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UNITED FOOD AND COMMERCIAL WORKERS UNION LOCAL #789
County Market
3/1/2009 through 3/3/2012

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UNITED FOOD AND COMMERCIAL WORKERS UNION
LOCAL #789
County Market
3/1/2009 through 3/3/2012

ARTICLES OF AGREEMENT

THIS AGREEMENT entered into by and between the UNITED FOOD AND COMMERCIAL WORKERS UNION LOCAL NO. 789, of St. Paul, Minnesota and vicinity, chartered by the United Food and Commercial Workers International Union, CTW-CLC hereinafter referred to as the “Union” and Jerry’s Foods, DBA County Market, hereinafter referred to as the “Employer.”

ARTICLE 1
UNION SECURITY

SECTION 1.1: RECOGNITION:

The Union is recognized as the exclusive bargaining representative of the unit consisting of full-time and part-time employees employed by the Employer, excluding Bakers and supervisory employees as defined in SECTION 2(11) of the Labor Management Relations Act of 1947 as amended. The Employer will be allowed to have up to two (2) employees per store, including Store Managers, outside the bargaining unit who may perform bargaining unit work.

SECTION 1.2: UNION SHOP:

A. 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 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.

B. “In good standing,” for the purposes of this Agreement between this Union and this Employer, is defined to mean the payment of a standard initiation fee or a standard reinstatement fee, if applicable, and standard monthly dues as applies uniformly to all employees covered by this Agreement.

SECTION 1.3: OTHER AGREEMENTS:

No employee shall be asked or permitted to make any written or verbal agreement that will conflict with this Agreement.

SECTION 1.4: DUES CHECKOFF:

A. 1) The Employer agrees to deduct Union dues and initiation fees from the wages of employees in the bargaining unit who voluntarily provide the Employer with a written

authorization which shall not be irrevocable for a period of more than one (1) year, or beyond the termination date of this Agreement, whichever occurs sooner. Such deduction will be made by the Employer from the wages of the employees during each calendar month and will be transmitted to the Union. In the event that no wages are due the employee, or that they are insufficient to cover the required deduction, the necessary deduction shall be made from the employee's wages in the immediate following month at the time which is the usual and customary time for dues and initiation fees deductions. Said amount will thereupon be transmitted to the Union. Together with the transmittal of deductions referred to above, the Employer shall furnish the Union with a list of the employees for whom deductions were made.

2) The Union agrees to refund promptly any dues found to have been improperly deducted and transmitted to the Union and to furnish the Employer with a record of such refund.

B. The Employer will collect and forward membership application forms for new hires on behalf of the Union.

C. The Employer will deduct contributions to the UFCW Active Ballot Club from the wages of any employee who voluntarily provides the Employer with a written authorization. The Employer will send all such deductions to the Union. The Employer is not responsible for the management or administration of the Club or decisions on Club expenditures.

ARTICLE 2 **WAGES, HOURS AND WORKING CONDITIONS**

SECTION 2.1: WAGE RATES:

A. Minimum Wage Rates: The minimum hourly rates of pay for the classifications covered by this Agreement are contained in APPENDIX "A" and made a part of this Agreement. Any employee hired at a rate above the minimum starting rate must be paid a wage corresponding to a rate published in the contract wage scale rather than on the basis of a rate arbitrarily fixed by the Employer. Any employee hired at a rate of pay above the entry level rate specified in Appendix "A" or who receives an increase in his/her rate of pay to a rate above the entry level will receive credit for hours of service equal to the beginning level of hours for the step in the contractual wage progression and will progress from that point in the manner (hours or months of service) established in Appendix "A."

B. Past Experience: An employee who is transferred from another location owned by the Employer or is rehired by the Employer shall receive full credit for past experience provided he/she returns to works for the same company. Where the employee is granted credit for prior experience and a rate is established that is higher than the starting rate, the employee will receive credit for hours of service equal to the beginning level of hours for the step in the contractual wage progression and progress from that point in the manner (hours or months of service) established in Appendix "A."

SECTION 2.2: WORK WEEK/WORKDAY:

The basic workweek shall be forty (40) hours to be worked in any five (5) days from Sunday through Saturday. Eight (8) hours worked at any time in any one (1) day shall constitute the basic workday. Daily hours shall be consecutive.

