



**COLLECTIVE BARGAINING  
AGREEMENT  
WITH**



**SAFeway™**

**FOOD AGREEMENT**

**April 13, 2025 – April 15, 2028**

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**FOOD AGREEMENT  
BETWEEN  
UNITED FOOD & COMMERCIAL WORKERS UNION, LOCAL 5  
AND  
SAFEWAY FOOD STORES  
April 13, 2025 - April 15, 2028**

THIS AGREEMENT, entered into this day of August 10, 2025, by and between SAFEWAY INC., hereinafter called the Employer, and UNITED FOOD & COMMERCIAL WORKERS UNION, 5, chartered by the United Food and Commercial Workers International Union, referred to hereinafter as "Union."

It is the intent and purpose of the Employer and the Union to promote and improve labor-management relations between them and to set forth herein the basic terms of agreement covering wages, hours, and conditions of employment to be observed.

**WITNESSETH:**

In consideration of mutual promises and agreements between the parties hereto, and in consideration of their mutual desires in promoting efficient conduct in business and in providing for the orderly settlement of disputes between them, the parties to this agreement agree as follows:

**SECTION 1. RECOGNITION AND CONTRACT COVERAGE**

- 1.1           **RECOGNITION:** The Employer hereby recognizes the Union as the sole collective bargaining agency for an appropriate unit consisting of all employees working in the Employer's retail food stores within the geographical jurisdiction of the Union, except supervisors within the meaning of the National Labor Relations Act, as amended.
  - 1.1.1           Alameda County; Contra Costa County; Del Norte County; Humboldt County; Marin County; Monterey County; Napa County; San Benito County; San Mateo County **excluding** the cities of Daly City, Colma, Brisbane and parts of Pacifica; Santa Clara County **including** Menlo Park; Santa Cruz County & Solano County.
- 1.2           **CLERK'S WORK:** The work covered by this Agreement shall be performed only by members of the appropriate unit as defined in Section 1 hereof and such work shall consist of all work and services connected with or incidental to the handling or selling of all merchandise offered for sale to the public in the Employer's retail food stores including the demonstration of such products, but excluding:
  - 1.2.1           Supervisory functions;
  - 1.2.2           Work of employees heretofore expressly excluded from the provisions hereof by agreement of the parties;
  - 1.2.3           Such work as is performed under Industry practice, prevailing and existing as of February 11, 2005, within the geographical jurisdiction of this Union by a driver/salesman engaged in servicing the retail food stores at the point of delivery,

soft drink merchandisers, ice cream merchandisers, cookie/cracker merchandisers, chips/salty snacks merchandisers, frozen pizza merchandisers, Hispanic foods merchandisers, beer merchandisers, an outside supplier or reset crew; and

**1.2.4** Notwithstanding anything herein to the contrary, and except as modified by Section 1.14, each Employer may, at its discretion on a store-by-store basis, assign members of the bargaining unit to handle merchandise or products which are permitted by the terms of this Subsection to be handled by non-bargaining unit persons. After any such assignment to members of the bargaining unit, the Employer may, at its discretion, return to the former practice of utilizing the services of such non-bargaining unit persons.

**1.2.5** The parties hereby establish the following procedure for the purpose of ensuring an orderly environment for the exercise by the Employer's employees of their right under Section 7 of the National Labor Relations Act and to avoid picketing and/or other economic action directed at the Employer in the event the Union decides to conduct an organizing campaign at any operation at which the Union does not have representation rights.

The parties mutually recognize that national labor law guarantees employees the right to form or select any labor organization to act as the employees' exclusive bargaining representative for the purpose of collective bargaining with the Employer.

The Employer will take a neutral approach to unionization of employees. The Employer will not take action nor make any statement that will directly or indirectly state or imply any opposition by the employer to the selection by such employees of a collective bargaining agent.

Within ten (10) days following receipt of written notice of intent to organize certain employees, the Employer will furnish the Union with a complete list of such employees, including job classifications and departments. Within two (2) weeks thereafter, the Employer will furnish a second list of such employees to the Union, including the addresses and phone numbers of all employees. Thereafter, the Employer will provide updated lists as requested, but no more frequently than monthly.

The Union may request recognition as the exclusive collective bargaining agent for the employees in the traditional bargaining unit represented by the Union in the food industry. A disinterested, neutral party mutually satisfactory to the Employer and the Union will be selected to conduct a confidential review of employees' authorization cards and membership information submitted by the Union in support of its claim to represent a majority of the employees in the unit if either the Union or Employer so request. If a majority of employees within the unit has joined the Union or designated it as their exclusive collective bargaining representative, the Employer will recognize the Union as such representative of the employees and will extend to such employees this Collective Bargaining Agreement between the Union and the Employer together with any amendments agreed to by the parties. The Employer will not file a petition with the National Labor Relations Board for any

election in connection with any demands for recognition provided for in this Agreement.

During the life of this Agreement, the Union will not engage in picketing or other economic activity at any operation covered by this Section, provided that if the Employer recognizes any other Union as the exclusive collective bargaining representative of employees in the unit, or any part thereof, traditionally represented by the Union, this paragraph shall terminate immediately and without notice.

The parties agree that any disputes over compliance with or the application of this Section, including claims of Union violation, shall be submitted to expedited arbitration using the expedited arbitration process set forth in this Agreement. The arbitrator shall have the authority to order the non-compliant party to comply with this Section and to order such other remedies deemed necessary to effectuate the intent of this Section. The parties hereto consent to the entry of any order of the arbitrator as the order of judgment of the United States District Court, without notice.

**1.3 NON-FOODS AND GENERAL MERCHANDISE:** It is agreed that in the event the Employer, after the execution of this Agreement, institutes a non-food or general merchandise classification or department, either directly or by department concession, or creates work of a non-food or general merchandise nature as hereinafter defined, in any retail food store or stores within the geographical jurisdiction of this Agreement, then a Non-food or General Merchandise Clerk classification and rates of pay shall be established under the conditions hereinafter set forth.

**DEFINITION OF A NON-FOOD OR GENERAL MERCHANDISE LEASED DEPARTMENT:** Non-food or general merchandise leased departments shall consist of a physically separated and distinctly defined section of the food store where only non-food or general merchandise is displayed.

**1.3.1 DEFINITION OF FOOD AND NON-FOOD OR GENERAL MERCHANDISE:** In interpreting and applying all references to "non-food or general merchandise" in this Agreement, the following are the agreed upon definitions of food and non-food or general merchandise:

**FOOD MERCHANDISE:** Food merchandise shall consist of all foodstuffs, including pet food (excluding pet supplies), non-alcoholic beverages, nursery items, all household paper goods, (excluding plastic wrap, sandwich bags, plastic trash bags, aluminum foil, wax paper, and paper bags) and all household cleaning and laundry supplies (excluding cleaning equipment). None of the named categories of food merchandise may be handled or sold by Non-Food or General Merchandise Clerks.

**NON-FOOD OR GENERAL MERCHANDISE:** Non-food and/or general merchandise shall consist of any merchandise other than that included in the definition of food merchandise. This includes delicatessen merchandise, health food merchandise, floral merchandise and bakery merchandise (including checking in bakery driver-salesmen), except bakery products delivered and displayed by a

driver-salesman, alcoholic beverages, magazines, diapers, feminine hygiene items, gum, candy and tobacco product in any location within the store. Non-food or general merchandise work may include utility or cleaning work.

**NON-FOOD/GENERAL MERCHANDISE IN STORE PREPARED CUT FRUIT/VEGETABLE PROGRAM:** The implementation of the in-store prepared cut fruit and vegetable program is intended to create new hours of work in the store and not intended to reduce the hours of produce department or food clerk employees. No work performed within the produce department and/or by produce or food clerk employees will be significantly effected by the implementation of the addition of the In Store Prepared Cut Fruit/Vegetable Program.

All openings for the In-Store Prepared Cut Fruit/Vegetable Program will be posted consistent with the current posting requirements of the contract.

**1.3.2 DEFINITION OF NON-FOOD OR GENERAL MERCHANDISE WORK:** All work and services connected with or incidental to the handling or selling of non-food or general merchandise offered for sale to the public shall be performed by a non-food or general merchandise clerk within the bargaining unit. A Non-Food or General Merchandise Clerk shall spend his time exclusively in the performance of work and services connected with or incidental to the handling or selling of the non-food or general merchandise offered for sale to the public. A Non-Food or General Merchandise Clerk (except utility or floor clerks) shall wear a distinctive uniform at all times.

Whenever an Employer utilizes a Non-Food or General Merchandise Clerk, there shall be up to one (1) full-time forty (40) hour per week employee so employed before additional persons are utilized.

**1.3.3 NON-FOOD OR GENERAL MERCHANDISE RATE OF PAY:** Appendix "B", which sets forth the job classifications, minimum rates of pay, and other terms is incorporated herein as if set forth in full.

**1.3.3.1** General Merchandise Clerks/Non-Food Clerks shall receive credit for previous experience when going to work for a new Company as follows:

**GENERAL MERCHANDISE/NON-FOOD CLERK:** An experienced General Merchandise Clerk/Non-Food Clerk is an employee that has gained 8840 hours' experience in the retail food industry.

**PREVIOUS EXPERIENCE:** If an Experienced General Merchandise Clerk/Non-Food Clerk has been out of the industry no more than five (5) years, he will be allowed to start at the fourth (4<sup>th</sup>) step Apprentice Non-Food/General Merchandise Clerk rate of pay.

**1.3.4** A Non-Food/General Merchandise Head Clerk has the authority and responsibility of buying or selecting merchandise for a department, section or area, or directs other employees in the performance of their duties in such department, section or area. It is understood that the mere occasional or incidental performance of any of the Non-Food/General Merchandise Head Clerk's duties shall not be construed as

a basis for classifying any employee as a Non-Food/General Merchandise Head Clerk.

Notwithstanding the above, in the absence of a Deli Manager for a week or more, there shall be an employee designated to be in charge of the Deli and paid at the General Merchandise Head Clerk rate of pay, subject to the employee performing all of the essential functions of the job.

**1.3.4.1 HEAD BAKERY SALES CLERKS:** In Production Bakery Sales Departments that regularly employ Bakery Sales Clerks a total of 100 hours or more per week, one employee shall be designated and paid as a Head Bakery Sales Clerk. No employee currently designated as a Bakery Head Sales Clerk shall lose such designation as a result of the signing of this Agreement, with the understanding that, likewise, the Employer shall not be required to designate additional employees to the Head Bakery Sales Clerk position in any store until, through normal attrition, the total number of Head Bakery Sales Clerks is below the total number required for all stores within the jurisdiction of the Local.

**1.3.5** The services offered by rack-jobbing concerns may be used without limitation for non-food or general merchandise as herein defined. It is agreed that no Non-Food Clerk on the payroll as of March 23, 1986 shall not be laid off or have his hours reduced as a direct result of the expanded utilization of rack jobbers.

**1.3.6 (Former Local 870 and 1179 only):** Experienced Non-Food Clerks who have had the eight (8) hour guarantee shall continue to enjoy the eight (8) hour guarantee provided they were in the above classification working for an employer covered by this agreement on May 3, 1983. New hires shall have a four (4) hour guarantee.

**1.3.7 CONTRACT COVERAGE AND ENFORCEMENT:** All persons performing non-Food or general merchandise work shall be covered by this Agreement, except only that a single owner or lessee of a non-food or general merchandise department shall be exempt.

Except for the Non-Food or General Merchandise Clerk's compensation, as hereinafter provided, all other terms of this Agreement shall be fully applicable to Non-Food or General Merchandise Clerks.

No employee shall suffer any reduction in pay as a direct result of this Agreement of the parties as to Non-Food or General Merchandise Clerks.

In the event the Employer fails to observe the terms of this section in any respect, the Union shall notify the Employer in writing of such violation and it shall be corrected. Following such notice if the Employer again, within six (6) months, violates the terms hereof and it is so determined by the Adjustment Board or Arbitrator, then in such event, such Employer shall no longer be entitled to a Non-Food or General Merchandise Clerk classification and the Food Clerk rates shall thereafter become applicable to all non-food or general merchandise work in the Employer's store where the violation occurred.

**1.3.8** Employees who are performing work in the non-food or general merchandise category and who are classified as Food Clerks will not have their hours reduced

or be laid off as a direct result of the introduction of this classification, nor will they be reclassified to a Non-Food or General Merchandise Clerk if the Employer chooses to have them continue performing such work.

Employees assigned to exclusively work health food merchandise prior to May 2, 1983, shall be grandfathered in their current classifications.

**1.3.9** With respect to the application of Section 4, Seniority, of this Agreement, employees designated as Non-Food or General Merchandise Clerks, or Floor or Utility Clerks, will be treated as a separate, single classification. Except for layoffs and promotions, seniority for this classification shall be applied on a store-by-store basis. Employees so classified will be eligible for promotional opportunities and will be evaluated in accordance with the provisions of Sections 4.3.1. With respect to layoffs the seniority of employees in this classification within the Union's geographic seniority area shall be recognized; provided, however, that, in layoffs, said seniority shall be applied in a manner which recognizes the qualifications required of employees in each of the following groups within this classification: floral, bakery, delicatessen, floor-utility or non-food and in store prepared cut fruit/vegetable. Except as hereinabove specifically modified, all other terms of Section 4, Seniority, shall be fully applicable to employees in this classification.

**1.4** **SUBCONTRACTING AND SUB-LEASING:** It is recognized that the Employer and the Union have a common interest in protecting work opportunities for all employees covered by this Agreement. Therefore, except for work which is exclusively inventory or janitorial work (such as washing windows, washing or waxing floors and cleaning restrooms) or work hereinabove excluded, no work covered by this Agreement, as defined in Section 1.2 hereof, shall be performed under any sublease, subcontract, or other agreement unless the terms of said lease, contract, or other agreement specifically provide:

**1.4.1** That all such work shall be performed only by members of the appropriate unit as defined in Section 1.1 hereof; and

**1.4.2** That the Employer, party hereto, shall at all times hold and exercise full control of the terms and conditions of employment of all such employees pursuant to the terms of this Agreement.

**1.4.3** It is recognized that if the terms of the Employer's lease, contract or other agreement obligates the lessee or other party, as the case may be, to pay the wages and observe the other terms and conditions of this Agreement, then the Union agrees that the sole and entire financial responsibility for meeting the costs of observance of this Agreement shall be upon said lessee or other party and not upon this Employer and that he shall be, and by these presents is, hereby released from any and all financial liability in connection therewith.

**1.5** **STORE MANAGERS AND ASSISTANT STORE MANAGERS:** None of the provisions of this Agreement need apply to one overall supervisory store manager, the assistant store manager, a second assistant store manager and one (1) additional exempt position designated by the Employer in stores over 50,000 square feet, and their work in each retail food store in which an owner is not actively engaged on the premises. Employees in these exempt positions shall not be

restricted as to the amount of non-supervisory work they may perform. Any employee on the payroll and in a position designated as exempt after the ratification of this Agreement shall have a one-time option of remaining in the bargaining unit or becoming exempt.

Letter of Understanding to provide that any employee who is in an exempt position is placed in the Company's Store Manager Training program, that employee shall be allowed to remain exempt for the duration of their training program. The Company agrees to notify the applicable Local of each employee's name, store number, and the date the employee will begin their training program, as well as the date the employee completes their training.

- 1.6 OWNERS:** There shall be not more than two (2) Employers in any store or group of stores having common ownership. In partnerships, "employer" as used in this Sub-Section means only bona fide partners who own an interest in the assets, and in the profits of the partnership. In corporations, "employer" as used in this Sub-Section means only two (2) officers of the corporation who own capital stock of the corporation. No more than two (2) shareholders of a corporation or more than two (2) bona fide partners shall be deemed or classified as an Employer within the meaning of this Agreement. Employers as thus defined may do such work as is necessary in the conduct of the business. All other persons performing work under the jurisdiction of the Union shall be members of the Union and shall be governed by the provisions of this Agreement.
- 1.7 NEW OWNER:** This Agreement shall be binding upon the successors and assigns of the parties hereto. Except as set forth in Section 11, Vacations, during the life of this Agreement employee benefits provided for herein shall not be affected by the sale or transfer of the business for those employees who are retained by a new Employer for a period of more than sixty (60) calendar days. For employees who choose to be employed by such new owner, such sixty (60) calendar day period shall be considered a probationary period during which time employees may be terminated without recourse to the grievance procedure, unless such termination is in violation of Section 2.3.2, 2.4.3 or Section 3.1 of this Agreement.
- 1.8 TRAVELING CLERKS:** It is agreed by the Employer and the Union that employees may be assigned to work in two or more different stores located in the geographical jurisdiction of two or more local unions. Each such employee shall be covered by all of the terms and conditions of the Agreement, which is in effect in the area in which he works the major portion of his time. In the event that he does not work the major portion of his time in any one area, then the Employer shall designate the area Agreement under which he is working and shall give written notice of the area so designated to the Union.
- 1.9 INDIVIDUAL AGREEMENTS:** The Employer agrees that no Employee covered by this Agreement shall be compelled or allowed to enter into any individual contract or agreement with said Employer concerning wages, hours of work and/or working conditions that provides less benefits than the terms and provisions of this Agreement, except by written agreement of the Employer, the Employee and the Union.

- 1.10 ENFORCEMENT:** In the event of a violation of Section 1.2, the Union shall notify the Store Manager and the Company's Labor Relations Department in writing of such violation and it shall be corrected. If there are any further violations, by the same vendor/non-bargaining unit person, the Store shall be liable in damages payable to the UFCW Lifetime Income Savings Accrual Plan (LISA) in the amounts below for each proven violation, on a store-by-store basis:
- 1.10.1** At the time of the first violation, an amount equal to one (1) day's wages at the experienced clerk's rate plus health and welfare and pension contributions.
- 1.10.2** At the time of the second violation, an amount equal to two (2) day's wages at the experienced clerk's rate plus health and welfare and pension contributions.
- 1.10.3** An additional day's wages plus the equivalent health and welfare and pension contributions shall be added cumulatively for each subsequent violation.
- 1.11 NEW STORES AND REMODELS:** During any four (4) consecutive days preceding the reopening of an old food market or discount center of the Employer, which has been closed for remodeling for a period of thirty (30) days or less, upon prior notice to the Union, persons not in the bargaining unit may perform any work in such store.

Notwithstanding any language to the contrary contained in this Agreement between the parties, it is agreed that this Agreement shall have no application whatsoever to any new food market or discount center until fifteen (15) days following the opening to the public of any such new establishment. Neither shall this Agreement have any application whatsoever to any food market or discount center which is reopened after it has been closed for a period of more than thirty (30) days until the fifteenth (15th) day following the date of such reopening to the public.

The Employer shall staff such new or reopened food market with a combination of both current employees and new hires, in accordance with current industry practices of staffing such stores with a cadre of current employees possessing the necessary skills, ability and experience, plus sufficient new hires to meet staffing requirements. Employees, who are thus transferred, upon whom contributions are made to the various trust funds shall continue to have contributions to the several trust funds made on their behalf in the same manner and in the same amount per hour as such contributions were made prior to their transfer. Notwithstanding anything in this Agreement to the contrary, it is agreed that when the remodeling of an existing location occurs without such store being closed, the Employer shall only be obligated to give the members of the bargaining unit employed by him in such store an opportunity to perform the work required for such remodeling at the applicable contract rate except that such opportunity to perform such work shall not include any overtime hours. When members of the bargaining unit within such store are not available for such work, such work may be performed by persons not in the bargaining unit.

Notwithstanding anything to the contrary contained in this Agreement between the parties, it is agreed and understood that the probationary period for any new hires in such new or reopened stores referred to above shall not begin until the fifteenth (15th) day following such opening or reopening of such stores to the public.

**1.12 NEW JOBS:** In the event the Employer creates new jobs or job duties involving the handling or selling of merchandise not heretofore handled or sold by the Employer, such new work shall be deemed Clerks' work and performed by members of the bargaining unit, except that, for a temporary period of try-out and familiarization, not to exceed six (6) months in each store following the introduction of such new category of merchandise, the Employer may contract for the performance for all or part of such work by non-bargaining unit persons. The wage rates and classification for such new jobs or job duties shall be subject to mutual agreement of the parties. In the event the parties are unable to agree on the above, disputed matters shall be processed in accordance with Section 18 of this Agreement.

**1.13 RETAIL SALES MERCHANDISERS:** Employees working under subcontracts for merchandising services for PIA and BDI hired after March 23, 1986, shall be paid in accordance with Appendix B.

**(Former Local 839) RETAIL SALES MERCHANDISERS:** Employees working under sub-contracts for Merchandising Services for BDI hired after March 25, 1986, shall be paid as follows:

The rate of pay and progression steps for the Retail Sales Merchandisers shall be the same as the non-food general merchandise classification. Current employees shall be slotted into the progression steps leading to the experienced non-food general merchandise rate of pay.

## **SECTION 2. EMPLOYMENT AND UNION MEMBERSHIP**

**2.1 UNION SHOP:** On and after thirty (30) days of employment, or the date of execution of this Agreement, whichever is later, each employee shall become and remain a member of the Union as a condition of employment; provided, however, that the Employer shall not be obligated to discharge any employee in violation of the National Labor Relations Act, as amended. Upon written notification from the Union that an employee has failed to make timely tender to the Union of initiation fees and/or periodic dues, the Employer agrees to terminate said employee on the eighth (8th) day from such notice unless the Union notifies the Employer in writing that the employee has complied with the provisions hereof.

If the Union discovers within thirty (30) days after the discharge of an employee that the discharge was in error, the Union shall so advise the Employer, provide the Employer with bona fide evidence that the termination demand was improper and the Employer shall then reinstate the employee with full seniority on the first weekly schedule posted by the Employer after being so notified by the Union in writing.

The Union agrees to indemnify and hold the Employer harmless in any and all claims and/or causes of action which arise out of or are in any way connected with the Employer's compliance with this provision.

**2.2 REGISTRATIONS:** The Union agrees to accept registrations for employment upon each list so maintained, and to dispatch applicants for employment from said lists for vacancies or job openings with the Employer in accordance with his

specification and this Agreement.

**2.3 JOB REFERRAL AND NON-DISCRIMINATION:**

**2.3.1** The Union shall be allowed two (2) days, on which its office is open, to refer applicants. Selection by the Union of applicants for referral to jobs shall be on a non-discriminatory basis and shall not be based on, or in any way affected by, union membership, bylaws, rules, regulations, constitutional provisions, or any other aspect or obligation of union membership.

The Employer shall retain the right to reject any job applicant referred by the Union, provided such rejection is not in violation of this Agreement. The Union agrees that the Employer may employ persons from other sources when applicants satisfactory to the Employer are not available from the lists maintained by the Union.

**2.3.2** The Employer shall not discriminate against any person in regard to hire, tenure of employment or job status because of race, creed, religion, sexual orientation, color or national origin, nor shall age, disability unrelated to the job duties, veteran status or sex under any circumstances be a basis for rejection or termination of an otherwise qualified employee or applicant for employment.

The Union agrees to allow new employees to enter into separate voluntary agreements providing for arbitration of statutory discrimination claims and remedies not covered by the Collective Bargaining Agreement under current case law.

When used, the term "he" refers to human beings of either sex and is used only for grammatical simplicity.

