

Agreement by and between
UFCW 3000
and
Fred Meyer (Yakima)

CCK

Effective: 4/21/2019 - 4/23/2022

UFCW3000

Faye Guenther, President • Joe Mizrahi, Secretary-Treasurer

WEINGARTEN RIGHTS

Your Right to Union Representation

You have the right to union representation if you are called to a meeting with management that could lead to discipline.

"I understand that this proceeding is for the purpose of investigating whether I may receive discipline. Therefore, I request that a union representative be present on my behalf before this proceeding continues. If you insist that the proceeding continue without allowing me union representation, I hereby protest your denial of rights guaranteed to me under federal labor law."

Weingarten rights were won in a 1975 Supreme Court decision with these basic guidelines:

-  You must make a clear request for union representation either before or during the interview. Managers do not have to inform employees of their rights.
-  Management cannot retaliate against an employee requesting representation.
-  Management must delay questioning until the union steward arrives.
-  It is against Federal Law for management to deny an employee's request for a steward and continue with an interrogation. In this case, an employee can refuse to answer management's questions.

Discipline? Contract violations?

Call the Member Resource Center

If you or a coworker need help regarding an Investigatory Meeting, are facing Discipline or Corrective Action, or need to report Contract Violations our MRC Representatives will work with you on a plan of action.

Call the Member Resource Center at: 1-866-210-3000

A G R E E M E N T

BY AND BETWEEN

**ALLIED EMPLOYERS, INC.
For and on Behalf of
FRED MEYER, INC.**

and

**UNITED FOOD AND COMMERCIAL WORKERS UNION
LOCAL #1439**

**COMBINATION FOOD/NON-FOOD CHECKOUT (CCK)
YAKIMA**

Effective: April 21, 2019

To: April 23, 2022

Ratified: April 16, 2019

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A G R E E M E N T

**By and Between
ALLIED EMPLOYERS, INC.**

**For and on Behalf of
FRED MEYER, INC.**

And

UNITED FOOD AND COMMERCIAL WORKERS UNION LOCAL NO. 1439

**YAKIMA, WASHINGTON
(COMBINATION FOOD/NON-FOOD CHECKSTAND)**

This Agreement is made by and between Fred Meyer, Inc., hereinafter referred to as the "Employer," and United Food and Commercial Workers Union Local No. 1439, hereinafter referred to as the "Union."

ARTICLE 1- RECOGNITION AND BARGAINING UNIT

1.1 The Employer hereby recognizes the Union as sole and exclusive collective bargaining agency as follows:

1.1.1 For all employees employed in the Employer's Combination Food/Non-Food Checkstand Department in the Employer's Yakima store, 1206 North 40th Avenue, Yakima, WA 98908, provided that the total area is over 100,000 square feet and the percentage of Non-Food sales constitutes at least 50% of the total dollar sales within the store, and excluding employees in all other departments (i.e., Nutrition, Pharmacy, Health and Beauty Aids, Floral, Garden Center, Apparel, Shoe, Home Fashion, Photo Electronics, General Merchandise Departments, Playland, Jewelry Department, Time and Attendance, Human Resource Coordinators, Human Resource Administrators) and confidential employees and guards as defined in The Act.

1.1.2 Recognition to be with respect to rates of pay, hours, and all other conditions of employment for all employees whose job classifications are set forth in this Agreement, except and excluding supervisory employees within the meaning of Section 2 (II) of the National Labor Relations Act as amended, and/or as provided for in paragraph 1.2 of this Agreement.

1.2 The Department Manager and two Assistant Department Managers shall not be required to become a member of the Union.

1.2.1 The parties understand and agree that all such exemptions shall be permitted to perform bargaining unit work without restriction.

1.3 In the event the Company party to this Agreement opens a store or stores, closes a store or stores, or remodels and/or revamps a store or stores, the number of additional exemptions shall be re-determined as above.

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ARTICLE 2 - UNION SECURITY

2.1 Pursuant to and in conformance with Section 8(a)3 of the Labor Management Relations Act of 1947 as amended, it shall be a condition of employment that all employees covered by this Agreement who are members of the Union in good standing on the effective date of this Agreement shall remain members in good standing, and those who are not members on the effective date of this Agreement shall, on the thirty-first (31st) day following the effective date of this Agreement, become and remain members in good standing in the Union. It shall also be a condition of employment that all employees covered by this Agreement and hired on or after its effective date shall, on the thirty-first (31st) day following the beginning of such employment, become and remain members in good standing in the Union.

2.1.1 The tendering of initiation fee and periodic dues uniformly required as a condition of retaining membership, shall constitute good standing in the Union for the purpose of this section.

2.2 The Employer shall discharge any employee as to whom the Union, through its authorized representative, delivers to the Employer a written notice that such employee is not in good standing in conformity with this Article. The Union indemnifies the Company against liability for timely action taken by the Company in reliance on the written notice submitted by the Union, provided such actions are not willful misconduct or lack of good faith.

2.3 For the purpose of this Article, the execution date of this Agreement shall be considered as its effective date.

ARTICLE 3 - EMPLOYEE REPORTS

3.1 The Employer will provide the Union with a complete revised list of employees within the bargaining unit once monthly. Such list shall contain the employee's full name, classification, current weekly hours, rate of pay, date of employment, and date of termination if terminated since last report. For purposes of this section, the Union agrees to furnish employee report forms at the time of each request, which are currently updated to include such revisions as contained in the Employer's preceding report. Postage for employee reports shall be paid by the Union.

ARTICLE 4 - DISCHARGE

4.1 The Employer shall be the judge of the competency and qualifications of his/her employees; provided, however, that no employee shall be discharged or discriminated against for any lawful Union activity, or for performing service on a Union committee outside of business hours, or for reporting to the Union the violation of any provisions of this Agreement.

4.2 The Employer has sixty (60) days after the initial date of hire to evaluate a new employee for continuous employment. During this sixty (60) day period, the employee may be terminated without recourse from the Union.

4.3 No employee shall be disciplined or discharged except for just cause.

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ARTICLE 5 - WORKWEEK

- 5.1 The regular straight-time work week for fulltime employees shall be forty (40) hours consisting of five (5) eight (8) hour days.
- 5.2 All employees except as specifically excluded in Appendix A shall receive time and one-half (1-1/2) for all hours worked in excess of eight (8) hours per day, exclusive of not more than one (1) hour out for lunch, forty (40) hours per week or five (5) days per week, provided, however, that if more than five (5) days per week, time and one-half (1-1/2) shall be paid for the day or days that the least number of hours are worked.
- 5.3 Rates for premium work are set forth in Appendix B of this Agreement.
- 5.4 No employee shall be required to take time off in lieu of overtime pay.
- 5.5 No employee shall work more than five (5) consecutive hours without a lunch period not to exceed one (1) hour.
- 5.6 There shall be no "free" time or "time-off-the-clock" work practices under this Agreement. Any employee found by the Employer or the Union to be engaging in such unauthorized practice shall be subject to discipline which may include termination. Likewise, the Employer shall not encourage, intimidate, or coerce employees to perform off-the-clock work.
- 5.7 Employees shall properly serve customers who are in the store at closing time.
- 5.8 Regular part-time and full-time employees shall receive not less than four (4) continuous hours' work or equivalent compensation in any one (1) day ordered to report for work, compensation to begin at the time of reporting hr duty, except in the case of any emergency which curtails the store operation and does not permit sufficient time to cancel the employee's call-in notice. This provision shall not apply to courtesy clerks.
- 5.9 No employee shall work a split shift except by prior mutual agreement between the Employer, employee, and the Union.
- 5.10 There shall be an interval of not less than ten (10) hours between shifts for all employees, except by mutual agreement between the Employer and employee unless the Union raises objection to such exception. Except under emergency circumstances, an employee who is not allowed a ten (10) hour interval between shifts shall be paid at the rate of time and one-half (1-1/2) for time worked prior to the expiration of the ten (10) hour interval.
- 5.11 The Employer agrees to furnish each employee on regular established paydays, a wage statement showing the period covered, total amount of wages paid and deductions made.
- 5.12 The parties agree that by mutual agreement the Employer may create 4X ten-hour workweeks in recognition that there may be some positions falling under the scope of the

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referenced Labor agreements that would accommodate a 4X ten-hour workweek schedule for the employees occupying those positions. In that event, the parties agree that the daily overtime provisions of Section 5.2 of the Agreement shall be applicable after ten hours worked. The rest periods provided for in Article 13 of the Agreement will be scheduled to provide for a fifteen-minute rest period on either side of the employee's scheduled meal period. In addition, holiday pay provided for in Article 21 shall be applied on the basis that the employee shall receive eight hours' pay for each holiday that the employee is eligible for, unless the employee is scheduled for thirty (30) hours during the holiday week, and in that event the employee shall receive ten hours' holiday pay.

ARTICLE 6 - WORK SCHEDULES

6.1 The Employer shall post a weekly work schedule for all regular full and part-time employees not later than 6:00 p.m. Thursday preceding the first (1st) day of the following workweek. Any alterations in such work schedule, changing the employee days off, must be made not later than 12:00 noon Saturday of such preceding week except in cases of emergency or as mutually agreed to between the Employer and employee. Daily starting time may not be changed once an employee has reported for work.

6.2 Employee work schedules will be made available to the Union representatives upon request. All schedules will be made using the full name of the employee.

ARTICLE 7 - UNIT WORK

7.1 The Employer shall not permit demonstrators, salespersons or other employees of a supplier, to perform the historical work of a store clerk. Demonstrators assigned to a store by a supplier shall confine themselves to the particular items being demonstrated and wear clothing or carry some badge identifying them with the product or firm for which the demonstration is made. Present methods of non-bargaining unit stocking of items may be continued.

7.2 The employees of suppliers may put up and take down promotional material. All merchandise used in restocking displays must be handled by a member of the bargaining unit.

ARTICLE 8 - CONTRACT MINIMUMS

8.1 The terms herein are intended to cover only minimums in wages, hours, working conditions, benefits, and other terms and conditions of employment, and the Employer may place superior wages, hours, and working conditions, benefits and other terms and conditions of employment, in effect and may reduce the same to the minimums herein prescribed without the consent of the Union.