SECTION 2.3: SIXTH WORKDAY:

A. Time and one-half (1-1/2) shall be paid to all employees for work performed on the sixth (6th) day of a basic work week and the fifth (5th) day of Christmas week.

B. No employee shall be required to work on the sixth (6th) day.

SECTION 2.6: OVERTIME PAY:

A. Regular Week: All work performed in excess of eight (8) hours per day or forty (40) hours per week shall be paid for at one and one-half (1-1/2) times the employee's regular rate of pay, except as otherwise provided in this Agreement.

B. Holiday Work and Overtime: Hours worked on Christmas on an emergency basis while the store is closed shall be paid for at one and one-half (1-1/2) times the employee's regular rate of pay.

C. No Pyramiding: There shall be no pyramiding or duplicating of overtime payments and/or premium time pay on any day of the week including Sunday.

SECTION 2.7: TEMPORARY REPLACEMENT OF DEPARTMENT HEADS:

If an employee in a "head" position is gone for five (5) days or more (forty (40) hour work week), the employee filling in will receive the applicable "head" rate of pay but only in instances where the described additional duties have been assigned to the employee.

SECTION 2.8: WORK SCHEDULES:

A. Posting Schedules: Schedules for all employees will be posted in each store by Friday noon for the following two (2) work weeks;

B. Scheduling Rights:

1) The Employer shall provide employees in each store with a consistent day off, Monday through Thursday chosen by seniority. An employee shall be allowed the opportunity to change his/her chosen day off by mutual agreement or at intervals of no less than six (6) months. Changes in the schedule will be held to a minimum consistent with efficient store operation and/or emergencies.

2) Employees may request and will be granted their days off consecutively, Monday through Thursday or by mutual agreement with the Employer.

3) Part-time employees will be scheduled based upon their agreed upon availability. The employee will establish their availability at point of hire. Any changes in availability must be submitted and approved in writing.

4) The Employer will make every effort to schedule senior part-time employees more hours than employees who are less senior. If two (2) or more part-time employees are scheduled in the same store and the employee with less service is scheduled for more hours, the employee with the most seniority will have the right to claim the junior employee's schedule provided the senior employee has previously documented their availability

to work the posted hours. The claim must be made in writing to the store manager and the employee asserting the claim must be qualified to perform the duties involved.

C. 10 Hours between shifts: The Employer will provide a minimum of ten (10) hours between scheduled shifts for all employees unless otherwise requested by the employee in writing.

D. The Employer will not use the schedule as a means of discipline.

SECTION 2.9: MINIMUM HOURS:

A. An employee shall be guaranteed no less than four (4) hours of work each time he/she is scheduled to work or receive pay in lieu thereof except: (1) for an employee who may be restricted to shorter daily hours under state law, or (2) in cases where the employee requests fewer hours and the Employer agrees.

B. No employee who is restricted under applicable wage-hour laws from working in excess of three (3) hours on any given shift shall be scheduled or assigned to work in violation of such legal restrictions.

C. No employee shall be scheduled for less than fifteen (15) hours per week, except in cases where the employee requests fewer hours and the Employer agrees.

D. 1) At least twenty-four percent (24%) of the part-time employees in each store, in order of part-time seniority, will be provided an opportunity to work schedules of at least twenty-four (24) hours or more per week.

2) A senior part-time employee may choose to be scheduled for less than twenty-four (24) hours by written request to the store manager.

SECTION 2.11: SPLIT SHIFTS:

No employee shall be required to work a split shift.

SECTION 2.12: EMPLOYEE BREAK TIME:

A. Rest Periods (Employer's Time):

1) All employees shall receive a paid rest period of (15) minutes for every three (3) hours worked not to exceed thirty (30) minutes in any work day of less than twelve (12) hours. No rest period shall be provided in any four (4) hour period which is broken by a paid supper period.

2) Any employee who has worked a regular full day shift and is required to work overtime during a regular scheduled night operation shall be entitled to a twenty (20) minute supper period paid for by the Employer. No employee who is entitled to a paid supper period shall be required to take such supper period earlier than three and one-half (3-1/2) hours after conclusion of the employee's noon lunch hour.

B. Meal Periods (Employee's Time): Any employee who is employed at least six (6) hours in a workday shall be entitled to up to thirty (30) minutes for a meal period without pay.

