

**Agreement
By and Between**

**Swains, Inc.
&
United Food & Commercial Workers Union, Local 21**

Signed _____, 20~~20~~¹⁶
Effective: January 1, 20~~20~~¹⁷
To: December 31, 20~~20~~¹⁹

SWAIN'S GENERAL STORE
~~2016-2019~~ CONTRACT

TABLE OF CONTENTS

| | |
|---|----|
| ARTICLE I – RECOGNITION, BARGAINING UNIT AND UNION SECURITY | 3 |
| ARTICLE II – PROBATION AND DISCHARGE | 5 |
| ARTICLE III – SENIORITY AND AVAILABILITY OF HOURS | 5 |
| ARTICLE IV – HOURS OF WORK AND OVERTIME | 6 |
| ARTICLE V – NON-DISCRIMINATION | 7 |
| ARTICLE VI – HOLIDAYS | 8 |
| ARTICLE VII – VACATION | 8 |
| ARTICLE VIII – WAGES | 9 |
| ARTICLE IX – HEALTH & WELFARE, DENTAL AND PENSION | 10 |
| ARTICLE X – STATE INDUSTRIAL INSURANCE | 11 |
| ARTICLE XI – LEAVES OF ABSENCE | 12 |
| ARTICLE XII – SICK LEAVE | 12 |
| ARTICLE XIII – FUNERAL LEAVE | 13 |
| ARTICLE XIV – WITNESS AND JURY DUTY | 13 |
| ARTICLE XV – LABOR MANAGEMENT COMMITTEE | 13 |
| ARTICLE XVI – GRIEVANCE | 14 |
| ARTICLE XVII – NO STRIKES OR LOCKOUTS | 14 |
| ARTICLE XVIII – SEPARABILITY | 15 |
| ARTICLE XIX – NEGOTIATIONS AND SIGNATURES | 15 |
| LETTER OF UNDERSTANDING #1 | 16 |
| LETTER OF UNDERSTANDING #2 | 17 |

**COLLECTIVE BARGAINING
AGREEMENT**

By and between

SWAIN'S GENERAL STORE, INC.

And

**UNITED FOOD & COMMERCIAL WORKERS INTERNATIONAL UNION
LOCAL 21, UFCW**

This Agreement mutually entered into by and between SWAIN'S GENERAL STORE, INC., of Port Angeles hereinafter referred to as the Employer, and the UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL 21, chartered by the UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION, hereinafter referred to as the Union, shall be in effect from the 1st day of January, 2020+7 until the 31st day of December, 2020+9 at which time it shall be automatically renewed for one 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 this Agreement for changes upon written notice being served upon either party by the other at least sixty (60) days prior to December 31, 2019 otherwise the contract to renew itself as above. In the event sales volume drops below 90% of 2013 figures verified by the Union's CPA, the Employer will have the right to reopen the Agreement for negotiations with written notice to the Union.

WITNESSETH: That for the mutual benefit of the parties hereto, it is hereby agreed and understood that the following shall be the scales of wages, the limitations of hours, and the rules and working conditions to be observed by both parties to this Agreement.

ARTICLE I - RECOGNITION, BARGAINING UNIT AND UNION SECURITY

- 1.01 The Employer recognizes the Union as the sole collective bargaining agent for all employees coming under the terms of this Agreement. The Union recognizes D'Ambrosio & Associates as the sole bargaining agent for the Company.
 - 1.01.1 Seasonal Extras- Seasonal extras shall not be subject to the following provisions of this Agreement:
 - a. Section 4.05-Sunday Premium
 - b. Article VI-Holidays
 - c. Article VII-Vacations
 - d. Article IX-Health & Welfare, Dental, and Pension
 - e. Any Seasonal extra, hired one week prior to July 1 to August 31 or one week prior to Thanksgiving to Christmas, who remains on the payroll on or after shall be covered by all the provisions of this Agreement, prospectively.
- 1.02 That the above shall not apply to owners, managers, assistant managers, supervisors as defined by the Labor Management Act of 1947, as amended, and three (3) confidential office employees in each store.
- 1.03 It shall be a condition of employment that all employees of the Employer 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 or after the thirtieth

day following the effective date of this Agreement shall, on the thirtieth day following the beginning of such employment become and remain members in good standing in the Union. For the purpose of this Section the execution date of this Agreement shall be considered as its effective date.