**2.3.3** Disputes or disagreements arising out of this section shall be referred to the Adjustment Board and the Arbitration process as provided for in this Agreement.

**2.4 OTHER HIRING:** Whenever new employees are hired for jobs covered by this Agreement, from sources other than the list maintained by the Union, or when employees are transferred to jobs covered by this Agreement from outside the jurisdiction of this Union, the Employer shall:

**2.4.1** Promptly notify the Union of such employment in writing giving the date, place and job classification of the employment and the name, employee's employer identification number, social security number for new hires only, address, cell phone number (if provided), and email address of the new employee and;

**2.4.2** Promptly advise the employee of the terms and provisions of this Agreement and of his obligations hereunder and;

**2.4.3** Direct the employee to report to the Union within seven (7) days from the time of employment to be advised of the terms and provisions of this Agreement and of his obligations hereunder, and to complete necessary applications, forms and papers for qualification under the Health and Welfare, and Pension Plans provided by this Agreement.

The Union agrees to provide the Employer with Union application forms and standard information concerning Union dues and initiation fees. When completing new employees' new hire paperwork, the Employer will provide each employee with such Union application forms and Union dues/initiation fee information for their completion and forwarding to the Union. The responsibility to complete and forward these forms to the Union shall continue to be the responsibility of the employee.

The Employer will also provide each new hire with the Health and Welfare Trust benefit application forms, if supplied by the Union. The responsibility to complete and forward these forms to the Union shall continue to be the responsibility of the employee.

**2.4.4** **EMPLOYMENT:** If the Employer obtains a new employee through a private employment agency or a private training school, he shall pay the employment agency fee, or any training fee paid by or required of the employee.

**2.5** **NEW EMPLOYEES:** The provisions of this Agreement shall apply to the employment of any person covered by this Agreement, while such person is not a member of the Union.

**2.6** **EXTRA WORK:** Employees on the payroll of the Employer will be given preference for additional straight-time work before any other person who has worked during the same week on another job outside the retail industry is hired for such work.

### **SECTION 3. DISCHARGES AND LAYOFFS**

**3.1** The Employer shall not discharge or discriminate against any employee for upholding Union principles, for serving on a committee of the Union or any organization affiliated therewith, or for refusing to purchase stocks, bonds, securities, or any interest in the Employer's business should Employer be operating as an individual, firm, company, partnership, joint stock company or corporation.

**PROBATION:** There shall be a probationary period of sixty (60) calendar days for all employees. During the probationary period a probationer may be discharged without right of appeal except if such discharge is in violation of Section 2.3.2, 2.4.3 and 3.1 of this Agreement. If an employee is on probation and their probationary period is interrupted by a leave of absence or worker's compensation leave, their probationary period is paused until they return.

**3.2** **TERMINATION:** Except for reasons beyond the Employer's control, regular

employees who work on three (3) days per week or more shall be given three (3) working days' notice of layoff, dismissal, or discharge, or the equivalent pay, except when such termination has been for cause, such as insubordination, disorderly or improper conduct, under circumstances requiring immediate termination. Employees who work on two (2) days per week shall be given two (2) working days' notice under like conditions. In all such cases the day on which such notice is given shall not be counted unless a notice is given before the day's work begins. (A regular employee is one who has been in the continuous employment of the Employer for a period of sixty (60) days or longer).

**3.3 WORK PERFORMANCE:** The Employer shall have the right to discharge any employee for just cause. If the employee feels he has been unjustly discharged, he shall have the right of appeal, in writing, to be submitted to the Employer through action of the Union within ten (10) business days after the date of said discharge.

Before a regular employee is discharged, suspended, or demoted for incompetence or failure to perform work as required, he shall receive a written warning (with a copy to the Union) and be given an opportunity to improve his work.

Notices and warnings shall become null and void after six (6) months from date of issue. Written warnings need not be processed beyond the union filing a grievance in order to preserve the union's right to challenge the warning if it is used as progressive discipline in the future.

Disciplinary suspensions issued as corrective action as the result of; 1) failure to perform job duties or; 2) failure to maintain work schedule and not issued as a "last chance" or "in lieu of termination" discipline will be considered progressive disciplinary warnings and shall become null and void after twelve (12) months of active employment from the completion of such disciplinary suspension.

**3.3.1** Upon severance of employment of any employee, the Employer shall, within seven (7) calendar days thereafter, notify the Union of such resignation, layoff or discharge.

If the discharge is for cause, the Employer agrees to submit the reasons for discharge, upon request from the Union, as soon as practicable but no later than three (3) days prior to a duly convened Board of Adjustment.

**3.4 RECORD:** Any employee who is terminated shall, upon request, be given a statement setting forth the date of hiring and the number of hours worked during his employment.

**3.5 POLYGRAPHS:** No Employer shall demand or require any applicant for employment or prospective employment or any employee to submit to or take a polygraph, lie detector or similar test or examination as a condition of employment or continued employment.

**3.6 COMPANY RULES:** In the event the Employer establishes rules for its employees, such rules shall be reasonable, not inconsistent with the terms of the Collective Bargaining Agreement and shall be furnished to the Union upon request.

When Company rules are changed or modified, a copy of such changes shall be supplied to the Union within ten (10) days following the implementation of any changes or modifications. For the purpose of this Section, the changed or modified rules, which are to be provided to the Union, are those rules contained in the Employee handbook, which is typically distributed to newly hired employees. These rules include, but are not limited to, dress code, attendance, conduct at work, employee purchases, insubordination, tobacco and alcohol sales, harassment and other similar rules as set forth in the employer's handbook.

Rules or policies promulgated by the Employer shall not be construed or enforced to unlawfully prohibit or restrict employee rights under Section 7 of the National Labor Relations Act, as amended, as they relate to this bargaining unit during the term of this Agreement.

#### **SECTION 4. SENIORITY:**

**4.1 DEFINITION:** Seniority shall mean continuous service with the Employer and no employee shall suffer loss of seniority by reason of approved leave as provided for in this Agreement.

The Employer and the Union may, by mutual agreement, amend seniority areas during the term of the Agreement.

**4.2 CLASSIFICATION:** Seniority shall be by classification listed as follows and in Section 1.2, 1.3, and 9 hereof:

1. Managing Clerks
2. Senior Produce Clerks
3. Head Clerks
4. Experienced Food and Apprentice Clerks
5. Floor Clerks, Non-Food Clerks, and General Merchandise Clerks
6. Courtesy Clerks: Subject to the restrictions of Section 9.3.2 hereof; Seniority of Courtesy Clerks shall be on a store-by-store basis, except that Courtesy Clerks transferred to another location will carry Courtesy Clerk seniority with them to the new location.

In the event that an Apprentice Food Clerk, who had previously served as a Courtesy Clerk, is going to be laid off before the completion of the first 520 hours of the apprentice progression then in that event the Apprentice Food Clerk may step back temporarily into the Courtesy Clerk classification at the store in which they are currently working until recalled.

7. Employees employed in classifications covered by addendum agreements or in appendices, such as Fuel Station Clerks, Home Shopping Clerks, Pharmacy Technicians, and Microfulfillment Center Clerks, shall be

deemed separate classifications.

**4.3**

**APPLICATION:** With respect to layoff, recall, and promotion, seniority shall be based upon the length of service with the Employer in the area covered by this Agreement; provided, where an employee is transferred by the Employer to such area from another area, the transferred employee shall retain all seniority rights with the Employer but shall not be entitled to exercise such rights, with respect to layoff, recall or promotion, until the expiration of six (6) months after the date of transfer, at which time his seniority shall be based upon the first day of employment by the Employer, regardless of area. However, during such period of six (6) months the transferred employee shall accrue seniority rights in the new area from the date of transfer and shall retain all seniority rights with respect to layoff, recall and promotion in the area from which he was transferred.

It is recognized that employees must possess the necessary qualifications to perform the work when asserting their seniority either into or out of the Employer's produce department or for work assignments requiring special skills and background.

Reduction in part-time hours due to lack of work and weekly business fluctuations causing decreases in hours are to be handled among part-time employees by seniority and by classification on a store-by-store basis as is presently done, pursuant to Section 4.10.4.

In case of layoffs (i.e., reduction in the number of employees), Section 4.3.3 shall apply.

It is recognized that an Employer's business conditions may from time-to-time require the temporary reduction of the hours of full-time employees. No full-time employee in the store affected by the lack of work shall be reduced to fewer hours than those scheduled and/or worked by any part-time employee in the store. In order to effectuate the above, the Employer may make necessary operational transfers consistent with the provisions of Section 4.9. In this agreement, nothing contained in this Letter of Understanding shall affect the right of the Employer to transfer employees or the right of employees to request transfers pursuant to the provisions of Section 4.9.

A full-time employee subject to reduction in hours as set forth in Paragraph 4 shall be given a choice of replacing the least senior full-time employee in the geographical seniority area or accepting the temporary reduction in hours in his store. If the employee elects to accept the reduction in hours, he shall have first preference for all available additional hours in that store up to and including a full-time, forty (40) hour job opening. While such an employee is temporarily working less than forty (40) hours he shall retain his full-time designation for a period of six (6) months following the initial reduction.

A regular full-time employee is:

1. One who is hired or designated by the Employer to a regular forty (40) hour job opening, excluding relief for vacation, illness, authorized absences, or weekly business fluctuations.

2. An employee who becomes full-time pursuant to subsection 4.10.1.

**4.3.1**

**PROMOTION:** Determination of which employee is to be promoted will be based upon seniority and reasonable qualifications. Qualifications shall include such factors as experience, job performance, aptitude, attendance, etc. Where merit and ability are approximately equal, seniority shall control.

Where an employee who has been promoted is unable to perform the duties of the higher classification, or is being laid off from a classification above Experienced Food Clerk he shall have the right to be demoted to his former or equivalent position without loss of seniority, and his right to such employment shall not be jeopardized by reason of such demotion. However, regardless of any self-demotion permitted under the foregoing, the Employer may impose disciplinary action for conduct preceding an employee's decision to self-demote or continue previous progressive discipline subsequent to demotion consistent with Section 3.3 of the Agreement.

Employee self-demotion is permitted as outlined above and the Employer will accommodate an employee self-demotion request within ninety (90) days of such request. If there are circumstances that do not allow this to be accomplished within ninety (90) days, the Employer will advise the employee and the Union of such reasons and their plans to complete the transition as soon as reasonably practical. The parties understand and agree that completing any self-demotion is contingent on the availability of a person to fill the vacant position.

An employee selected for a promotion will serve a thirty (30) calendar day probationary period. During this thirty (30) calendar day probationary period, if an employee is on probation and their probationary period is interrupted by a leave of absence or worker's compensation leave, their probationary period is paused until they return. The Employer may disqualify the employee from the position if the employee fails to adequately perform the duties of the position; or the employee may decide to reject the position for any reason. If there is a dispute over a disqualification, the dispute may be submitted to the grievance/arbitration procedure. If the employee is disqualified or rejects the position, they may return to their former classification and former rate of pay with no loss of seniority. Furthermore, any discipline for failure to perform work as required that was received during the probationary period would be rescinded. Following disqualification or rejection, the employee may not bid for a period of six (6) months following the date of disqualification or rejection.

All permanent job vacancies except Courtesy Clerks shall be posted, at each store of the Employer within the seniority area specified herein, for a period of five (5) days. The job posting shall specify the job classification and location of the store where the permanent job vacancy exists. Any employee interested in the permanent job vacancy must complete a job bid form and return it to the Store Manager on or before the expiration of the posting period. In the event the Employer decides to promote an existing employee to fill the permanent job vacancy, then in that event the selection of the employee to be promoted shall be in accordance with the provision set forth herein.

Any successful bidder who thereafter declines the promotion or is unable to perform the duties of the job shall be ineligible for any subsequent promotional bid for a period of six (6) months.

All permanent job vacancies below the Experienced Food Clerk classification shall be handled on a store-by-store basis. In the event the Employer decides to promote an eligible Non-Food or General Merchandise Clerk within the store to fill the permanent job vacancy, then the selection of the employee to be promoted shall be in accordance with the provision set forth herein. The Employer agrees to provide the Union with a list of employees, bimonthly, who have been promoted to positions above Experienced Clerk.

There shall be no reduction in pay when a Non-Food/General Merchandise Clerk employee is promoted to an Apprentice Food Clerk vacancy.

**4.3.2**      **TEMPORARY LAYOFF:** In the reduction of the number of employees due to lack of work, the last employee hired in the classification shall be the first to be laid off and, in recall, the last employee laid off in the classification shall be the first recalled until the list of employees previously laid off has been exhausted.

**LAYOFF:** For purposes of this Section, a layoff is defined as being reduced to zero (0) hours.

**4.3.3**      **RECALL:** Employees who are laid off due to lack of work shall have seniority rights in recall for jobs subsequently available with the Employer prior to the hiring of new employees. Such employee shall concurrently be notified by telegram or certified mail, a copy of which shall be sent to the Union, and shall have three (3) days to report after receipt of a copy of such notice of recall by the Union.

**4.3.4**      It is further understood that the employee will not be able to claim wages under the provisions of Section 4.3.2 hereof except for hours lost commencing with the weekly schedule immediately following the Union's notification to the Employer of the claim, and thereafter until resolved.

If the employee or the Union gives written notice to the Employer within seven (7) days of his notice of layoff, the above provisions do not apply.

**4.4**      **LOSS OF SENIORITY:** No employee shall suffer loss of seniority unless he:

1.      Is discharged for just cause;
2.      Resigns or voluntarily quits;
3.      Is absent from work for six (6) consecutive months due to layoff;
4.      Is absent from work for more than thirty (30) days due to death in the immediate family;
5.      Fails to return to work upon completion of a leave of absence as defined in Section 5.15;

6. Fails to report for work when recalled as provided in Section 4.3.3 of this Agreement.

**4.5 SCHEDULE SELECTION:** The word "schedule" is interpreted to mean the weekly work schedule, including work on premium days, early and late work schedules.

**4.5.1** It is recognized that management has the right to establish such weekly work schedules to meet the requirements of the business; provided, however, such right shall not be utilized in an arbitrary or capricious manner to deprive an employee of his ability to exercise his seniority right to select such work schedule.

**4.5.2** Employees may select such schedules according to seniority by classification, applied on a store basis, provided they possess the necessary qualifications for the schedules selected. Qualifications shall include such factors as experience, job performance, aptitude, attendance, etc.

**4.5.3** It is understood part-time employees may not bid for the schedule of other employees.

**4.5.4** The Employer shall not recognize the schedule selection request of any employee if the granting of the request would place the Employer in a position of violating the contract or having to pay a penalty for improper scheduling of shift intervals, or consecutive workdays.

**4.6 LISTS:** The Employer agrees to provide a seniority list of employees in January and July of each calendar year. One list shall be provided by seniority and one list will be provided by alphabetical last name, listing the employee's date of hire, name, Employer identification number, work location, classification, current rate of pay, mobile number and email address, if provided by employee, and indicate if the employee is part-time or full-time.

Upon request by the Union, the Employer will provide a legend of Company job titles and what classification they fall within the collective bargaining agreement.

The list may be posted by the Union on a semi-annual basis in the stores' break rooms.

**4.7 TEMPORARY ASSIGNMENTS:** The Union will cooperate with the Employer in the scheduling of employees for temporary part time or relief work outside the geographical jurisdiction of this Agreement. However, no employee shall be discriminated against for refusal to accept such assignment.

**4.8 TRANSFERS:** No employee shall be required to accept a permanent transfer outside the jurisdiction of this Local Union unless approved by the Union. Requests for transfers, within the union's territorial jurisdiction, so an employee may work nearer his home will be given proper consideration, and will not be refused arbitrarily. Similarly, an employee will not be arbitrarily or capriciously transferred. Management will give proper consideration to transfer requests.

**(Former Local 839) TRANSFERS:** The Employer agrees that transfer of employees to or from King City shall not be compulsory, nor shall any employee

be penalized for failure to accept such transfer. Transfers shall not be made for disciplinary reasons.

**4.9 PART-TIME EMPLOYEES:**

**4.9.1 MOVEMENT TO FULL-TIME WORK:** Part-time Experienced Food Clerks will be offered full-time forty (40) hour job openings or part-time job openings with more hours excluding relief for vacations, illnesses, or other authorized absences within the employee's assigned store, based upon said employee's seniority. A vacancy created in an existing full-time classified journeyman food position, due to retirement, resignation, when an existing full-time food clerk informs the Company in writing to forego their full-time classification, termination, promotion to Head Clerk or above bargaining unit position, or transfer will be filled in accordance with the procedures outlined in this Section.

It is agreed that when a full-time vacancy occurs as the result of the death of said employee the vacancy will be filled, similar to a retirement or voluntary resignation, or when the employee's last day of work was performed within an approved leave of absence outlined in Section 5.15.

**4.9.1.1** An employee will remain eligible until offered a full-time opening or by written notification of their desire to be removed from consideration.

Provided the Experienced Clerk possesses the necessary qualifications and has complied with the requirement above, he shall be offered any job opening, except as restricted by the above, which might occur within the employee's assigned store before any employee is hired into said store.

No employee will be transferred into or out of a store to circumvent the application of this Section. The aforementioned provisions shall not affect the right of the Employer to transfer employees or the right of employees to request a transfer pursuant to the provisions of Section 4.9. In the event a full-time forty (40) hour job becomes available in a store in which no employee is desirous of such full-time position, the most senior part time employee with the necessary qualifications, within the geographical jurisdiction of the Union shall be offered the job before any employee is hired into said store.

**4.9.1.2** Employees refusing an offer of full-time work, requesting part-time work after having been selected for full-time work, indicating their unavailability for continued full-time work, or refusing a job opening with more hours, shall not be entitled to exercise rights set forth above for the next 3 months.

**4.9.2 REQUEST FOR ADDITIONAL HOURS:** Part-time employees may request additional available hours within their classification on a store-by-store basis provided they have the previously mentioned qualifications, are available for the hours, and have notified their store manager, in writing, or electronically submitted when operationally feasible within Company scheduling system, of their desire for more hours and they shall be afforded such hours by seniority.

**4.9.3 REMOVAL FROM LIST:** Employees refusing an offer of full-time work, requesting part-time work after having been selected for full-time work, indicating their

unavailability for continued full-time work, or refusing a job opening with more hours, shall not be entitled to exercise rights set forth above for the next 3 months.

**4.9.4 REDUCTION IN HOURS AND LAYOFF:** Reduction in part-time employees' hours, due to lack of work, shall be accomplished by seniority and by classification on a store-by-store basis.

When layoffs occur due to lack of work, the last employee hired in the classification shall be the first to be laid off.

Notwithstanding the above, before a full-time employee may be reduced in hours on a store-by-store basis, the Employer shall first reduce the hours of part-time employees in the store affected by the lack of work in the order of their seniority. Hours shall be afforded to part-time employees in the store affected by the lack of work in the order of their seniority by classification on a store-by-store basis. It is recognized that management has the right to establish such weekly work schedules to meet the requirements of the business.

To the extent further reductions of work hours are required in the affected store; the Employer shall reduce the hours of full-time employees by seniority and by classification. Any full-time employee whose working hours are reduced for more than three (3) weeks (not necessarily consecutive) in a nine (9) month period, commencing with the first week of reduced hours, shall have a one-time option during any said nine (9) month period to request in writing, during the fourth (4th) week of reduced hours, to remain in the affected store at the reduced working hours or displace the least senior full-time employee in the same classification in the appropriate geographical seniority area. If the full-time employee chooses to replace the least senior full-time employee, his new store becomes his assigned store. Said employee shall be entitled to exercise the option right in his newly assigned store in accordance with the procedure set forth herein.

The displaced full-time employee shall have the right to exercise seniority to displace the least senior employee in the same classification in the geographical seniority area or to remain in his assigned store at the reduced hours in accordance with his seniority. If said employee displaces the least senior employee in the geographical seniority area, he shall be afforded hours in his assigned store by seniority by classification.

A full-time employee who has been involuntarily reduced to part-time and who chooses to remain in the affected store shall be offered the next full-time opening with respect to the affected store and shall have preference over those employees who have requested additional available hours pursuant to Section 4.10.2.

The aforementioned provisions shall not affect the right of the Employer to transfer employees or the right of employees to request transfers pursuant to the provisions of Section 4.9 hereof.

**4.9.5 WAGE CLAIMS:** It is understood that employees will not be able to claim wages under this interpretation, except for hours lost commencing with the weekly schedule immediately following the Union's written notification to the Employer of the claim and thereafter until resolved. If the employee or the Union gives written

notice to the Employer within seven (7) days of his notice of layoff, the above provisions do not apply.

**4.9.6 WEEKLY GUARANTEE:** Each part-time employee (excluding Courtesy Clerks) shall be scheduled for at least twenty-four (24) hours work in each week.

Each Courtesy Clerk shall be scheduled for at least sixteen (16) hours work in each week or as provided in Section 9.3.1

The aforementioned weekly guarantee shall not apply if one or more of the following conditions exist:

1. The store is normally open for business six (6) days or less in the workweek;
2. A week in which one of the holidays named in this Agreement falls;
3. Employees scheduled to work are absent without proper notice;
4. Work is not available due to Acts of God;
5. The part-time employee, the Employer and the Union agree that the employee may work less than twenty-four (24) hours per week or less than sixteen (16) hours per week if the employee is a Courtesy Clerk, or as provided in Section 9.3.1 When an employee has put a request in writing to the store manager to work less than the contractually required minimum hours, the notice shall have the effective date, the end date, and signature of the employee. If no end date is provided, the request shall be considered to be in effect until it is revoked by the employee in writing.
6. An unanticipated, significant business fluctuation;
7. During the week an employee is recalled from layoff or returns from leave of absence.

**4.9.7** Part-time experienced employees (excluding Courtesy Clerks), with fifteen (15) or more years of service with the employer will be guaranteed twenty eight (28) hours per week. (E-Shopper Clerks and Fuel Station Clerks will have the same 4-hour increase in their weekly guarantee from the current 20 hours to 24 hours per week).

This provision will become effective with the schedule posted thirty (30) days after the employee reaches their fifteen (15) year anniversary.

In the event any employee does not want these increased hours, they shall submit a written request to the Employer.

**4.10** Notwithstanding anything to the contrary contained in this Agreement, any employee can perform the work of a lower paid classification except that Non-Food and General Merchandise Clerks can only perform Courtesy Clerk duties.

## **SECTION 5. GENERAL PROVISIONS**

- 5.1 SAFETY COMMITTEE:** The Employer agrees that it will continue to provide a safe and healthy workplace and agrees to appropriately address any unsafe condition or safety or health hazard to the extent reasonably possible. This includes the Employer's commitment to comply with all federal, state and local laws and regulations. The Employer agrees to promptly investigate all hazards, unsafe conditions and accidents properly brought to its attention and to the extent reasonably possible to promptly remedy all hazards and unsafe conditions its investigation reveals. The Employer will furnish, at its expense, all safety and protective equipment required by applicable laws and agency regulations.