SECTION 2.14: OTHER WORKING CONDITIONS:

A. Meetings: When an employee is required to attend a meeting by the Employer, this time shall be considered as time worked.

B. Refusal to Work: No employee shall be discriminated against for refusal to work on his/her day off.

C. Uniforms and Equipment: No employee covered by this Agreement shall be required to pay for linen or dry cleaning, nor shall they be asked to furnish tools of the trade. In the event the Employer furnishes to the employees wash-and-wear uniforms and the employees accept same, the employees shall launder the uniforms. If a specific uniform or insignia is required by the Employer, that uniform will be provided by the Employer except for white shirts.

D. Payroll Records: A complete and correct record of all time worked by each employee and wages paid said employee shall be made by the Employer and record shall be made available to the representative of the Union upon demand.

E. Travel time and Mileage:

1) When an employee is required to travel from one store to another in any one (1) day, travel time shall be considered as time worked and, in addition, the employee shall be paid mileage in accordance with the mileage policy of the Employer, but not less than the rate specified by the IRS.

2) If an employee makes a delivery of product to a store or to a customer at the Employer's direction, such time will be considered as time worked and mileage will also be paid.

3) No employee will be required by the Employer to make a delivery to a store or a customer.

ARTICLE 3 **FULL-TIME RATIOS**

A. The Employer will maintain Department Head employees in the following departments: Meat, Deli, Head Cashier, Produce, Frozen/Dairy, and Grocery.

B. The Employer may appoint may choose to have additional Department Heads beyond those required in Section 3.A.

C. The Employer must maintain a minimum two Full-time grocery employees or Full-time Journeymen/Apprentice employees for each Department Head position, including any additional Department Head position the Employer may create.

D. All Meat Cutters will be Full-time employees unless reduced in hours by seniority or by mutual agreement.

E. There will be no restriction on the number of Part-time employees allowed under this Agreement.

ARTICLE 4 **SENIORITY**

SECTION 4.1: DEFINITION:

A. The employee's date of hire shall be defined as the day the employee starts active employment for the Employer as a new hire or the date the employee starts active employment as a rehire. Seniority shall be defined as length of continuous service within a classification with the Employer covered by this Agreement. In the case of two or more employees starting active employment in a classification on the same day their seniority ranking will be determined by lot.

- B. Seniority will be applied on the basis of the following classifications:
 - 1) Full-time Meat Cutters
(including Meat Department Head, Journeymen, and Apprentices)
 - 2) Full-time Grocery Employees
(including non-meat Department Heads and Grocery Employees)
 - 3) Part-time Employees

C. Department heads will be promoted and/or retained in that position irrespective of seniority, provided that any newly selected Department Heads will acquire this seniority protection after one (1) year of employment with the Employer.

D. Anniversary Date Compensation Review: The Employer agrees to provide each employee with a yearly anniversary date compensation review. The review will include:

- 1) Employee's current rate of pay;
- 2) Employee's total hours worked and or paid for; and
- 3) All vacation and holidays owed.

This review shall be provided to the employee within two weeks of the employee's anniversary date with the Employer.

SECTION 4.2: APPLICATION OF SENIORITY:

A. Probationary Period:

1) All newly hired employees will be on probation for thirty (30) calendar days and will thereafter attain seniority with the Employer, with seniority reverting back to the date of hire.

2) An employee's seniority date may change due to a change of classification, but a new probationary period is not required nor will the date of hire be changed for purposes of benefits.

3) Employees who are transferred from another location operated by the Employer but not covered by this Agreement will retain their date of hire for benefit purposes and will receive a new seniority date based on their first date of work in a classification covered by this Agreement. Employees who transfer from another location will not be required to complete a new probationary period and will retain their date of hire be changed for purposes of benefits.

B. Layoff and Rehire: For layoff and recall purposes, employees shall have seniority with the Employer covered by this Agreement within the classifications set forth in SECTION 4.1 above. Provided further that employees who are promoted or hired into department head positions will be given seniority within the department head classification only after they have been in the department head position for twelve (12) months with seniority to then date from his/her first day in the department head position. During the twelve (12) month period the employee will retain protection of his/her classification from which he/she was promoted and will add seniority time in that classification during that period.