- 1.04 The Employer agrees that all new employees, regular or part-time will immediately upon employment, be required to sign a standard form, requesting such new employee to report to the Union within seven (7) days after date of employment. One signed copy shall be given to the employee at the time of signing, one copy to be retained by the Employer, and one copy to be forwarded to the office of the Union immediately. Said standard forms will be furnished to the Employer by the Union.
- 1.05 The Employer agrees not to keep in his employ in the classifications listed herein anyone whose membership in the Union has been terminated because of failure to tender periodic dues or initiation fees uniformly required as a condition of acquiring or retaining membership in the Union.
- 1.06 All new employees failing or refusing to secure membership in the Union shall, as herein above provided upon written demand of the Union be terminated from the employ of the Employer. The Union shall hold the Employer harmless and shall indemnify the Employer against loss, as a result of relying upon the direction of the Union in terminating any employee. The Employer agrees that when the Union notifies the Employer within three (3) days of the original notice that the reason for the termination was a bona fide clerical error, the Employer will reinstate the employee to his former position on the next weekly schedule.
- 1.07 The Employer agrees to make the payroll list of his store available for copy. Such lists are to include, Social Security Number, Name, Total Due, Payment, Termination and Hire Date, Current and Arrears; Dues, Fees, Political Contributions, and Other, Bill Status and Dues Rate.
- 1.08 **Voluntary Dues Check-Off.** The Employer agrees during the life of this Agreement to deduct from the employee's earnings each month an amount equal to the regular monthly union dues, such amount to be transmitted to the union on or before the tenth (10th) of each month.
 - a. The Union agrees to supply each Employer with a list of the amount due for each classification.
 - b. The Employer agrees to deduct the initiation fee of each newly hired employee. This deduction shall be taken out in equal amounts during the first ninety- (90) days of employment and will accompany the deducted dues amounts.
 - c. The Employer agrees to request all employees to fill out and sign dues check-off authorization forms, as set forth below, in triplicate, to be supplied by the Union.
- 1.09 Voluntary Political Action Fund Deduction. The Employer shall deduct the sum specified from the pay of each member of the Union who voluntarily executes a political action contribution authorization form. The amount deducted and a roster of employees using this voluntary deduction will be transmitted to the Union. The Union and each employee authorizing the assignment of wages for the payment of voluntary political action contributions hereby undertakes to indemnify and hold the Employer harmless from all claims, demands, suits and other liability that may arise against the Employer for or on account of any deduction made from the wages of such employee.

I, the undersigned, hereby authorize my Employer to make a monthly deduction from my paycheck in an amount equal to the regular monthly union dues/initiation fees of the United Food & Commercial Workers Union, Local 21, such amount to be transmitted to the Union each month on or before the tenth (10th) of each month.

It is understood I will report to the Local Union office within thirty (30) days of my hire date in order to fill out all necessary forms required for joining such Union and all necessary forms for Health and Welfare coverage or any other benefits.

Signed this ____ day of _____, 20 ____.
Phone No. _____ Store

Employee's Signature

Employee's mailing address

3 copies: 1 Swains
1 Employee
1 Local 21

ARTICLE II-PROBATION AND DISCHARGE

- 2.01 The Union agrees that management retains the right to discipline and or discharge for just cause. There shall be a ninety- (90) day probationary period for new employees during which terminations shall not be subject to Article XV of this Agreement.
- 2.02 No employee shall be discharged or discriminated against for any lawful union activity.
- 2.03 The Employer shall not require any employee or prospective employee to take or be subjected to any lie detector tests as a condition of employment or continued employment.
- 2.04 It is the desire of the parties to this agreement that all discipline be handled in a private and confidential manner.

ARTICLE III- SENIORITY AND AVAILABILITY OF HOURS

- 3.01 Seniority shall be defined as the length of continuous employment with the employer.
- 3.02 An employee will attain seniority after completing a ninety- (90) calendar day probationary period. Upon completion of the ninety- (90) calendar days of employment, seniority shall date back to the last date of hire.
- 3.03 Where there is a layoff or recall in the number of employees performing comparable work, the last hired will be the first laid-off and the last laid-off will be the first recalled, provided qualifications and ability are equal. The laid-off employee shall maintain contact with the Employer as to their availability for recall. Failure to report within 72 hours following phone contact and or written notice mailed to the employee's last known address will result in termination.
- 3.04 Available hours by Department: The Employer may arrange weekly work schedules by department to accommodate the needs of the business, and senior employee(s) 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 the employer in writing of his or her desire for additional hours of work. Nothing herein shall be construed as a guarantee of daily or weekly hours of work or pay for time not worked.

- 3.05 When an Employee is going to be off the schedule with no hours for the next week, the Employee may claim the weekly schedule of the least senior Employee in the store, whose work they can perform. When and if hours become available in the department the Employee had left, Said Employee shall have up to two weeks to return to that department.
- 3.06 Employees in the department according to departmental seniority will fill Job openings within a department first. Remaining job openings will be posted by the time clock for five days before filling. Employees will be allowed to bid for such openings by storewide seniority providing qualifications and abilities are equal. This section does not apply to Employee(s) returning to their old departments per the terms of 3.05 above.