ARTICLE 9 - EXPERIENCE

9.1 Previous provable comparable union experience of new or rehired employees shall be considered as follows:

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- (a) Apprentices: If less than two (2) years have elapsed since last employed in comparable experience, full credit is given; if more than two (2) years, no credit shall be given.
- (b) Journeyman: If less than two years have elapsed since last employed in comparable experience, employee shall be considered a journeyman; if two (2) to three (3) years have elapsed, employee shall be placed at Step 8 of the appropriate Appendix; if three (3) to four (4) years have elapsed, employee shall be placed at Step 7 of the appropriate Appendix; if more than four (4) years have elapsed, no credit shall be given.

9.2 For the purpose of computing months of experience under paragraph 1, Article 10, one hundred seventy-three and one-third (173-1/3) hours of employment in a comparable retail industry shall be counted as one (1) month's experience, provided that no employee shall be credited for more than one hundred seventy-three and one-third (173-1/3) hours of experience in any one (1) calendar month.

9.3 The burden of providing the proof of previous comparable experience rests solely with the employee. Should the employee fail to produce proof of previous experience which would cause a change in the wage rate assigned by the Employer within thirty (30) days of employment, then any adjustment to be made in the employee's wage rate need only be made prospectively from the date on which proof is finally provided.

9.4 It is understood and agreed that a new employee with no prior experience as defined in paragraph 1 above of this Article, shall be placed in the Beginner Clerk classification and moved through the apprenticeship escalation as provided in the appropriate appendix, by working the required number of hours in the appropriate classification.

ARTICLE 10 - CLASSIFICATIONS AND MINIMUM RATES OF PAY

10.1 The wage rates, premiums, and other rates pertaining to the classifications covered by this Agreement are set forth in the attached wage appendices.

10.2 It is expressly understood that employees receiving more than the wage scale provided for in this Agreement shall not suffer any reduction in these rates by reason of its signing or adoption.

ARTICLE 11 - FULL-TIME UTILIZATION - WORK OPPORTUNITY

11.1 Recognizing that extra and part-time employees are a necessary supplement to normal store operations, the Employer will utilize regular full-time employees as covered by the wage schedule and classifications listed herein for as much of the store operation as practical within the range of sound business practices.

11.2 The number of part-time employees employed by the Employer to supplement its full-time personnel, shall be held to a minimum consistent with the reasonable needs of the business.

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Part-time employees desiring additional hours up to a maximum of forty (40) hours per week, shall notify management in writing. Accordingly, senior employees shall be offered the most weekly hours up to a maximum of forty (40) hours per week; provided qualifications and ability are equal; the senior employee is available to perform the work, and the employee has notified management in writing of his/her desire for additional hours of work.

11.3 Nothing herein shall be construed as a guarantee of daily or weekly hours of work, or to require pay for time not actually worked.

11.4 It shall be the obligation of the Employer to promptly investigate alleged abuses upon presentation, and to rectify such abuses when justified within the meaning of this section.

ARTICLE 12 - REST PERIODS

12.1 All employees shall receive one (1) fifteen (15) minute rest period for each work period of four (4) hours.

12.2 All employees who work eight (8) hours shall receive two (2) fifteen (15) minute rest periods; one (1) prior to the lunch period and one (1) after the lunch period.

12.3 No rest period shall be scheduled until the employee has worked at least one (1) hour, unless necessary to do so for emergency reasons.

ARTICLE 13 - SICK LEAVE

13.1 Employees after twelve (12) months' employment and each succeeding year of continuous employment with their current Employer, shall be entitled as set forth below, to paid sick leave at their current regular straight-time rate for bona fide illness or injury off the job.

13.2 Sick leave pay shall be accrued by an employee depending upon the number of straight-time hours worked by the employee with his/her current Employer in each twelve (12) months as follows:

<u>Hours Worked</u>	<u>Hours of Sick Leave Pay</u>
1680 to 2080	32
2080 or more	40

13.3 Sick leave pay, to the extent it has been earned, shall begin on the third (3rd) normally scheduled working day of illness or injury off the job, or the first (1st) normally scheduled working day if the employee is hospitalized on such first (1st) normally scheduled working day, shall continue for each normally scheduled working day of illness thereafter, and shall be in an amount per day equal to the average number of straight-time hours worked per day by the employee during the past twelve (12) months; provided 1) the daily total of sick leave pay under this Article and disability payments provided by the Health and Welfare Plan shall not exceed the current regular straight-time rate for the employee's average hours up to eight (8) hours per day; and 2) not more than five (5) days sick pay shall be required in any one (1) workweek. For

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the purposes of this Article, disabling out-patient surgery will be treated as hospitalization.

13.4 Sick leave pay shall be accumulative from year to year, but not to exceed a maximum of one hundred twenty (120) hours. Sick leave pay must be earned by employment with one (1) Employer.

13.5 A doctor's certificate or other authoritative verification of illness may be required by the Employer and, if so, must be presented by the employee not more than forty-eight (48) hours after return to work.

13.5.1 If an employee has been off work due to a serious illness or injury, the Employer may require a doctor's release prior to returning the employee to work.

13.6 Any employee found to have abused sick leave benefits by falsification or misrepresentation shall thereupon be subject to disciplinary action or may be discharged by the Company for such falsification or misrepresentation.

13.7 Sick leave benefits shall apply only to bona fide cases of illness and injury off the job, and shall not apply to on-the-job accidents which are covered by Article 28 of this Agreement.

ARTICLE 14 - NON-DISCRIMINATION

14.1 Where the masculine or feminine gender has been used in any provision, it is used solely for the purpose of illustration and shall not in any way be used to designate the sex of the employee eligible for the position or the benefits or any other provision.

14.2 The parties to this Agreement acknowledge their responsibilities under Title VII of the CIVIL RIGHTS ACT of 1964 and the AGE DISCRIMINATION ACT of 1967, and do hereby agree not to discriminate on the basis of race, color, religion, sex, national origin, and age.

ARTICLE 15 - TECHNOLOGICAL CHANGES

15.1 U-Scan - If the addition of a second U-Scan unit in any store has a material impact on any of the bargaining unit employees, the parties will agree to bargain over the effects of the installation of the second U-Scan unit in that store. A "unit" is defined as a bank with one to four self-scanners.

ARTICLE 16 - JURY DUTY LEAVE AND WITNESS SERVICE

16.1 After their first (1st) year of employment, employees who are regularly employed twenty-four (24) hours or more per week, who are called for service on a Superior Court or Federal District Court jury shall be excused from work for the days on which they serve and shall be paid the difference between the total amount received for such service and the amount of straight-time earnings lost by reason of such service, up to a limit of eight (8) hours per day and forty (40) hours per week, with the total limit of ten (10) working days. Nothing in this Article shall have the intent of limiting the amount of time an employee may serve.

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16.1.1 An employee called for jury duty who is temporarily excused from attendance at court must report for work if sufficient time remains after such excuse to permit him/her to report to his/her place of work at least one-half (1/2) of his/her normal work day. Employees scheduled to work evenings or nights will not be required to report to work if the employee served on a jury that day. Provided the employee provides the Employer with adequate notice, the Employer will not scheduled past 9:00 p.m. Sunday evening if the employee has received notice to appear for jury duty the following Monday morning.

16.1.2 In order to be eligible for such payments, the employee must furnish a written statement from the appropriate public official showing the date and time served and the amount of jury pay received.

16.2 Employee required to appear in court or in a legal proceeding on behalf of their Employer shall receive compensation at their regular straight-time hourly rate of pay for time spent in making such appearance, less any witness fees received. If such appearance is during unscheduled hours, such compensation shall not be considered time worked under the provisions of this Labor Agreement.

ARTICLE 17 - LEAVE OF ABSENCE

17.1 Employees with one (1) year or more of continuous service shall be entitled to a leave of absence without pay for the following bona fide reasons:

- (a) Illness or non-occupational injury which requires absence from work;
- (b) Pregnancy; and
- (c) Serious illness or injury in the employee's immediate family. Length of such leave shall not exceed thirty (30) days.

17.2 Leave for personal reasons may be granted at the discretion of the Employer to regular employees regardless of length of service.

17.3 Any request for a leave of absence under the terms of this Article shall be in writing and contain the following information:

- (a) Reason for such request;
- (b) Date leave is to begin; and
- (c) Date of planned return to work.

17.4 Any leave of absence with the exception of subsections 17.1(c) and 17.5, may run to a maximum of six (6) months.

17.5 Leaves due to occupational injuries shall be granted for a period up to twelve (12) months.

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17.6 The employee must be qualified to resume his/her regular duties upon return to work from an approved leave of absence.

- (a) A doctor’s certificate verifying that the employee is able to resume his/her normal duties must be furnished if requested by the Employer.
- (b) The employee shall then return to the job previously held or to a job comparable with regard to rate of pay and job qualifications, on the first (1st) weekly schedule prepared after the Employer has received notice in writing of the employee’s availability.

17.7 Any employee who fails to return to work at the end of a leave of absence may be terminated.

18.8 Upon request of the Union, leaves of absence without pay for Union business not to exceed nine (9) months may be granted by the Employer to employees regardless of length of service. The Union agrees such employees shall not be used to organize or engage in any campaign related to signatory employers.

ARTICLE 18 - FUNERAL LEAVE

18.1 After their first (1st) year of employment, employees who are regularly employed twenty-four (24) hours or more per week shall be allowed up to three (3) days off with pay for loss of their normal scheduled hours of work, provided the employee attends the funeral. Funeral leave will be paid only with respect to a workday on which the employee would otherwise have worked, and shall not apply to an employee’s scheduled days off, holidays, vacation or any other day in which the employee would not, in any event, have worked. Scheduled days off will not be changed to avoid payment of funeral leave. Funeral leave shall be paid for at the employee’s regular straight-time hourly rate. Immediate family shall be defined as spouse, son, daughter, stepchildren residing therein, mother, father, or guardian, sister, brother, grandparents, grandchildren, mother-in-law or father-in-law of current spouse.