Each store shall have a Health and Safety Committee. The Committee shall include up to two (2) bargaining unit representatives, mutually agreed to by the union representative and management who are from that store. The Parties acknowledge, the Company has an Administrative Coordinator at selected locations, who may already be part of the safety committee. In such case, the Administrative Coordinator will not be unreasonably denied by the Union to be one of the two bargaining unit representatives, as to ensure continuity to the program. The selected bargaining unit representative shall be included in meetings and/or other activities of the Committee commensurate with their schedules and feasible at the time of the meeting. Committee members shall be paid by the Employer for time spent at monthly Health & Safety meetings. The Employer may limit the time to two (2) hours per month. The committee may include at least two (2) company representatives as well.

Committee members shall inspect facility conditions and bring any hazards or unsafe conditions to the Company's attention. Review and monitoring of the Employer's Disaster and Evacuation plan will be considered a function of the Committee. The Company agrees to appropriately address hazards and unsafe conditions that Committee members bring to their attention promptly and to the extent reasonably possible.

In the event an employee encounters an unsafe situation, the employee should first contact the Store Director or the Assistant Store Director to make them aware of the situation. If no action is taken, or the supervisor's response is unacceptable to the employee, the employee may address their concern with the Committee.

- 5.2 SAFETY RULES:** Safety rules pertaining to the conduct of employees shall be conspicuously posted by the Employer in his place of business, and the Employer shall maintain in his store, or place of business, a fully equipped first aid kit.

Employees will be provided with appropriate safety training and/or necessary personal protective equipment when assigned to cleaning duties where such training or equipment is required by Federal and/or State Law.

- 5.3 MILITARY SERVICE:** The Employer agrees to observe both the Universal Military

Training and Service Act, and The Uniformed Services Employment and Reemployment Rights Act with reference to all provisions providing for the re-employment of persons entering Military Service. These provisions shall be deemed a contractual obligation under the terms of this Agreement.

**5.4 BONDING:** Whenever the Employer requires the bonding of any employee or the carrying of any insurance for the indemnification of the Employer, premiums for the same shall be paid for by the Employer. No cash deposits, cash or real property bond, shall be required of any employee.

**5.5 FLOOR COVERING:** Wood or suitable floor-covering shall be provided for on all concrete floors behind check stands.

**5.6 UNIFORMS:** Where the Employer desires the wearing of a uniform and/or head covering, the Employer shall furnish the same without cost to the employee. The Employer shall also provide for the maintenance of such wearing apparel. Provided, however, that if drip-dry uniforms are furnished by the Employer then the employee will maintain such uniforms.

Shirts and/or ties will be supplied only if the Employer specifies both the color and the specific style. Specific style shall be defined as collar style, sleeve length and fabric content. Once implemented, there shall be no change in color unless by mutual agreement.

Additionally, employees will be allowed to wear appropriate clothing to protect from inclement weather in accordance with the Employer's dress code policy.

**5.7 SPECIAL WEAR:** It is also understood if an employee is required by the Employer to purchase or rent a special costume or unusual clothing not part of his existing wardrobe, the Employer shall reimburse the employee for any reasonable and necessary cost involved; or furnish the required costume or unusual clothing to the employee without cost for the period of time the requirement is in effect.

Employees required to work in Refrigerated Rooms shall be permitted to wear slacks, sweaters, or other suitable clothing to adequately protect them from cold and dampness while working in such rooms.

The Employer shall provide rain jackets.

- 5.8 TOOLS AND EQUIPMENT:** The Employer shall furnish all the required equipment and tools necessary for their employment, without cost to the employee.
- 5.9 PAY DAY AND DEDUCTIONS:** Employees shall be paid at least once each week, within five (5) days after the termination of the week's work, and before his shift terminates on pay day except in extenuating circumstances and any holiday week when the above period shall be increased to six (6) days. The Employer shall furnish each employee with a weekly wage statement showing his name, hours of work, overtime if any, total wages paid and list of deductions made.
- 5.10 BULLETIN BOARD:** The Employer agrees to provide sufficient space on the store bulletin board for the posting of official union notices. Such notices shall contain only matters of official union business and shall not be used for propaganda purposes.
- 5.11 UNION BUSINESS:** The Employer recognizes the right of the Union to appoint Shop Stewards. The Employer agrees to schedule up to three store representatives, based on store size and volume, designated by the Union, a day off, at the employees' daily straight-time rate based on the average daily hours worked in the pay period preceding, not to exceed eight (8) hours, to attend an annual education meeting. The parties agree that such time shall not be considered time worked for purposes of overtime, benefit contributions or other incidents of "time worked." In all such instances the Employer shall be notified not less than two (2) weeks in advance of such absence and the number of employees requesting such absences shall be so limited by the Union that it will not interfere unreasonably with the Employer's business.

Employees shall be allowed time off without pay for the purposes of attending Agreement negotiations, adjustment or arbitration board hearings or for Union Executive Board meetings. In all such instances, the Employer shall be notified not less than three (3) days in advance of such absence and the number of employees requesting such absences shall be so limited by the Union that it will not interfere unreasonably with the Employer's business.

The Employer agrees to schedule any employee who is an officer, or a representative of the Union, in any capacity of the Union, hours of work that will permit him to attend the meetings of the Union, provided that it does not exceed one (1) employee per store or two (2) meetings per year. The Employer further agrees that these representatives will not suffer any loss in their normal scheduled hours in the week that they attend said Union meetings. It being understood that in doing so, the Employer shall not be placed in a position of violating the contract or having to pay any penalty for improper scheduling. The Union agrees that it will give the Employer seven (7) days advance notice of the date and time of the meeting referred to above. This provision shall also apply to new members who are required to attend meetings for the purpose of completing their obligations as members of the Union.

Should an employee be notified, by a representative of management, that he will be subject to an investigative interview by the Company, the employee shall be

given an opportunity to speak briefly with the Shop Steward, if the Shop Steward is on duty. The Shop Steward shall be given the opportunity of a brief, private meeting, with the employee to be interviewed, so that he may be informed of his right to request a Union Representative to be present during the interview.

- 5.12 UNION EMBLEM:** The Union agrees to issue Union Store Cards or window decals to the Employer under the rules governing Union Store Cards set forth by the U.F.C.W. Such Union Store Cards and decals are and shall remain the property of said U.F.C.W. and the Employer agrees to surrender said Union Store Cards or decals to an authorized representative of the Union on demand in the event of failure by the Employer to observe the terms of this Agreement or the conditions under which said Union Store Cards or decals are issued.

The Employer shall display such Union Store Cards or decals in conspicuous areas accessible to the public, in each establishment covered by this Agreement.

- 5.13 JOB INJURY:** When an employee is injured on the job and reports for medical care and it is certified that he is unable to continue work, he shall be paid the basic straight-time rate of pay for the hours not worked on the day of injury.

- 5.14 PAYROLL DATA:** In the event the Union has information that the Employer has violated provisions of this Agreement relating to rates of pay or the payment of health and welfare, pension and sick leave contributions, the Employer agrees to supply the Union with the necessary payroll data.

- 5.15 JURY DUTY or COURT APPEARANCES:** Employees required to perform jury duty or to appear in Court or the Police Department on behalf of their Employer, shall receive their regular straight-time pay during such jury duty or such appearances, less jury pay or witness fees received.

It is understood that time spent in awaiting impaneling for jury service is to be considered covered time under this provision.

Employees regularly scheduled for night work shall be rescheduled to a day shift for the period of jury duty service.

Employees shall immediately report for work after being excused from jury duty service, provided there is sufficient time remaining on the daily work schedule to work at least half of the daily shift. Failure to so report shall render null and void any claim for jury service for that day.

The rescheduled work shift, when combined with time spent for jury service or court appearances, is not to exceed a total of eight (8) hours when in reasonable control of the Employer. Otherwise the overtime rate of time and one-half (1½) shall apply for all time in excess of the combined total of eight (8) hours. The employee shall supply the Employer with verification of time spent and fees paid for jury duty services.

If an employee appears in Court or the Police Department on behalf of the Employer on his days off, he shall receive his basic straight-time rate of pay for the time spent in making such appearance; but such time shall not be considered as

part of the workweek under the terms of this Agreement.

**5.16 LEAVES OF ABSENCE:** Leaves of absence shall be granted as follows:

**5.16.1 SICKNESS AND NON-INDUSTRIAL INJURIES:** Up to twelve (12) months after one year's employment.

**5.16.2 INDUSTRIAL INJURIES:** Up to twelve (12) months for any employee incurring an industrial injury after his first sixty (60) days of employment and who has less than three (3) years seniority at the time said leave of absence commences.

Up to eighteen (18) months, for any employee who has three (3) or more year's seniority at the time said leave of absence commences.

**5.16.3 PERSONAL LEAVES:** Leaves up to thirty (30) days after one (1) year of employment for compelling personal reasons to be agreed upon by the parties, such leaves shall be requested and granted in writing.

**5.16.4** At the end of any period of such leave of absence for illness or injury, an employee shall be restored to employment with the company with full seniority to a position comparable to the one he held immediately prior to such leave of absence.

**5.16.5** The parties agree to comply with the Family Medical Leave Act (FMLA), and the Americans with Disabilities Act (ADA), and the equivalent State Acts and regulations.

**5.17 BEREAVEMENT LEAVE:**

**5.17.1 PART-TIME BEREAVEMENT LEAVE:** Part-time employees shall be entitled to three (3) days of bereavement leave pay consistent with items 1, 2, and 3 of subsection 5.16.2 for the actual days of the funeral if scheduled to work on said days, and an additional two (2) days unpaid leave for part-time employees upon request.

Bereavement leave days are available during the three (3) months after the death of immediate family member(s). Employees may also use vacation or request a personal leave of absence in accordance with Section 5.16.3.

**5.17.2 FULL-TIME BEREAVEMENT LEAVE:** When a regular full-time employee on the active payroll is absent from work for the purpose of arranging for or attending the bereavement of a member of his immediate family as defined below, the Employer shall pay him for eight (8) hours at his regular rate of pay for each day of such absence up to a maximum of three (3) days and two (2) days unpaid leave, provided;

1. The employee notified the Employer of the purpose of his absence on the first day of such absence;
2. The absence occurs on the day during which the employee would have worked but for the absence;

3. The employee, when requested, furnishes proof satisfactory to the Employer of the death, his relationship to the deceased, the date of the funeral, and the Employee's actual attendance at such funeral.

For the purpose of subsection 5.16.1 and 5.16.2, a member of the immediate family means the Employee's spouse, child, mother, father, sister, brother, mother-in-law, father-in-law, grandparents, grandchildren, stepmother, stepfather, stepchildren and registered domestic partner.

Bereavement leave days are available during the three (3) months after the death of immediate family member(s). Employees may also use vacation or request a personal leave of absence in accordance with Section 5.16.3.

**5.18 RETURNED CHECKS:** Where the Employer has a posted or published check-cashing policy, the employees shall conduct themselves accordingly, and when an employee follows such policy, he shall not be held financially responsible for returned checks, other than his own personal check, nor shall he be expected or required to locate the check-cashing customer.

**5.19 DUES CHECKOFF:** The Employer agrees to deduct uniform monthly dues, initiation fees, and assessments as determined by the Local Union on a regular basis, from the wages of employees in the bargaining unit who provide the Employer with a voluntary written authorization for such deductions. Such deductions, when authorized, will be transmitted to the office of the Local Union no later than the 15th day of the month following the month in which deductions are made. No deduction will be made from the wages of any employee until the Employer has received a signed copy of voluntary written authorization for such deductions.

Authorizations for deductions are to be entirely voluntary upon the part of each such individual employee. Authorizations shall be irrevocable for a period of one (1) year or until the termination of this Agreement, whichever occurs sooner. The authorization shall be automatically renewed or be irrevocable for successive periods of one (1) year each or for the period of each succeeding applicable Bargaining Agreement, whichever shall be shorter, unless written notice is given by the employee to the Employer and the Local Union not more than twenty (20) days and not less than ten (10) days prior to the expiration of each period of one (1) year or of each applicable Collective Bargaining Agreement.

The Union shall indemnify and hold the Employer harmless from any and all actions resulting from the implementation of this provision. However, mistakes by the Employer shall be immediately corrected by the Employer upon notification from the Union.

**5.20 POLITICAL CHECKOFF:** The Employer agrees to deduct political contributions monthly as determined by the Employer on a regular basis, from the wages of employees in the bargaining unit who provide the Employer with a voluntary written authorization for such deductions. Such deductions, when authorized, will be transmitted to the office of the Local Union no later than the 15th day of the month following the month in which deductions are made. No deduction will be made from the wages of any employee until the Employer has received a signed copy of

voluntary written authorization for such deductions.

Authorizations for deductions are to be entirely voluntary upon the part of each such individual employee, unless written notice is given by the employee to the Employer and the Local Union not more than twenty (20) days and not less than ten (10) days prior to the expiration of the Collective Bargaining Agreement.

The Union shall indemnify and hold the Employer harmless from any and all actions resulting from the implementation of this provision. However, mistakes by the Employer shall be immediately corrected by the Employer upon notification from the Union.

- 5.21 S.P.U.R.** The Union may select any employee(s) to be a SPUR. By mutual agreement, the selected employee(s) may serve as a SPUR for an initial period of up to six (6) months. Such leaves shall be requested and granted in writing. In the event the employee wishes to return to work prior to the scheduled end of the leave, the employer will be provided with at least two (2) weeks prior written notice. During the service period as a SPUR, the employee(s) will be considered to be on an approved personal leave of absence. After the service period ends, the employee(s) will be returned to his or her job or a comparable position with no loss of seniority. He or she will not, however, be credited any hours with the Employer toward advancement in the wage scale. He or she will be returned to the same wage as he or she made before becoming a SPUR and will be entitled to whatever benefits may be due under the terms of the documents and rules governing the applicable health and welfare and pension trusts.

All wages, benefits and the like during the service period will be the responsibility and sole obligation of the Union. The Employer will have no obligation for wages, benefits or the like during the service period. Additionally, the Union will provide workers compensation coverage for the SPUR and comply with all Federal, State and Local laws applicable to the employment of the SPUR.

The period of service of the SPUR may be renewed by mutual agreement for additional periods of three (3) months up to an aggregate service period of twelve (12) months.

## **SECTION 6. HOURS, OVERTIME AND SUNDAY PREMIUM PAY**

**PREAMBLE:** In the event the application of Federal Wage and Hour Law as applied to retailing conflicts with the intent of this Agreement, the Parties shall meet immediately to re-negotiate this Agreement in order to preserve the intended workweek and the rates pertaining thereto.

The industry recognizes the five (5) day, forty (40) hour week provisions except for layoffs and individual cutbacks due to lack of work, acts of God or circumstances beyond the control of the Employer. This section, however, does not impede the right of the Employer to use part-time help as needed.

- 6.1 BASIC WORK DAY AND WEEK:** Forty (40) hours, consisting of five (5) days of eight (8) hours each in a calendar week, Sunday through Saturday, shall constitute

a week's work as provided in this entire section. Employees, other than those scheduled to work six (6) days in a week, shall receive two (2) days off, not necessarily consecutive, in each calendar week. A day's work shall consist of eight (8) hours within nine (9) consecutive hours with one (1) full-uninterrupted hour off for a meal. A one-half (1/2) hour lunch period for a crew, a shift of employees or an individual employee may be implemented by mutual Agreement of the Employer and the employee(s).

(Former Local 839) No employee shall be required or permitted to work a split shift.

A workweek consisting of four (4) ten (10) hour days may be implemented by mutual agreement of the parties.

**6.1.1 HOLIDAY WORK WEEK:** For all full-time employees, thirty-two (32) hours, consisting of four (4), eight (8) hour days, exclusive of the holiday shall constitute a week's work in any week in which a holiday falls. Even if scheduled to work thirty-two (32) hours during the week of a holiday, part-time employee's holiday pay shall be prorated in accordance with Section 10.1.5. Part-time employees shall be scheduled to work at least their minimum hours of weekly work excluding pay for the holiday. Work shall not be performed without pay prior to the beginning of the scheduled working day. It is understood that the checking of produce or shelf prices shall be considered as time worked. Work may be performed at the end of the working day in completing service to a customer, which commenced prior to the end of the working day.

**6.2 OVERTIME AND PREMIUM WAGE RATES:** The overtime and premium wage rates of pay shall be as follows:

**TIME AND ONE-THIRD:**

Work performed on Sunday shall be paid at a rate of one and one-third (1.33x) times the straight time hourly rate. Courtesy clerks hired after February 11, 2005 are not entitled to Sunday premium.

Effective for all employees, excluding Courtesy Clerks, hired on or after December 17, 2012, Sunday premium shall be one dollar (\$1.00) per hour.

**TIME-AND-ONE-HALF THE STRAIGHT-TIME HOURLY RATE:**

1. Work in excess of eight (8) hours per day.
2. Work in excess of forty (40) hours per week.
3. Work on the sixth (6th) day worked in a calendar week.
4. Work on the sixth (6th) day worked in a week containing one of the holidays named in this agreement.
5. Work performed after the fifth (5th) consecutive day worked without reference to the calendar week by a normal five-day employee until consecutive days are broken by a day off except when the schedule of an

employee who has had or who is to have two (2) consecutive days off is changed in accordance with this agreement.

6. Work performed after the sixth (6th) consecutive day worked without reference to the calendar week by a normal six-day employee until consecutive days are broken by a day off, except when the schedule is being changed in accordance with this agreement.
7. Work performed by a full-time employee called in to work on a scheduled day off and given shorter notice than required by the agreement, but if such an employee works six (6) days during that calendar week, work performed on the scheduled day off shall be paid for at the employee's straight-time rate for that day and that on the sixth (6th) day worked shall be paid for at the overtime rate.
8. Work performed within ten (10) hours from the time the last shift ended.
9. Work performed where a meal period is not afforded in conformity with Section 7.5.

**DOUBLE THE STRAIGHT-TIME HOURLY RATE:**

1. Work in excess of eight (8) hours on the sixth (6th) day worked in a calendar week.
2. Work performed on Sunday, which is a day in excess of five (5) consecutive days by a scheduled five-day employee except when the schedule of said employee who has had or is to have two (2) consecutive days off is changed in accordance with this agreement.
3. Work performed on the seventh (7th) day in a calendar week.
4. Work performed on a holiday in this Agreement (in addition to holiday pay if entitled) regardless of which day of the week the holiday falls, for employees hired prior to or on February 11, 2005. For employees hired after February 11, 2005, work performed on the holiday (in addition to holiday pay if entitled) will be paid at their straight-time hourly rate and an additional one (\$1) per hour premium.
5. Work performed after five (5) hours on a Sunday until a meal period is taken.
6. Work performed on a Sunday until ten (10) hours between shifts has elapsed.

**DOUBLE TIME AND ONE-QUARTER THE STRAIGHT-TIME HOURLY RATE:**

1. Work in excess of eight (8) hours on a Sunday.

#### **DOUBLE TIME AND ONE-HALF THE STRAIGHT-TIME HOURLY RATE:**

1. Work performed by a full-time employee (or any employee in the former Local 839) on Sunday when Sunday was a scheduled day off and the employee was given shorter notice than that required by the agreement but if such an employee works six (6) days during that calendar week, work performed on that Sunday shall be paid at the rate of time-and-one third (1 1/3) the straight-time hourly rate and that on the sixth (6th) day worked, shall be paid for at the applicable overtime rate.
2. Work performed on Sunday, which is in excess of six (6) consecutive days by a six-day employee.
3. Work performed after five (5) hours until a meal period is taken on a holiday.
4. Work performed on a holiday until ten (10) hours between shifts has elapsed.

#### **TRIPLE THE STRAIGHT-TIME HOURLY RATE:**

1. Work in excess of eight (8) hours on a holiday named in this Agreement.

**6.3 CONSECUTIVE DAYS:** It is understood that consecutive days worked are interrupted by a holiday or a scheduled day off; and shall be considered to be interrupted when an employee is required to work on a holiday or when by reason of a bona fide emergency, an employee is required to work on his scheduled day off for which he has received the required premium pay for such work.

**6.4 SCHEDULED WORK:** Whenever an employee's schedule is not changed in accordance with the provisions of this agreement and he is worked outside such schedule, then the hours so worked shall be paid for in accordance with the overtime provisions of this Agreement.

**6.5 NO COMPOUNDING OR PYRAMIDING:** There shall be no pyramiding of overtime and/or premiums and only the highest applicable rate shall apply.

### **SECTION 7. WORK SCHEDULES AND PREMIUM RATES**

**7.1 POSTING OF WORK SCHEDULES:** The Employer agrees to keep posted, in each store, a weekly schedule, in ink, of the working hours for all employees. Such schedule shall show the full name of each employee, the classification, starting time, mealtime, quitting time, and days off. It is further agreed that any change in schedule must be made and the employee so notified no later than noon on Monday of the week preceding the week in which the change is to become effective (emergency excepted). Such schedule shall be posted by noon on Monday of the week preceding the week in which such schedule is to be effective, on the bulletin board or at a place where all employees and representatives of the Union may

observe same. The schedule will be posted electronically for employees to view. A paper copy of the schedule will also be available in the breakroom or other common area accessible by all employees. A twenty-four (24) hour notice of any change in such schedule, other than meal period, shall be given by the Employer, except that in the case of a change in a day off, at least five (5) days advance notice shall be posted except in case of a bona fide emergency.

**POSTING NOTICE:** Work schedules must be posted by noon on Monday of the week preceding the week in which such schedules are to be effective. If assignment of employees to schedules is inconsistent with the terms of Section 4.5, employees will have until 5 p.m. on Monday [or five (5) hours after the schedule is posted] to bring such inconsistency to the store manager's attention and seek assignment in accordance with Section 4.5. When a senior employee obtains such a different schedule, then the displaced junior employee shall be assigned the senior employee's previously assigned schedule for the following week. If the schedule is not posted timely due to circumstances beyond the control of the person responsible for posting it, the untimely posting shall not be the basis of any monetary claims.

Time worked by employees on the last shift during the period the store is open for business, for the purpose of serving customers in the store at the closing hour or performing other miscellaneous duties necessary in connection with the closing of the store, shall be properly scheduled in their straight-time shift.

- 7.1.1** The Company recognizes the importance of posting the weekly schedule in a timely fashion. When any failure to timely post schedules is brought to the Company's attention, it will take appropriate and affirmative steps to assure compliance with the contract and to prevent reoccurrences and will inform the Union of the steps that it has taken.
- 7.2** **SHIFT INTERVAL:** Except in bona fide emergencies, the minimum time off between shifts shall be ten (10) hours and employees called to work sooner than ten (10) hours from the end of their last work period shall be paid time and one-half (1 1/2) the employee's straight time rate for all work performed up to the time said ten (10) hour period between shifts shall have elapsed.
- 7.3** **SCHEDULED TO WORK A HOLIDAY:** Any employee, normally scheduled to work five (5) days, who is temporarily re-scheduled to work on a holiday shall be permitted to work his normal number of working days that week.
- 7.4** **HOLIDAY EVE:** No employee shall be required to work after 8:00 p.m. on Christmas Eve except those employees necessary to service the customers in the store at 8:00 p.m. and to properly close and secure the store. This shall not apply to employees in the Liquor Department where the Liquor Department may be isolated from the Grocery Department. On New Year's Eve, the store shall be staffed with volunteers between 8:00 p.m. and 12:00 midnight. If insufficient employees volunteer, assignment shall be by inverse seniority. The employer will post a sign-up sheet for volunteers, in a conspicuous location at least two weeks in advance of New Year's Eve or Christmas Eve.
- 7.5** **MEAL PERIOD:** Each employee shall be released from work for his meal period

within five (5) hours, but no sooner than three (3) hours of the time of his reporting to work. Any employee who is given a meal period prior to three (3) hours into his shift or works in excess of five (5) hours without a meal period shall receive time and one-half (1½) for hours worked between the meal period and the completion of the third (3rd) hour or time and one-half (1½) for hours worked in excess of five (5) hours until a meal period is given.