ARTICLE IV - HOURS OF WORK AND OVERTIME

- 4.01 Forty (40) hours, not to exceed eight (8) hours in any one day, nor five (5) days in any one week shall constitute the work week for all employees coming under the provisions of this Agreement and all work performed in excess of forty (40) hours per week, five (5) days per week, and eight (8) hours per day shall be considered overtime. The workweek shall be Sunday through Saturday.
- 4.02 Innovative Schedules: Where mutually agreeable to the Employer and the Employee concerned, a normal work day consist of ten (10) hours when the schedule is based on four (4) ten (10) hour days within a seven (7) consecutive day work week. Such Employees shall receive one and one-half (1-1/2) their regular rate of pay for all time worked beyond ten (10) hours in a work day and beyond forty (40) in a work week. Other innovative work schedules may be established when mutually agreeable to the Employer and the Employee concerned.
- 4.03 The Employer shall pay \$2.00 meal allowance to any employee hired after the acceptance date whose shift ends after 7:00 p.m. and has worked in excess of five (5) hours. Meal allowances will be paid on the paycheck in the pay period they were earned.
- 4.04 Overtime shall be paid at the rate of time and one-half; provided however, that all work performed on the Holidays listed under Article VI of this Agreement shall be paid for at the rate of time and one-half the rates specified herein.
- 4.05 All work performed on Sundays shall be paid for at the Employee's Regular rate plus one dollar (\$1.00) for all hours worked on Sunday.
- 4.06 All time worked in excess of the above hours shall be classed as overtime work and shall be paid for at the rate of time and one-half the rates specified herein.
- 4.07 Hours worked on Sundays, days recognized as holidays, and any other hours worked for which an overtime or premium rate of pay is payable under any provision of this Agreement shall not be taken into account in computing overtime hours.
- 4.07.1 Scheduling of employees for Sunday work shall be offered to the most senior employees first. In the event that no one volunteers; Sunday work shall be assigned in order of reverse seniority whenever possible.
- 4.08 There shall be no pyramiding or combination of one premium pay with another, or of premium pay with overtime pay, but only the highest applicable rate shall be paid.

- 4.09 Regular, extra or part-time employees shall receive not less than four (4) hours continuous work or equivalent compensation in any one day that they are scheduled to report for work unless otherwise arranged by mutual agreement.
- 4.10 Working hours for all employees shall be consecutive, except that they shall have not less than one-half (1/2) hour or more than one (1) full hour for lunch. Lunch hours are to be scheduled as near the middle of the work shift as practicable.
- 4.11 Employees designated by the Employer shall properly serve customers who are in the store at closing time and shall receive pay for such time.
- 4.12 No split shifts allowed except by mutual agreement.
- 4.13 Work Schedules: The Employer recognizes the desirability of giving his employees as much notice as possible in the planning of their weekly schedules of work and accordingly agrees to post a work schedule not later than noon on Thursday preceding the start of the work week. Scheduling of employees will be on a seniority basis. Schedules once posted will not be changed except for in case of an emergency. Employees shall be given preference of shift assignment by seniority whenever possible.
- 4.13.1 When necessary to replace an employee's shift due to absence, or, in case of extra employees needed due to extra business or any other reason, management will call-in by seniority those employees not on the schedule that day. The balance of the week will be offered by seniority whenever practicable.
- 4.14 Relief periods for employees shall be as follows:
- 4.14.1 Full-time employees: Ten (10) minutes in each of the two shifts with the understanding that those who go to lunch before eleven thirty (11:30) a.m. may have a choice between a ten (10) minute break in each shift or one fifteen (15) minute break in the afternoon.
- 4.14.2 Six (6) hour employees: One ten- (10) minute relief period in the longer shift.
- 4.14.3 Five (5) hour employees: Who do not take lunch hour - fifteen (15) minutes a shift.
- 4.14.4 Part-time employees: Ten (10) minutes in each shift of four (4) hours or fifteen (15) minutes in each shift of over four (4) hours.
- 4.15 Store Meetings: All time spent in store meetings called by the Employer shall be considered as time worked and paid accordingly. The Company shall endeavor to hold store meetings at least once each twelve (12) months.
- 4.16 Written statements or check stubs shall be furnished to all employees, showing date of pay periods; straight time and overtime hours worked, hourly rate of pay, gross earnings, deductions and net earnings.

ARTICLE V - NON-DISCRIMINATION

- 5.01 The parties to this Agreement acknowledge their responsibilities under all Federal and State laws to not engage in or tolerate any unlawful discrimination on the basis of race, color, religion, sex, national origin, age, gender identity, sexual orientation, ~~marital status~~, the presence of any physical, mental, or sensory disability, or Vietnam-era status.

- 5.02 Smoking or use of tobacco products on the Employers premises shall be confined to designated areas while on break or lunch.

ARTICLE VI - HOLIDAYS

- 6.01 The following days shall be considered holidays for all employees who have completed their probation period: New Year's Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day and Christmas Day.
- 6.01.1 For employees hired after 2-1-88, if the store is open and the employee works on any of the Holidays identified in Section 6.01, they shall receive only the time and one-half (1-1/2) for all hours worked on the Holiday. If the employee (hired after 2-1-88) is scheduled off on the Holiday, they shall receive straight time pay for the Holiday, whether the store is open or closed. Employees hired prior to 2-1-88, shall continue to receive both the time and one-half (1-1/2) if they work the Holiday and the Holiday pay at straight time for all Holidays identified in Section 6.01 (2-1/2 if the Holiday is worked).
- 6.02 Effective on the execution date of this contract, employees who have completed one year of service with the Employer shall receive their birthday as a holiday. The actual day of the holiday shall be agreed to between the Employer and the employee.
- 6.03 All employees shall be entitled to holiday pay (subject to having completed the probation period per Section 6.01), providing they work the last day of their schedule before and the first day of their schedule following the holiday. If the employee fails to work either of the above days without permission of the Employer or its representative, he shall forfeit holiday pay, with the exception that bona fide illness or accident shall be deemed an excused absence.
- 6.03.1 All employees with seniority who are compensated 20 hours or more per week shall be paid for the holiday on the basis of One-fifth (1/5) of the employees average hours compensated per week in the four weeks immediately preceding the holiday week.
- 6.04 Any eligible employee laid off the day prior to or the day following a holiday shall receive pay for such holiday.
- 6.05 During the week in which a holiday falls, the workweek shall be four (4) days excluding the holiday. Work on the fifth day, other than the holiday, will be scheduled on a voluntary basis by seniority. If there are not enough volunteers, the hours will be scheduled in inverse order of seniority by department.