ARTICLE 19 - VACATION

19.1 Employees who have worked for the same Employer for one (1) continuous year shall be entitled to a vacation with pay at their straight-time hourly rate based upon the number of hours worked in the preceding twelve (12) months as follows:

<u>Hours Worked</u>	<u>Hours of Paid Vacation</u>
1000 to 1199	20
1200 to 1599	24
1600 to 2039	32
2040 to 2287	40
2288 to 2495	44
2496 or more	48

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19.2 (a) Employees who have worked for the same Employer two (2) continuous years [for employees hired after August 16, 2006, three (3) continuous years] (after the second (2nd) and each subsequent year to the eighth (8th) year of continuous work) shall be entitled to a vacation with pay at their straight-time hourly rate based upon the number of hours worked in the preceding twelve (12) months as follows:

<u>Hours Worked</u>	<u>Hours of Paid Vacation</u>
1000 to 1199	40
1200 to 1599	48
1600 to 2039	64
2040 to 2287	80
2288 to 2495	88
2496 or more	96

(b) Employees who average twenty (20) hours or more per week, who terminate or are terminated (discharge for dishonesty excepted) after the first (1st) or any subsequent anniversary date of their employment up to their eighth (8th) anniversary date if employment, shall be entitled to vacation pay at their straight-time hourly rate based upon the number of hours worked since the last anniversary date of their employment, at the rate of eight (8) hours' vacation pay for each full two hundred (200) hours worked.

19.3 (a) Employees who have worked for the same Employer eight (8) continuous years (after the eighth (8th) and each subsequent year to the fourteenth (14th) [fifteenth (15th) for employees hired after August 24, 2011] year of continuous work) shall be entitled to a vacation with pay at their straight-time hourly rate based upon the number of hours worked in the preceding twelve (12) months as follows:

<u>Hours Worked</u>	<u>Hours of Paid Vacation</u>
1000 to 1199	60
1200 to 1599	72
1600 to 2039	96
2040 to 2287	120
2288 to 2495	132
2496 or more	144

(b) Employees who average twenty (20) hours or more per week, who terminate or are terminated (discharge for dishonesty excepted) after the eighth (8th) or any subsequent anniversary date of their employment up to their fourteenth (14th) [fifteenth (15th) for employees hired after August 24, 2011] year of employment, shall be entitled to vacation pay at their straight-time hourly rate based upon the number of hours worked since the last anniversary date of their employment, at the rate of twelve (12) hours' vacation pay for each full two hundred (200) hours worked.

19.4 (a) Employees who have worked for the same Employer fourteen (14) continuous years [fifteen (15) continuous years for employees hired after August 24, 2011] (after the fourteenth (14th) [fifteenth (15th) for employees hired after August 24, 2011] and each subsequent year of

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continuous work) shall be entitled to a vacation with pay at their straight-time hourly rate based upon the number of hours worked in the preceding twelve (12) months as follows:

<u>Hours Worked</u>	<u>Hours of Paid Vacation</u>
1000 to 1199	80
1200 to 1599	96
1600 to 2039	128
2040 to 2287	160
2288 to 2495	176
2496 or more	192

(b) Employees who average twenty (20) hours or more per week, who terminate or are terminated (discharge for dishonesty excepted) after the fourteenth (14th) [fifteenth (15th) for employees hired after August 24, 2011] or any subsequent anniversary date of their employment and prior to their next anniversary date of employment, shall be entitled to vacation pay at their straight-time hourly rate based upon the number of hours worked since the last anniversary date of their employment, at the rate of sixteen (16) hours' vacation pay for each full two hundred (200) hours worked.

19.5 Vacation may not be waived by employees, nor may extra pay be received for work during that period, provided, however, that by prior mutual agreement between the Employer, employee, and Union, this provision may be waived.

19.6 Employees whose vacations are scheduled during a holiday week shall receive holiday pay provided for under the terms of Article 20 of this Agreement in addition to vacation pay, or shall be given an additional day off at the option of the Employer.

19.7 It is hereby understood and agreed that in computing "hours of paid vacation" for employees who regularly appear on the payroll for thirty-two (32) or more hours per week, the terms of paragraphs 1, 2, 3, and 4 of Article 19 shall be applied so that working time lost up to a maximum of one hundred twenty (120) hours due to temporary layoff, verified cases of sickness or accident, or other absence from work approved by the Employer (in addition to vacation and holiday time off earned and taken by the employee) shall be counted as time worked.

19.8 Employees shall be paid earned vacation pro-rated to the time of sale or transfer of the selling Employers.

19.9 Employees in a store or section shall be given preference in the choice of vacation dates based upon seniority.

19.10 Earned vacation pay shall be paid to employees prior to the start of his/her vacation, provided the employee requests the pay fourteen (14) days prior to his/her vacation in writing.

19.10.1 Current Employer practice on payment of earned vacations shall be continued for the duration of the Agreement.

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19.11 Employees entitled to two (2) or more weeks of vacation may take two (2) weeks of vacation consecutively.

19.12 Vacations shall not be accumulated from year to year, and all earned vacation must be taken within the anniversary year of the employee or same shall be forfeited, provided the employee has been given an opportunity to take earned vacation within the anniversary year.

ARTICLE 20 - HOLIDAYS

20.1 The following days shall be recognized and observed as holidays by the Employer:

New Year's Day	(January 1)
Memorial Day	(Last Monday in May)
Independence Day	(July 4)
Labor Day	(First Monday in September)
Thanksgiving Day	(Fourth Thursday in November)
Christmas Day	(December 25)

20.1.1 For employees hired after August 16, 2006, the above holidays will be recognized after six (6) months of employment (i.e., no holiday pay and no premium for working on holiday during this six (6) month time period).

20.2 Employees shall be paid for the holiday as set forth above when worked, at time and one-half (1-1/2) their regular rate of pay in addition to holiday pay.

20.2.1 For employees hired after August 16, 2006, there shall be no premium for the first six months of employment. For the next 2080 hours, the premium for working on a holiday shall be \$1.25 per hour. Thereafter, the premium for working on holiday shall be time and one-half (1-1/2) their regular rate of pay.

20.3 Regular employees (defined as having been on the payroll five (5) consecutive calendar months), provided they work not less than twelve (12) hours during the week in which the holiday occurs and report for work their last scheduled working day preceding, their next scheduled working day immediately following the holiday, and on the holiday if scheduled, shall be paid for holidays not worked on the following basis:

Qualifying employees shall be paid for the holiday on the basis of one-fifth (1/5) of the employee's average hours worked per week in the eight (8) weeks immediately preceding the holiday week. Vacation shall be considered time worked for purposes of this section.

The requirement to work during the week shall be waived when the voluntary absence is due to bona fide illness or injury, provided the employee has worked within the seven (7) calendar days preceding the holiday and within the seven (7) calendar days following the holiday.

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20.4 Employees with one (1) year of continuous service with the Employer shall receive their birthday as a paid holiday. By mutual agreement between the Employer and employee, the employee may receive an extra day's pay in lieu of such holiday. Employees shall give the Employer a thirty (30) day notice prior to their birthday. The birthday shall be observed within thirty (30) days of the employee's birthday on a mutually agreeable day. In the event the employee's birthday falls on the same day as any of the holidays heretofore specified in this Article, the employee's birthday will be celebrated on another day in accordance with the procedure set forth in the previous sentence.

20.5 Regular employees shall be given first opportunity to all holiday work.

ARTICLE 21 - GENERAL CONDITIONS

21.1 Employees will be paid weekly or bi-weekly except where mutually agreed otherwise.

21.2 Where the Employer requires the bonding of an employee or the carrying of any insurance for the indemnification of the Employer, the premiums for the same shall be paid for by the Employer, providing the bond or insurance is available for the employee through the Employer's regular bonding company or insurer at the Employer's usual rate.

21.3 The Employer agrees to provide space in the employees' rest area for a bulletin board provided by the Union. Bulletin board to be used for meeting notices, etc.

21.4 Personnel staff meetings, whether in the store or off the premises, shall be considered as time worked and paid at the employee's regular straight-time rate of pay, except dinner meetings at which the attendance is voluntary.

21.5 All tools and equipment which are required to be used by the employees shall be supplied and kept in repair by the Company at no cost to the employees; however, employees shall be held accountable for such items issued for their personal use and care.

21.6 Employee donations to charity funds shall be on a strictly voluntary basis.

21.7 Where the Employer requires an employee (actively working for the Employer), to take a physical examination, doctor's fees for such examination shall be paid for by the Employer.

21.8 Drug Testing. If an employee comes forward prior to a disciplinary incident and requests assistance with drug or alcohol dependency, the parties shall continue to assist the employee in getting help for his/her condition, in accordance with State and Federal law. The Employer may require the employee to submit to a legally recognized drug or alcohol test at the Employer's expense, if the Employer has reasonable grounds to believe the employee is under the influence of alcohol or drugs or when involved in an industrial accident which involves injury or damage. An employee who refuses to take a drug or alcohol test upon request shall be subject to termination. Time spent in such testing shall be on Company time, however, an employee refusing to submit to a drug or alcohol test shall be taken off the clock effective with the time of the Employer's request. Upon request, the Employer will notify the Union of the reasons for the test.

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ARTICLE 22 - WEARING APPAREL

22.1 All gowns, aprons, and uniforms required by the Employer shall be furnished and kept in repair by the Employer and, except where the garment is drip-dry material, the Employer shall pay for the laundering of same.

ARTICLE 23 - REGISTER SHORTAGES - CHECK CASHING

23.1 Except in the case of proven dishonesty, no employee may be required to make up cash register shortages unless he/she is given the privilege of checking the money and daily receipts upon starting and completing the work shift.

23.2 Where obvious negligence exists on the employee's part in accepting checks in violation of known Company policy, it shall be considered just cause for termination. If a question exists pertaining to obvious negligence, it shall be submitted to the Grievance Procedure as outlined in Article 35.

