violation of this Agreement to return to work and/or immediately cease such conduct. Any employee who violates any of the provisions of this Article may be subject to termination.

### **ARTICLE 17 - SUBCONTRACTING**

The Employer will not contract out bargaining unit work customarily performed by an employee covered by this Agreement

The foregoing does not prohibit the Employer from contracting out for:

1. Work that requires capital investment for equipment or would not result in regular, ongoing work; or
2. Specialized functions for which bargaining unit associates cannot be easily trained and which require persons with specialized expertise; or
3. Services traditionally subcontracted per past practice or are currently being subcontracted or outsourced as of the signing of this Agreement; or
4. Tasks or projects which are time sensitive and have a completion date which is unlikely to be met by the use of bargaining unit employees.

### **ARTICLE 18 - SAVINGS/LEGISLATIVE CHANGES**

Should any of the provisions in this Agreement be rendered or declared invalid by reason of any existing or subsequently enacted legislation or by any tribunal of competent jurisdiction, the Parties shall meet to discuss the impact of such change(s) and use their best efforts to rewrite the affected provision(s) consistent with its original intent. The invalidation of a portion of this Agreement shall not automatically invalidate the remaining portions of the Parties' discussions and they shall remain in full force and effect pending the outcome of the Parties' discussions.

### **ARTICLE 19 - HEALTH AND WELFARE**

**Section 1: Health Insurance.** Effective January 1, 2022, regular full-time and regular part-time employees (20 hours or more per week) may elect coverage in any of the Employer's medical, dental, and vision plan offerings in accordance with the following terms:



**A. Employee-Only and Employee Plus Spouse Health, Dental, Vision Coverage.** For employees who elect Employee-Only or Employee Plus Spouse coverage offered by the Employer, the Employer will pay up to a maximum of \$300/ month for the monthly insurance premium costs of the elected health, dental, and/or vision insurance coverage.

**Employee Plus Child(ren) and Employee Plus Family Health, Dental, Vision Coverage.** For employees who elect Employee Plus Child(ren) or Employee Plus Family coverage offered by the Employer, the Employer will pay up to a maximum of \$475 / month for the monthly insurance premium costs of the elected health, dental, and/or vision insurance coverage.

**B. Annual Employer Contribution Increases.** On January 1, 2023, and on January 1 of each successive year covered by this Agreement, the Employer will increase the above monthly premium contribution amounts by 3.0%.

## **Section 2: Mental Health Resources**

**Employee Assistance Program.** The Employers agree to maintain an Employee Assistance Program.

**No-Cost Headspace Accounts.** The Employers agree to provide no-cost accounts of Headspace to regular full-time and regular part-time employees.

## **ARTICLE 20 – WORKING CONDITIONS**

**Section 1: UNIFORMS, TOOLS AND LOCKERS:** If employees are required to wear uniforms, the Employers shall furnish a reasonable quantity of such uniforms at no cost to the employee. The Employers shall furnish and pay for all required tools and equipment. The Employers shall provide lockers for the safekeeping of employees' personal items during working hours.

**Section 2: EMPLOYEE DISCOUNTS:** Employees shall be eligible to purchase store products for 60% off retail price. Employers reserve the right to modify this employee discount formula upon fourteen (14) days' notice to the Union. In addition, the Employers may offer additional employee perks, promotions, and contests at its sole discretion.

**Section 3: HEALTH & SAFETY:** The Employers shall comply with all applicable laws, regulations and rulings related to safety and health and shall institute and maintain all reasonable and necessary precautions for safeguarding the health and safety of the workforce.



The Employers agree to promptly investigate all suspected hazards, unsafe conditions and accidents brought to their attention, and remedy any conditions found to be out of compliance with the Employer's health and safety rules or any local, state, or federal health and safety laws by an agency or court of competent jurisdiction.

**Section 4: ATTENDANCE BONUS:** Employees who have completed ninety (90) days of employment are eligible to participate in the Employers' attendance bonus program. Employees who had no call-outs or attendance violations in the previous fiscal month are eligible to earn a bonus equal to 2% of all pay for work performed for that fiscal month (not including Holiday Pay, Sick Time Pay, or Vacation Pay).

**Section 5: TIPS:** Employees may accept tips in accordance with applicable law. Employees are strictly prohibited from soliciting in any manner gratuities, tips or gifts from any customer, vendor, business partner, or patron. Any tips offered to and accepted by employees are property of the accepting employee.

Tips accepted by employees are subject to proper deductions and withholdings as mandated by applicable law. It is solely the responsibility of tipped employees to accurately track the amount of tips received and to timely and accurately report all tips received.

Solicitation of tips, falsification of tip records, and failure to report tips in accordance with the law and the Employer's policy are deemed serious infractions under Article 13.

#### **ARTICLE 21 - PAY PERIOD AND WAGE STATEMENT**

Employees shall be paid at least every other week. Wages shall be accompanied by an itemized statement of hours worked and wages paid, including overtime pay, premiums as well as sick days and vacation days used and accrued, as required by law.

#### **ARTICLE 22 - NO DISCRIMINATION**

The Employers and the Union agree not to discriminate against any employee on the basis of race, creed, religion, color, national origin, age, gender, sexual orientation, gender identity or expression, marital status, disability, genetic information (including genetic tests, counseling, or family history of diseases or disorders), military status, veteran's status or any other characteristic protected by state, local or federal law.