ARTICLE VII - VACATIONS

- 7.01 Any employee who has been continuously in the employ of the same store or company for one (1) year shall receive not less than one (1) continuous week of vacation with full pay. Any employee who has been continuously in the employ of the same store or company for two (2) years shall receive not less than two (2) continuous weeks of vacation with full pay. Any employee who has been continuously in the employ of the same store or company for nine (9) years shall receive not less than three (3) weeks of vacation with full pay. Any employee who has been continuously in the employ of the same store or company for fifteen (15) years shall receive not less than four- (4) week's vacation with full pay. If a holiday named under ARTICLE VI of this Agreement falls within the vacation period of any employee, he shall receive an additional day off with full pay. Vacations shall be at the regular vacation period of the store, unless otherwise mutually agreed upon.

- 7.02 Management shall give preference for vacation periods as near as possible in accordance with the employee's length of service. The schedule shall be posted by May 1, of each year. Vacations shall be taken in the year following the year in which it was earned and shall not be carried forward to the next year without management approval. Requests for carry-over of vacation will be given reasonable consideration and not denied except for sound business reasons. Vacations shall normally be scheduled in one- (1) full week increments. Vacations may be scheduled in different hourly increments upon mutual agreement between the Employer and employee.
- 7.03 Any employee whose services are terminated, voluntarily or involuntarily after six (6) months continuous employment will be paid accrued vacation earned.
- 7.03.1 It is understood that vacation accumulation will be accrued on all hours compensated per the schedule provided in 7.01 above. Time lost from employment because of absence from work through sickness, emergencies, vacations, holidays or temporary lay-off shall be considered as time worked for the purpose of computing paid vacations, provided that time shall not exceed thirty (30) calendar days during the first year of employment and shall not exceed sixty (60) calendar days during succeeding years.
- 7.04 It is mutually agreed and understood that any employee removed from the payroll for dishonesty shall not be entitled to vacation benefits.
- 7.05 Donation of Vacation Hours. At the employees option, up to forty (40) hours of unused vacation time per calendar year can be donated to another employee in the bargaining unit.

ARTICLE VIII - WAGES

General Wage Increase Effective 1/1/2020~~17~~: + \$1.26~~40~~
 Effective 1/1/2018: +.25
 Effective 1/1/2019: +.25

| Apprentice | Hours | 1/1/202017 | 1/1/2018 | 1/1/2019 |
|------------------------|--------------|---------------------------------|------------------|------------------|
| Step 1/Courtesy | 0-1000 | <u>13.50</u> 11.10 * | 11.60 | 12.10 |
| Step 2 | 1000-2000 | <u>13.75</u> 11.10 | 11.60 | 12.10 |
| Step 3 | 2000-3000 | <u>14.00</u> 11.10 | 11.60 | 12.10 |
| Step 4 | 3000-4000 | <u>14.25</u> 11.10 | 11.60 | 12.10 |
| Step 5 | 4000-5000 | <u>14.50</u> 11.50 | 11.60 | 12.10 |
| Step 6 | 5000-6000 | <u>14.75</u> 12.00 | 12.00 | 12.10 |
| Step 7 | 6000-7000 | <u>15.00</u> 12.50 | 12.50 | 12.50 |
| Journey | Over 7000 | <u>15.26</u> 13.50 | 13.75 | 14.00 |
| Dept. Assistant | Designated | <u>15.91</u> 14.15 | 14.40 | 14.65 |

*Based on Washington state minimum wage. Both parties agree that in the event of an increase to the minimum wage Step 1/Courtesy will be adjusted accordingly and the parties will meet to negotiate changes to subsequent steps.

- 8.01 Courtesy Clerk: Duties include checkstand bagging, running for layaways, make and bag popcorn, fill bags, cleanup, empty garbage, run errands, return merchandise to Departments and answer phone when necessary. Duties will not include cashier or marking or stocking merchandise.

Employees who perform work other than the Courtesy Clerks duties listed above shall be subject to disciplinary action. In the event a Courtesy Clerk is assigned duties other than those listed above he/she shall

be paid at the rate of Step 2. In the event that these Courtesy Clerk provisions are violated the parties have the right to renegotiate the terms of this Section.