C. Job Posting: The Employer will post all full-time positions and will promote from within the bargaining unit unless none of the applicants has the ability or availability to perform the duties required. When two or more employees are qualified for a position, seniority will be the deciding factor in determining which one is promoted.

D. Department Heads: The promotions or hiring into the department head classification will be within the discretion of the Employer. Demotion of department heads will be for cause. In the case of demotion from a department head position, the employee will be placed in the appropriate full-time position with his/her original seniority date in that position.

SECTION 4.7: EMPLOYEE TRANSFER:

A. The Employer agrees to give an employee two (2) weeks notice of an Employer-initiated transfer, except in the case of an emergency. Temporary transfers may occur without notice in the event of an emergency arising in the business. Employees who transfer to another location operated by the Employer but not covered by this Agreement will retain their seniority if they return to the same classification in twelve (12) months or less.

B. The Employer will not transfer an employee as a means of discipline.

C. The Employer shall consider the circumstances of the affected employee in making the transfer decision.

D. Any employee who is transferred by the Employer to another location covered by this Agreement will retain his/her accumulated experience for the purpose of acquiring and retaining seniority.

E. Any Employee who is transferred by the Employer to another location not covered by this Agreement operated by the Employer but not covered by this Agreement will retain his/her accumulated experience for the purpose of establishing their wage rate, and will maintain their original date of hire for benefit purposes.

SECTION 4.8: TERMINATION OF SENIORITY:

An employee's seniority and employment shall be terminated if the employee;

A. quits;

B. is discharged for cause;

C. fails to return from any of the leaves of absence referenced in ARTICLE 8 of this Agreement, within the time limits contained therein;

D. fails to respond within ten (10) calendar days of the date notice to return is registered with the U.S. Postal Service, or;

E. is absent from the job for any reason, other than sickness or injury, for a period in excess of one (1) year.

ARTICLE 5
HOLIDAYS

SECTION 5.1: HOLIDAYS DEFINED:

A. The following days shall be recognized as holidays: New Years Day, Easter, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, and Christmas Day.

B. There shall be no retail operation on Christmas Day or on Christmas Eve after 6:00 P.M.

C. No Employee shall be required or permitted to work on the following named holidays: Christmas Day or after 6:30 PM Christmas Eve.

D. Personal Holidays:

1) All full-time employees shall, after completion of the first (1st) year of employment with the Employer covered by this Agreement, be entitled to four (4) personal holidays, in addition to the seven (7) nationally recognized holidays listed above.

2) All part-time employees shall, after completion of the first (1st) year of employment with the Employer covered by this Agreement, be entitled to one (1) personal holiday in addition to the seven (7) nationally recognized holidays listed above.

3) Personal Holidays are scheduled by mutual agreement.

4) Employees who work on New Year's Day, Thanksgiving Day, Easter or any of the summer holidays and who are otherwise eligible for holiday pay under this section will have the option to exchange holiday pay for a floating holiday, to be utilized on the same basis as other floating holidays.

SECTION 5.2: COMPUTATION OF HOLIDAY PAY:

A. Full-time: All full-time employees shall be paid eight (8) hours times his/her straight time rate of pay for each of the listed holidays and personal holidays.

B. Part-time: A part-time employee, after ninety (90) days of employment, will receive four (4) hours of pay at his/her regular rate for the listed and for one personal holiday.

C. Eligibility For Holiday Pay: In order to qualify for holiday pay, an employee must have worked in one of the following: the week before the week in which a holiday occurs, the week in which the holiday occurs, or the week after the week in which the holiday occurs. In addition, the employee must work his/her scheduled workday before and his/her scheduled workday after the holiday unless excused by the Employer or unless absent due to proven illness.

SECTION 5.3: HOLIDAY WORK WEEK:

A. In weeks in which an entire day is celebrated as a holiday, the work week shall be four (4) days of eight (8) hours each, or a total of thirty-two (32) hours.

B. If Christmas falls on any day except for Sunday the basic workweek for full-time employees shall be thirty-two (32) hours. When Christmas falls on Sunday the preceding week shall be forty (40) hours and the following work week shall be thirty-two (32) hours.

C. Work performed on the holidays shall be outside the regular work week. Any hours worked on the holiday will be outside the workweek for the purposes of "Minimum Scheduled Hours" in Section 2.9.