ARTICLE 24 - POLYGRAPH

24.1 The Employer agrees that polygraph or similar lie detector tests shall not be required by the Employer as a condition of employment or continued employment, provided, however, this clause shall not preclude any civil and legally constituted law enforcement agency from using such test as prescribed by law in the course of administering the law.

ARTICLE 25 - SENIORITY

25.1 All new employees shall attain seniority after ninety (90) calendar days with one (1) Employer. Upon completion of this period, seniority shall date back to the last date of hire.

25.2 Seniority shall be defined as the length of continuous employment with the Employer.

25.3 Seniority shall be applicable on an individual store basis, provided, however, an employee's seniority shall not be broken in cases where the employee transfers to a different store location covered by this Agreement. Seniority shall apply separately to employees within the classifications set forth in this Agreement.

25.4 If layoffs are necessary, the last employee hired shall be the first laid off, provided qualifications and ability are equal. Recall to work after layoff shall be governed by the same principle of seniority as layoff.

25.5 Employees shall be required to inform the Employer in writing of their current address and phone number. Employees rehired in accordance with this Article shall be notified in writing to report back to work.

25.6 Where, on an individual store basis, there is a reduction of employees holding seniority within such store, the last employee hired shall be the first employee laid off, provided

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qualifications and ability are equal. A layoff is defined as two (2) consecutive weeks that an employee is not shown on the weekly work schedule. In the event of a store closure, the affected employees shall be considered laid off at the time of the closure.

25.7 Except as otherwise provided for in this Article, seniority shall be broken and the employee's service shall be terminated for the following reasons:

- (a) Voluntary quit;
- (b) Discharge in accordance with this Agreement;
- (c) Absence caused by a layoff in excess of ninety (90) consecutive calendar days;
- (d) Absence caused by an illness or non-occupational accident of more than ninety (90) consecutive days;
- (e) Absence caused by an occupational accident of more than twelve (12) consecutive months;
- (f) Failure to report to work within seventy-two (72) hours following the postmark of a written notice provided heretofore mailed to employee's last known address;
- (g) Failure to report to work immediately following a leave of absence as provided for under Article 18.

ARTICLE 26 - STORE CARD

26.1 The Union agrees, in consideration of the signing of this Agreement by the Employer and for the period of good and faithful performance of its provisions and covenants by the Employer, to furnish to each store represented by the Employer a Union Store Card or Decal, the property of and issued by the United Food and Commercial Workers International Union, AFL-CIO. Said Card or Decal to be properly displayed in a prominent place in the store.

ARTICLE 27 - STORE VISITATION

27.1 It is the desire of both the Employer and the Union to avoid wherever possible the loss of working time by employees covered by this Agreement. Therefore, representatives of the Union when visiting the store or contacting employees on Union business during their working hours, shall first contact the store manager or person in charge. All contacts will be handled so as to not interfere with the employee's duties or with service to the customers.

ARTICLE 28 - STATE INDUSTRIAL INSURANCE

28.1 All employees shall be covered under Washington State Workman's Industrial Accident Compensation or guaranteed equal coverage pursuant to the applicable statutes.

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ARTICLE 29 - HEALTH & WELFARE AND DENTAL

29.1 The Employer agrees to provide the same level of coverage and make the same contributions as provided in the Spokane Retail Grocery Agreement. Any modifications in coverage or contribution rates shall be effective on the same dates such modification becomes effective under the Spokane Agreement.

29.2 For Employees hired prior to September 4, 2002, the benefit levels, eligibility requirements, and Employer contributions shall be the same as for all other participants under the Eastern Washington plan, except:

- a. Employees shall have \$15,000 life/AD&D
- b. 40 hour eligibility for prior red circled employees
- c. Helper Clerks shall be grandfathered with full coverage
- d. Courtesy Clerks who are 19 years of age and older shall be grandfathered with full coverage.

29.2.1 Senior Courtesy Clerks & Courtesy Clerks hired on or after September 4, 2002: Senior Courtesy Clerks shall have the same benefit levels, eligibility requirements, and Employer contributions as for all other Senior Courtesy Clerk participants under the Eastern Washington plan: employees who are nineteen (19) years old or otherwise emancipated, who have worked continuously for one (1) year or more, and who meet the eligibility requirements referred to in 29.1, will qualify for health and welfare benefits. There shall be no coverage and no contributions required for Courtesy Clerks.

29.3 The above-listed contributions are due and payable on or before the twentieth (20th) day of each month for the preceding month, and contributions will be delinquent if not paid by the twenty-fifth (25th) day, which delinquency will be a violation of this Agreement.

29.4 Notwithstanding the provisions of paragraph 29.1, the Board of Trustees of the United Food and Commercial Workers Welfare Trust shall establish and enforce, as an alternate method of contribution, a method for reporting contributions on an accounting period basis rather than a calendar month basis. In such a case, the eighty (80) hour provision shall be appropriately adjusted as directed by the Trustees. Further, the total contributions due for each approved accounting period shall be remitted in a lump sum not later than twenty (20) days after the end of the accounting period. In the event this alternate system deprives the employee of benefits that would otherwise have been covered on a calendar basis, the Employer is obligated to make the remittance for such employee to the Trust Fund.

29.5 The Employer and the Union agree to be bound by the terms of the provisions of that certain revised and restated Trust Agreement effective January 1, 1989, dated August 28, 1987 (date of initial execution, April 1, 1963), creating the United Food and Commercial Workers Welfare Trust, and agree to be bound by said Trust Agreement and all amendments thereto, heretofore or hereafter adopted. The Employer further agrees to accept as his representatives the Employer Trustees serving on the Board of Trustees of said Trust and their lawful successors.

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29.6 “Hours worked” for the purpose of establishing the “eighty (80) hours or more” eligibility for continuing employees, shall include all vacation and holiday hours earned and taken.

29.7 For employees who terminate employment, eligibility for coverage shall terminate on the last day of the month of employment termination.

29.8 See the Letter of Understanding (attached) regarding Employer contribution methodology to comply with ACA. As discussed and agreed in negotiations, it is the intent of this Letter of Understanding that the total Health & Welfare contributions required from the Employer shall not be increased or decreased as a result of the implementation of this contribution methodology.

ARTICLE 30 - RETIREMENT PROGRAM

30.1 The Employer and the Union agree to be bound by the terms and provisions of that certain Trust Agreement creating the Sound Retirement Trust (formerly Retail Clerks Pension Trust Fund), dated January 13, 1966, and as subsequently amended. Further, the Employer accepts as his/her representatives, for the purpose of such Trust Fund, the Employer Trustees who will be appointed by Fred Meyer, Stores, Inc. to serve on the Board of trustees of said Trust Fund and their duly appointed successors.

30.2 The Employer shall pay the amounts below per compensable hour (maximum of one hundred seventy-three (173) hours per calendar month per employee) into the Sound Retirement Trust on account of each member of the bargaining unit. These monies shall be used by the Board of Trustees to provide pension benefits to eligible employees.

30.2.1 For employees hired prior to September 19, 2002, contributions shall be grandfathered at their current pension rates:

Employees with 12,000 or more hours shall be entitled to the following contribution rates (does not apply to Courtesy Clerks):

	Appendix A Clerk	Appendix A Clerks (12,000 hrs.)	Courtesy Clerks
Base	\$0.25	\$0.40	\$0.25
Pre-PPA Suppl.^	\$0.10	\$0.10	\$0.10
Past Rehab Incr.	\$0.51	\$0.51	\$0.51
Current Total:	\$0.86	\$1.01	\$0.86
Rehab Plan Increases This Term:			
May 2019 hours (+\$0.138)	\$0.998	\$1.148	\$0.998
Jan. 2020 hours (+\$0.106)	\$1.104	\$1.254	\$1.104
Jan. 2021 hours (+\$0.106)	\$1.210	\$1.360	\$1.210
Jan. 2022 hours (+\$0.106)	\$1.316	\$1.466	\$1.316

^ The pre-PPA supplemental contribution is based on the parties' pension agreement.

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30.2.2 For employees hired on or after September 19, 2002, but before August 16, 2006, the base contribution shall be:

Appendix A Clerk:

Classification	
Journeyperson*	25¢
Step 8 (Next 2080 hrs.)	25¢
Step 7 (Next 2080 hrs.)	20¢
Step 6 (Next 2080 hrs.)	20¢
Step 5 (Next 1600 hrs.)	15¢
Step 4 (Next 1040 hrs.)	15¢
Step 3 (Next 1040 hrs.)	15¢
Step 2 (Next 1040 hrs.)	10¢
Step 1 (1 st 1040 hrs.)	10¢

For the above base rates ("x"), add the following required supplemental contribution:

Base	"x"
Pre-PPA Suppl.^	\$0.10
Past Rehab Incr.	\$0.51
Current Total:	"x" + \$0.61
Rehab Plan Increases This Term:	
May 2019 hours (+\$0.138)	"x" + \$0.748
Jan. 2020 hours (+\$0.106)	"x" + \$0.854
Jan. 2021 hours (+\$0.106)	"x" + \$0.960
Jan. 2022 hours (+\$0.106)	"x" + \$1.066

^ The pre-PPA supplemental contribution is based on the parties' pension agreement.

*Once an employee reaches Journeyperson (12,000 hours), the employee shall be entitled to the same Journeyperson rate as current employees, as provided above in Section 30.2.1.

There shall be no contributions required for employees in the Courtesy Clerk or Senior Courtesy Clerk classifications.

30.2.3 For employees hired on or after August 16, 2006, the contribution shall be:

There shall be a waiting period of 1040 hours or one calendar year, whichever is longer, before the Employer is required to begin making required contributions.

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After the waiting period above, the following shall be the required hourly contribution:

CCK:

	Appendix A Journeyperson	Appendix A Apprentice
Base	\$0.55	\$0.25
Pre-PPA Suppl. [^]	\$0.10	\$0.10
Past Rehab Incr.	\$0.51	\$0.51
Current Total:	\$1.16	\$0.86
Rehab Plan Increases This Term:		
May 2019 hours (+\$0.138)	\$1.298	\$0.998
Jan. 2020 hours (+\$0.106)	\$1.404	\$1.104
Jan. 2021 hours (+\$0.106)	\$1.510	1.210
Jan. 2021 hours (+\$0.106)	\$1.616	\$1.316

[^] The pre-PPA supplemental contribution is based on the parties' pension agreement.