- 8.02 Extra help shall be paid not less than the same rate per hour as regular help, experience rating considered, provided that any employee must have accumulated one thousand (1000) work hours before he or she is entitled to the minimum wage scale provided for the second thousand hours of work.
- 8.03 It shall be the duty of the Employer in each store to see that as a clerk serves sufficient time to be advanced from one classification to another that said clerk shall receive the proper compensation.
- 8.04 Previous experience received by a salesperson from some other firm in the same lines and within the past five (5) years prior to employment shall be credited to that salesperson to determine what his classification shall be, and he shall be paid not less than the rate for his classification. Provided, however, if five (5) years have elapsed then such new employee with more than twenty-four (24) months previous experience shall not, under any circumstances, be required to work more than sixty (60) days at less than Journeyman's scale. Apprentices transferred from one department to another shall continue to receive periodic wage increases until they receive Journeyman's wages. Employees hired who qualify for full Journeyperson experience credit will work for thirty (30) days at the rate negotiated at date of hire, and six (6) months at 80% of the Journeyperson's rate. Employees hired with experience credit below Journeyperson shall be given regular progression rate increases for each 1000 hours worked.
- 8.05 Time spent in store meetings or in meetings called by the Employer before commencement of the day's work or after the day's work shall be considered as time worked and shall be paid for in accordance with the terms of this Agreement.
- 8.05.1 It is agreed that the above scales established a guaranteed minimum rate of pay. The Employer may pay wages or provide benefits above the minimums provided by this agreement, and may reduce the same to the minimum herein prescribed without consent of the Union. It being further understood that the Employer will continue as formerly, to adjust salaries above the contract minimums on the basis of individuals merit the Employer to be the sole judge of such merit.
- 8.06 The person designated to close the store shall receive a night manager premium of one dollar (1.00) per hour after 5:00 p.m. except Sunday, which will be for the entire shift.
- 8.07 New hires shall receive three (3) shirts upon hire. Each employee shall receive up to three (3) replacement shirts each year at the employee's request with no expense to the employee.

ARTICLE IX - HEALTH & WELFARE, DENTAL AND PENSION

~~9.01 Employees shall continue to be covered under the Sound Health and Welfare Trust Plan (medical, dental, vision, etc.) based on Employer contributions as required by the rules of the Trust. The Employer agrees to a full maintenance of benefits and shall pay the full cost of the plan up to \$5.10 per hour. Effective May, 2016 the employer contribution is \$4.60 per hour. Effective May 2017 hours the Employer contribution will increase to \$4.84 per hour. Effective upon termination of Retiree H&W the Employer contribution will be \$4.86 per hour. Effective April 2019 hours the Employer contribution may be increased by the Trustees as needed up to a maximum of \$5.10 per hour.~~

9.101.2 The Employer and the Union agree to be bound by the terms of the Trust Agreements, which created the Sound Health and Wellness Trust, as initially executed on June 18, 1957, or the Trust Agreement which established the Sound Health and Wellness Trust, initially adopted December 3, 1998, as applicable, by all subsequent revisions

or amendments thereto, and by all policies and other conditions of participation and eligibility, which may be established from time to time by the Plan Document, the Trusts' Rules and Regulations, the Summary Plan Description, and other pertinent procedures, practices, and Trustee actions. The Employer accepts the Employer Trustee members of the Board of Trustees, and their duly appointed successors, as its representatives for purposes of managing the Trust. The Union accepts the Labor Organization Trustee members of the Board of Trustees, and their duly appointed successors, as its representatives for purposes of managing the Trust.

Adoption of Health and Welfare Labor Agreement: The Employer and the Union agree to be bound by the Health and Welfare Labor Agreement, effective May 2007, by and between Allied Employers, Inc. and UFCW Union Locals 21, 44, 81, 367, 1439, UFCW International, and Teamsters Union Local 38, and by all subsequent revisions or amendments thereto.

The Employer party to this Agreement shall continue to pay on a per compensable hour basis (maximum of one hundred and seventy-three (173) hours per calendar month per employee) into the Sound Health and Wellness Trust for the purpose of providing the employees with hospital, medical, surgical, vision, group life, accidental death and dismemberment, weekly indemnity benefits and dental benefits in accordance with the contribution rates and related provisions established by the separate Health and Welfare Agreement between Allied Employers, Inc., and various Local Unions dated April 1, 1977 and as subsequently amended, including the revision dated May 6, 2007.

The details of the benefit programs including a description of exact benefits to be provided and the rules under which employees and their dependents shall be eligible for such benefits, shall be determined by the Trustees of the Sound Health and Wellness Trust in accordance with the terms and provisions of the Trust Agreement creating the Trust and may be subsequently amended.

The term "compensable hour" shall mean any hour for which any employee receives compensation required by this Agreement.

The contribution referred to 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 in which the contributions were earned.

Notwithstanding the forgoing Section, the Board of Trustees of the Sound Health and Wellness 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. In such case, the one hundred seventy-three (173) hour maximum shall be appropriately adjusted, as directed by the Trustees, provided that in no event shall the Employer's total obligation be different than what it would have been on a calendar 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.