ARTICLE 6
DEFINITIONS

SECTION 6.1: FULL-TIME GROCERY:

A full-time Grocery employee shall be an employee who normally works thirty-two (32) hours or more per work week, exclusive of hours worked on Holidays.

SECTION 6.2: PART-TIME GROCERY:

A part-time grocery employee shall be an employee who normally works less than twenty-nine (29) hours per work week, exclusive of hours worked on Holidays.

SECTION 6.3: DEPARTMENT HEAD:

Each Employer shall maintain a minimum of six Department Head positions in each store. The Employer may designate additional department heads, but must maintain and fill the basic six Department Head positions (Meat, Deli, Head Cashier, Produce, Frozen/Dairy, and Grocery) within the store before it may fill any additional Department Head positions. The Employer shall not be obligated to create any additional Department Head positions.

SECTION 6.4: JOURNEYMAN:

A Journeyman is a skilled meat cutter who has either served his/her apprenticeship in accordance with the period of time as set forth in this Agreement or who has qualified as a skilled meat cutter. His/her duties shall consist production cutting. A Journeyman may also perform any other duties in the store when assigned.

SECTION 6.5: APPRENTICE:

An Apprentice is a person learning all the details in developing manual skill for performing, after a stated training period, the duties of a Journeyman Meat Cutter including any other duties in the store when assigned. In the course of his/her duties, he/she shall be under the supervision of a Journeyman or Head Meat Cutter.

SECTION 6.6: PRODUCTION CUTTING:

Only Journeyman and Apprentice Meat Cutters may perform production work commencing with the initial reduction of primal, sub-primal and / or supplemental cuts of all fresh or frozen meat department products including fish and seafood, (whether by use of saw, grinder, cuber, tenderizer, slicer, knife or other tools of the trade), through and including the boning, scraping and trimming of these products to reduce to retail cuts and the initial daily grind. Journeymen and Apprentices may also perform any other work in the Meat Department, and shall perform such work when assigned.

ARTICLE 7
VACATIONS

SECTION 7.1: VACATION ALLOWANCE:

A. An employee covered by this Agreement who has had one (1) year of service with said Employer or in said store shall receive one (1) week vacation with pay as of the employee's anniversary date of employment.

B. An employee with two (2) years of continuous service with said Employer shall receive two (2) weeks vacation with pay each year as of the employee's anniversary date of employment.

C. An employee with eight (8) years of continuous service with said Employer shall receive three (3) weeks vacation with pay each year as of the employee's anniversary date of employment.

D. An employee with sixteen (16) years of continuous service with said Employer shall receive four (4) weeks vacation with pay each year as of the employee's anniversary date of employment.

E. An employee with twenty (20) years of continuous service with said Employer shall receive five (5) weeks vacation with pay each year as of the employee's anniversary date of employment.

SECTION 7.2: COMPUTATION OF VACATION PAY:

A. Full-time:

1) Vacations for full-time employees will be computed on the basis of average hours worked per week with straight-time pay up to forty (40) hours and time and one-half (1-1/2) pay on those hours over forty (40).

2) An employee in these classifications who has worked 1600 hours or more in his/her anniversary year of employment shall be entitled to a full vacation period with pay based on forty (40) hours. If the employee works less than 1600 hours in his/her anniversary year, he/she shall receive one-tenth (1/10th) of a full vacation for each 160 hours worked.

B. Part-time:

1) A part-time employee who works 1040 hours (including paid hours) during a twelve (12) month period from his/her anniversary date shall be entitled to a prorated vacation based upon his/her straight-time rate of pay at the time of taking vacation.

2) Paid vacations for: any part-time employee who has completed one (1) year of continuous service with the Employer who works less than 1040 hours (including paid hours) per anniversary year shall be granted based on average hours worked during the employee's anniversary year, but limited to not more than three (3) weeks.

SECTION 7.3: TERMINATION OF EMPLOYMENT:

Unless discharged for just cause, a full-time employee who is permanently terminated shall receive vacation pay on a prorated basis as specified in 7.2.D, provided he/she has been employed for more than one (1) year of continuous employment.

SECTION 7.4: VACATION SCHEDULING:

A. Vacations shall consist of consecutive working days.

B. Vacation schedules in each store shall be posted by January 15, and vacations selected on the basis of seniority by March 1 of each year for the period from April 1 through the following March 31. The approved vacation schedule shall be posted in each store by April 1 of each year.