There shall be no pension contribution for Courtesy Clerks.

* Employees shall receive the Apprentice rate until they work 12,000 hours (actual hours worked plus hours compensated for vacation and holiday pay). If an employee is given prior experience credit or, for whatever reason moved up the wage progression more quickly than hours worked as defined above, that shall have no effect on the number of hours required for pension progression purposes. That is, the pension progression is independent of the wage progression and the employee must actually work (as defined above) the full number of hours before being entitled to the Journeyperson pension contribution.

30.3 The contributions referred to in paragraph 30.2 shall be computed monthly and the total amount due for each calendar month shall be remitted in a lump sum not later than twenty (20) days after the last day of the month.

30.3.1 The Board of Trustees of the Sound Retirement Trust shall have the authority to establish and enforce a method for reporting contributions on an accounting period basis rather than a calendar month basis, provided that in no event shall the Employer's total obligation be different than what it would have been on a calendar month basis. Further, the total contributions due for each approved accounting period shall be remitted in a lump sum not later than twenty (20) days after the end of the accounting period.

30.4 Pension Protection Act ("PPA"). This Agreement is subject to the 2010-2011 Rehabilitation Plan adopted by the Board of Trustees, as revised June 22, 2016.

ARTICLE 31 - MANAGEMENT RIGHTS

31.1 Except as herein clearly and explicitly limited in the express terms of this Agreement, the rights of the Employer in all respects to manage its operations and affairs shall be unimpaired.

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ARTICLE 32 - NO STRIKES OR LOCKOUTS

32.1 During the life of this Agreement there will be no strikes or other economic action by the Union nor lockouts by the Employer unless the other party is refusing to comply with a final decision of an arbitrator reached in accordance with the provisions of this Agreement. Sympathy strikers shall not be accorded any greater rights under law or Contract than the rights of a striking employee.

ARTICLE 33 - SEPARABILITY - SAVINGS

33.1 If any Article or paragraph of this Agreement should be held invalid by operation of law or by any tribunal of competent jurisdiction, the balance of this Agreement shall continue in full force and effect. The Article or paragraph held invalid shall, upon sixty (60) days' written notice by either party, be re-negotiated for the purpose of an adequate replacement.

ARTICLE 34 - WAIVER

34.1 The parties agree that this Agreement is intended to cover all matters affecting the wages, hours, and other terms and conditions of employment and that during the term of this Agreement, unless otherwise provided, neither the Employer nor the Union will be required to negotiate on any further matters affecting these subjects.

ARTICLE 35 - GRIEVANCES - ARBITRATION

35.1 All matters pertaining to the proper application and interpretation of any and all of the provisions of this Agreement shall be adjusted by the accredited representative of the Employer and the accredited representative of the Union. In the event of the failure of these parties to reach a satisfactory adjustment within seven (7) days from the date a grievance is filed in writing by either party upon the other, the matter shall be referred for final adjustment to a labor relations committee made up of equal representative(s) from the Employer and Union. In the event the labor relations committee fails to reach an agreement, to move the matter to arbitration, the moving party must file a demand in writing with the non-moving party. Upon such written demand for arbitration, the parties shall attempt to agree on an arbitrator. If the parties cannot reach an agreement on an arbitrator, the parties shall strike from the following list of arbitrators:

1. Michael E. Cavanaugh
2. Joseph W. Duffy
3. Martin Henner
4. Alan Krebs
5. Howell Lankford
6. Ron Miller
7. William E. Riker
8. Shelly Shapiro
9. Kathryn T. Whalen
10. Jane R. Wilkinson
11. Timothy D.W. Williams

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The use of this permanent panel shall be on a trial basis. At any time, either party may opt to instead use the former method of using a panel of 11 arbitrators from FMCS (the party opting out of the permanent panel shall pay for the FMCS panel and such panel must be of arbitrators who have their primary residence in the Northwest [WA, OR, ID]).

The arbitrator shall issue a decision within thirty (30) days after the close of the arbitration hearing and such decision shall be final and binding on both parties. Any expense incurred jointly through arbitration shall be borne equally by the parties hereto.

35.2 During the process of making adjustments under the rules and procedures set forth in paragraph 1 above, no strike or lockout shall occur.

35.3 No grievance or claim of violation of this Agreement shall be recognized unless presented in writing within thirty (30) days from the date of the occurrence causing the complaint or grievance except in cases where report of the grievance has been suppressed through coercion by the Employer.

35.3.1 In the event the claim is one for additional wages, any such claim shall be limited to additional wages, if any, accruing within the thirty (30) day period immediately preceding the date upon which the Employer received notice in writing of the claim.

35.3.1.1 Where there is an automatic wage bracket adjustment (failure to progress the employee in classification in accordance with the formula of Appendixes A, B, C, or D) due under the terms of said appendices, the period of adjustment shall be one (1) year from the date the grievance was filed in writing.

35.3.2 In cases involving discharge, the grievance must be filed within fifteen (15) days from the date of discharge; otherwise such right of protest shall be deemed to have been waived.

ARTICLE 36 - NOTICE

36.1 For the purpose of this Agreement, all notices required under the Agreement shall be sent to the Employer (wherein the Employer is denoted) at the following address unless otherwise notified:

Fred Meyer, Inc.
Personnel Department
P.O. Box 42121
Portland, OR 97242

36.2 All notices required under the Agreement to be sent to the Union (wherein Union is denoted) shall be sent to the following address unless otherwise notified:

United Food and Commercial Workers Union Local 1439
1719 N. Atlantic St.
Spokane, WA 99205

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ARTICLE 37 - DURATION OF AGREEMENT

37.1 This Agreement shall be in full force and effect from April 21, 2019, through April 23, 2022, at which time it shall automatically be renewed for a period of one (1) year from said date, and thereafter for each year upon each anniversary of said date without further notice; provided, however, that either party may open or terminate this Agreement for the purpose of revisions within sixty (60) days prior to said expiration date or each anniversary thereof upon written notice being served upon either party by the other.

ALLIED EMPLOYERS, INC.
For and on behalf of Fred Meyer, Inc.

UNITED FOOD & COMMERCIAL
WORKERS UNION LOCAL NO. 1439

DocuSigned by:
Scott Klitzke Powers 4/30/2021
718EA444A28435...

Scott Klitzke Powers Date
President

DocuSigned by:
Eric Renner 5/6/2021
64E86FD0F633405...

Eric Renner Date
President

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APPENDIX "A"

WAGE CLASSIFICATION

Employees hired on or after September 29, 2002:

	Current	4/21/19^^	4/19/20	4/18/21^	
Journey person	\$13.94	\$14.29	\$14.64	\$14.99	
	Current	4/21/19	1/1/20	1/1/21^	1/1/22^
Step 8 (Next	12.10	12.45	13.95		
Step 7 (Next	12.10	12.40	13.90		
Step 6 (Next	12.10	12.35	13.85		
Step 5 (Next	12.10	12.30	13.80		
Step 4 (Next	12.10	12.25	13.75		
Step 3 (Next	12.10	12.20	13.70		
Step 2 (Next	12.10	12.15	13.65		
Step 1 (Next	12.10	12.10	13.60		
Courtesy					
Senior Courtesy	12.10	12.20	13.70		
Thereafter	12.10	12.15	13.65		
0 – 520 hours*	12.10	12.10	13.60		

*Hours worked after ratification.

^1/1/2021 & 1/1/2022. Entry level step will begin at minimum wage. Each step thereafter will be no less than \$0.05 increase.

^^This \$0.35 increase: \$0.25 increase will be effective 4/21/2019. An additional \$0.10 increase will be effective 2/16/2020

For all wage progressions:

All employees shall be paid a minimum of ten cents (10¢) per hour above the then current Washington minimum wage. The Company and Union agree to meet during the term of the agreements to discuss adjustments in the progression rates if those rates fall below the minimum level.

1. DUTIES: A Courtesy Clerk may perform only the following duties:

- a) Bag or box merchandise after it has been checked out and take it to the customer's vehicle.
- b) Clean up in and around the store.
- c) Collect and line up shopping carts and return them to the store from the parking lot.
- d) Stock the bags in the checkstands.

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- e) Collect bottles, take them to the designated area and sort them.
- f) Change the reader board.
- g) Return merchandise from the checkstand area to its display area.

Daily Guarantee: Courtesy Clerks, when scheduled, shall be guaranteed a minimum of two (2) hours' work or equivalent compensation, Monday through Friday, and four (4) hours' work or equivalent compensation on Saturdays, Sundays, and holidays.

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APPENDIX "B"

**NIGHT AND SUNDAY PREMIUMS
COMBINATION CHECKSTAND AGREEMENT**

Sunday Premium for Employees Hired Before August 16, 2006:

One dollar and twenty-five cents (\$1.25) per hour.

Sunday Premium for Employees hired after August 16, 2006 and before August 24, 2011:

CCK:	First 2080 hours:	\$0.65 per hour
	Thereafter:	\$1.25 per hour
Courtesy Clerks:	First 2080 hours:	\$0.50 per hour
	Thereafter:	\$1 per hour

Sunday Premium for Employees Hired on or After August 24, 2011:

CCK:	First 2080 hours	\$0.65 per hour
	Thereafter:	\$1.00 per hour
Courtesy Clerks:	First 2080 hours	\$0.50 per hour
	Thereafter	\$1.00 per hour

Evening Premium: (After 6:00 p.m. to 9:00 p.m.) Twenty cents (20¢) per hour.

For all hours after 9:00 p.m. and before 6:00 a.m., Monday through Saturday, twenty-five cents (25¢) per hour.

Premium for Sunday work and work after 6:00 p.m. is not required in addition to overtime pay.