~~9.201.1~~ The Employer agrees to pay the Employee's weekly contribution as set by the trust Effective May 2011, the employer will also pay the employee's contribution up to \$9.00 per week for individual coverage, \$15.00 for employee and child(ren), \$21.00 for employee and spouse, and up to \$23 per week for family coverage. Any increases over these amounts will be paid by the employee.

9.3 The Employer will contribute to the Sound Health and Wellness Trust as follows:

9.3.1 Effective with August 1, 2019 through September 30, 2019 hours, the Employer's contribution rate(s) shall be \$4.876 per hour.

9.3.2 Effective with October 1, 2019 hours, the Employer current contribution rate of \$4.876 per hour shall be reduced by twenty-one cents to a rate of \$4.665 per hour. Effective the first month following the date of ratification the employer's contribution rate will decrease by one cent (\$0.01) per hour to \$4.65.

9.3.2.1 Starting October 2020, the consultants will project Plan expenses and income and report these amounts to the Trustees. Based on those projections, the Trustees will set the contribution rate with a minimum rate of \$4.65 and up to a maximum rate of \$4.86 per hour that is anticipated to result in an excess reserve of \$52 million by April 30, 2022. Each recalculated rate shall become effective for the Employer as of the effective date determined by the Trustees and the Employer shall pay the recalculated as of such effective date.

The buy-up rate, if applicable, also will be decreased and increased accordingly.

9.3.3 Effective for January 2020 hours, the Employer's contribution rate shall further decrease on a temporary basis from \$4.66 to 2 cent per hour and after date of ratification from \$4.65 to 1 cent per hour. Since Swains Inc. participates in the Sound Health & Wellness Trust, but does not participate in the Sound Retirement Trust, the Employer shall contribute the \$4.64 per hour reduction to the Swain's General Store 401K Retirement Plan for the duration of the "temporary reduction" per the terms of 9.4 below.

Such reduction will be used to increase Employer's contribution rate to the Swain's General Store 401K Retirement Plan. The payment of such reduced contributions shall continue until the earlier of the thirteenth month following the effective date of the reduction or when the Trustees determine, in their sole discretion, that the amount of surplus assets in the Health and Wellness is reduced to, or anticipated to be reduced to zero. The Health and Wellness Trust shall provide notice of such determination. However, in no event shall the Employer's contribution rate to the Health Trust be reduced below \$4.65 per hour if the Trust excess assets (above the required reserves) are anticipated to fall below 2½ months of excess reserves before such date.

9.01 — Employees shall continue to be covered under the Sound Health and Welfare Trust Plan (medical, dental, vision, etc.) based on Employer contributions as required by the rules of the Trust. The Employer agrees to a full maintenance of benefits and shall pay the full cost of the plan up to \$5.10 per hour. Effective May, 2016 the employer contribution is \$4.60 per hour. Effective May 2017 hours the Employer contribution will increase to \$4.84 per hour. Effective upon termination of Retiree H&W the Employer contribution will be \$4.86 per hour. Effective April 2019 hours the Employer contribution may be increased by the Trustees as needed up to a maximum of \$5.10 per hour.

9.4 The Union & Swains agrees that a contribution shall be made to the Swain's General Store 401K Retirement Plan of \$4.64 for each compensable hour effective during the temporary reduction under Section 9.3.3. This contribution shall be effective as soon as the reduction can be implemented by the Sound Health and Wellness Trust, but not earlier than for hours effective January 1, 2020. This contribution will continue until the effective date under Section 9.01.01 that the Health & Wellness Trust contribution reduction of \$4.64 is terminated. Thereafter, the Employer shall continue to offer the 401(k) Plan to employees for elective deferrals.

9.4.1 Such Employer contributions shall be required on a monthly basis regardless of whether the employee elects to defer salary to the 401(k) Plan and the Employer will cooperate with the Plan to establish accounts on behalf of all such employees covered under this agreement. . Such contributions shall be immediately and 100% vested.

9.5 ADMINISTRATION. The Employer shall, when an employee leaves his employ, note on the Trust report forms one (1) of the following reasons therefore:

a) Terminated

d) Death

9.702 The Employer shall provide a 401-k plan.

ARTICLE X - STATE INDUSTRIAL INSURANCE

10.01 All employees shall be covered under Washington State Workmen's Industrial Accident Compensation.

ARTICLE XI - LEAVES OF ABSENCE

11.01 Employees shall be entitled to written leaves of absence for the following reasons:

11.01.1 Illness (including pregnancy*) or injury of the employee that requires absence from work.

11.01.2 Serious illness, injury, or death in the employee's immediate family.

11.01.3 Election or appointments as a delegate representing the Union-requiring temporary leave.

11.01.4 Any other reason acceptable to the Employer.

* Pregnancy leaves shall run to a maximum of six (6) months.

11.02 In cases of injury incurred during the course of employment, the employee's leave of absence shall be continuous until the employee is medically qualified to return to work; provided, however, such leave shall not exceed one (1) year.

11.03 All other leaves shall run to a maximum of three (3) months for employees with six (6) months of employment, and to a maximum of six (6) months for employees with one (1) or more years' employment.

11.04 Upon the expiration of a leave of absence, the employee shall be promptly restored to the job previously held, or to a job comparable with regard to work and rate of pay.