C. An employee who fails to select vacation by March 1, will be placed at the bottom of the seniority list for the purpose of vacation selection.

D. Vacation scheduling shall be done in two (2) rounds, each in seniority order. During the first round, no employee may select more than one week of vacation time before other employees have had an opportunity to select. During the second round, each employee may schedule the entire balance of his/her vacation eligibility. Vacation scheduling will be done in rounds to ensure that, to the greatest extent possible, each employee will have an opportunity to schedule some vacation time during the summer months. The process of vacation scheduling

historically observed by the Employer (i.e., either by store or company-wide) shall remain in effect. Vacations shall be scheduled during the summer months to the greatest extent possible.

E. Employees who are eligible to take vacation shall be allowed to take such vacation in one (1) day increments. Requests to use these days must be made during the week prior to the posting of the two-week schedule for the period when the vacation is used. Requests made after the vacation posting period must be submitted in writing. These requests will be granted as mutually agreed to by the employee and the Employer, provided that the Employer's consent shall not be withheld simply because the day requested is a weekend day or would result in an extended weekend.

F. If a holiday occurs during an eligible employee's vacation, the employee shall be paid an additional day's pay or given an additional day off with pay in addition to the vacation pay.

SECTION 7.5: VACATION PAY:

All employees shall receive their vacation pay at the time they take their vacation.

ARTICLE 8
LEAVE OF ABSENCE

SECTION 8.1: PERSONAL LEAVE OF ABSENCE:

A leave of absence not to exceed six (6) months may be granted by mutual agreement between the Employer, employee and the Union. All leaves of absence shall be requested and confirmed in writing. Failure to return at the end of a leave of absence shall result in loss of seniority and employment. The Employer will use reasonable and fair judgment in determining whether or not an employee shall be granted a leave of absence and further, the Union may not unreasonably deny a requested leave of absence.

SECTION 8.2: ACCIDENT, INJURY, PREGNANCY, OR SICKNESS:

A. In case of accident, injury, pregnancy or sickness which renders the employee unable to work, an automatic leave of absence shall be granted for the period of time that they are judged unable to work up to a period of one year.

B. Extensions of this time limit shall be granted upon certification that the employee is still unable to return to work, up to a period of three (3) years. The employee must be able to pass a physical examination upon return to work, if requested.

C. The employee shall advise the store manager of his intent to return to work two (2) weeks in advance. The employee may return earlier if a mutual agreement is reached and hours are available.

D. In case of injury on the job, the employee shall be paid for the full scheduled day, providing the doctor verifies that the employee was unable to return to work.

SECTION 8.3: FUNERAL LEAVE:

A. After completing the probationary period all employees, except prime time part-time employees, shall be entitled to a maximum of three (3) days paid leave when it is necessary to be absent on scheduled work days to arrange for, travel to, or attend the funeral of an

immediate family member. Immediate family member is defined as the employees' spouse, parents, step-parents, children, brothers, sisters, mother-in-law, or father-in-law. In the event of the death of a spouse, the employee shall be entitled to a maximum of four (4) days funeral leave.

B. Employees are responsible for limiting their time away from work to those days that are reasonably required for the particular circumstance. Funeral leave may be taken from the day of death through the day after the funeral. The employee must attend the funeral to be eligible for the leave.

C. The last day of the leave will be the day of the funeral; provided, however, that the last day of the leave can be the day after the funeral if the funeral was two hundred (200) miles or more from the employee's residence, and employees will not be entitled to pay for intervening scheduled days off.

D. Payment will not be made when death occurs while the employee is on vacation or leave of absence.

E. One (1) day leave of absence with pay in the event of death of any other relative living in employee's home at time of death.

SECTION 8.4: JURY DUTY:

An employee shall immediately notify his/her Employer upon receiving a call for jury duty. When a full-time employee is required to serve on a petit jury, the Employer agrees to pay the difference between jury pay and the employee's earnings for a forty (40) hour week at his/her straight-time rate of pay. Such an employee must report for work whenever his/her presence is not required on jury duty. Hours spent on jury duty will be counted as time worked for the purposes of this Agreement.

SECTION 8.5: MILITARY SERVICE:

An employee entering into the military service of the United States shall be entitled to reinstatement as an employee if required by law.