**7.5.1** In accordance with state law, the Employer may schedule up to a six (6) hour shift without a meal period. If said scheduled shift is greater than five (5) hours, the overtime rate shall not apply and shall include two unscheduled ten-minute breaks.

**7.6** **BREAKS:** No employee shall be denied the right to necessary or required relief. All employees shall be allowed an unscheduled ten (10) minute break in the first half of their shift prior to the meal period, and an unscheduled ten (10) minute break in the last half of their scheduled shift prior to quitting time.

**7.7** **DAILY GUARANTEE:** Any full-time employee [one who is normally scheduled to work forty (40) hours or more per week] who is ordered to report for work shall be guaranteed not less than eight (8) hours' work. Any part-time employees except students and Courtesy Clerks who are ordered to report for work shall be guaranteed not less than four (4) hours' work. All apprentices and experienced food clerks hired or promoted after May 2, 1983, when so reporting shall receive no less than four (4) hours work for that day. Bona fide students, who, by reason of attending scheduled classes, may not work four (4) hours, may be individually exempted from this provision by written agreement of the Employer, the Union and the employee involved.

**NOTE: IN CONTRA COSTA COUNTY (Former Local 1179):** Any part-time employees hired prior to May 2, 1983, except students and courtesy clerks who are ordered to report for work shall be guaranteed not less than eight (8) hours' work.

**NOTE: IN ALAMEDA COUNTY (Former Local 870):** Any part-time employees hired prior to May 2, 1983, except students and Courtesy Clerks who are ordered to report for work shall be guaranteed not less than eight (8) hours' work.

**NOTE: IN THE FORMER LOCAL 839:** All employees who work forty (40) or more hours in a calendar week, when ordered to and do report for work and remain available for work, shall receive a full day's pay based on the established rate of pay for that day.

**(Former Local 839)** All employees who work less than forty (40) hours in a calendar week, when ordered to and do report for work and remain available for work shall receive at least four (4) hours' pay based on the established rate of pay for that day. Where school law conflicts with the four (4) hour daily guarantee on a school day, such employee shall be scheduled for not less than three (3) hours on such days. It is further agreed that students shall not replace non-student employees. All part-time employees shall be covered by all other provisions of this Agreement.

**(Former Local 839)** Part-time employees will not be used on Sundays and holidays except as needed and they shall not replace full-time employees on such days.

- 7.8 NIGHT PREMIUM:** All employees, except Courtesy Clerks, shall receive extra compensation, in addition to the regular scale herein set forth, of sixty-five cents (\$0.65) per hour for all work performed between the hours of 10 p.m. and 6 a.m.
- 7.9 PREMIUM DAY:** Employees working any hours on a Sunday or a holiday shall be paid the premium pay as provided for in this Agreement for the hours worked between 12:01 a.m. and 12:00 Midnight on that day.
- 7.10 EMPLOYEES ON LAST SHIFT:** Employees on duty at the recognized hour of closing may be required to wait on all customers and perform other duties necessary to closing. Such employees shall be scheduled so that their shift ends at least fifteen (15) minutes after the recognized hour of closing.

## **SECTION 8. WAGES**

- 8.1** The Appendixes set forth the minimum rates of pay, effective dates and other provisions and are incorporated herein as if set forth in full.
- 8.2** Non-contractual discretionary bonuses may be modified or discontinued at the Employer's discretion with prior notice to the Union. This exception does not apply to over scale wage rates.

## **SECTION 9. CLASSIFICATIONS OF EMPLOYEES**

- 9.1** For the purpose of this Agreement, the classification of employees is hereby defined as follows:
- 9.1.1 MANAGING CLERKS:** Every store shall have a managing clerk unless the Employer, or a Supervisor within the meaning of the National Labor Relations Act, as amended, is actively engaged on the premises performing the work of the managing clerk. A managing clerk is an employee who has charge of and general supervision over not more than one store.
- In the event the Employer or Supervisor is absent from the store for one or more eight (8) hour days in a week a clerk shall receive the wage scale of a managing clerk for said work.
- 9.1.2 SENIOR HEAD CLERK, SENIOR PRODUCE CLERK AND HEAD CLERK(S):** These are non-supervisory employees who in addition to their duties of Clerk in the course and scope of their employment, perform one or more of the following duties:
- 9.1.2.1 SENIOR HEAD CLERK:** This classification shall apply only to the Senior Head Clerk who acts as Assistant to the Managing Clerk or Owner and is commonly known as the "second man" in the store.

- 9.1.2.2 **SENIOR PRODUCE CLERK:** This classification shall apply to an employee who goes to the wholesale produce market to buy produce, or who is in charge of the produce section or department. This classification shall apply in all cases where an employee was classified as a Head Clerk in the Employer's produce departments or sections under the 1964-67 Collective Bargaining Agreement, but shall not be applicable to Produce Managers or Buyers employed under said contracts who shall not be reclassified and who shall receive the same wage increases over their present rates of pay as all other employees.
- 9.1.2.3 **PRODUCE MANAGER (SENIOR HEAD CLERK):** Acts as produce buyer at the store or assists management in the operation of a Produce Section or Department; provided that where there is an employee in the department classified as a Senior Produce Clerk, this provision shall not require the classification of any other employee in the department as a Head Clerk.
- 9.1.2.4 **RECEIVING CLERK/ICC:** Is engaged the major part of his time in the receiving department of the Employer's establishment, and is in charge of and responsible for the receiving of merchandise.
- 9.1.2.5 **HEAD NIGHT STOCKER:** In night stocking crews, a clerk shall be designated and paid as a head clerk to direct the work of the crew.
- 9.1.2.6 **PERSON IN CHARGE (PIC):** In every store having three or more full-time employees, where one or more of the employees perform the duties of head clerk, as a regular part of their employment, the Employer shall designate at least one of said employees to act as Head Clerk; provided, however, that the Employer may combine and rearrange the duties performed by his employees in order to minimize the number of Head Clerks required.
- 9.1.3 **ADDITIONAL DUTIES:** In the event that the Employer desires to assign additional non-supervisory duties and responsibilities to one of his employees over and above the normal duties and responsibilities of Head Clerk, then in such event the additional compensation to be paid such an employee shall be agreed upon between the Employer and the Union.

When an employee qualifies for or is held responsible for Senior or Head Clerk's duties, he shall receive the Senior or Head Clerk's pay for the entire shift.

It is understood that the mere occasional or incidental performance of any of the Head Clerk's duties shall not be considered as the basis for classifying any employee as Head Clerk.

In addition, in stores over 50,000 square feet the Employer shall designate another of the above positions, the Front-end Manager, File Maintenance Clerk or another position by mutual agreement between the Employer and the Union, as an additional Head Clerk, with the understanding that no step-up pay shall be required for this additional Head Clerk position

No employee currently designated as a Head Clerk shall be reduced in pay as a result of the signing of this Agreement. At the request of the Employer, the Union agrees to meet and discuss possible resolution of any stores that as of the date of

this agreement have an excess number of employees being paid at the Head Clerk rate of pay.

**9.2 EXPERIENCED CLERKS:** An Experienced Food Clerk is an employee who has gained 7800 hours' experience in the retail food industry.

**PREVIOUS EXPERIENCE:** If an Experienced Food Clerk has been out of the industry no more than five (5) years, he will be allowed to start at the fourth (4<sup>th</sup>) Apprentice Food Clerk rate of pay.

**PRIOR EXPERIENCE:** An employee who fails to accurately list, on an employment application, his approximate number of prior hours of experience in the Retail Food Industry and, as a result, is improperly classified by the Employer shall not be entitled to a retroactive wage adjustment if it is subsequently determined that a classification adjustment is warranted.

**(Former Local 839)** It is agreed the Union shall negotiate with the Employer, an appropriate rate, during the probationary period, for employees who have gained food store experience outside the jurisdiction of the Northern California United Food and Commercial Workers Unions. The appropriate Apprentice or Journeyman rate shall be determined by the parties according to the employee's comparable, previous experience.

Notwithstanding the above, no such retroactive wage claim shall exceed ninety-one (91) days.

**9.2.1 APPRENTICE CLERKS:** An Apprentice Clerk is an employee who has less than 7800 hours experience in the retail food industry. The Union agrees to negotiate with the Employer an appropriate rate, during the probationary period, for employees who have gained food store experience outside of the jurisdiction of the Northern California Retail Clerks Unions. The appropriate Apprentice or Experienced Food Clerk rate shall be determined by the parties according to the employee's comparable previous retail grocery store experience.

**TRAINING:** It shall be understood that Apprentices shall be guaranteed full training within the apprenticeship period, including thirteen (13) weeks' work at the checkstand and at least thirteen (13) weeks' work in shelf stocking assignments.

**9.3 COURTESY CLERKS:**

Courtesy Clerks may not stock, prepare or price merchandise (except carrybacks), operate cash registers, perform office work or break downloads. This is not intended to significantly change the duties performed by Courtesy Clerks. A courtesy clerk may remove and return product from the shelf to the same location in order to clean shelving. The parties agree that they will meet and discuss any additional proposed courtesy clerk duties. In the event that the parties are unable to agree that these duties are appropriate for courtesy clerks, the issue will be subject to resolution under section 18 of this agreement.

Courtesy Clerks shall be subject to all the provisions of this Agreement except that instead of the minimum work guarantee set forth in this Agreement, when

scheduled or called in to work they shall be provided with at least two (2) hours' work on weekdays and four (4) hours' on Saturdays, Sundays or on Holidays as set forth in this Agreement.

**9.3.1 GUARANTEE:** Each Courtesy Clerk shall be offered at least sixteen (16) hours' work in each week. In the event said Courtesy Clerk cannot be scheduled to work or cannot work sixteen (16) hours in the week, he shall not work at all during that particular week. However, the Company may schedule the employee less than 16 hours per week only at the employee's voluntary request, provided such request is initiated in writing by the employee, signed by the employee and approved by the Employer. A copy of the employee's request will be kept at the store and made available to the Union upon request.

No more than four (4) Courtesy Clerks per store will be allowed the exception each workweek. Should a special need arise for more than four (4) exceptions in a store in a given week, approval from the Union will be required and will not be unreasonably withheld.

**9.3.2** The employment or continuation of employment of a Courtesy Clerk shall not cause the replacement of an existing regular full-time or part-time clerk, or Apprentice Clerk, nor shall it cause a reduction in the number of hours of work of such clerks.

**9.3.3 BADGES:** Courtesy Clerks shall wear badges on their person designating them as a Courtesy Clerk at all times during working hours, and their failure to wear such badge while working shall be considered a violation of these provisions. The Union will submit to the Employer and the employee involved a written warning and in the event of a second violation with the same Employer by the same employee, the Employer agrees to suspend said employee for six (6) calendar months following written notice from the Union to the employee and the Employer involved. If the Employer does not furnish the badges, the Union may furnish them.

**9.3.4 VIOLATIONS:** The Employer agrees that Courtesy Clerks shall not perform duties other than those listed in the Collective Bargaining Agreement. In the event of a violation of this section, the Union shall notify the Employer in writing of such violation and it shall be corrected.

In the event any of the same persons are involved in a second violation within one (1) year from the first infraction, the person performing the work, unless directed to do so by a person in charge, shall be suspended for one (1) week and the person who directed that the work be performed shall also be suspended for one (1) week or the sum of \$500 shall be paid into the Northern California Joint Pension Fund

In the event of a third violation within one (1) year from the first infraction by any of the same persons, the person performing the work, unless directed to do so by a person in charge and the person directing that the work be performed will be suspended for one (1) month or the sum of \$1,500 will be paid into the Northern California Joint Pension Fund.

**9.3.5 TWO CLASSIFICATIONS:** Unless otherwise provided herein the Employer may require any employee to do work within the duties of any classification, in which event such employee shall be classified and paid for the entire shift under that

classification which pays the highest wage. Except that where any employee of a higher classification is relieved for a meal period, or the mere occasional or incidental performance of the duties of a higher classification shall not be construed as entitling the employee to the pay of the higher classification.

**9.3.6 STEP UP RULES:** The following rules are applicable at stores where Managing Clerks, Senior Head Clerks, Senior Produce Clerks, Head Clerks are employed.

**9.3.7 MANAGING CLERKS, SENIOR HEAD CLERKS AND HEAD CLERKS**

When the Managing Clerk is absent for one shift (8 within 9 hours) or more and the store is open beyond the hours during which the Senior Head Clerk (acting as Managing Clerk) is present, another regular employee on duty during such hours shall be paid at the Senior Head Clerk's rate for his entire shift, except that where there is a regularly employed Head Clerk (40 hours per week) in the store during such hours, he may continue to be paid at his regular Head Clerk's rate. On the Senior Head Clerk's day or days off, another regular employee on duty during said days shall receive the Senior Head Clerk's rate for each such shift worked, except that where there is a regularly employed Head Clerk (40 hours per week) on duty in the store during said days he may continue to be paid at his regular Head Clerk's rate.

On any day when the store is open beyond the regular shifts (8 within 9 hours) of both the Managing Clerk and the Senior Head Clerk, another regular employee on duty during such hours shall receive the Senior Head Clerk's rate for his entire shift, except that where there is a regularly employed Head Clerk (40 hours per week) in the store during such hours he may continue to be paid at his regular Head Clerk's rate.

When the Senior Head Clerk is absent for any period because of illness, vacation or other reasons, another regular employee or a Head Clerk, as the case may be, shall be paid at the Senior Head Clerk's rate for all such time worked during the said absence of the Senior Head Clerk.

**9.3.8 SENIOR PRODUCE CLERKS**

On the Senior Produce Clerk's day or days off, another regular employee shall be paid at the Senior Produce Clerk's rate for all hours worked in the absence of the Senior Produce Clerk, except that if the Senior Produce Clerk has Sunday as a day off, no other employee on duty on Sunday need be paid at the Senior Produce Clerk's rate unless he performs the Senior Produce Clerk's duties on said day.

When the Senior Produce Clerk is absent for any period because of illness, vacation or other reasons, another regular employee shall be paid at the Senior Produce Clerk's rate for all such time worked during the said absence of the Senior Produce Clerk.

It is understood by the parties that "small stores" should be exempt from the application of these rules. It should be noted that we have been unsuccessful in an effort to define a "small store." However, through agreement with various Local Unions or otherwise, certain Employers in this category have not been following the step-up rules and they shall continue to be exempt. Certain other Employers in

this category have been following the step-up rules and they shall continue to adhere to the rules. In the event that the Union protests failure to adhere to these rules by companies who have not been following them, there should be a joint committee established to determine whether or not the Employer falls in the "small store" category. Likewise, for any Employer who has been following the rules, he may protest the application of those rules to his operation and this same joint committee shall endeavor to determine whether his operation falls in the "small store" category. In the event a company who has not been following the rules is determined to be ineligible for the "small store" exemption, application of the rules shall be prospective only.

**9.4 DEMONSTRATORS:** All work connected with or incidental to the demonstration of merchandise offered for sale in the Employer's retail store (except merchandise referred to in Section 1.2 hereof as being excluded from this Agreement) shall be covered by this Agreement, and all such work shall be performed only by members of the appropriate unit as defined in Section 1.1 hereof. It is understood that the handling of coupons is not demonstrator's work. No Demonstrator may perform such work in the Employer's retail store unless said Demonstrator is on the payroll of the Employer, and unless the Employer at all times holds and exercises full control of the terms and conditions of employment of any such Demonstrators while such work is being performed in the Employer's retail store. Demonstrators shall be covered by all the terms of this Agreement. However, the Employer is not required to make contributions to the Health-and-Welfare or Pension Trust Funds on behalf of Demonstrators.

Demonstrators assigned to the Employer through an outside agency, although on the Employer's payroll, will be paid at no less than the contractual rate as contained in Appendix A – Wage Rates.

For employees hired directly by the Employer and on the Employer's payroll, please refer to the Demonstrator Letter of Understanding for the terms, conditions and wage rates.

**9.5 TRAVEL ALLOWANCE: (FOOD)** An employee who is hired to work on a full-time basis in one store who is temporarily assigned to relief work in another store shall be entitled to reimbursement for the following travel expenses:

1. Mileage for the extra travel resulting from such assignment (or established bus or taxi fare if so designated by the Employer) according to the amount provided for under the Internal Revenue Regulations.
2. Reasonable allowance for board and lodging when required to stay away from home overnight; and
3. Necessary out-of-pocket expenses such as bridge tolls and parking fees.

The above provisions shall not apply to an employee who is hired for or regularly assigned relief work or to work in different stores on different days of the week.

**9.6 TRANSPORTATION:** Any employee, who is required by the Employer to perform his or her regular duties in more than one store in any day, shall be reimbursed for

necessary out-of-pocket and mileage expenses, as provided for above. No such transfer shall be made in a manner to interfere with the lunch hour of the employee so transferred, and all time consumed in travel from one store to another shall constitute as part of the regular day's work of the employee.

#### 9.6.1

**TRANSFER OR REMOVAL OF WORK:** No work now being performed by employees in the unit covered by the collective bargaining agreement shall be transferred or removed from the unit without consultation and negotiation with the Union and unless the transfer or removal of such work is required for the purpose of promoting improved operating techniques, technological changes, automation or other factors connected with more efficient operations, as distinguished from reasons connected with securing the performance of such work at lower rates of pay or under less favorable employment conditions.

Where as a result of such consultation and negotiations it is determined that the transfer or removal of any work is justified upon the considerations set forth above, the parties shall seek to determine the extent of the work transferred or removed and the number of jobs or hours of work to be lost by the Union members affected. Based upon such findings the following remedies shall be applied:

Any employee losing hours of employment by reason of such transfer or removal of work shall either be compensated at his regular rate of pay for such hours, or he shall be given other comparable employment by the Employer in the area covered by this Agreement at compensation equal to that received by him prior to the work transfer. If the comparable employment is within the bargaining unit then he shall retain his seniority and other benefits under the contract.

The Employer shall attempt to provide any employee losing his job as a result of any such transfer or removal of work with other comparable employment in the area covered by this Agreement without loss of pay, status, seniority, or other benefits. Any employee not receiving such other employment shall receive one (1) week's severance pay for each year of service with the Employer, provided that if an employee receives such comparable employment outside the bargaining unit and does not remain in such employment for at least thirty (30) days he shall receive the full severance pay provided for herein.

Any employees who lose work or employment as a result of the failure of the Employer to observe the requirement provided for herein for consultation and negotiation concerning transfers or removals shall be entitled to full pay at their regular rate of pay for all such loss of work or employment. **9.7** Notwithstanding the above, it is agreed that should the Employer intend to institute electronic check-out systems which would have direct, material impact on employment covered by this Agreement, the Employer shall give the affected Union or Unions at least sixty (60) days' written, advance notice by certified or registered mail setting forth the nature of such intended changes and/or methods of operations.

#### 9.7.1

Upon written request by the Union, negotiations shall commence with respect to the following subjects: rates of pay for new jobs which might be created; transfer to comparable work, within or outside the bargaining unit or the disposition of displaced employees resulting from the institution of such new methods.

- 9.7.2** In the event the parties do not reach agreement within such period, then all unresolved issues as set forth above, shall be submitted to final and binding arbitration. It is not the intent of the parties that such negotiations or arbitrations will in any way jeopardize the efficiencies and increased productivity to be gained by the installation of such systems. The arbitrator shall be selected in accordance with the provisions of Section 18.
- 9.7.3** The parties further agree that the arbitrator's decision shall be final and binding, and that there will be no strikes, work stoppages, lockout, or economic action of any sort or form employed by either party in connection with or arising out of any dispute concerning or related in any way to the operation of this Section.
- 9.7.4** It is agreed and expected that the parties will exert every effort to accomplish the foregoing within the sixty (60) day allotted period, but failing to do so, shall not prohibit or in any way impede the Employer from installing or effectuating any such new methods, systems, or equipment upon the expiration of the allotted sixty (60) day time period, unless such period is extended by mutual written agreement. The decision of the arbitrator or the parties shall be effective on or retroactive to the date such new methods are installed. The cost of the impartial arbitrator shall be borne equally by the parties.

**9.8 SELF-CHECKOUT:**

The Employer may have at its discretion multi-unit self-checkout check stands in its stores. During the hours of 8:00 am – 7:00 pm, if any self-checkout lane is available for use by customers, the Employer will schedule at least one (1) full-service checkout lane to be open and available for use by customers. For all other hours a full-service check stand will be available upon customer request. A dedicated employee must be assigned to monitor a self-checkout bank when it is open for use for customers. This employee may be assigned to perform incidental work in the general vicinity of that self-check out bank or operate a full-service check stand to respond to a customer's request when no more than one customer is using that self-check out bank.

All stores with traditional self-check will have signage that states that self-check should be limited to orders of about fifteen (15) items.

If multiple self-check banks are operating in different areas of the store, there will be at least one employee assigned to each bank.

In the event the State or any municipality passes legislation impacting a store covered by this Agreement, this Article will be null and void within that jurisdiction unless the law allows for a CBA exemption from the law.

## **SECTION 10. HOLIDAYS**

- 10.1** The following days shall be recognized as paid holidays: Employee's Birthday, New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Christmas Day, employee's anniversary date of employment and a floating holiday. The anniversary date of employment holiday and the floating holiday shall be enjoyed by regular employees in accordance with the observance procedures

governing the Employee's birthday holiday. Upon entitlement the floating holiday shall be taken by mutual agreement of the Employer and the employee.

Employees hired on or after February 11, 2005 shall be entitled to the birthday holiday after one (1) year of employment, and a floating holiday and anniversary holiday after the completion of three (3) years of employment. All earned personal holidays (i.e. birthday, anniversary, and floating holidays) not taken within a calendar year will be scheduled by management prior to March 1<sup>st</sup> of the following year, otherwise, employees will be paid out for any remaining personal holidays not taken after March 1<sup>st</sup>. Earned personal holidays will be paid at termination, if due.

It is understood that the day of observance for Memorial Day shall be the date established by federal statute.

**10.1.1 NO REQUIRED WORK:** No employee shall be required to work on Christmas Day.

**10.1.2 WORK:** In the event that employees shall be obligated to work on any of the open holidays, they shall be paid at the rate of double their straight-time rate of pay in addition to the normal holiday pay.

If the Employer elects to open on New Year's Day, Labor Day, or Thanksgiving Day, the store shall be staffed first with volunteers. If more employees than are needed volunteer, assignment shall be by seniority. If an insufficient number of employees volunteer, assignment shall be by inverse seniority.

**EMPLOYEE'S BIRTHDAY, ANNIVERSARY DATE AND FLOATING HOLIDAY:** Employees shall receive pay for said holiday as if worked. Each employee shall give his Employer notice of his birthday at least two (2) weeks prior to the week in which the birthday occurs.