ARTICLE XII - SICK LEAVE

12.01 Employees, after ninety (90) days of employment (~~after the first 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 hourly rate for bona fide illness or injury off-the-job.

12.02 Sick leave pay shall be accrued by an employee depending upon the number of straight-time hours worked by the employee with his current Employer.

HOURS WORKED

HOURS OF SICK LEAVE PAY

0 - 2080

0 Hours

For each 208 Hours Thereafter

8 Hours

12.03 Sick leave pay, to extent it has been earned, shall begin on the second (2nd) normally scheduled working day of illness or injury off-the-job or the first (1st) normally scheduled working day with doctors note or proof of going to the ER or urgent care facility, or 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. The daily total of sick leave pay under this article and disability payment 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. No more than five (5) days' sick leave pay shall be required in any one-work week.

- 12.04 Sick leave pay shall be cumulative from year to year, but not to exceed a maximum of ten (10) days.
- 12.05 A doctor's certificate or other authoritative verification of illness may be required by the Employer after the third missed shift and, must ~~be~~ be presented by the employee not more than forty-eight (48) hours after return to work, provided, reasonable ~~advance notice is given by the Employer.~~
- 12.06 Any employee found to have abused sick leave benefits by falsification or misrepresentation shall thereupon be subject to disciplinary action, reduction or elimination of sick leave benefits (including accumulated sick leave) and shall further restore to the company amounts paid to such employee for the period of such absence, or may be discharged by the company for such falsification or misrepresentation.
- 12.07 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.
- 12.08 FAMILY LEAVE - Employees shall be permitted family leave in accordance with RCW 49.12 on the same terms and conditions as provided in Sections 12.01 through 12.07.

ARTICLE XIII — ~~BEREAVEMENT FUNERAL LEAVE~~

- 13.01 Employees who are regularly employed shall be allowed three (3) days off with pay for loss of their normal scheduled hours of work in the event of death of a member of their immediate family. Bereavement Funeral leave will be paid only with respect to a work day 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 on which the employee would not, in any event, have worked. Scheduled days off will not be changed to avoid payment of Bereavement funeral leave. Funeral Bereavement leave shall be paid for at the employee's regular straight-time hourly rate. Immediate family shall be defined as spouse, son, daughter, grandparents, parents, parents-in-law of existing spouse, step-child, step-parent, siblings and grandchildren.

ARTICLE XIV - WITNESS AND JURY DUTY

- 14.01 Employees appearing, as witnesses in lawsuits on behalf of the Employer shall be paid a fee equivalent to their current hourly rate of pay, provided the Employer is notified of such duty.
- 14.02 After one (1) year of employment employees who are called for service on a District Court, 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 court fee they receive and the amount of straight-time pay lost by reason of such service up to a maximum of eighty (80) hours within a twelve month period. Employees excused from attendance at court must report for work if sufficient time remains to work at least one-half (1/2) of his or her normal workday. Employees must furnish verification showing date and time and amount of jury pay received.

ARTICLE XV- LABOR MANAGEMENT COMMITTEE

- 15.01 The Labor Management Committee will meet at least twice per calendar year and, if requested by a member of Labor or Management may meet more often.

ARTICLE XVI - GRIEVANCES

- 16.01 It is distinctly understood that any Article and/or subsection in this Agreement, which is contrary to any Federal Law, shall become null and void. If any Article and/or subsection of this Agreement shall be judged null and void, then both the Employer and the Union agrees to meet and negotiate revisions in such Article and/or subsection to conform to Federal Law. The Employer and the Union agree that substitute provisions to replace any part of this Agreement invalidated pursuant to the foregoing shall be incorporated into this Agreement as soon as possible.
- 16.02 Upon request of either party hereto, a Board of Adjustment shall be created to be composed of a representative of the Employer and a representative of the Union, for the purpose of ruling on all complaints, difficulties, disagreements, or disputes between the Employer and the Union, or between the Employer and any employee covered by this Agreement, arising under this Agreement over the interpretation or application of any provision of this Agreement or relating to working conditions of employees within the bargaining unit, when such cannot be settled directly between the Union and the Employer. Said Board shall meet for consideration of any such matter referred to it within ninety-six (96) hours subsequent to a request therefore by either party. If the Board cannot agree on any such question referred to it within forty-eight (48) hours, which is a matter of interpretation or application of any provision of this Agreement, then it shall choose a disinterested person to act as impartial arbitrator.
- 16.01.1 Time Limits: Any grievance or dispute concerning the application or interpretation of the Agreement must be presented in writing by the aggrieved party to the other party within forty five (45) days of the occurrence giving rise to the grievance or dispute, except in cases of discharge and or layoffs which must be filed within fifteen (15) days; otherwise such right to protest shall be deemed waived.
- 16.02.2 In the event the claim is for additional wages, any such claim shall be limited to wages, if any, accruing within the thirty (30) day period immediately preceding the date of the grievance was filed in writing, except automatic wage bracket adjustments that may go back up to one year.
- 16.03 In the event the Board cannot agree upon the selection of an arbitrator within fifteen (15) days from the date of referral of the controversy to the Board, the arbitrator shall be selected in the following manner: The Federal Mediation and Conciliation Service shall be jointly requested by the parties to name a panel of seven (7) arbitrators. The parties shall then choose the arbitrator by the Employer and the Union, in that order, alternately striking a name from the list until one name remains as the arbitrator chosen by the parties and empowered to arbitrate the dispute.
- 16.04 The arbitrator shall be authorized to rule and issue a decision and award in writing on any issue presented for arbitration including the question of arbitrability of such issue. His decision and award shall be final and binding upon both parties to this Agreement. Simultaneous arbitration of all pending grievances that have reached the arbitration stage shall be held before the same arbitrator in one proceeding when requested by the complainant. The fees of the arbitrator shall be borne one-half (1/2) by the Union and one-half (1/2) by the Employer party to the arbitration.