SECTION 8.6: FAMILY AND MEDICAL LEAVE ACT:

Employees shall not be required to use their paid vacation or personal paid holiday time during any leave period which is covered by the Family and Medical Leave Act.

SECTION 8.7: S.P.U.R.:

The Employer agrees that it will provide a leave of absence for a period of time, not to exceed one (1) year, for an employee requested by the Union to assist the UFCW International or the Local for temporary work as a Union Representative. It is understood that the Union would make any contributions necessary to continue the employee's participation in Health or Pension programs as provided by the Agreement during this leave of absence. The Employer would provide this leave without loss of seniority; however, a Department Head may not return to a Department Head position.

ARTICLE 9
HEALTH AND SAFETY

SECTION 9.1: HEALTH AND SAFETY CONDITIONS:

A. The Employer shall continue to make reasonable provisions for the health and safety of its employees in the store during working hours of their employment in accordance with the laws of the State of Minnesota.

B. The Employer will establish and publish a written policy setting out its guidelines for employee safety and store security. These guidelines shall make clear that no employee is required to take any action in response to theft or security incidents which may endanger the safety of the employee.

SECTION 9.2: WORKERS COMPENSATION:

Where an employee is injured on the job and such accident is compensable under workers compensation, the Employer agrees to pay one hundred percent (100%) of the employee's regular straight-time rate of pay up to three (3) days. If workers compensation reverts to payment from the first day of injury, then the above mentioned one hundred percent (100%) will not be paid. An employee will be paid in full for the day they receive such compensable injury.

SECTION 9.3 REGULATIONS:

The Employer will comply with any local, state or federal regulations relative to the temperatures in the backrooms, sales floors and meat cutting rooms.

SECTION 9.4 FIRST AID KITS:

The Employer shall provide and completely stock first aid kits in all departments.

ARTICLE 10
DISCHARGE

A. No employee shall be discharged except for just cause.

B. The properly accredited officers or representatives of the Union and the Employer are authorized to settle any dispute arising out of a discharge. Grievances under Section 15.1 regarding discharge without just cause must be filed in writing with the Employer within fifteen (15) calendar days after the effective date of termination of the employee's employment. Failure to comply with this time requirement will result in the grievance being waived and not submitted to mediation or arbitration under Article 15.

C. Warning Notices And Discharge. In all instances of discipline, except where the grounds are sufficient to constitute just cause for immediate discharge, the Employer will give the employee at least one (1) warning notice in writing, with a copy to the Union.

ARTICLE 11
PICKETING

It shall not be considered a violation of this Agreement for an employee to refuse to cross a legal picket line, nor shall an employee be disciplined or discharged for refusal to cross a legal picket line of a striking union when such picketing has the approval of the United Food and Commercial Workers International Union. The Union shall give forty-eight (48) hours notice in writing to the Employer of its intention to sanction or approve the picket line. It is further agreed that the Employer reserves the right to close his place of business if a legal picket line is established and it shall not be considered a violation of this Agreement.

ARTICLE 12
STRIKE-LOCKOUT

The Union agrees that during the term of this Agreement, there shall be no strike by the Union or its members. The Employer agrees that there shall be no lockout during the term of this Agreement.

ARTICLE 13
UNION-EMPLOYER COOPERATION

SECTION 13.1: UNION STORE CARD:

The Union agrees to issue a Union store card and/or window decals to the Employer under the rules governing Union store cards set forth in the Constitution of the United Food and Commercial Workers International Union. Such Union store card and decals are, and shall remain, the property of said International Union and the Employer agrees to surrender said Union card and/or decals to the authorized representative of the Union on demand in the event of failure by the Employer to observe the terms of this Agreement or the conditions under which said Union store card and/or decals are issued.

The Employer shall display such Union store cards and decals in conspicuous areas accessible to the public in each establishment covered by this Agreement.

SECTION 13.2: STORE VISITATION:

The duly authorized representative of the Union shall be permitted access to the store at reasonable times provided the conduct of the representative does not interfere with the operation of the Employer's business.

SECTION 13.3: SHOP STEWARDS:

The Union shall have the right to appoint a steward. In no instance shall the steward be discriminated against for discharging Union duties, provided such duties do not interfere with the regular performance of work for the Employer or in any way interfere with the operation of the business.