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LETTER OF UNDERSTANDING

PERMANENT JOB OPENINGS

This is to confirm our understanding reached during our most recent negotiations that the parties agreed to the following provision as it relates to permanent individual job openings within the bargaining unit.

Employees desiring to be considered for permanent individual job openings in their store will indicate their desire by submitting in writing a request for consideration. The notification will remain in force for six months unless withdrawn by the employee. The Employer will not be arbitrary or capricious in considering such employee requests.

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LETTER OF UNDERSTANDING

ARTICLE 2 - UNION SECURITY

This Memorandum establishes the understanding the parties have in reference to Article 2 - Union Security, of said Labor Agreement, TO WIT:

In the event both Employer and Union are named co-defendants in any action as a result of the application of the Union Security clause, the parties shall immediately meet to explore means of limiting any potential liability and reducing duplication of professional services.

This Letter of Understanding shall be coterminous with the aforesaid Labor Agreement.

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LETTER OF UNDERSTANDING

SENIORITY PROVISIONS

Recognizing that inconsistent interpretations of the seniority provisions set forth in the above referenced Labor Agreements have caused disruptive labor relations between the parties as well as conflict among the employees, the parties agree to the following understanding:

1. Seniority is understood to mean length of continuous service with the individual Employer. Therefore, an employee shall not lose his/her seniority if transferred by the Employer, even though the employee is transferred from outside the bargaining unit.
2. For the purpose of applying the terms of the layoff/recall and the availability of hours provisions in the above referenced Agreements, priority, where applicable, shall be given to the senior employee, provided the senior employee's "qualifications and abilities" are equal to or greater than the "qualifications and abilities" of the involved junior employee(s) performing the same comparable work, further provided, that all other qualifications of the various Agreements are satisfied.
3. Any work performed under the classification in the following sections shall be deemed "comparable work" for purposes of this letter: Grocery and Produce, Deli Bakery, and Non-Food.
4. In the event the Employer or the Union takes the position that the "qualifications and abilities" of the junior employee are greater than the "qualifications and abilities" of the senior employee, then priority, where applicable, shall be given to the junior employee subject to satisfying the burden of proof as follows: The party alleging that the "qualifications and abilities" of the junior employee are greater shall have the burden of proof in the matter.
5. When an employee is transferred from another area outside the geographic jurisdiction of this Agreement, the transferred employee shall retain all seniority rights with the Employer but shall be entitled to exercise such rights only after having worked in the bargaining unit for a minimum of sixty (60) days.
6. In accordance with this understanding, the Arbitration Awards between United Food and Commercial Workers Local 1439 and Rosauers Supermarkets, Inc., (Carlton Snow) dated July 30, 1981, and the case of Buttrey, Inc. and United Food and Commercial Workers Union Local 1439 (Albert L. Gese) dated September 23, 1982, shall be considered null and void and no longer applicable.

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LETTER OF UNDERSTANDING

FAVORED NATIONS

Should the Union at any time after the date of this Agreement enter into a renewal agreement, or any extension thereof, covering any grocery store(s) within the geographic area covered by this Agreement based upon a settlement of new terms negotiated after the date of this Agreement which are more advantageous to such grocery store(s), the Employer party to this Agreement shall be privileged to adopt any such settlement in its entirety, provided the Employer has sent written notice to the Union calling the matter to its attention. (N/A to new store openings.)

UFCW Local #1439 - Fred Meyer, Inc.
CCK Yakima
April 21, 2019 – April 23, 2022

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LETTER OF UNDERSTANDING

CORPORATE CAMPAIGN

Local #1439 believes it has a good faith working relationship with the Employer and will not take any action to depart from that relationship or take any action inconsistent with maintaining that relationship. Consistent with its duty of fair representation under the agreements and their grievance procedures, Local #1439 will not be a party to, instigate or support class action litigation (except charges with the National Labor Relations Board) or engage in any type of corporate campaign against the Employer.

It is also recognized that various monies from Local #1439 are paid to UFCW International Union funds. The Local does not control such funds. Consequently, the UFCW International Union's use of those funds for purposes contrary to this Agreement will not be in violation of this Agreement.

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LETTER OF UNDERSTANDING

DUES CHECK-OFF

1. Added initiation and uniform dues through payroll deduction as follows:
 - a. Union Dues Check-Off: On a weekly basis the Employer agrees to deduct uniform dues and initiation fees from the paycheck of those covered employees whose individual written unrevoked authorizations are on file with the Employer and to transmit the amounts so deducted to the Union monthly. Said deduction authorizations shall be in such form as to conform with Section 302(c) of the Labor Management Relations Act of 1947.
 - b. Authorized initiation fees will be deducted in three (3) equal installments and remitted to the Local Union monthly.
 - c. It is understood the Employer is not liable in any manner if the employee is not on the payroll at the time deductions are being processed.
 - d. Indemnify and Hold Harmless: The Union shall indemnify and hold the Company harmless against any and all claims, demands, suits or other forms of liability that shall arise out of or by reason of action taken or not taken by the Company in reliance upon signed authorization cards furnished to the Company by the Union or for the purpose of complying with any of the provisions of this Article.
2. The involved Employer shall be granted a reasonable period to adopt administrative and payroll procedures to accommodate this agreement.
3. Active Ballot Club: For employees who voluntarily authorize a contribution to the UFCW Active Ballot Club political action committee, the Employer agrees to deduct the authorized amount each payroll period on a payroll deduction basis and forward the same to the Union monthly.

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LETTER OF UNDERSTANDING

**By and Between
Allied Employers, Inc.
and
UFCW Union Local #1439
YAKIMA
(Grocery & Meat)**

LIMIT ON BACK PAY FOR DISCIPLINE CASES

In cases where it is concluded that an employee has been improperly discharged or suspended, the arbitrator may reinstate the improperly discharged employee. The arbitrator may not render an award which requires the Employer to pay an improperly discharged or suspended employee for time that the employee has not actually worked in excess of the wage and benefits the employee would have earned had he worked his normal schedule during the ten calendar months immediately following the date of discharge or suspension.

Exception: If the arbitration decision is issued greater than ten months following the date of the discharge or suspension, the above cap on back pay shall apply unless the Union proves that the Employer is at fault for the case taking longer than the usual time-line as designated below. If the Union proves the Employer is at fault for the case taking longer than the usual time-line, the arbitrator may assign a back pay period longer than ten calendar months (not applicable in cases where time frame(s) have been mutually extended) with the additional time being equal to the additional amount of time caused by the employer's delay.

The parties agree that the following shall be the timeframe for the processing of a discipline grievance (time frame(s) may be extended by mutual agreement):

<u>Calendar Days</u>	<u>Action Item</u>
0	Incident
15 (termination) from date of discharge	Grievance must be filed in writing
30 (all others) from date of discipline	Grievance must be filed in writing
15 from date of receipt of grievance or postmarked	Response in writing due to be faxed
15 from date of receipt of response a grievance meeting	Moving party must request in writing
30 from date the request of grievance meeting was received	Grievance meeting held by this date

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15 from date of grievance meeting	Moving party must file a demand for arbitration with the Employer in writing
15 from date the demand for arbitration was received	Parties must mutually select an arbitrator
90 from the date the parties select arbitrator	Arbitration hearing is held
30 from date of arbitration	Briefs are filed
60 from date briefs are received	Arbitration decision issued

This Letter of Understanding shall provide no right or argument for forfeiture of a claim or position. The sole purpose of this Letter is to address a limit on backpay and an exception to that limit. Forfeiture of claims must be established without regard to this Letter.

This Letter of Understanding and the provisions herein shall have no effect on the issue of mitigation of damages. Whether or not an employee has adequately mitigated damages is a completely separate issue and the resolution of that issue should not be influenced by the provisions of this Letter of Understanding.

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LETTER OF UNDERSTANDING

OPTIONAL ACCELERATED ARBITRATION PROCEDURE (Optional by Mutual Agreement Only)

1. In order for a grievance to go to AAP, *both* the Employer and Union representative must agree that the matter is appropriate for resolution by AAP. If either party's representatives disagree, the grievance shall not be submitted to AAP and the matter shall be resolved by the usual grievance process (see article 24).
2. It is understood that prior to referring the matter to AAP the parties' representatives will discuss with each other and explore the possibility of settlement. If the parties' representatives agree to refer the grievance to the AAP, then the following shall govern:
3. Selection of Arbitrator: The parties shall use the normal arbitrator selection procedure. If the chosen arbitrator is not able to fulfill his/her duties per the timelines/terms of this Letter of Understanding, the parties will go to the last struck arbitrator (and so on, in reverse order of struck arbitrators).
4. The date for the hearing shall be within forty-five (45) days of the request for AAP unless an extension is mutually agreed to by the parties.
5. Hearing Conduct and Procedure:
 - A. The hearing shall be informal;
 - B. No briefs shall be filed or transcripts made;
 - C. Each party may offer an opening statement and closing argument;
 - D. Each party's case shall be presented by a representative of their choosing;
6. Removing the Grievance from AAP:
 - A. Prior to the commencement of the hearing, either party may unilaterally remove the matter from the AAP so long as they do so forty-eight (48) hours prior to the hearing. Any arbitrator cancellation fees or joint hearing expenses will be the responsibility of the party removing the matter from AAP. The matter shall then revert back to the usual grievance procedure.
 - B. Within forty-eight (48) hours of the hearing, it shall take both parties' agreement to remove the matter from the AAP and refer it back to the usual grievance procedure.
7. Arbitrator's Decision:
 - A. The Arbitrator shall render his/her decision within five (5) working days after the conclusion of the hearing, (excluding Saturdays, Sundays and Holidays).

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- B. His/her decision shall be based on the record developed by the parties at the hearing and shall include a **brief** written explanation of the basis for his/her conclusion.
 - C. These decisions will not be cited as a precedent in any future grievances, arbitrations, or AAPs, except as it relates to that Grievant.
 - D. The authority of the Arbitrator shall be the same as those provided in the usual grievance procedure negotiated between the parties.
 - E. Copies of the decision shall be emailed/faxed and mailed to the parties' representatives within five (5) working days of the hearing (excluding Saturdays, Sundays and Holidays).
8. It is the intent of the parties that any grievance appealed to the AAP must be confined to issues which do not involve novel problems and which have limited contractual significance or complexity.