ARTICLE XVII - NO STRIKES OR LOCKOUTS

17.01 During the life of this Agreement the Union agrees not to engage in any strike or stoppage of work and the Employer agrees not to engage in any lockout. It shall not be a cause for discharge or discipline and it shall not be a violation of this Agreement for an employee to refuse to cross a primary labor union picket line against the Employer that has been established to support a legal strike provided the picket line is approved by Local 21.

ARTICLE XVIII - SEPARABILITY

18.01 It is hereby declared to be the intention of the parties to this Agreement that the sections, paragraphs, sentences, clauses, and phrases of this Agreement are separable and if any phrase, clause, sentence, paragraph or section of this Agreement shall be declared invalid by the valid judgment or decree of a court of competent jurisdiction because of conflict with any Federal or Washington State Law, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Agreement and the balance of this Agreement shall continue in full force and effect.

ARTICLE XIX - NEGOTIATIONS AND SIGNATURES

- 19.01 During the negotiation period, the existing Agreement shall remain in full force and effect, until a new Agreement is reached.
- 19.02 Negotiations for the modification or amendment of this Agreement shall start within thirty (30) day’s after such notice. All revisions submitted at the initial negotiations meeting would get first consideration.
- 19.03 This Agreement shall be considered complete within itself, and supersedes all previous Agreements or contracts either written or oral.

IN WITNESS WHEREOF: The parties hereto have through their duly authorized representatives, set their hands and seals as of the day and year shown below.

For the Union

For the Employer

~~Todd Crosby~~Faye Guenther, President
UFCW 21

Swain’s General Store

~~Patrick Pedersen~~David Barnes, Negotiator
UFCW 21

Letter of Understanding #1

All work performed on Sundays shall be paid for at the rate of 1.5 times the employees regular hourly rate of pay. Employees hired after ratification (June 27, 1997), shall be paid time and one third (1-1/3) for hours worked on Sunday. Employees hired after February 1, 2000 shall be paid at the rate stated in Article 4.05.

For the Union

For the Employer

David , Negotiator
UFCW 21

Swain's General Store

**Letter of Understanding #2
Retirees Health and Welfare plan**

Upon ratification, the parties agree that the following \$0.01 Retiree H&W contribution, per 2016 grocery settlement, shall be terminated and \$0.01 be added to the Journeyman wage rate effective 1/1/2020.

- ~~• Wind down and terminate the plan with assistance to current retirees, termination target date of 12/31/2018;~~
- ~~• Effective may 2016 hours, defer \$0.02 per hour from active H&W contribution for a total retiree H&W contribution of \$0.03 per hour.~~
- ~~• Upon termination, or sooner if practicable, redirect \$0.02 per hour back to the active plan contribution and redirect \$0.01 per hour and any remaining assets from retiree H&W to pension for funding purposes only.~~

For the Union

For the Employer

~~David Barnes~~Patrick Pedersen, Negotiator
UFCW 21

Swain's General Store

Letter of Understanding #3
COVID-19

The parties to this agreement recognize that certain exigent circumstances have arisen as a result of the current coronavirus pandemic. To address these concerns, The United Food and Commercial Workers Union, Local 21 and Swains General Store hereby enter into the following Memorandum of Agreement:

- The parties agree to extend two (2) Seasonal positions, effective June 1st, 2020, and scheduled to expire on August 31st, 2020. The extension would allow work to continue through the duration of numerous members on COVID-19 related leave of absences. During the extension, the seasonal worker position will be scheduled hours that will not displace a regular worker or take hours from a regular worker, per Articles 3.04 and 3.06 in our current Union Contract. Further, this extension shall not trigger the terms of Article 1.01.1. Any work that would continue beyond August 31st, 2020 would require the Seasonal employee(s) to join UFCW Local 21 as outlined in Article 1.04.
- Swains will continue to follow the guidelines of the CDC including, but not limited to, the practice of social distancing in the stores, posting signs explaining the importance of social distancing in the store, and keeping 6 feet of distance at all lines forming inside and outside of the store.
- A worker who is unable to work due to being part of the CDC's at-risk group (older than 60 or with an underlying medical condition) may request an accommodation or apply for a leave of absence under the terms and conditions of existing leave plans and have access to accrued time off benefits if granted leave.

The terms of this LOU are non-precedent setting and shall expire on August 31st, 2020.

For the Union

For the Employer