Such birthday holiday shall be enjoyed by the employee on the actual day of his birthday or on another day mutually agreeable to the employee and the Employer.

If an employee's birthday falls on a day which is otherwise considered as a holiday, he shall receive an additional day off for the birthday in addition to the holiday on which it falls.

**10.1.3 PROBATIONARY EMPLOYEES:** Probationary employees are not entitled to any paid holidays.

**10.1.4 SUNDAY:** Whenever any of the holidays mentioned in this Agreement fall on Sunday, they shall be observed on the following Monday, except that any Christmas or New Year's Day or July 4<sup>th</sup>, that falls on a Sunday will be observed on the Sunday.

**10.1.5 PART-TIME EMPLOYEES:** Holiday pay for employees who work less than forty (40) hours shall be based on twenty percent (20%) of the employee's average hours worked per week in the six (6) weeks immediately preceding the holiday or the number of weeks worked if less than six (6), except that in computing pay for the New Year's holiday the same period of time used in computing pay for the

Christmas holiday shall be used.

For employees who have earned the holiday but have no hours in the six (6) weeks preceding the holiday week, holiday pay will be calculated based on twenty percent (20%) of the employee's average hours worked per week in the fifty-two (52) weeks immediately preceding the holiday.

Employees shall be allowed to request Martin Luther King, Jr. Day as an unpaid day off or they may use a floating holiday.

- 10.2 HOLIDAY WEEK:** Any employee who has reported for work on his scheduled working day immediately preceding the holiday, on the holiday (if scheduled) and his scheduled working day immediately following a recognized holiday, except when permission to be absent has been granted by the Employer or when the absence is due to a bona fide illness of the employee, shall receive holiday pay at his regular rate of pay. It is understood that in order to qualify for holiday pay an employee must work at least one (1) workday during the week in which the holiday falls.
- 10.3 OTHER HOLIDAY OBSERVANCE:** Where the Employer closes his store to the public on any day of special religious significance, or on any legal holiday other than those listed above, it is understood that he shall reschedule his regular full-time employees to work their normal number of working hours that week.
- 10.4 GOOD FRIDAY:** Employees desiring time off on Good Friday to attend bona fide religious services shall request such time off at least two (2) weeks in advance. All such requests for time off shall be granted, provided that a sufficient number of qualified employees are still available to properly staff the store as determined by the Employer. If due to an excessive number of requests for time off it becomes necessary to require employees to work on Good Friday, such assignments shall be made by inverse seniority from among those employees requesting the time off who possess the qualifications necessary to perform the required work. An employee taking such time off will receive straight-time pay for scheduled working time during this period and shall not be required or permitted to make up such time off.
- 10.5** Effective January 1, 2026, employees with at least twenty (20) years of continuous service with the Employer will receive an additional holiday earned on June 1 and employees with at least twenty-five (25) years of continuous service will receive an additional second holiday earned on October 1 of each year.

## **SECTION 11. VACATIONS**

- 11.1** All employees who work four (4) hours or more per week who have been in the service of the Employer for one (1) year, twelve (12) consecutive months, shall be granted a minimum of two (2) weeks' vacation annually with pay. Such employees who have been in the service of the Employer for five (5) years or more shall receive three (3) weeks' vacation annually with pay. Such employees who have been in the service of the Employer for fifteen (15) years or more shall receive four (4) weeks' vacation annually with pay. Such employees who have been in the

service of the Employer for twenty (20) years or more shall receive five (5) weeks' vacation annually with pay.

**11.1.1** New employees hired after February 11, 2005 will receive one (1) week after one (1) year of employment; and two (2) weeks after 3 years of employment. Such employees who have been in the service of the Employer for five (5) years or more shall receive three (3) weeks' vacation annually with pay. Such employees who have been in the service of the Employer for fifteen (15) years or more shall receive four (4) weeks' vacation annually with pay. Such employees who have been in the service of the Employer for twenty (20) years or more shall receive five (5) weeks' vacation annually with pay.

**11.1.2** Employees hired after December 27, 2007 with over ten (10) years of industrial time will receive three (3) weeks of vacation after twelve (12) months of employment, four (4) weeks after five (5) years of employment with the Employer and five (5) weeks after ten (10) years with the Employer.

**11.2** **ACCUMULATION:** Vacations may not be waived, nor may extra pay be received by any employee for work performed for the Employer during the employee's vacation period. Vacations may not be cumulative from year to year.

**11.3** **CONTINUITY:** All loss from employment because of reasonable absence from work through sickness or other emergencies, or temporary layoff, not exceeding thirty (30) calendar days, shall be considered as time worked for the purpose of determining the length of employment.

**11.4** **PAY AND SPECIAL PROVISIONS:** For the purpose of computing or prorating vacation earnings, two percent (2%) of the employee's earnings for the previous year equals one (1) weeks' vacation pay; four percent (4%) of the employee's earnings for the previous year equal two (2) weeks' vacation pay; six percent (6%) of the employee's earnings for the previous year equal three (3) weeks' vacation pay; eight percent (8%) of the employee's earnings for the previous year equal four (4) weeks' vacation pay and ten percent (10%) of the employee's earnings for the previous year equal five (5) weeks' vacation pay.

**NOTE:** Vacation pay shall be computed on the employee's W-2 form earnings for the prior calendar year, except the first year of employment it shall be computed on total earnings during the first anniversary year of employment and, when an employee terminates, it shall be computed on his earnings from the employee's anniversary date of employment to his termination date.

**11.5** **MISCELLANEOUS PROVISIONS VACATION PAY:** All employees taking scheduled vacation shall receive their vacation pay allowance on the paycheck immediately preceding the employee's scheduled vacation. Furthermore, all earned and unused vacation shall be paid out on the anniversary date of employment following the year it is earned.

**11.6** **NEW EMPLOYER:** Vacation seniority, defined as the length of an employee's service, which determines the length of vacation to which he is entitled, shall not be affected by the sale or transfer of the store in which he works. Employees who continue in employment with a new Employer acquiring a store shall have their

service prior to the time of acquisition credited by the new Employer.

The new Employer shall be obligated to make vacation payments after the acquisition in accordance with the employee's service with the new Employer.

The former Employer shall pay each of his employees earned vacation time prorated to the time of the sale or transfer of the business.

**11.7 SCHEDULE:** The vacation period shall be granted between March 1<sup>st</sup> and February 28<sup>th</sup>. The Employer agrees to post the available vacation dates for each classification by January 1st of each year. If an employee fails to exercise his vacation selection right by February 1<sup>st</sup>, or has lost his prior selection by reason of less seniority, the employee may select from the remaining available periods. The selection of vacation periods must be completed by March 1st of each year. The Employer will post a copy of the final approved vacation dates.

Employees who earn three (3) or more weeks of vacation may convert one (1) week into five (5) days. In order to convert a week period into daily vacation days, the selection of individual vacation days must be designated by the employee during the vacation selection bid period.

If an employee fails to select his vacation by March 1st, that employee's vacation period will be assigned by the Employer.

**11.8 SELECTION:** The selection of vacations shall be on a store basis by seniority except:

1. The vacation of an employee shall not be changed if it was scheduled prior to his transfer from one store to another;
2. If an employee does not have a scheduled vacation at the time of such transfer, the scheduling of his vacation shall be based solely upon his seniority status in the store to which he is transferred.

**11.9 PERIOD:** Vacation periods shall be granted between March 1<sup>st</sup> and February 28<sup>th</sup> as long as no weeks during the vacation period are blocked out, except for the week of or the week prior to New Year's Day, Fourth of July, Thanksgiving Day or Christmas Day, the Employer has the right to limit the number of employees on vacation at any given time. At least ten (10) days notice of the date of vacation shall be given each employee. When a holiday falls during an employee's paid vacation, such employee shall receive an additional day's vacation with full pay.

If the employee is scheduled to take his time off prior to his anniversary date, then in that event a pro rata payment shall be made at that time and the additional amount will be paid at the time of his anniversary date.

**11.10 PRO RATA:** Any employee who is discharged, laid off or who resigns after one (1) year or more of employment shall receive vacation wages prorated on the basis for the period worked at the time of said interruption or termination of employment.

**11.11 CONTINUOUS:** All vacations shall be taken in one continuous period. All

employees entitled to a vacation shall receive their vacation pay allowance in advance immediately preceding the employee's vacation.

Employees, at their option, shall be entitled to an additional week's vacation without pay; in all such cases, however, the employee shall give the Employer at least ten (10) days' notice prior to leaving for the vacation.

- 11.12 VARIATION:** Notwithstanding the above provisions, employees entitled to three (3), four (4) or five (5) week vacations shall be allowed to take them in one or two periods such as: two two-week periods; two-week and one-week periods; three-week and one-week periods; three-week and two-week periods; four-week and one-week periods; provided such vacation schedule shall be approved by the Employer, the employee involved and the Union.

## **SECTION 12. HEALTH, WELFARE, AND SICK LEAVE:**

- 12.1 EMPLOYER ACCEPTANCE:** The Employer agrees to accept and be bound fully by the terms of that certain Declaration of Trust dated April 17, 1974, as amended, providing for the Northern California Food Employers and Retail Clerks Unions Benefit Fund as the same may be applicable to the Welfare Plan therein provided for, and any amendments thereto. The Employer hereby acknowledges receipt of a copy of said Declaration of Trust.

- 12.2 EMPLOYER CONTRIBUTION RATES:** Effective upon ratification the Employer agrees to provide the same level of coverage and make the same contributions as is provided in the Major Employers' (Safeway/Save Mart/Raley's) UFCW Retail Grocery Agreement (Major Employers' Agreement) in effect at that time and in the future. The current benefit design is subject to change based on future contract changes in the Major Employers' Agreement and/or Trustee action. Any and all modifications in coverage, contribution rates, benefits, etc. adopted by the Board of Trustees of the Plan shall be effective on the same date(s) such modification(s) become effective for all other employers in that plan design.

The Employer agrees to the contribution rates set forth below unless changed by future contract changes in the Major Employers' Agreement and/or Trustee action, as described above.

The hourly contribution rate on January hours payable in February 2026 will be \$7.25 per hour. In February 2027, the consultants will project Plan expenses and income. Based on those projections, the Trustees will set the contribution rate up to a maximum rate of \$7.35 effective March 2027 hours, if needed, that is anticipated to result in a reserve of \$220 million by April 1, 2028.

Notwithstanding the foregoing, the Employer will not be required to make any contributions for E-Shopper Clerks and Fuel Station Clerks during the first twelve (12) months from their date of hire.

**RETIREE H&W:** The percentage of active contribution used to fund the retiree benefits is and will continue to be sixteen percent (16%).

Such contributions shall be made on all straight-time hours worked, including Sundays, and/or hours compensated, such as vacations and holidays. Contributions shall be made on or before the 20<sup>th</sup> of the month for covered hours worked during the previous month. It is understood that the contributions required on behalf of any employee shall not exceed forty (40) straight-time hours per week or two thousand eighty (2,080) straight-time hours in any calendar year.

**12.3 PROMPT PAYMENT:** The parties recognize and acknowledge that the regular and prompt payment of Employer contributions to the Fund is essential to the maintenance of the Health & Welfare Plan, and inasmuch as beneficiaries under the Plan are entitled to benefits for the period of time that they may have worked while covered by the plan even though contribution have not been paid on their behalf by their Employer, that it would be extremely difficult, if not impractical to fix the actual expense and damage to the Fund and to the Plan which would result from the failure of an individual Employer to pay such monthly contributions in full within the time provided; therefore, the amount of damage to the Fund and Health and Welfare Plan resulting from any such failure shall be presumed to be the sum of Twenty Dollars (\$20.00) per delinquency, or 10% of the amount of the contribution or contributions due, whichever is the greater, not to exceed the sum of One Hundred Dollars (\$100.00) per delinquency, which amount shall become due and payable to the Fund as liquidated damages and not as a penalty, upon the day immediately following the date upon which the contributions become delinquent, and shall be in addition to said delinquent contribution or contributions.

Notwithstanding the above, interest on unpaid contributions will accrue at the rate of 10% per annum, commencing with the first day of the month following the month in which the contribution is due. In addition, if legal action is pursued to collect delinquent contributions, the statutory provisions in ERISA will apply and liquidated damages shall be assessed in an amount equal to the greater of 20% of the unpaid contributions at the time the legal action is commenced or interest at the above rate on the unpaid contributions from the due date through the date the contributions are paid. The Trustees shall have the authority to adopt and to amend from time to time written Delinquency Collection Procedures which shall specify the interest, liquidated damages and other amounts to be assessed on any delinquency, and the procedures for collecting same and such Procedures shall be binding on the employer.

**12.4 HEALTH PLAN BENEFITS:** The schedule of benefits and plan design is contained in the Union and Employer Benefit Trust Fund Summary Plan Description document which can be obtained at the UFCW Trust Fund or one of the local union offices.

**12.5 LEGISLATION:** In the event of legislation providing health and welfare or sick leave benefits which are also provided for under this Agreement, Trustees are directed to amend the plan document immediately, deleting duplicated benefits. If by reason of the elimination of duplicated benefits there is a savings to the Employer and the Fund, after the cost thereof is set off against the cost required of the Employer to finance said benefits, the Trustees shall meet no later than thirty (30) days from the effective date of the legislation to determine how said savings shall be used by the Fund. If the Trustees fail to reach an agreement they shall

proceed, under the Trust Agreement, to decide such deadlock within seventy-five (75) days of the effective date of the legislation. Any cost reductions to the Employer and the Fund attributable to a cost required of the employee under the legislation will be passed on to the employee through other health and welfare changes. In the event Medicare becomes secondary in the application of the retiree benefit plan the Trustees will take immediate and remedial action to protect the financial integrity of the Plan.

**12.6 COST CONTAINMENT:** The Trustees are authorized and directed to study and expand cost containment programs where appropriate, for both the active and retiree plans.

**12.7 RETIREE BENEFITS:** The Collective Bargaining parties recognize that Retiree Health and Welfare Benefits are not vested benefits. Pursuant to this Agreement, a contributing Employer's sole and only obligation is to contribute, during the term of this Agreement, the specific contributions required under this Agreement. Despite the adoption of a Plan of Benefits that may currently be available to Plan participants, the Employer's liability for any and all health and welfare benefits, including Retiree Health and Welfare Benefits, shall be limited to the contribution specified in this Section, and for the period of this Agreement. The parties authorize and direct the Trustees of the Health and Welfare Plan to take the necessary action to assure compliance with the terms of this paragraph.

The Trustees will establish a Retirement Health and Welfare Committee to be effective January 2008 in accordance with the Retirement Health and Welfare Committee Side Letter to this Agreement.

**12.8 BUSINESS EXPENSE:** It is understood that the provision for a Health and Welfare, Dental, Vision Care, Drug and Sick Leave Plan(s) is being entered into and continued upon the condition that all payments shall be deductible in the year in which the contribution is made as a business expense under the Internal Revenue Code as it presently exists or as it may be amended subsequent to the date of this Agreement and under any similar state revenue or tax laws.

**12.9 ELIGIBILITY:** The bargaining parties direct the Trust Fund Office to work with a member, union or employer representatives' verbal or written request to allow, at the employee's request, the employer to pay any vacation and/or holiday pay in the employee's bank and make the associated benefit contributions necessary for the employee to be eligible for health and welfare benefits in that month.

**12.10 SICK LEAVE BENEFITS:** All employees who have been employed for a contributing Employer shall be entitled to sick leave with pay. Sick leave for a full-time employee shall accrue at the rate of six hours per month, thereafter, not to exceed a maximum of three hundred sixty (360) hours. Part-time employees will accumulate sick leave credits on a pro rata basis.

**SICK LEAVE HOUR ACCRUAL:**

Employees accrue sick leave monthly as follows:

<u>Hours Worked</u>	<u>Sick Leave Accrual</u>
Less than 64 hours	0
64 but less than 120 hours	3
120 hours or more	6

New employees will be eligible to use sick leave once they are eligible for health & welfare benefits.

**SICK LEAVE PAYOUT:**

1. Eligibility: In order to be eligible for a sick leave payout, an employee must have the maximum of three hundred and sixty (360) hours accumulated sick leave as of December 31.
2. Amount of Pay-Out: Each employee who is eligible for a sick leave payout in accordance with paragraph (1) shall receive Four Hundred Dollars (\$400) less Ten Dollars (\$10) for each hour of sick leave used during the calendar year. Effective January 1, 2026 the sick leave payout shall be increased to Six Hundred Dollars (\$600), and there shall be no deduction for sick leave used during the calendar year.

Payments shall be made as soon after the end of the calendar year as administratively feasible.

**SECTION 13. PENSION:**

**13.1 EMPLOYER ACCEPTANCE:** The Employer agrees to accept and be bound fully by the terms of that certain Declaration of Trust dated April 1, 1957, providing for the UFCW – Northern California Employers Joint Pension Trust Fund as the same may be applicable to the Pension Plan therein provided for, and any amendments thereto. Employer hereby acknowledges receipt of a copy of said Declaration of Trust.

**13.2 EMPLOYER CONTRIBUTIONS:** The parties request the Trustees modify the pension rehabilitation plan to require contributions at the rate of \$2.94 per hour for the duration of the agreement.

In order to fortify retirement security, the trustees shall evaluate the existing retirement funds and establish a new retiree benefit for participants entitled the UFCW Lifetime Income Savings Accrual Fund (LISA).

The LISA retirement benefit shall be designed as a variable defined benefit, hybrid pension or other annualized retirement benefit plan with an effective date of January 2, 2024.

The contributing employers, plan design, hourly contribution and initial date of contributions to the Fund shall be determined by the trustees based on the status of the funding of the current joint pension and individual account retirement funds

and finalized by October 2023. The contribution rate to the Lifetime Income Savings Accrual Plan shall be \$0.45 per hour effective August 2024 and will increase to \$0.90 per hour in July 2025 work hours.

Other pension benefit changes included in the Preferred Schedule of the Rehabilitation Plan are effective as of January 2012. All other pension benefit provisions can be found in the Summary Plan Description available through the UFCW Northern California Employers Joint Pension Trust Fund.

Such contributions shall be made on all straight-time hours worked by all employees covered by the Collective Bargaining Agreement, including Sundays, and/or all hours compensated, such as vacations and holidays. Contributions shall be made on or before the 20<sup>th</sup> of the month for covered hours worked during the preceding calendar month. It is understood that the contributions required on behalf of any employee shall not exceed forty (40) straight-time hours per week or two thousand and eighty (2,080) straight-time hours in any calendar year.

An employee shall receive both vesting and benefit accrual credit for all hours compensated (including those for which no contribution is due to the Trust) to a maximum of forty (40) hours per week and two thousand and eighty (2,080) hours per year. For employees who are hired on or after ratification of this agreement their benefit accrual credits will not begin until they have met the eligibility requirements described below.

**13.3**        **TERMINAL VACATION PAY:** Upon retirement, no Trust Fund contributions will be required of the Employer on terminal vacation pay made to an employee at retirement. The employee's retirement benefits will not be delayed and he will receive credit for hours even though contributions are not required.

**13.4**        **PROMPT PAYMENT:** The parties recognize and acknowledge that the regular and prompt payment of Employer contributions to the Fund is essential to the maintenance of the Pension Plan, and inasmuch as beneficiaries under the Plan are entitled to pension benefits for the period of time that they may have worked while covered by the Plan even though contributions have not been paid on their behalf by their Employer, that it would be extremely difficult, if not impractical to fix the actual expense and damage to the Fund and to the Pension Plan which would result from the failure of an individual Employer to pay such monthly contributions in full within the time above provided; therefore, the amount of damage to the Fund and Pension Plan resulting from any such failure shall be presumed to be the sum of Twenty Dollars (\$20.00) per delinquency, or ten percent (10%) of the amount of the contribution or contributions due, whichever is the greater, not to exceed the sum of One Hundred Dollars (\$100.00) per delinquency, which amount shall become due and payable to the Fund as liquidated damages and not as a penalty, upon the day immediately following the date upon which the contributions become delinquent, and shall be in addition to said delinquent contribution or contributions.

**13.5**        **BENEFITS:** The Trustees are authorized and directed to modify benefits in accordance with the following provisions, and otherwise in accordance with the provisions of this Agreement:

Effective January 1, 2012 future benefit accrual rates will be:

1. For the first ten years of benefit credit the benefit accrual will be \$30.30.
2. For all years of benefit credit after the first ten years the benefit accrual rate will be \$40.41.

A detailed summary of pension benefits can be found in the Summary Plan Description available through the UFCW and Employer Benefit Trust Fund or by contacting one of the local union offices.

- 13.6 OTHER PLANS:** The Employer retains the exclusive right to alter, amend, cancel, or terminate any presently existing Company sponsored Pension Plan or Employee Retirement Plan which existed prior to the establishment of the negotiated Pension Fund, provided that the effective date of such alteration, amendment, cancellation, or termination shall not occur prior to the acceptance of this Plan.
- 13.7 REGULATIONS:** The Trust and the benefits to be provided from the Pension Trust Fund referred to here and all acts pursuant to this Agreement and pursuant to such Trust Agreement and Pension Plan shall conform in all respects to the requirements of the Treasury Department, Internal Revenue Service, and to any other applicable state or federal laws and regulations.
- 13.8 BUSINESS EXPENSE:** It is understood that this provision for a Pension Plan is being entered into upon the condition that all payments made by the Employer hereunder shall be deductible in the year in which the contribution is made as business expenses under the Internal Revenue Code as it presently exists or as it may be amended subsequent to the date of this Agreement and under any similar applicable state revenue or tax laws.
- 13.9 LIMITATION:** The Employer's sole and only obligation shall be limited to the contribution requirements outlined in Section 13.2.
- 13.10 LEGISLATION:** In the event of legislation requiring the restructuring of any of the essential elements of the Pension Plan including, but not limited to, the benefit formula, amortization period, actuarial assumptions, vesting, or administration of the benefits, the Trustees are instructed to immediately comply with such legislation in adjusting the elements on a sound actuarial basis with no change in the existing Employer contribution rate.
- 13.11 DEFINED CONTRIBUTION PENSION PLAN:** The Trustees have established a Defined Contribution Pension Plan and Trust effective March 1, 1987, in addition to and supplemental to the Pension plan described in this Section. (See Side letter for contribution requirements).
- 13.12 USE OF CONTRIBUTIONS:** The Employer contribution shall be for the sole purpose of providing the pension benefits and for the administration of said program. The Trustees are not authorized to use any of the contributions or Plan assets for benefit improvements or any other purpose except as specifically provided in this Section.

## **SECTION 14. FIELD ADMINISTRATION - TRUST FUNDS:**

**14.1** The unions have determined that they are no longer willing to provide administrative functions, as distinguished from the usual and normal union services, at union expense to persons covered by the terms of the various benefit plans provided for by the Collective Bargaining Agreement. It is agreed that the portion of these functions determined to be Trust Fund functions, are properly chargeable to the Trust Funds under which said plans are established and maintained.

All expenses of the sub-administrative offices shall be paid for by the respective funds according to the formula established by the parties pursuant to the 1974 Joint Study.

## **SECTION 15. STORE MEETINGS AND CHARITABLE DRIVES:**

**15.1** Time spent in store meetings or in meetings called by the Employer before the commencement of the day's work or after the day's work shall be considered as time worked and shall be paid for in accordance with the provisions of this Agreement.