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LETTER OF UNDERSTANDING
HEALTH & WELFARE CONTRIBUTIONS

RECITALS

A. Fred Meyer, Inc. (the "Employer") and United Food and Commercial Workers Local 1439 (the "Union") are party to various collective bargaining agreements (the "CBAs").

B. Pursuant to the CBAs, the Employer makes contributions on a monthly basis to the United Food and Commercial Workers Welfare Trust (the "Plan") on behalf of specified bargaining unit employees who work 80 hours per month.

C. The contribution presently required to be made to the Plan by the CBAs is expressed as a monthly dollar amount that commences with hours worked after the employee completes their probationary period (the "Monthly Rate").

D. The undersigned parties desire to modify the contribution structure to convert the Monthly Rate to an equivalent hourly contribution rate commencing at date of hire (the "Hourly Rate") pursuant to the methodology outlined below, with the express intent of maintaining the overall economic terms of the CBAs by requiring a monthly reconciliation to ensure the amount contributed each month pursuant to the new Hourly Rate structure equals the amount that would have been contributed under the Monthly Rate structure.

AGREEMENTS

The undersigned parties hereby agree as follows effective with hours worked beginning March 1, 2015:

1. The Monthly Rate shall be converted to an equivalent Hourly Rate commencing with an employee's first hour of employment pursuant to the methodology outlined below. The undersigned parties agree the Hourly Rate provided for herein shall supplant and replace the Monthly Rate specified in the CBAs, and the Employer shall have no additional obligation to contribute to the Plan beyond the Hourly Rate (subject to the monthly reconciliation provided for herein).

2. The Monthly Rate shall be converted to an equivalent Hourly Rate as follows:

(a) The Plan's consultant (presently Rael & Letson) shall calculate the Hourly Rate. The Hourly Rate shall be the amount projected by the Plan's consultant to provide an equivalent dollar amount of monthly contributions to the Plan as would have been made had the Monthly Rate remained in effect.

(b) The Plan's consultant shall calculate the Hourly Rate to begin effective commencing with hours worked as of March 1, 2015, and such Hourly Rate shall be effective

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when approved by the Plan's Trustees. The Plan's consultant shall thereafter update his calculation of the projected Hourly Rate each January 1 and July 1 (or such other dates as determined as necessary and appropriate by the Plan's Trustees) based on Plan experience and funding levels, and such updated Hourly Rate shall become effective when approved by the Plan's Trustees.

(c) In order to maintain the overall economic terms of the CBAs, the undersigned parties agree the Plan administrator shall reconcile contributions on a monthly basis to compare the amount actually contributed by the Employer pursuant to the Hourly Rate each month relative to the amount that the Employer would have contributed had the Monthly Rate remained in effect for such month. The Plan administrator will notify the Employer by the last day of each month whether the amount contributed to the Plan in such month pursuant to the Hourly Rate structure was more or less than would have been paid pursuant to the Monthly Rate structure. To the extent the amount of the Employer's actual Hourly Rate contributions for a month exceed the amount the Employer would have contributed had the Monthly Rate remained in effect for such month, then the Employer shall be entitled to a credit in the amount of such excess against contributions due for the following month. EXAMPLE ONE: EMPLOYER CONTRIBUTES \$50,000 TO THE PLAN ON APRIL 10 FOR MARCH HOURS. PLAN ADMINISTRATOR WILL RECONCILE AND NOTIFY EMPLOYER BY APRIL 30. IF PLAN ADMINISTRATOR DETERMINES EMPLOYER WOULD HAVE PAID \$48,000 HAD MONTHLY RATE STRUCTURE BEEN IN EFFECT FOR THE MONTH, EMPLOYER WILL BE ENTITLED TO \$2,000 CREDIT TO BE TAKEN AGAINST CONTRIBUTION DUE IN MAY FOR APRIL HOURS. Conversely, to the extent the amount of the Employer's actual Hourly Rate contributions for a month are less than the amount the Employer would have contributed had the Monthly Rate remained in effect for such month, then the Employer shall pay the amount of such difference to the Plan as an additional contribution, with such amount due for the following month. EXAMPLE TWO: EMPLOYER CONTRIBUTES \$50,000 TO THE PLAN ON APRIL 10 FOR MARCH HOURS. PLAN ADMINISTRATOR WILL RECONCILE AND NOTIFY EMPLOYER BY APRIL 30. IF PLAN ADMINISTRATOR DETERMINES EMPLOYER WOULD HAVE PAID \$54,000 HAD MONTHLY RATE STRUCTURE BEEN IN EFFECT FOR THE MONTH, EMPLOYER WILL CONTRIBUTE AN ADDITIONAL \$4,000 WITH THE CONTRIBUTION DUE IN MAY FOR APRIL HOURS.

(d) Notwithstanding the foregoing, all other terms of the CBAs with respect to the amount of the Employer and employee contributions payable to the Plan shall remain in effect, including, for example, the Trustees' right to approve additional contribution as provided for in the parties' CBAs.

3. The Employer shall pay the Hourly Rate to the Plan on behalf of those employees covered by the CBAs who are in a class of employment eligible for the Plan (even if such employees have not yet satisfied the eligibility requirements to qualify for initial Plan eligibility) beginning with the first hour worked with the Employer in such an eligible position. The hours for which the Employer shall be obligated to contribute the Hourly Rate to the Plan shall be the same hours that are credited under the CBAs for purposes of determining whether employees satisfy the 80-hour qualifiers for receiving the prior Monthly Rate contributions. However,

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employees shall not be required to work such 80 hours to qualify for the Hourly Rate contribution. The Employer shall continue to report credited hours to the Plan on a monthly basis, and the contribution amount shall continue to be payable each month by the deadline required under the CBAs.

UTCW Local 1439 - Allied Employers, Inc.
On behalf of Albertson, Safeway, and Fred Meyer

Grocery
Meat
&
CCK

Yakima & Wenatchee Contracts

Fully Recommended Settlement
August 7, 2020

The parties have reached the following agreement that the Union agrees it will fully recommend for ratification for each of the contracts on the attached list:

Term: 3 year extension on current non-expired contracts (see attached list). The following terms will be effective when each contract expires.

Wages:

Appendix A. Meat Cutter, Meat Wrappers: .55 .55 .55

Appendix B. C. D & Meat Service Counter, FM CCK, FM ClickList: .60 .60 .60

Apprentice Wage Rates: As the WA minimum wage for the next several years is not currently known, the apprentice wage scales will be "built" each year of the new contract using the following rules: Keep current progression steps in each contract. First step starts at \$0.10 over minimum wage. Each step increases \$0.05. The Journeyman rate must always be \$0.10 above the highest Apprentice rate (Note: In some contracts, this may result in the JP rate getting a portion of the annual increase early, when the minimum wage increases in January. If that happens, the JP will get the remainder of their increase, if applicable, as scheduled on the contract anniversary date).

Yakima/Wenatchee Apprentice Scales: For employees hired on or after the effective date of the new contracts, reduce total apprentice hours to 10,400.

Weekly Guarantee. (New) Part-time employees who have completed their probationary period shall be scheduled for at least twenty (20) hours work in each week, sixteen (16) hours for Helper Clerks and Senior Courtesy Clerks (no guarantee for Courtesy Clerks). Time off with pay (vacation, sick, etc.) shall be counted towards this weekly minimum. The aforementioned weekly guarantee shall not apply if one (1) or more of the following conditions exist:

- (1) A week in which the employee restricts his/her availability during the week.
- (2) Work is not available due to acts of God.

Health & Welfare:

Effective on January 2023 hours, the Employer's monthly contribution may increase by up to twenty dollars (\$20) per covered employee per month, if needed, to maintain the current benefit level and to produce an unrestricted reserve (over IBNR) of four (4) months at the end of that plan year.

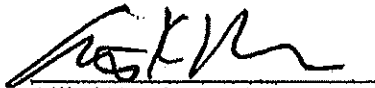
If the employer contribution increases during 2023, employee contribution rates shall increase by an additional \$1 per week on the same effective date.

If additional money, over and above the amounts provided for above, is needed to maintain benefits and an unrestricted reserve of two (2) months, the Trustees shall adjust benefits and/or employee contribution rates.

Pension: Synch up with pension changes negotiated in Seattle in 2019. See attached [Attached, we will have a LOU that incorporates the pension agreements negotiated in the Seattle settlement].

No other changes.

AGREED this 7th day of August, 2020.



Allied Employers, Inc.
On behalf of Albertsons,
Safeway, and Fred Meyer



UFCW Local 1439

8/07/20

LETTER OF UNDERSTANDING

PENSION AGREEMENT

Allied Employers, Inc. on behalf of Albertsons, Safeway, QFC, and Fred Meyer and UFCW Locals 21 And 367, Teamsters Local 38 agreed to the attached settlement of the employers' pension obligations with respect to the Sound Retirement Trust (the "Pension LOU"), the terms of which are hereby adopted by Allied Employers, Inc on behalf of Albertsons, Safeway, and Fred Meyer, Inc. (the "Employers") and incorporated herein by reference. The Pension LOU establishes all of the terms and conditions of employment as they relate to the provision of retirement benefits provided to eligible employees of the Employer under this CBA and those terms will apply to this CBA on the same timing as in the Pension LOU.

Per the terms of the Rehab Plan, Albertsons/Safeway will move to the higher rehab contribution schedule effective the first of the month following expiration of each contract.