### **ARTICLE 23 - NEW TECHNOLOGY**

Should the Employer intend to institute any new technology that would displace bargaining unit work covered by this Agreement, the Employer shall give the Union at least sixty (60) days written advance notice by email or certified or registered mail concerning the nature of such intended changes. The Employer will meet to negotiate the effects of the new methods of operations on the bargaining unit within ten (10) days of the Union request.

The Employer shall provide appropriate training to employees on the use of new technology introduced in the workplace.

### **ARTICLE 24 - SUCCESSOR AND ASSIGNS**

This Agreement will bind all successors to the Employers= herein. In the event of a sale of the Employer's licensed businesses covered by this Agreement, and/or in the event of a merger of the Employer, the Employer will require, as a term of the sale or merger, that the new successor Employer assume all the terms of this Agreement and execute a copy of the Agreement with the Union, in which event the Employer's assignor shall be relieved of its obligations hereunder to the extent that the assignor has fully transferred its right, title, or interest to the operation and the Employer have satisfied all outstanding obligations to the Union that arose prior to the sale.

### **ARTICLE 25 - PERFORMANCE OF UNIT WORK BY NON-UNIT EMPLOYEES**

The performance of bargaining unit work by managers or supervisors excluded from the bargaining unit shall not be done for the purpose of reducing or limiting the size of the bargaining unit or the number of hours worked by the bargaining unit. Managers and supervisors may only perform bargaining unit work under the following circumstances:

- (A) to instruct or train bargaining unit employees in their work;
- (B) when needed due to unexpected circumstances or emergencies such as when bargaining unit employees are unavailable due to absences and the employer has made every attempt to call in bargaining unit employees; or
- (C) to develop new techniques and procedures; provided such work shall be of short duration (not to exceed three (3) consecutive days in the absence of consent of the Union, which shall not be unreasonably withheld.)



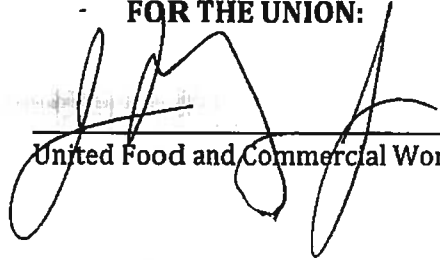
This Agreement shall go into effect July 1, 2021 and continue in full force and effect through December 31, 2024. It is further agreed and understood that on December 31, 2024, this Agreement shall automatically be renewed for one year from such date and thereafter upon the anniversary of the effective date, without further notice, provided that either party may open this Agreement for the purpose of discussing changes or revisions in this Agreement by giving at least sixty (60) days notice in writing prior to December 31, 2024 or prior to December 31st of any subsequent year.

Signed and agreed to this 10<sup>th</sup> day of August, 2021 subject to the ratification of the affected membership.

**FOR THE EMPLOYER:**

  
\_\_\_\_\_  
Tom Lynch

**FOR THE UNION:**

  
\_\_\_\_\_  
United Food and Commercial Workers Union, Local 5



APPENDIX "A" – Hourly Wage Scale

<b>Effective Date</b>	<b>1/1/2022</b>	<b>1/1/2023</b>	<b>1/1/2024</b>
Start Rate	\$17.50	\$17.50	\$17.50

During the life of this Agreement, if the Employer hires an employee at a start rate higher than that set forth in the Wage Scale of this Agreement, the Employer will notify the Union and commits to negotiating around any potential impact on existing bargaining unit members.

Leads shall receive a premium of \$4.10 per hour.

**2021 Anniversary Wage Increase:** Employees employed on the effective date of this Agreement whose hire date anniversary falls between the ratification date of this Agreement and December 31, 2021, will receive a one-time increase of \$0.50 per hour on their hire date anniversary.

**Annual Wage Increase:** Employees employed during the term of this Agreement will receive an annual wage increase of 3.0% of their base hourly rate in each 2022, 2023, and 2024, effective as of the first full pay period in January of each year.

The Employers may provide salaries and rate increases in excess of the above rates based on profitability, performance, merit and other factors as long as it is not done in an arbitrary or capricious manner.

No employee shall suffer a reduction in pay as a result of the signing of this Agreement.



APPENDIX "B" – 2021 RATIFICATION BONUS

**Ratification Bonus:** All regular employees covered by this Agreement as of the date of ratification of the Agreement will receive a one-time lump sum payment in the amount of Three Hundred and Fifty Dollars (\$350.00). The payment of this bonus is contingent upon ratification occurring by no later than August 16, 2021.

The ratification bonus, which will be paid in accordance with normal payroll practices, within thirty (30) days of ratification, is not benefits-bearing. This means that it will not be included in the definition of earnings in calculating any benefit under any Employer benefit plan, policy, or payroll practice, and will not be included in wages for purposes of calculating vacation pay, holiday pay, any type of sickness, illness or injury pay, or any types of premium or special payment.

The ratification bonus will be subject to all deductions required by law, such as applicable withholdings for federal, state and local taxes.





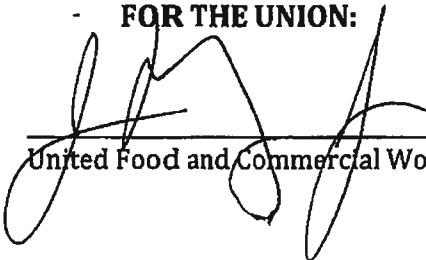
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**FOR THE EMPLOYER:**

  
\_\_\_\_\_  
Tom Lynch

**FOR THE UNION:**

  
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United Food and Commercial Workers Union, Local 5