**15.2** All employee contributions to charity shall be voluntary.

## **SECTION 16. CONTRACT ENFORCEMENT AND STORE VISITS**

**16.1** **VISITS:** It is agreed by both parties hereto that the business representative of the Union shall have the right and shall be allowed by the Employer to visit any and all stores and shall have free access to the employees during such visits for the purpose of making inquiries from the employees relative to information concerning working conditions, complaints of members of the Union, and other matters pertaining to the enforcement of this Agreement, provided said investigation may be accomplished without interfering with the duties of the employees.

**16.2** **RECORDING TIME:** The parties agree to observe the following procedures in enforcing the terms of this Agreement with respect to authorized work and reporting of working time:

**16.2.1** The Employer shall post the following notice in all stores: The law and the Union Agreement require that all time worked shall be recorded daily including starting and stopping time. All employees shall comply strictly with these requirements, and any employee failing to so comply shall be subject to discipline on the same basis as is followed with respect to any other violation of store rules or procedure.

**16.2.2** The Union shall promptly report in writing to the Employer any observed violation by an employee of this reporting time provision or the working of unauthorized time and the Employer will take the necessary steps with the employee to correct such violation.

**16.2.3** Upon notification by the Union of a second such violation by the same employee,

the Employer shall pay to the Welfare Fund provided for herein an amount equal to the overtime pay due and payable to the employee. In such case the employee involved shall be subject to discharge, however, retaining his right to appeal any such discharge under the terms of this Agreement.

- 16.3**      **FREE TIME:** When an employee willfully violates the provisions of this Agreement by working free time without the knowledge of the Employer, after a second written notice by the Union of this employee's repeated contract violation, the Employer agrees to discharge said employee within seven (7) days after receiving written notice of such violation.

## **SECTION 17. STRIKE OR LOCKOUT:**

- 17.1**      During the life of the Agreement, the Union agrees not to engage in any stoppage of work. Furthermore, the Union and its representatives, including store representatives, agree not to boycott, handbill, publicly disparage or engage in any adverse economic action against the Employer's stores covered by this Agreement. This provision does not apply in any of the Employer's stores where the Union has not been recognized by the Employer as the employees' bargaining representative.
- 17.2**      During the life of this Agreement the Employer agrees not to engage in any lockout.
- 17.3**      Refusal of any employee covered by the terms of this Agreement to pass through any lawful primary picket line, which has been sanctioned by the Central Labor Council of proper jurisdiction and/or the United Food and Commercial Workers International Union shall not constitute a violation of this Agreement.

## **SECTION 18. ADJUSTMENT AND ARBITRATION OF DISPUTES:**

- 18.1**      For the purpose of this Agreement, a grievance is a dispute, difference of opinion, between the parties, and grievances of employees involving or arising out of the meaning, interpretation, application or alleged violation of this Agreement, including the arbitrability of all such matters. All grievances as defined are to be processed in accordance with the terms of the section.

The parties will share all factual details regarding a grievance (or pre-grievance issue) as early as possible in the dispute resolution process. All disputes that are resolved at store level shall be considered settled on a non-precedent setting basis, unless otherwise expressly stated in writing.

Grievances filed by the Union challenging any disciplinary suspension or discharge shall be made as soon as possible but shall only be recognized if submitted to the Employer in writing within ten (10) business days.

- 18.2**      **Grievance Resolution Process:** Any dispute not settled by the parties within thirty (30) working days following the receipt of such written notice or such extended time as may be agreed upon by both parties, the following options to resolve the grievance will be utilized.

(a) The parties will conduct a telephone conference. The conference shall take place as soon as practical, but no later than thirty (30) business days of the request. If the matter is not resolved, then the parties will move to a grievance meeting to be held within twenty (20) business days from the date of the telephone conference.

(b) If after the completion of the grievance meeting the matter is unresolved, the moving party must notify the other party in writing, by facsimile or regular mail, within twenty (20) business days to commence selection of the arbitrator. Failure of the moving party to comply with the twenty (20) business day time limit herein specified shall be deemed to be a conclusive waiver of the grievance.

(c) Either party upon written communication within thirty (30) business days from the telephone conference may waive the grievance meeting and proceed directly to arbitration.

Arbitrator selection may be completed by mutual agreement. The decision of the Arbitrator shall be final and binding. The Arbitrator will not have the authority to amend, modify, or alter the terms of this Agreement.

**18.3 Disciplinary Arbitration:** For disciplinary cases only (suspensions and terminations), the following expedited Arbitration procedure shall be utilized:

The parties will first attempt to select an Arbitrator by mutual agreement. Should the parties be unable to mutually agree on an Arbitrator then they shall request a panel of Arbitrators from the United States Federal Mediation and Conciliation Service (FMCS) and shall select an Arbitrator by the strike-off-method. The Arbitrator will provide dates for consideration that are within 90 days of the request. If the Arbitrator is unable to do so, then another Arbitrator will be selected for the date until a date is secured within 90 days of the request. Once arbitration has been requested in writing, the parties shall be allotted a minimum of twenty (20) business days to prepare the case for arbitration. Discharge cases will be heard first (1st) on the agenda followed by suspension cases based on the date of occurrence unless mutually agreed otherwise. Notwithstanding the above, the Union may select up to three (3) disciplinary suspension cases annually to be heard in chronological order, regardless if discharge cases are pending.

The parties will schedule hearings based on date of occurrence and the order will be centralized for Local 5, to include all offices. The assignment to the dates offered will be determined in order by case and date with up to a maximum of three (3) arbitrations per month for the local and no more than two cases will be scheduled in any Safeway Labor Relations Representatives' assigned area. Once the Arbitrator is selected for a matter he/she is deemed assigned, and the next matter will be scheduled with the next arbitrator.

If an Arbitrator has been selected and an arbitration date has been scheduled, but the grievance is resolved within two (2) weeks of the arbitration date, another Arbitrator from the FMCS arbitration panel will be asked for his or her available dates consistent with the contractual timelines to hear the next deadlocked grievance proceeding to arbitration.

Each disciplinary case will be argued orally. Post hearing briefs may be filed by

mutual agreement of the parties. Either party may request a court reporter at their expense; however, if mutually requested, the cost will be shared equally. Briefs are to be prepared and mailed within fifteen (15) business days from receipt of transcript with leave to extend by mutual agreement. A written opinion and award will be furnished by the arbitrator, within thirty (30) days of the close of the hearing or receipt of the post hearing briefs.

The award of the telephone conference, grievance meeting, or arbitrator shall be final and binding upon the Employer, the Union, and the employee.

- 18.4 INTERPRETATION OR APPLICATION DISPUTES:** Disputes as to the interpretation or application of the agreement shall be taken up by the party asserting it with the other party within twenty (20) business days of the date the asserting party has knowledge thereof. Said grievance shall be in writing, specifying in detail the basis for the dispute, including the applicable section(s) of the Agreement involved, to the best knowledge of the asserting party.

Contractual interpretations disputes will be processed in accordance with the grievance resolution process. For contractual interpretation disputes which proceed to arbitration, the parties will mutually select an impartial Arbitrator. If the parties are unable to agree upon the selection of an Arbitrator, they shall request a panel of Arbitrators from the United States Federal Mediation and Conciliation Service and they shall select an Arbitrator from the panel by the strike-off method.

- 18.5** Each party shall in good faith divulge to the other party all available material facts at the time said party acquires knowledge thereof concerning the matter in dispute. Nothing contained herein shall require either party to supply documents which are irrelevant.

- 18.6** The award of the arbitrator or the Adjustment Board shall be final and binding on the Employer, the Union and the Employee(s). The losing party shall pay the cost of the arbitrator. The parties agree that the arbitrator has the authority to determine appropriate proration of the cost in the event of a split decision and award. The arbitrator should be made aware of the requirements of this provision at the conclusion of the arbitration hearing.

- 18.7** The arbitrator shall not have the right to alter, amend, delete or add to any of the terms of this Agreement.

- 18.8** Interest at seven percent (7%) shall be payable on all money claims awarded by the Adjustment Board or by an Arbitrator, and such interest shall commence as of the date the complaint is first submitted to the Adjustment Board or when the parties meet to amicably adjust the dispute, whichever is applicable.

- 18.9 CLAIMS:** In the case of a direct wage claim or a claim for contributions to employee benefit plans which does not involve an interpretation of any of the provisions of this Agreement, either party may submit such claim for settlement to either the grievance procedure provided for herein or to any other tribunal or agency which is authorized and empowered to effect such a settlement.

The Employer is not required to pay any wage claim or portion thereof retroactively



## WAGE RATES/BONUSES

1. Notwithstanding any schedule of minimum wages, employees now receiving a higher wage than that indicated in said schedule for the particular classification of work performed shall not have their wages reduced due to the signing and effect of this Agreement.

The schedule of minimum wages shall be maintained by the parties hereto during the period of this Agreement, and the Employer shall and hereby agrees to pay wages in compliance therewith.

The company retains the right to terminate any non-contractual benefit including but not limited to gain sharing, discounts, awards, bonuses. This provision does not apply to over-scale wage rates.

2. **PREMIUM EMPLOYEES:** Premium wage employees shall maintain the same hourly differential which they received over and above the previous contract rate.

3. **NIGHT PREMIUM:** All employees, except Courtesy Clerks, shall receive extra compensation, in addition to the regular scale herein set forth, of sixty-five cents (.65) per hour for all work performed between the hours of 10 p.m. and 6 a.m.

4. **VOLUNTARY BUYOUT LANGUAGE:** The parties agree that the Employer may offer voluntary buyout opportunities to employees at any time(s) during the term of this agreement. In the event such voluntary buyouts are offered, the Employer agrees to provide thirty (30) days advance notice to the Union concerning the buyout components, the terms of the offer(s), and the timing of any offering(s), and to allow the union to attend employee meetings regarding this issue.

5. The experience and length of service wage adjustments provided for under Appendix A shall be placed into effect the first (1<sup>st</sup>) workday of the first (1<sup>st</sup>) workweek immediately following the workweek in which the employee qualifies for a higher rate of pay.

**WAGE INCREASES (EXCLUDING COURTESY CLERKS):** Increase the experienced rate \$1.00 per hour effective 4/13/25, \$1.00 per hour effective 4/12/26, \$1.00 per hour effective 4/11/27, and \$0.60 per hour effective 10/10/27.

The Inventory Control Clerk, Produce Head Clerk, Night Crew Manager, Managing Clerk, and Deli Manager differential shall be increased to \$0.25/hr effective 12/7/25 and \$0.25/hr effective 12/6/26.

The 4/13/25 wage increase for the experienced rate shall be made no later than 60 days following ratification, and the 2<sup>nd</sup> Sunday after ratification progression step increases shall be made to all employees no later than 60 days following ratification.

7. **RETROACTIVE PAYMENT:** All retroactive pay provided for in this Agreement will be paid only to those employees on the payroll on the date of ratification and at the time the retroactive pay is paid. Employees on an approved leave of absence will be paid within thirty (30) days of their return to work.

8. **ABOVE SCALE EMPLOYEES:** Department Heads above the scale shall receive the same increase on the same dates. All other overscale employees shall receive a combination of wage and bonus based on hours in the preceding fifty-two (52) weeks for which the employee was compensated (historical past practice application).

**APPENDIX A**  
**FOOD CLERK WAGE RATES**

CLASSIFICATION		Current	\$1.00	\$0.25	\$1.00	\$0.25	\$1.00	\$0.60
			Effective 4/13/25	Effective 12/7/2025	Effective 4/12/2026	Effective 12/6/2026	Effective 4/11/2027	Effective 10/10/2027
Managing Food Clerks (relief rate only)		\$28.818	\$29.818	\$30.068	\$31.068	\$31.318	\$32.318	\$32.918
Produce Department Head Clerk		\$28.277	\$29.277	\$29.527	\$30.527	\$30.777	\$31.777	\$32.377
Inventory control Clerk / Night Crew Manager		\$28.163	\$29.163	\$29.413	\$30.413	\$30.663	\$31.663	\$32.263
			\$1.00		\$1.00		\$1.00	\$0.60
CLASSIFICATION		Current	Effective 4/13/25	Effective 2nd Sunday after ratification	Effective 4/12/2026	Effective 12/6/2026	Effective 4/11/2027	Effective 10/10/2027
Head Food Clerks		\$28.163	\$29.163	\$29.163	\$30.163		\$31.163	\$31.763
Food Clerks		Current	Effective 4/13/25	Effective 2nd Sunday after ratification	Effective 4/12/2026	Effective 12/6/2026	Effective 4/11/2027	Effective 10/10/2027
7th Step 7801+	JOURNEY	\$27.734	\$28.734	\$28.734	\$29.734		\$30.734	\$31.334
6th Step(new step as of 2nd Sunday) 6761-7800	1040 hours	NA	NA	\$23.500	\$23.500		\$23.500	\$23.500
5th Step 5721-7800 until 2nd Sunday New length 5721-6760	2080 until 2 <sup>nd</sup> Sunday. Then 1040 hours	\$19.000	NC	\$19.75	\$19.75		\$19.75	\$19.75
4th Step 4161-5720	1560 hours	\$17.750	NC	\$18.75	\$18.75		\$18.75	\$18.75
3rd Step 2601-4160	1560 Hours	\$17.000	NC	\$17.75	\$17.75		\$17.75	\$17.75
2nd Step 1041-2600	1560 Hours	\$16.800	NC	\$17.50	\$17.50		\$17.50	\$17.50
1st Step 0-1040	1040 hours	\$16.700	NC	\$17.25	\$17.25		\$17.25	\$17.25
Effective upon ratification promotion from GMC to Food Clerk : If At time of promotion from top step GMC move to step 6 Food Clerk and retain current rate of pay.Work required hours.								
COURTESY CLERKS		Current	Effective 4/13/25	Effective 2nd Sunday after ratification	Effective 4/12/2026	Effective 12/6/2026	Effective 4/11/2027	Effective 10/10/2027
Step 2	Thereafter	\$16.70	NC	\$16.85	\$16.85		\$16.85	\$16.85
Step 1	0-1560	\$16.60	NC	\$16.65	\$16.65		\$16.65	\$16.65
<b>DEMONSTRATORS</b>		Increase to *\$17.05 effective 1/01/2026 (*Rate Must Be At \$0.15 above CA Minimum Wage)						
<b>Head Food Clerks</b> job code 11036 – Produce Department Head Clerk job code 11400 – Inventory Control Clerk job code 11246 – Night Crew Manager job code 11012 – PIC job code 15480 – FEM job code 16355 – File Maintenance Lead job code 16499 – *Administrative Coordinator (Where designated)				<b>Food Clerks</b> job code 11009 – Grocery Food Clerk job code 11020 – Produce Food Clerk  <b>job code 11004 – Courtesy Clerk</b>				

**APPENDIX B**  
**NON-FOOD/GM CLERKS WAGE RATES**

		\$1.00	\$0.25	\$1.00	\$0.25	\$1.00	\$0.60	
CLASSIFICATION		Current	Effective 4/13/25	Effective 12/7/2025	Effective 4/12/2026	Effective 12/6/2026	Effective 4/11/2027	Effective 10/10/2027
Deli Manager		\$22.505	\$23.505	\$23.755	\$24.755	\$25.005	\$26.005	\$26.605
		\$1.00		\$1.00		\$1.00	\$0.60	
CLASSIFICATION		Current	Effective 4/13/25	Effective 4/12/2026	Effective 12/6/2026	Effective 4/11/2027	Effective 10/10/2027	
Non Food / GM Head Clerks		\$22.505	\$23.505	\$24.505	\$24.505	\$25.505	\$26.105	
GM CLERKS		Current	Effective 4/13/25	Effective 2nd Sunday after ratification	Effective 4/12/2026	Effective 12/6/2026	Effective 4/11/2027	Effective 10/10/2027
6th Step 8321 + 2nd Sunday after ratification rename to #7 step	8321+	\$22.105	\$23.105	\$23.105	\$24.105		\$25.105	\$25.705
6th Step(new step as of 2nd Sunday) 7281-8320	1040 hours	NA	NA	\$19.500	\$19.500		\$19.500	\$19.500
5th Step 6240-8320 new length 6240-7280	2080 until 2nd Sunday. Then 1040 hours	\$ 17.500	NC	\$18.000	\$18.000		\$18.000	\$18.000
4th Step 4421-6240	1820 hours	\$ 17.000	NC	\$17.750	\$17.750		\$17.750	\$17.750
3rd Step 2601-4420	1820 Hours	\$ 16.900	NC	\$17.400	\$17.400		\$17.400	\$17.400
2nd Step 1041-2600	1560 Hours	\$ 16.800	NC	\$17.100	\$17.100		\$17.100	\$17.100
1st Step 01-1040	1040 hours	\$ 16.700	NC	\$16.850	\$16.850		\$16.850	\$16.850
<b>Non-Food / GM Head Clerks</b> job code 11032 – Deli Manager job code 12001 – Starbucks job code 11067 – GMC job code 11102 – Floral job code 11215 – Liquor job code 114092 – Sr. Office job code 11383 – *HBSC (where required)				<b>GM Clerks</b> job code 11258,13705 – Liquor job code 11005 – Deli job code 11065 – GMC job code 11007 – Floral job code 11002 – Bakery job code 11973 – Starbucks job code 11467 – Office job code 16387 – Fresh cut fruit job code 11014 – Pharmacy clerk				

## APPENDIX C

### FUEL STATION EMPLOYEES

The Master Food Agreement shall apply to fuel station employees except for the following modifications:

- C.1** There shall be one exclusion from the bargaining unit for each fuel station operation.
- C.2** **HEALTH AND WELFARE:** Fuel Clerk's health and welfare eligibility shall be at seventy-six (76) hours per month. No health and welfare contributions will be required on Fuel Station employees hired after December 7, 2007, for their first twelve (12) months of employment. Thereafter, contributions will be made on these employees at the same rate appropriate to all other employees. For the first sixty (60) days of each operation, eligibility shall be sixty-four (64) hours.
- C.3** **PENSION:** A pension contribution of fifty cents (\$.50) per straight time hour worked will be made on behalf of eligible fuel station employees.
- C.4** **DEFINED CONTRIBUTION PENSION PLAN:** The Trustees have established a Defined Contribution Pension Plan and Trust effective March 1, 1987 in addition to and supplemental to the Pension plan described in this Section. (See Side letter).
- C.5** **HOURS:** Part time fuel station employees shall be scheduled for at least twenty (20) hours per week. Also refer to subsection 4.10.7 for conditions in which Fuel Station employees are guaranteed 24 hours per week.

**APPENDIX C  
FUEL CLERK WAGE RATES**

			\$1.00		\$1.00		\$1.00	\$0.60
<b>FUEL STATION EMPLOYEES</b>		<b>Current</b>	<b>Effective 4/13/25</b>	<b>Effective 2nd Sunday after ratification</b>	<b>Effective 4/12/2026</b>	<b>Effective 12/6/2026</b>	<b>Effective 4/11/2027</b>	<b>Effective 10/10/2027</b>
Thereafter	Step 6 Thereafter 7281+	\$19.550	\$20.550	\$20.550	\$21.550		\$22.550	\$23.150
6241-7800 hours	Step 5 5721-7280	\$17.300	NC	\$17.600	\$17.600		\$17.600	\$17.600
4681-6240 hours	Step 4 4161-5720	\$17.100	NC	\$17.400	\$17.400		\$17.400	\$17.400
3121-4680 hours	Step 3 2601-4160	\$17.000	NC	\$17.200	\$17.200		\$17.200	\$17.200
2081-3120 hours	Step 2 1041-2600	\$16.900	NC	\$17.000	\$17.000		\$17.000	\$17.000
1041-2080 hours	Step 1 0-1040	\$16.800	NC	\$16.800	\$16.800		\$16.800	\$16.800
0-1040 hours	\$16.700	<b>New Progression Reduced by 520 hours Effective 2nd Sunday after ratification</b>						
job code 11040 – Fuel Station Employees <ul style="list-style-type: none"> <li>• new progression effective 2nd Sunday after ratification</li> </ul>								

## APPENDIX D E-SHOPPERS (SAFEWAY.COM)

The Safeway Food Agreement shall apply to on-line order selection employees except for the following modifications:

- D.1 HEALTH AND WELFARE:** Order selectors' health and welfare eligibility shall be at seventy-six (76) hours per month. For the first sixty (60) days of each operation, eligibility shall be sixty-four (64) hours. There shall be no health and welfare contributions on E-Commerce Clerks for their first twelve months of employment.
- D.2 PENSION:** A pension contribution of fifty cents (\$.50) per straight time hour worked will be made on behalf of eligible fuel station employees.
- D.3 DEFINED CONTRIBUTION PENSION PLAN:** The Trustees have established a Defined Contribution Pension Plan and Trust effective March 1, 1987 in addition to and supplemental to the Pension plan described in this Section. (See Side Letter)
- D.4 WORK FLEXIBILITY:** Order selectors shall work primarily performing those duties associated with selecting the merchandise ordered on-line through the business unit otherwise known as Grocery Works. However, in an effort to ensure that order selectors receive their minimum daily or weekly guarantee of hours, order selectors may also be scheduled or assigned to other work throughout the store. It is understood that the other work shall be limited to that which is "GMC" rated or below. It is also understood that an order selector may not be scheduled to work more than twelve (12) hours doing non-on-line order selection work in any one week.
- When an order selector is used to perform GMC work, he or she will be compensated at the appropriate GMC rate of pay commensurate with his or her experience performing GMC work but in no event would receive a reduction in pay. GMC work performed by an order selector employee shall be tracked by the Company for GMC credit purposes. It is understood that for purposes of this section, that no current GMC/Non-Food Clerk shall suffer a reduction in hours as a result of this Addendum.
- D.5 SENIORITY:** Order selectors shall have separate seniority and be a separate classification amongst themselves. As such, other store employees may not bump or make claim for such work (unless in the event of a layoff and they have previously served as an order selector and can perform the job without training) nor may an order selector bump or make claim for such other store work.
- D.6 CONTINUITY:** It is understood that implementation of the Grocery Works operation will require on-going modifications to fit individual store and customer needs. In an effort to ensure some stability with respect to personnel, it is understood that an order selection employee may not be eligible for other store positions until he or she has completed 2,080 hours performing order selection work.
- D.7 HOURS:** Part-time order selectors shall be scheduled for at least twenty (20) hours per week. During the first sixty (60) days of each operation, order selector employees shall only be entitled to a weekly guarantee of sixteen (16) hours per week. Also refer to subsection 4.10.7 for conditions in which Order Selector employees are guaranteed 24 hours per week.
- D.8** It is understood that card checks shall not be required for purposes of employees covered by this Addendum.