PENSION AGREEMENT – KROGER

A. Tentative Agreement re Pension

In an effort to improve the funding position of the Sound Retirement Trust, meet the goals of the Union, The Kroger Co. ("Kroger"), and gain the approval of the Sound Retirement Trust Board of Trustees, the UFCW Consolidated Pension Fund Board of Trustees and the Pension Benefit Guaranty Corporation (PBGC) regarding a special transaction, the bargaining parties have reached a tentative agreement regarding the following proposal:

1. The Sound Retirement Trust will agree to an ERISA Section 4231 transfer of assets and liabilities for Kroger's total current active and inactive liability in the Sound Retirement Trust through the effective date (estimated to be \$582 million based on 7.25% as of 10/1/18).
2. The transfer will include \$165 million in assets (as adjusted in accordance with the next sentence) to be transferred from the Sound Retirement Trust to the UFCW Consolidated Pension Fund. The \$165 million will be invested in the Sound Retirement Trust at a risk free rate of return to the date of transfer and the amount transferred will be increased by the earnings on such investments.
3. The assets and liabilities will be transferred from the Sound Retirement Trust to the Consolidated Pension Fund by an ERISA Section 4231 transfer of assets and liabilities.
4. The effective date of the transfer is to be determined and shall be contiguous with the establishment and effective date of the new future service defined benefit variable plan. Kroger will continue to make contributions to the Sound Retirement Trust, and Kroger active participants will continue to earn benefit accruals until the transfer. Kroger's contribution obligation to the Sound Retirement Trust will cease on the date of the transfer.
5. The transferred Sound Retirement Trust Kroger liabilities will be funded in accordance with all of the funding guarantees and the funding rules of the UFCW Consolidated Pension Fund and the 2011 Memorandum of Understanding (MOU) between Kroger and the UFCW, which ensures that the plan will remain green zone and contains accelerated funding requirements; provided that such funding guarantees and the funding rules shall apply to the transferred Sound Trust liabilities until the end of the ten year period after the transfer date regardless of any expiration of the 2011 MOU. In the event that the funding guarantees and/or the funding rules under the 2011 MOU are modified by Kroger and the UFCW Locals, the parties will meet and discuss applying such modifications to the funding of the transferred Sound Trust liabilities.
6. Kroger agrees to fully fund the unfunded amount of the transferred Sound Retirement Trust liabilities (remaining after Kroger contributes the Kroger H&W re-direct to the UFCW Consolidated Pension Fund) over 7 years in equal annual installments. Kroger has

the right, but not the obligation, to pre-fund or accelerate any required contribution that fully funds the transferred unfunded liability.

7. In order to ensure the prudent funding of the Sound Retirement Trust, the Union shall seek other eligible employers to agree, to redirect the health & welfare trust contributions, up to a total of \$150 million, as additional contributions to the Sound Retirement Trust (with such \$150 million total including the amount of redirection to UFCW Consolidated Pension Fund under section 8 below).
8. In order to ensure the prudent funding of the transferred liabilities from Sound Retirement Trust, Kroger agrees that Kroger's redirected health & welfare trust contributions, up to a maximum total of \$55 million, shall be contributed to the UFCW Consolidated Pension Fund as an additional contribution.
9. Through the Section 4231 transfer, it is the intent of the parties that Kroger will fully satisfy its withdrawal liability obligations to the Sound Trust except in the case of a mass withdrawal and the parties and the Board of Trustees will cooperate in seeking PBGC approval to abate that withdrawal liability for the value of removing these members to the maximum extent permitted by law and to eliminate future withdrawal liability through the new future service defined benefit variable plan.
10. This agreement is contingent on an agreement between Kroger and Local 21 for a new future service defined benefit variable plan for all current Kroger employees affected by this transfer.
11. In order to facilitate its success, Kroger and Local 21 agree to jointly present this agreement to the PBGC for their advice and direction.
12. This agreement is contingent on the bargaining parties reaching an overall collective bargaining agreement. The parties recognize that the transfer must be approved by the Sound Retirement Trust and the UFCW Consolidated Fund. If either the Sound Retirement Trust or the UFCW Consolidated Fund does not approve the transfer, the bargaining parties will meet to discuss other alternatives.
13. Kroger, Albertsons/Safeway, and the union also agree to the following:
 - A. Pending approval by the SRT Board, the UFCW Consolidated Pension Fund and the PBGC, the SRT will invest \$165 million in assets at a risk free rate of return from the ratification date of the collective bargaining agreement until the date of transfer.
 - B. Upon such approval, the transfer of \$165 million to the UFCW Consolidated Pension Fund will occur within 90 days of the approval.
 - C. The SRT will establish a contingency reserve of \$10 million ("Contingency Reserve") at a risk free rate of return, to satisfy Kroger's pro rata share of the

potential uncollectible withdrawal liability attributable to participating employers that withdraw, excluding Albertson's/Safeway, up to the maximum held in escrow.

- D. The Contingency Reserve assets shall remain in place for the seven year period ("Escrow Period") from the date of the transfer.
- E. Within 120 days of the end of each Plan Year (ending each September 30th), the SRT will determine Kroger's pro rata share of the uncollectible withdrawal liability attributable to participating employers that withdraw during that Plan Year, excluding Albertson's/Safeway. That amount will be deducted from \$10 million (1/7th of the Contingency Reserve). Any balance remaining will be transferred to UFCW Consolidated Pension Fund within 45 days of such calculation.

B. Variable Annuity Defined Benefit Pension Plan

- 1. Effective the day following the date of the transfer of liabilities and assets from the Sound Retirement Trust to the UFCW & Employers Variable Annuity Plan (VAP), future service benefit accruals will be earned in the VAP, a multiemployer variable annuity defined benefit plan. Participants' service earned under the Sound Retirement Trust (SRT) and the VAP will be recognized for participation, vesting and benefit eligibility purposes in both plans. In the event of a short plan year running from the transfer date to December 31, the benefit guarantee will apply for the short plan year and the subsequent initial full plan year ending December 31, 2021. The VAP shall operate on a calendar plan year basis.
- 2. Kroger will contribute five percent of salary per month for each eligible active participant to the VAP, commencing with the effective date, subject to agreement by the actuaries for the parties that such percentage shall be adjusted if necessary to reflect the intent of the parties that: (1) that the contribution is set based on the cost of the aggregate current benefit accrual, but determined using a 5.5% discount rate and administrative costs, and (2) the benefit accrual rate is determined by the amount that can be funded with such contributions determined under (1) above (with a margin in the benefit accrual rate that is designed to guard against adverse non-investment experience). Contributions will be made on behalf of current active employees and future newly hired employees in classifications for whom contributions have been made under the current collective bargaining agreement. Salary shall be gross wages per payroll period. Contributions shall be remitted monthly. The benefit accrual under the VAP will be periodically reviewed (but at least every five years) to ensure that the plan is designed to maintain full funding of all benefit liabilities.
- 3. The eligibility, rights and features of the benefit design of the VAP will replicate the current benefit design of the SRT, except that the benefit accrual will be based on a formula that utilizes total contributions made on the employee's behalf and a percentage accrual factor that reflects the VAP characteristics (to be reviewed jointly by the parties). For the short plan year and the first full plan year, there shall be a floor benefit and the benefit accrual of the VAP cannot be less than what the participant would have earned in

the same period under the SRT benefit formula. Thereafter, the earned benefit accrual will be adjusted annually up or down based on performance to a 5.5% hurdle rate which will also be used to discount the benefit liabilities.

4. Annual benefit improvements will be capped at 3.0% above the 5.5% hurdle rate. Any surplus investment return between the 5.5% and the 8.5% cap will fund benefit improvements and any surplus investment return over 8.5% shall be allocated to the stabilization reserve.
5. The VAP board of trustees will formulate a stabilization reserve policy which will define the board's discretion to manage the stabilization reserve and determine how and when it is used to support benefit accruals in years in which the plan investments underperform the hurdle rate.

It is the intent of the parties that the stabilization reserve policy will be used to stabilize benefits for active and retired participants in the event of returns of 2% or lower ("the Floor Return") and maintained in order to address the VAP investment and demographic experience and the level of assets/benefits accrued under VAP. It is not the intent that the stabilization reserve be used in the event of investment returns higher than the Floor Return.

6. The Governance of the VAP will be modeled after the SRT Trust Agreement document, as appropriate and agreed to by the plan sponsor.

THE UNION DIFFERENCE

As a union member, you have certain rights at your workplace:

A Voice at Work

Because you have a union, you have a voice at work. A negotiating committee of union members and staff negotiate with management—as equals—over wages, benefits, working conditions, and other issues. The union committee pushes for the issues that union members choose. The result of negotiations is a proposed contract which members vote on before it takes effect.

Right to Union Representation

Every union member has the right to union representation during an investigatory interview that could lead to discipline. This is called your “Weingarten” right, after a Supreme Court case which established the right to representation.

Just Cause for Discipline

The just cause provision in your union contract ensures you have due process in cases of discipline. The just cause standard is a well-defined set of legal rules that involve several different “tests” of a disciplinary action. The tests of just cause provide considerable protection against retaliation, discrimination, or other unfair actions.

The Security of a Union Contract

As a union member, your wages and working conditions are spelled out in writing in a legally-binding union contract. You are not alone at the workplace—instead, you have the security of knowing that your rights are protected by your union contract and backed up by the 50,000 other members of UFCW 3000.

Union Leadership

UFCW 3000 leadership is provided by the member-elected Executive Board. The Executive Board is made of rank-and-file UFCW 3000 members from diverse workplaces, income levels and backgrounds.

My Shop Steward is:

My Union Rep is:

*Building a powerful Union that fights for economic,
political and social justice in our workplaces
and in our communities.*

Seattle: 5030 First Ave S, Suite 200, Seattle, WA 98134-2438

Mt. Vernon: 1510 N 18th St, Mt Vernon, WA 98273-2604

Des Moines: 23040 Pacific Hwy S, Des Moines, WA 98198-7268

Silverdale: 3888 NW Randall Way, Suite 105, Silverdale, WA 98383-7847

Spokane: 2805 N Market St, Spokane, WA 99207-5553

Spokane: 1719 N Atlantic St., Spokane, WA 99205

Tri-Cities: 2505 Duportail St, Suite D, Richland, WA 99352-4079

Wenatchee: 330 King St, Suite 4, Wenatchee, WA 98801-2857

Yakima: 507 S 3rd St, Yakima, WA 98901-3219

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