**APPENDIX D**  
**E-SHOPPERS CLERK (SAFEWAY.COM) WAGES RATES**

HOME SHOPPING PERSONAL SHOPPER		Current	\$1.00	Effective 2nd Sunday after ratification	\$1.00	Effective 12/6/2026	\$1.00	\$0.60
			Effective 4/13/25		Effective 4/12/2026		Effective 4/11/2027	Effective 10/10/2027
Lead E-Shopper		\$20.650	\$21.650	\$21.650	\$22.650		\$23.650	\$24.250
HOME SHOPPING PERSONAL SHOPPER		Current	Effective 4/13/25	Effective 2nd Sunday after ratification	Effective 4/12/2026	Effective 12/6/2026	Effective 4/11/2027	Effective 10/10/2027
Thereafter	Step 6 Thereafter 7281+	\$20.250	\$21.250	\$21.250	\$22.250		\$23.250	\$23.850
Step 6 6241-7800 hours	Step 5 5721-7280	\$17.300	NC	\$18.000	\$18.000		\$18.000	\$18.000
Step 5 4681-6240 hours	Step 4 4161-5720	\$17.100	NC	\$17.750	\$17.750		\$17.750	\$17.750
Step 4 3121-4680 hours	Step 3 2601-4160	\$17.000	NC	\$17.400	\$17.400		\$17.400	\$17.400
Step 3 2081-3120 hours	Step 2 1041-2600	\$16.900	NC	\$17.100	\$17.100		\$17.100	\$17.100
Step 2 1041-2080 hours	Step 1 0-1040	\$16.800	NC	\$16.850	\$16.850		\$16.850	\$16.850
Step 1 0-1040 hours		\$16.700						
job code 12372 – Lead E-Shopper job code 12373 – Home Shopping Personal Shopper <ul style="list-style-type: none"> <li>• new progression effective 2nd Sunday after ratification</li> <li>• New Progression Reduced by 520 hours effective 2nd Sunday after ratification</li> </ul>								

## APPENDIX F PHARMACY TECHS

- F.1** Employees considered for the classification of Pharmacy Technician must have met any of the following requirements:
1. In a state offering technician certification, the employee must have obtained from the state board of pharmacy a current and valid technician certificate of registration from the state in which they are employed.
  2. This certification is to be kept in current standing, at the employees own cost, with the state board of pharmacy.
  3. In a state offering no such technician certification, the employee must have passed the Pharmacy Technician Certification Board, (P.T.C.B.) and have received a current and valid certification as a Certified Pharmacy Technician, (CPhT). This CPhT must be kept in current and valid standing, at the employees own cost, with the P.T.C.B.
- F.2** The Employer will have sole discretion in selection of Pharmacy Technician.
- F.3** The Employer believes that the safety of its customers and the public is the fundamental guiding concern behind the establishment of this classification. To this end, the Employer shall provide mandatory training, on Employer time, as required by regulation, or Employer need, for those individuals who are employed as Pharmacy Technicians.
- F.4** Because of safety and quality control factors, the Pharmacy Technician will be subject to the immediate and personal supervision of a Registered Pharmacist. Immediate and personal supervision in the case of a Pharmacy Technician requires that a Pharmacist verify and document any function performed by a Pharmacy Technician in connection with all activities surrounding the dispensing of a prescription. It is understood and agreed that Pharmacists, as trained and licensed professionals, have the ultimate responsibility for dispensing prescriptions.
- F.5** The Pharmacy Technician must obey all rules and regulations relating to their certification as a Pharmacy Technician.
- F.6** If the Pharmacy Technician Certification is revoked or expires, the individual cannot continue to be employed as a Pharmacy Technician under this agreement.
- F.7** Pharmacy Technician Probation: If a current employee is selected for a Pharmacy Technician opening, there shall be a thirty (30) day trial period. During this period, the Employer may disqualify the employee if the employee fails to perform the duties of the Pharmacy Technician adequately (e.g. number of prescriptions filled daily, accurateness of prescription filled, timeliness, etc.). The employee may also decide to reject the position in his judgement. (Disputes over disqualification process through grievance procedure.) If the employee is disqualified from or rejects the position, the employee will return to his former classification at his former rate of pay with no loss of seniority.
- F.8** "Pre-Pharmacy Students": The Employer shall be permitted an exempt position or positions

in each of the Employer's pharmacy departments for pre-pharmacy students. For the purpose of this provision, a pre-pharmacy student is defined as an undergraduate, full-time student enrolled in prerequisite classes for pharmacy school admission or who has already been accepted to pharmacy school. The aggregate number of hours pre-pharmacy students may work in each pharmacy may not exceed an average of twenty-four (24) hours per week. These hours must be in addition to, and not in replacement of, regularly scheduled hours for Pharmacy Clerks. No Pharmacy Clerk will have their hours diminished as a direct result of the Employer implementation of the pre-pharmacy student program.

**PHARMACY TECH WAGE RATES  
APPENDIX F**

		\$1.00		\$1.00		\$1.00	\$0.60	
<b>Pharmacy Technician 2 (Nationally Certified)</b>		<b>Current</b>	<b>Effective 4/13/25</b>	<b>Effective 2nd Sunday after ratification</b>	<b>Effective 4/12/2026</b>	<b>Effective 12/6/2026</b>	<b>Effective 4/11/2027</b>	<b>Effective 10/10/2027</b>
Thereafter		\$25.400	\$26.400	\$26.400	\$27.400		\$28.400	\$29.000
5201-6240 hours		\$19.250	NC	\$20.750	\$20.750		\$20.750	\$20.750
4161-5200 hours		\$18.500	NC	\$19.250	\$19.250		\$19.250	\$19.250
3121-4160 hours		\$18.250	NC	\$18.750	\$18.750		\$18.750	\$18.750
2081-3120 hours		\$18.000	NC	\$18.250	\$18.250		\$18.250	\$18.250
1041-2080 hours		\$17.750	NC	\$18.000	\$18.000		\$18.000	\$18.000
0-1040 hours		\$17.400	NC	\$17.800	\$17.800		\$17.800	\$17.800
<b>Pharmacy Technician 1 (Non-Nationally Certified)</b>		<b>Current</b>	<b>Effective 4/13/25</b>	<b>Effective 2nd Sunday after ratification</b>	<b>Effective 4/12/2026</b>	<b>Effective 12/6/2026</b>	<b>Effective 4/11/2027</b>	<b>Effective 10/10/2027</b>
Thereafter		\$23.400	\$24.400	\$24.400	\$25.400		\$26.400	\$27.000
5201-6240 hours		\$17.300	NC	\$19.500	\$19.500		\$19.500	\$19.500
4161-5200 hours		\$17.100	NC	\$18.000	\$18.000		\$18.000	\$18.000
3121-4160 hours		\$17.000	NC	\$17.750	\$17.750		\$17.750	\$17.750
2081-3120 hours		\$16.900	NC	\$17.500	\$17.500		\$17.500	\$17.500
1041-2080 hours		\$16.800	NC	\$17.250	\$17.250		\$17.250	\$17.250
0-1040 hours		\$16.700	NC	\$17.000	\$17.000		\$17.000	\$17.000
job code 11367 – Pharmacy Technician 2 (Nationally Certified)								
job code 11208 – Pharmacy Technician 1 (Non-Nationally Certified)								



## LETTER OF UNDERSTANDING

This will confirm the understanding reached in negotiations with reference to the proper classification of employees working "cheese islands." Specifically, it is agreed that "cheese islands" involving merchandise that has been cut, wrapped, and priced upon the premises are "Service Delicatessens" within the meaning of Section 1.3.1 of the current Collective Bargaining Agreements.

*/s/ DAVID R. COX*  
David R. Cox

Food Employers Council, Inc.

*/s/ BILL SENN*  
Bill Senn, on Behalf of the

Bay Area Locals

**FOOD EMPLOYERS COUNCIL, INC.**  
**Drawer 1298, 3685 Mt. Diablo Blvd.**  
**Lafayette, California 94549 (415) 284-9350**

April 30, 1989

Mr. William F. Senn  
UFCW International Region 14  
Spokesman for UFCW Locals 373, 428, 648,  
775, 870, 1119 and 1179  
One Sierragate Plaza, Suite 230-A  
Roseville, CA 95678

Re: April 30, 1989 Final Offer - Involving the Food Employers Council, Inc., On Behalf  
of Its Member Companies and United Food & Commercial Workers Union, Local  
373, 428, 648, 775, 870, 1119 and 1179

Gentlemen:

This will confirm that the proposed modification in Section 1.3.1 of the Master Food Agreement involving "delicatessen merchandise" is not intended to and does not affect the status of traditional "peg board" sections of the store.

If you have any questions or require additional information, please contact this office.

Very truly yours,  
FOOD EMPLOYERS COUNCIL, INC.  
Northern California Division

*/s/ DAVID R. COX*  
David R. Cox  
Executive Director

WRV:bjr

**FOOD EMPLOYERS COUNCIL, INC.  
2000 Crow Canyon Place, Suite 200  
San Ramon, California 94583 (510) 275-1750**

March 6, 1992

Mr. Joseph T. Hansen  
UFCW Regional Director  
3300 Douglas Boulevard, Suite 345  
Roseville, California 95661

Dear Mr. Hansen:

In the event that an Employer party to the Master Food Contract leases space in one of the Employer's stores to a separate party lessee; the product sold by the lessee is handled, displayed and sold within a distinct leased area separate from the Employer's merchandise; and said lessee does not sell items such as name-brand products in the same form as traditionally handled by bargaining unit employees (deminimus excepted); then the Union agrees that Sections 1.4 and 1.5 of the Master Food Agreement shall not in any way be applicable to said department.

Very truly yours,  
FOOD EMPLOYERS COUNCIL, INC.

*/s/ DAVID R. COX*  
David R. Cox  
Executive Director  
Northern California Division

DRC:jk

*/s/ JOSEPH T. HANSEN*  
Joseph T. Hansen,  
Regional Director  
On Behalf of UFCW Local Unions 115, 373, 428, 588,  
775, 839, 870, 1119, 1179, 1288 and 1532

**FOOD EMPLOYERS COUNCIL, INC.  
2000 Crow Canyon Place, Suite 200  
San Ramon, California 94583 (510) 275-1750**

March 7, 1992

Mr. Joseph T. Hansen  
UFCW Regional Director  
3300 Douglas Boulevard, Suite 345  
Roseville, California 95661

Dear Mr. Hansen:

This will confirm our agreement that shifts which begin during the last day of the work week defined in Subsection 6.1 of the Collective Bargaining Agreement and end during the first day of the next work week shall not result in the payment of any penalty or premium on the basis that the shift overlaps two separate work weeks.

Very truly yours,

FOOD EMPLOYERS COUNCIL, INC.

*/s/ DAVID R. COX*  
David R. Cox  
Executive Director  
Northern California Division

DRC:jk

*/s/ JOSEPH T. HANSEN*  
Joseph T. Hansen,  
Regional Director  
On Behalf of UFCW Local Unions 115, 373, 428, 588,  
775, 839, 870, 1119, 1179, 1288 and 1532

**LETTER OF UNDERSTANDING**

**Between**

**UFCW LOCAL 101, 373R, 428, 648, 839, 870 and 1179 and  
ALBERTSONS, INC., RALPHS GROCERY CO., AND SAFEWAY, INC.**


In settling routine disciplinary and non-disciplinary cases handled by Union staff, written settlement agreements when requested, will be written as simply as possible for lay persons to understand. In these cases, decisions regarding what are "routine" cases as to which simplified settlement agreements are appropriate, are within management's sole discretion.

  
Karen Casey, Albertsons

  
Frank Jorgensen, Safeway

  
Mike Borstel, UFCW Local 101

  
Tim Hamann, UFCW Local 120

  
Linda Russell, UFCW Local 373R

  
Ron Lind, UFCW Local 428

  
Bruce Wright, Ralphs Grocery Co.

  
Michael Sharpe, UFCW Local 648

  
John Briley, UFCW Local 839

  
Rich Benson, UFCW Local 870

  
Barbara Carpenter, UFCW Local 1179













**LETTER OF UNDERSTANDING  
BETWEEN  
UNITED FOOD & COMMERCIAL WORKERS UNION LOCALS 5  
AND  
SAFEWAY**

**Regarding Proper Checkstand Procedures and "BOB" and "PAUL" Management Shops**

As a result of discussions between Safeway and UFCW Local 5 the parties agree to the following:

1. Safeway and UFCW Local 5 understand and agree that it is critical to the long term success of the Company and the ongoing employment of its employees that all employees follow the proper checkstand procedures, including recording all items purchased by their customers at the correct price.
2. UFCW Local 5 agrees to work collaboratively with the Company to emphasize to all Safeway employees the importance of providing superior customer service and following proper checkstand procedures.
3. In order to ensure all of its employees are aware of the importance of following proper checkstand procedures, the Company has and will continue to emphasize these long-standing policies through training and counseling. In addition, it will also check to make sure employees are properly following these policies through periodic "BOB" and "PAUL" management shops.
4. Both "BOB" and "PAUL" management shops will be conducted as outlined in our November 18, 2008 Letter of Understanding (copy attached). In addition to the items outlined in that letter, the Company has advised the Union that its Auditors have been instructed to conduct "PAUL" shops in a manner that is similar to the way a customer typically shops in our stores, such as not mixing organic and non-organic produce items in the same bag.
5. In those cases where one or more steps of the disciplinary process are based on a "BOB" and/or "PAUL" management shop, and the case does not involve any cash handling issues, the Company agrees to expand its current disciplinary process to the following:
  - 1<sup>st</sup> violation – written warning
  - 2<sup>nd</sup> violation – 2<sup>nd</sup> written warning.
  - 3<sup>rd</sup> violation – 3-day suspension with a last and final warning
  - 4<sup>th</sup> violation– termination
6. While in the normal course of business multiple audits will not usually be conducted on the same employee in the same day, due to the scheduling of these audits, it is possible this may occur on rare occasions. In those rare cases, an employee

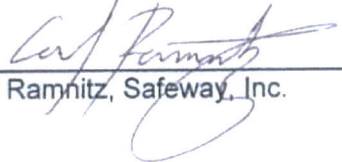


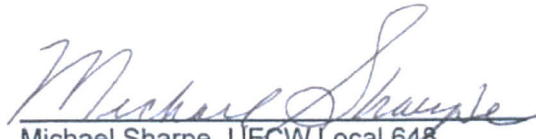
**Letter of Understanding  
Between  
UFCW Locals 5, 8 and 101  
and  
Safeway, Inc.**

Waiver of San Francisco Paid Sick Leave Ordinance: The Parties to this Collective Bargaining Agreement agree that to the fullest extent permitted, this agreement shall operate to waive any provisions of the San Francisco Paid Sick Leave Ordinance, San Francisco Administrative Code Section 12W, and shall supersede and be considered to have fulfilled all requirements of said Ordinance as presently written, and or amended during the life of this agreement.

  
Frank Jorgensen, Safeway, Inc.

  
Mike Borstel, UFCW Local 101

  
Carl Ramnitz, Safeway, Inc.

  
Michael Sharpe, UFCW Local 648

Letter of Understanding  
Between  
UFCW Local 5  
And  
Safeway, Inc.

Waiver of San Francisco Formula Retail Employee Ordinances: The Parties to this Collective Bargaining Agreement agree that the provisions set forth in the City of San Francisco's Formula Retail Employee Rights Ordinances, Articles 33F and 33G of the San Francisco Police Code, are hereby waived with respect to all employees covered by the Agreement.



Penny Schumacher, Safeway Inc.

12/4/15  
(date)



John Nones, UFCW Local 5

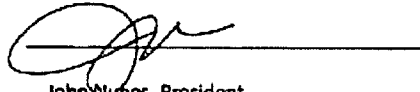
12/4/15  
(date)

Letter of Understanding  
Between  
UFCW Local 5  
And  
Safeway, Inc.

Waiver of City of Oakland Paid Sick Leave Law: The parties to this Collective Bargaining Agreement hereby agree on behalf of all employee members working in the City of Oakland that the paid sick leave provisions of Oakland Measure FF, codified in City of Oakland Municipal Code Chapter 5.92, subsections 5.92.030 (Paid Sick Leave), regarding the accrual and use of paid sick leave, and 5.92.050 (Enforcement), regarding retaliation, retention of records, notice to employees, and private rights of action, are hereby waived to the fullest extent permitted by law and that the Collective Bargaining Agreement shall instead apply to these matters, including accrual and use of paid sick leave.



Penny Schumacher, Director Labor Relations  
Safeway Inc.



John Nunes, President  
UFCW Local 5

9-21-16  
(Date)

9-20-2016  
(Date)

**Letter of Understanding  
Between  
UFCW Local 5  
And  
Safeway, Inc**

Waiver of San Jose Opportunity to Work Ordinance: The Parties to this Collective Bargaining Agreement intend and agree that each and all of the provisions set forth in the City of San Jose's Opportunity to Work Measure E, Chapter 4.101 of the City of San Jose Municipal Code, are hereby waived with respect to all employees covered in this Agreement. Either party may cancel this Letter of Understanding with no less than a sixty day advance notice.

  
Penny Schumacher, Safeway Inc.

  
John Nunes, UFCW Local 5

Date: 3-9-17

Date: 05-9-17

**LETTER OF AGREEMENT  
BETWEEN  
UFCW LOCAL 5  
AND  
SAFeway  
REGARDING  
RESTITUTION/PROMISSORY NOTES WITH CURRENT EMPLOYEES**

This Agreement is entered into on a non-precedential basis by and between Safeway and UFCW Local 5, concerning restitution/promissory notes signed by Local 5 members outside the presence of the Union.

Effective with the signing of this Letter of Understanding, the parties agree that Safeway will release and discharge UFCW Local 5 members who signed promissory notes outside the presence of the Union between July 1, 2016 and the date this letter is signed by all parties from any claims or future obligations on account of the notes they signed. Safeway will have no obligation to repay any sums previously collected on these notes.

This settlement is the result of the Parties compromise and resolution of a dispute between them and is not an admission of wrongful conduct or liability by Safeway in any regard. Further, this Agreement shall not be construed in any way to be an admission by Safeway, or of its directors, officers, employees, principals, parent entity, affiliates, or insurers, that it violated any law or failed to fulfill any duty to UFCW Local 5 or its employees.

**FOR THE EMPLOYER:  
SAFeway INC.**

By   
Frank Jorgensen, Safeway Inc.

Date 4/24/17

**FOR THE UNION:  
UFCW Local 5**

By   
John Nunes, President, UFCW Local 5

Date 04-24-2017

**FOR THE EMPLOYER:  
SAFeway INC.**

By   
Penny Schumacher, Safeway Inc.

Date 04/24/2017

**FOR THE UNION:  
UFCW Local 5**

By \_\_\_\_\_

Date \_\_\_\_\_

**LETTER OF AGREEMENT  
BETWEEN  
UFCW LOCAL 5  
AND  
SAFEWAY  
REGARDING  
RESTITUTION/PROMISSORY NOTES WITH CURRENT EMPLOYEES**

This Agreement is entered into by and between Safeway and UFCW Local 5, concerning the discussion and signing of restitution/promissory notes with current employees


Effective with the signing of this Letter of Understanding, the Parties agree that Safeway will not ask current employees whether they will agree to repay Safeway for losses due to their admitted misconduct and to sign promissory notes, except in the presence of the Union. This Agreement shall not limit Safeway's right to ask about the nature, frequency and size of losses that current employees admit they have caused when they have not requested union representation during the meetings, nor Safeway's right to request agreements to repay/promissory notes from Local 5 members who have been notified of their terminations.

**FOR THE EMPLOYER:  
SAFEWAY INC.**

By   
Frank Jørgensen, Safeway Inc.

Date 4/24/17

**FOR THE UNION:  
UFCW Local 5**

By   
John Nung, President, UFCW Local 5

Date 04-24-2017

**FOR THE EMPLOYER:  
SAFEWAY INC.**

By   
Penny Schumacher, Safeway Inc.

Date 04/24/2017

**FOR THE UNION:  
UFCW Local 5**

By \_\_\_\_\_

Date \_\_\_\_\_




**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
SAFEWAY INC. and UFCW Local 5  
TOTAL TRUST BENEFITS PURCHASING COALITION**

Rather than negotiating contracts, and their associated terms and fees, with various Trust service providers as a single Trust Fund, the bargaining parties believe negotiating together and joining forces with other Taft-Hartley Trust Funds could give us greater bargaining leverage with these service providers. Therefore, the Trustees are directed by the bargaining parties to create and participate in alliances with other Taft-Hartley H&W and Pension Trust Funds with the intent to form purchasing alliances for leveraging economies of scale in bargaining with service providers, i.e., pharmacy benefit managers, health services, financial services, administrative services, etc.

Accordingly, the Total Trust Benefits Purchasing Coalition was created and is open to any interested multi-employer, self-funded Taft-Hartley trust fund.

- 1) Each member trust shall operate autonomously. The member trust will have the opportunity to participate in all RFP's and other purchasing arrangements that benefit from the economy of scale by a large group of purchasers.
  - (a) For example, the Coalition members can collectively seek an RFP for a PBM, with the understanding each member in the Coalition will have the option of utilizing the best offer, but no member trust would be obligated to do so.
  - (b) Providers will be asked to detail RFPs with pricing options for different sized-groupings, including a joint proposal with pricing if all Coalition members participate, of which each member trust would benefit from quantity discounts. Each member trust will have individual agreements with each provider.
  - (c) Each member trust's participant base will be represented as potential participatory group in any given service being considered.
  - (d) Each RFP will be initiated on a rotating basis, determined by the skill and expertise available in the Coalition's various member trusts.
- 2) The members of the Coalition will meet as needed, but at least twice per year, at rotating locations among the member trusts' various offices. In addition, each member of the Coalition will advise the other members when they are considering doing an RFP for any services, in order to give other Funds the opportunity to participate in that RFP.
- 3) Each member of the Coalition shall have the right to designate at least one individual to participate in all Coalition meetings.

**ON BEHALF OF,  
UFCW LOCAL 5**

  
John Nunes  
President, UFCW 5

Date

**ON BEHALF OF,  
SAFEWAY, INC**

  
Penny Schumacher  
Director, Labor Relations

Date

**MEMORANDUM OF UNDERSTANDING**  
**BETWEEN**  
**UNITED FOOD & COMMERCIAL WORKERS LOCAL 5**  
**AND**  
**SAFEWAY INC.**  
**MINIMUM WAGE LAWS**

- a. **California State Minimum Wage:** Courtesy Clerks, E-commerce shoppers, Fuel Station attendants, Meat Clerks, and GMC Clerks wages: The starting rate shall be no less than fifteen cents (\$0.15) above the CA minimum wage. Food Clerks, MPCs, RX Techs, and Apprentice Meat Cutters: The starting rate shall be no less than twenty-five (\$0.25) above CA minimum wage. The step progression will maintain no less than twenty cents (\$0.20) between each step, not to exceed the top (thereafter) rate.
  
- b. **California municipal minimum wage ordinances:** Unless specifically waived by the Parties, no wage classification applicable to a municipality covered by this Agreement shall be less than the then current municipal minimum wage ordinance. In addition, except for Courtesy Clerks and fuel station employees, each rate in the progression applicable to that municipality will be at least be fifteen cents (\$.15) per hour higher than the previous rate in the progression schedule. Courtesy Clerks and fuel station employees, will be at least be ten (\$0.10) cents per hour higher than the previous rate in the progression schedule wage than the previous rate in the progression schedule.

In the event any municipal minimum wage increases to a point where the application of this section would eliminate some progression steps, the progression hours of those step(s) will be combined into one step so that the total progression hours are neither increased nor decreased as a result of the application of this LOU.

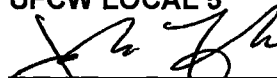
- c. Notwithstanding the above, for any increases in either State or Municipal minimum wage rates on or after January 1, 2020, the parties agree to meet and discuss possible adjustments to the hours of each step in the progressions and/or the number of steps in each progression, for the purpose of maintaining the integrity of the progressions and maintaining reasonable steps for each progression step, while still ensuring that the total progression hours are neither increased nor decreased as a result of the application of this LOU. In the event the parties cannot agree, items a and b, above shall continue to apply.

**FOR THE EMPLOYER:**  
**SAFEWAY INC.**

  
Penny Schumacher

Date : 01/20/2026

**FOR THE UNION:**  
**UFCW LOCAL 5**

  
John Frahm

Date: 1-20-26

**LETTER OF AGREEMENT  
BETWEEN  
UFCW LOCAL 5  
AND  
SAFEWAY STORES INC.  
(IMMIGRATION)**

THIS AGREEMENT is entered into by and between UNITED FOOD & COMMERCIAL WORKERS UNION, LOCAL 5 hereinafter referred to as the Union, and SAFEWAY, hereinafter referred to as the Employer.

The parties have a mutual interest in issues of immigration, citizenship, and work authorization as they impact bargaining unit members.

**Protection of Rights During Workplace Immigration Enforcement:**

1. Unless required by law, the Employer will not allow agents of DHS or ICE to access any non-public area of the worksite without a warrant; provided, however, that no employee will be expected or permitted to physically block or stop someone entering.
2. Unless required by law, the Employer will not generally waive the current 3-day period to produce I-9 related documents in response to a Notice of Inspection, as may be modified from time to time.

**Corrections to Records:** Pursuant to California Labor Code section 1024.6, an employee may notify the Employer of a lawful change in name or Social Security number and the Employer will modify its records to reflect such changes, without prejudice to seniority or any other term or condition of employment.

**Ongoing Communication Regarding Immigration Issues:** The Employer will keep the Union updated if there is any change in the Employer's policy or protocol relating to immigration issues.

**Expiration of Documents and Leave of Absence:** Employees who need a leave to deal with immigration issues will have access to the current leave benefits under the CBA and/or the Employer's policies. As each employee's situation/case has facts specific to that employee, each case will be handled based on the underlying situation/facts.

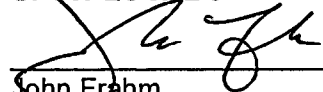
Notwithstanding any provision of this Section, the Employer will comply with all applicable laws. The Employer will cooperate with the Union to provide employees with access to Citizenship Assistance through the UFCW Union Citizenship Access Network (UCAN) program.

**FOR THE EMPLOYER:  
SAFEWAY INC.**

  
Penny Schumacher

Date: 01/20/2026

**FOR THE UNION:  
UFCW LOCAL 5**

  
John Frahm

Date: 1-20-26

**LETTER OF AGREEMENT  
BETWEEN  
UFCW LOCAL 5  
AND  
SAFEWAY INC.  
(PHARMACY TECHNICIAN TRAINING)**

THIS AGREEMENT is entered into by and between UNITED FOOD & COMMERCIAL WORKERS UNION, LOCAL 5 hereinafter referred to as the Union, and SAFEWAY, hereinafter referred to as the Employer.

The Parties have a mutual interest in the development of candidates for the position of Pharmacy Technician. Using grant money, the Technician Training Program will reimburse and/or provide candidates with the cost of attending a pharmacy technician certificate program.

Employees who have an interest shall advise the Employer and be subject to the required background check to be eligible to work within the pharmacy prior to becoming a candidate. Admission to the program will be based on seniority. The Employer shall have the right to deny admission based on the applicant's overall work record.

The Union's workforce coordinators will provide dedicated resources to support the participants, including access to exam prep courses and assistance navigating the licensing process.

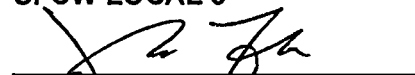
When a candidate completes the Technician Training Program, and receives their Pharmacy Technician License, the Employer will offer the qualified candidate employment in an open position-at the appropriate wage rate under the CBA.

**FOR THE EMPLOYER:  
SAFEWAY INC.**

  
\_\_\_\_\_  
Penny Schumacher

Date: 01/20/2026

**FOR THE UNION:  
UFCW LOCAL 5**

  
\_\_\_\_\_  
John Frahm

Date: 1-20-26

**LETTER OF AGREEMENT  
BETWEEN  
UFCW LOCAL 5  
AND  
SAFEWAY INC.  
(STORE CLOSURES)**

THIS AGREEMENT is entered into by and between UNITED FOOD & COMMERCIAL WORKERS UNION, LOCAL 5 hereinafter referred to as the Union, and SAFEWAY, hereinafter referred to as the Employer

Should the Employer determine that a location will be permanently closed, notification will be provided to the Union consistent with the WARN Act.

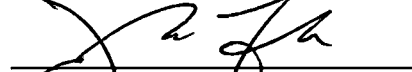
When the Employer schedules a closure announcement meeting for the purpose of notification to store employees, the Employer will advise the Union of the scheduled meeting date, time and location on the business day prior to the scheduled meeting no later than 5 p.m. so that a Representative may attend the meeting.

**FOR THE EMPLOYER:  
SAFEWAY INC.**

  
\_\_\_\_\_  
Penny Schumacher

Date: 01/20/2026

**FOR THE UNION:  
UFCW LOCAL 5**

  
\_\_\_\_\_  
John Frahm


Date: 1-20-26

**LETTER OF AGREEMENT  
BETWEEN  
UFCW LOCAL 5  
AND  
SAFEWAY INC.  
(NEW TECHNOLOGY)**

THIS AGREEMENT is entered into by and between UNITED FOOD & COMMERCIAL WORKERS UNION, LOCAL 5 hereinafter referred to as the Union, and SAFEWAY, hereinafter referred to as the Employer

In anticipation of implementation of AI technology by the company, the union will obtain grant money to establish a program to train employees who are or may be affected by technological change caused by AI. This program will focus on teaching new skills to fill future openings in service deli, produce, and grocery departments. Admission to the program will be based on seniority. The company shall have the right to deny admission based on the applicant's overall work record. The Unions' workforce coordinators will provide dedicated resources to support the participants. When a candidate successfully completes the training program and if applicable, obtains necessary certifications or licensing, the Employer will offer the candidate employment in an open position at the appropriate wage rate under the CBA.

**FOR THE EMPLOYER:  
SAFEWAY INC.**

  
\_\_\_\_\_  
Penny Schumacher

Date: 01/20/2026

**FOR THE UNION:  
UFCW LOCAL 5**

  
\_\_\_\_\_  
John Frahm

Date: 1-20-26

**LETTER OF UNDERSTANDING  
BETWEEN  
UNITED FOOD & COMMERCIAL WORKERS UNION  
UFCW LOCAL 5  
AND  
SAFEWAY**


**(PREVIOUS EXPERIENCE GMC & FOOD CLERK)**

As a result of discussions between UNITED FOOD & COMMERCIAL WORKERS UNION LOCAL 5 and SAFEWAY, effective May 4, 2022, the parties agree to the following clarification on previous experience.

**SECTION 1.3.3.1 PREVIOUS EXPERIENCE (FOOD)** If an Experienced General Merchandise Clerk/Non-Food Clerk has been out of the industry no more than five (5) years, he will be allowed to start at the (4<sup>th</sup>) step Apprentice Non Food/General Merchandise Clerk rate of pay.

**SECTION 9.2 PREVIOUS EXPERIENCE (FOOD)** If an Experienced Food Clerk has been out of the industry no more than five (5) years, he will be allowed to start at the (4<sup>th</sup>) Apprentice Food Clerk rate of pay.

ON BEHALF OF,  
UFCW LOCAL 5

  
John Nunes  
President, UFCW 5

Date

2/14/2023

ON BEHALF OF,  
SAFEWAY, INC

  
Penny Schumacher  
Director, Labor Relations

Date

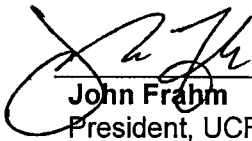
2/17/23

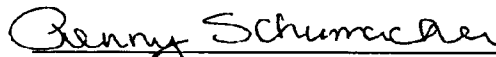
**LETTER OF UNDERSTANDING  
BETWEEN  
UNITED FOOD & COMMERCIAL WORKERS UNION  
UFCW LOCAL 5  
AND  
SAFEWAY**

This agreement is entered into by and between UNITED FOOD & COMMERCIAL WORKERS UNION LOCAL 5 and SAFEWAY, hereinafter referred to as the Union, and SAFEWAY INC., hereinafter referred to as the Employer.

The following understanding will apply to the current Collective Bargaining Agreement which is effective April 13, 2025, through April 15, 2028:

The Parties agree that if either party has made any errors in preparing or proofing this document, all agreements reached between the bargaining parties at the bargaining table will prevail.

 1-20-26  
\_\_\_\_\_  
**John Frahm**                      **Date**  
President, UFCW 5

 01/20/26  
\_\_\_\_\_  
**Penny Schumacher**                      **Date**  
Sr, Director, Labor Relations

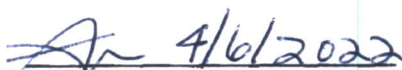
**SIDE LETTER  
BETWEEN  
UFCW LOCALS 5,8-GOLDEN STATE & 648  
AND  
SAFEWAY, Inc.**

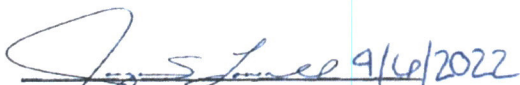
ESTABLISHMENT OF LIFETIME INCOME SECURITY ACCRUAL FUND instructs the Trustees to establish a Total Trust Lifetime Income Security Fund (LISA).


The retirement benefit provided under LISA shall be designed as a variable defined benefit or other annuitized retirement benefit plan.

Minimum contributions in the amount of forty-five cents (\$0.45) per hour shall be made to the LISA on behalf of all employer's participants for all hours worked effective August 1, 2024.

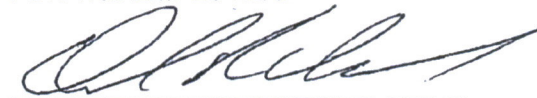
FOR THE UNIONS:

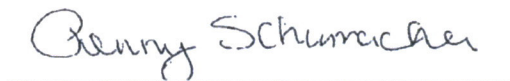
  
\_\_\_\_\_  
John Nunes                      Date  
UFCW Local 5

  
\_\_\_\_\_  
Jacques Loveall              Date  
UFCW 8- Golden State

  
\_\_\_\_\_  
Dan Larson                      Date  
UFCW Local 648

FOR THE EMPLOYER:

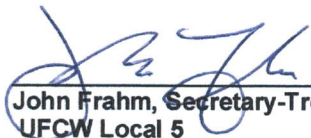
  
\_\_\_\_\_  
Dan Dosenbach              Date: April 5, 2022  
Safeway, Inc.

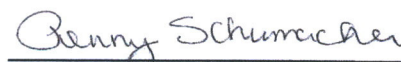
  
\_\_\_\_\_  
Penny Schumacher        Date: April 5, 2022  
Safeway, Inc.

**LETTER OF AGREEMENT  
BETWEEN  
UFCW LOCAL 5  
AND  
SAFEWAY STORES INC.  
(ADMINISTRATIVE COORDINATOR)**

THIS AGREEMENT is entered into by and between UNITED FOOD & COMMERCIAL WORKERS UNION, LOCAL 5 hereinafter referred to as the Union, and SAFEWAY, hereinafter referred to as the Employer.

1. This Letter of Agreement is to establish a new classification between the Parties classified as Administrative Coordinator as an optional Head Clerk position. The Company retains the sole right to determine the locations within the jurisdiction of the local the position will be utilized. The Administrative Coordinator shall be a full-time Head Clerk position and named as such in Section 9.1.4 of the Collective Bargaining Agreement (CBA). The Company will commence the selection and training for this position within 60 days.
2. The Administrative Coordinator position is a highly skilled role. Accordingly, for the selection of employees for this position, the parties confirm the Company has the sole right in the selection of the employee for the position. When an Administrative Coordinator vacates their position, the Company retains exclusive rights to determine if a replacement is needed. If determined by the Company that a position is available, then a posting will occur in accord to Section 4.3.1 of the CBA.
3. If the Employer directs a Food Clerk to temporarily perform all of the duties of the Administrative Coordinator at a store location where an employee is classified as an administrative Coordinator for a week or more, the Food Clerk shall be compensated at the Administrative Coordinator Head Clerk rate of pay.
4. The Employer shall continue to have the option to use the classifications of Senior Office Clerk and/or office clerks in addition to the Administrative Coordinator position.
5. The Employer agrees that no current employee designated as Senior Office Clerk as of the date of this agreement will have their current rate of pay or full-time status reduced as a result of the implementation of the Administrative Coordinator Head Clerk classification.
6. The Union agrees to withdraw the Head Booth/Clerk duties grievance filed on July 25, 2018, and NLRB case 20-CA-223301 without prejudice.
7. All other provision of the Collective Bargaining Agreements shall remain in full force and effect. The parties agree that this Letter of Agreement satisfies any legal or contractual bargaining duty about the Administrative Coordinator position.

  
John Frahm, Secretary-Treasurer  
UFCW Local 5

  
Penny Schumacher, Director  
Safeway, INC.

Date: 7-22-2022

Date: 07.22.2022

**Letter of Agreement**

**Between**

**United Food & Commercial workers Union Local 5 and Safeway Inc.**

**Regarding Self- Check out Expansion**

This Agreement is entered into by and Between UFCW Local 5 hereinafter referred to as the Union, Safeway Inc, hereinafter referred to as the Employer. The Parties agree that the following Agreement will apply to the current Collective Bargaining Agreement and to resolve all pending grievances and issues related to self-checkout station expansions.

Accordingly, the parties agree on the following application:

Based on January 2023 technology and working conditions. when stores within the jurisdiction of Local 5 add new or reconfigure the self-checkout area such that the Pod of self-checkout units/stations consists of

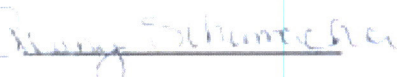
- 8 or less units/stations, the parties agree that one (1) clerk will be assigned as a SCO attendant.
- 9 more units/stations, the parties agree that an additional clerk will be assigned as a SCO attendant when more than 8 are open for use.

The parties confirm that this resolution resolves the filed grievances related to this matter including but not limited to:

- G1787- Store 2621, and Jurisdiction wide, filed 1-11-2022
- G1898 Store 955 filed 9-26-2022
- G1905- Store 0979 filed 10-7-2022
- G1918- Store 1195 filed 11-14-2022
- G1920- Store 2712 filed 11-14-2022

For the Employer:

Safeway Inc.



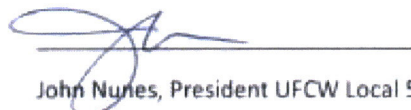
Penny Schumacher, Director Labor Relations

01/05/2023

Date

For The Union:

UFCW Local 5



John Nunes, President UFCW Local 5

01/06/2023

Date

**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
UNITED FOOD & COMMERCIAL WORKERS UNION  
LOCAL 5  
AND  
SAFEWAY INC.**

**Re: Paragraph A.1, Premium Employees and Related Language**

**THIS AGREEMENT** is entered into by and between **UNITED FOOD & COMMERCIAL WORKERS UNION LOCAL 5**, hereinafter referred to as the Union, and **SAFEWAY INC.**, hereinafter referred to as the Employer.

The parties have a disagreement over whether Paragraph A.1, Premium Employees was modified in their 2007 negotiations and replaced with language providing for a combination of wage increases and/or equivalent bonus payments. Rather than continuing to delay the finalization and signing of the new contract, the parties have agreed to include both sets of language in the new contract, without prejudice to either party's position on which language should be in the contract.

Since similar language has been included in all settlements since the 2007 negotiations, no issue has arisen regarding this language. Therefore, the Parties have agreed that in the event there is a dispute in the future regarding this language which may lead to an arbitration, each party can make their own case as to who is correct at that time.


**FOR THE EMPLOYER**

**FOR THE UNION**

**SAFEWAY INC.**

**UFCW LOCAL 5**

  
Frank Jorgensen      9/7/22  
Date

  
John Nunes      9/7/2022  
Date

**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
UNITED FOOD & COMMERCIAL WORKERS UNION  
LOCAL 5  
AND  
SAFEWAY INC**

**NEWLY HIRED EMPLOYEES ADVANCED ABOVE CBA WAGE SCALES**

This Agreement is entered into by and between United Food & Commercial Workers Union Local 5, hereinafter referred to as the Union, and Safeway Inc., hereinafter referred to as the Employer. The foregoing provision would only apply to employees after May 1, 2022.

It is recognized between the parties that there are occasions when the Employer may hire employees above the hourly wage rates their experience with the Employer would entitle them to under the Collective Bargaining Agreement. This may involve advancing employees to one of the higher hourly wage rates listed in the contract wage table or to a rate that may not be listed in the contract wage table. In such cases, the parties agree that:

1. For Employees who are hired at an hourly rate that is listed in the contract table, the employee will be placed at that step and credited with the hours to that step. For example: an employee hired as a food clerk in June 2022 at \$19.00 will be placed in the 5<sup>th</sup> step (5721-7800 hours), credited with the hours prior to that step and will work 2080 hours before advancing to the thereafter rate.
2. For Employees who are hired at an hourly rate that is not listed in the contract table, the employee will be placed at that step below that hourly rate and credited with the hours to that step. For example: an employee hired as a food clerk in June of 2022 at \$18.50 will be placed in the 4<sup>th</sup> step (4161-5720 hours), credited with the hours prior to that step and will work 1560 hours before advancing to the 5<sup>th</sup> step (5721-7800 hours).
3. The Employee will commence progression at these steps without being required to backfill the hours of the earlier steps.

**FOR THE EMPLOYER;  
SAFEWAY INC.**

Penny Schumacher 10/28/22  
Penny Schumacher Date

**FOR THE UNION;  
UFCW 5**

John Frahm 10/21/22  
John Frahm Date



## LETTER OF UNDERSTANDING

Food Employers Council, Inc. on behalf of its member Employers, and UFCW Locals 373, 428, 648, 775, 870, 1119 and 1179 agree that the correct interpretation and application of Shift Selection, Section 4.5.2, is that set forth at the first full paragraph on Page 9 and the paragraph which begins on Page 11 and concludes on Page 12 of the award of arbitration by David E. Feller in Retail Clerks Union, Local 17 and Safeway Stores, issued on November 8, 1979.

A copy of said language is attached hereto.

*/s/ DAVID R. COX*  
David R. Cox  
FOOD EMPLOYERS COUNCIL, INC.

UFCW - UNION LOCAL 373

UFCW - UNION LOCAL 428

UFCW - UNION LOCAL 648

UFCW - UNION LOCAL 775

UFCW - UNION LOCAL 870

UFCW - UNION LOCAL 1119

UFCW - UNION LOCAL 1179

DATED: 3/20/86

**EXCERPT FROM  
ARBITRATION AWARD  
BY  
DAVID E. FELLER  
ISSUED NOVEMBER 8, 1979**

**(Retail Clerks Union Local 17 and Safeway Stores)**

**(START OF PAGE 9 as typed)**

A journeyman clerk is, by definition, trained and qualified to perform in at least satisfactory fashion (although perhaps not in the best possible fashion) all of the duties of a journeyman clerk and there is, therefore, no reason to inquire at all into the qualifications of any other employee.

Acceptance of this position would essentially eliminate all of the factual issues in this case. I decline, however, to accept it. Although there is clearly a distinction between job assignments and shift assignments, it is nevertheless not true that there is no relationship between them. Nor can it be said, in the light of the agreement's language, that any journeyman is qualified by virtue of the fact that he is a journeyman to perform all of the work assigned to a journeyman, since the agreement clearly evinces a recognition that there are shift assignments which require particular qualifications. It does so in Section V-1-2, where the right to select a shift schedule is conditioned on the possession of "the necessary qualifications for the schedules selected." Indeed the notion that there may be a qualification for a particular shift is emphasized by the fact that the agreement goes on to specify that qualifications "shall include such factors as experience, job performance, aptitude, attendance, etc."

The problem which this case presents is that no such qualification requirement is specified with respect to the junior employee whom the agreement requires be placed on the shift of a senior employee who has exercised his seniority right to the junior employee's schedule. It is clear that the apparently mandatory requirement that the junior employee bumped off a schedule be given the schedule of the senior employee who bumped him was inserted in the agreement in order to prevent a chain reaction. If a bumped employee could exercise his seniority preference

**(END PAGE 9 as typed)**

**(START OF PAGE 11 as typed)**

employees, that qualification on the senior employee's right would possibly be more onerous than the one which the parties have inserted in the agreement. The Union's argument that shift schedules and job assignments are unrelated is not correct, but there clearly is a substantial difference between them. No employee has the right to insist on doing the same work which he previously did on his shift. So long as the work is properly within the journeyman clerk classification, management's right to direct the working forces clearly encompasses the right to assign and to reassign and to change assignments so long as the employee's right to the shift which he has selected is not violated. It follows that there is no requirement in the agreement that the junior employee, bumped as a result of a senior employee's exercise of his right to shift preference, be qualified to perform the work previously assigned to the senior employee. The only requirement is that there be a reasonably practicable method of reassigning the work to some journeyman clerks so that the business of the Company can be performed. The Company is clearly correct when it

says that once the weekly schedule has been posted it would violate the agreement if it changed the schedules of other employees in order to accommodate the shift schedule change requested by a senior employee. It is not correct, however, in assuming that this is necessarily the only way in which it can secure the satisfactory performance of the work previously performed by the senior employee, since it has the right to change the functions to which other employees are assigned within their scheduled shifts.

I conclude, then, that the right of a qualified senior employee to exercise his shift preference rights can be denied if, and only if, the employer can show that it is impossible to reassign the duties of other clerks within their posted schedules so that the work which the senior

**(END OF PAGE 11 as typed)**

**(START OF PAGE 12 as typed)**

employee has performed on his previous shift will in fact be performed satisfactorily. Given the absolute nature of the language of the agreement, the burden of so showing must be placed upon the Company, and it is not met by simply showing that the junior employee who must be transferred to the senior employee's shift is himself or herself not capable of performing the work efficiently. It must be shown that no reassignment of job duties could result in the satisfactory performance of the work involved.

I also conclude that no such showing has been made in this case. It is conceded that there were other employees capable of taking care of the end displays. It is clear that there were other employees who were capable of doing the checking which the grievant was assigned to in the hours after 1 p.m. The Company has not met the burden of showing that it would have been impossible to rearrange the job duties of the clerks employed by the store in such a way that all of the functions performed by the grievant on his previous shifts could have been performed satisfactorily. Accordingly, I conclude that the substantive issue involved must be decided in favor of the Union.

With respect to remedy, I also conclude that the grievance must be granted. The language of Section VI-K is too clear to warrant what is in effect an amendment based upon proposals made by the Union. The agreement says, as plainly as language can, that when ever an employee's schedule is not changed in accordance with the provisions of this agreement and he has worked outside "such schedule" then the hours so worked shall be paid for at overtime rates.