SECTION 13.4: BULLETIN BOARD:

A space will be provided on a designated bulletin board in each store where official Union notices originating from the Union offices may be posted.

SECTION 13.5: STORE SECURITY:

The Employer will establish and publish a written policy setting out its guidelines for employee safety and store security. These guidelines shall make clear that no employee is required to take any action in response to theft or security incidents which may endanger the safety of the employee.

ARTICLE 14
VIOLATIONS OF AGREEMENT

The settlement of any one violation of this Agreement shall not constitute a waiver of the particular provisions violated or of any other provisions of this Agreement, and shall not constitute a waiver of any subsequent violation of any provision of this Agreement.

ARTICLE 15
GRIEVANCE AND ARBITRATION

SECTION 15.1: GRIEVANCE:

A. When a grievance arises in a store, the employee (with or without the Union representative) may attempt first to settle the matter with his/her immediate supervisor. In the event that this is unsuccessful, the representative of the Union shall be called so that the matter may be settled without loss of time to either party.

B. If the grievance cannot be resolved on a local level, a representative of the Employer and a representative of the Union shall, within seven (7) calendar days, attempt to reach a settlement of the controversy, dispute or disagreement.

C. In the case of wage discrepancies, the Employer agrees to submit to the Union upon request from the Union any and all wage data concerning same.

D. Any claimed grievance of any kind to be acted upon or accepted as valid for any reason must be filed in writing with the Employer and the Union within thirty (30) calendar days after the employee has knowledge of the occurrence giving rise to the grievance. Regardless of the date of filing, the employee will receive the full back pay to which the employee is entitled for a valid grievance and shall be collectable over a period of time covering two (2) years or back to the effective date of the Agreement, whichever is more.

E. Any controversy over the interpretation of or the adherence to the terms and provisions of this Agreement, including all claims for wages which cannot be settled by negotiations, shall be submitted to arbitration by either party notifying the other involved in writing of its desire to do so. Notification of desire to submit the grievance to arbitration must be made within thirty (30) calendar days following exhaustion of A, B, C, and D above.

F. 1) Employer Violations: Any Employer who intentionally violates any part of this Agreement shall be penalized for such violation, such as paying less than the established rate of pay or violating hours of employment, etc. If such violations are proven, the Employer shall pay double (2) times the amount involved.

2) No such case shall be recognized after sixty (60) calendar days of said violation. However, in case of a dispute, such dispute shall be decided in accordance with the regular arbitration provisions contained in SECTION 15.2 and 15.3.

SECTION 15.2: MEDIATION:

Any discharge or dispute that cannot be resolved under the provisions of SECTION 15.1 may be referred by mutual agreement to the Bureau of Mediation Services of Minnesota in an attempt to reach an agreement on a resolution. The party wishing to submit the dispute or discharge to nonbinding mediation shall do so in writing within fifteen (15) calendar days following the exhaustion of the remedies in SECTION 15. 1. The parties, by mutual agreement, may elect to bypass Mediation and refer the matter directly to Arbitration.

SECTION 15.3: ARBITRATION:

A. If a dispute or discharge is not resolved by the provisions of SECTIONS 15.1 and 15.2, either party may refer the matter to Arbitration by notification to the other party, in writing of their desire to arbitrate the issue.

B. A representative of the Union and a representative of the Employer shall meet and attempt to agree on a neutral third (3rd) party to hear and decide the Grievance. If within seven (7) calendar days of notification, the parties cannot agree on a neutral party, either party may petition the Federal Mediation and Conciliation Service (FMCS) for a list of seven (7) neutral arbitrators. The parties shall alternately strike from this list until one (1) name remains that person shall be the one (1) to hear and decide the grievance.

C. The neutral party shall meet with the parties to the dispute, hear all evidence in the case or cases referred and render a decision as soon as possible.

D. Each party shall bear the expenses of preparing and presenting its own case. The expenses of the neutral party shall be equally shared by the parties.

E. There shall be no recourse to any other method of settlement, unless a party fails to accept and comply with the award, in which case the award may be enforced by further action of the party in whose favor such award has been given.

F. The decision of the Arbitrator shall be final and binding upon all parties to the dispute.

G. Status Quo: During the period of adjustment or arbitration, as provided in this Article, the conditions in effect at the time of the notification of the claimed grievance shall continue in effect pending final decision.

SECTION 15.4: LIMITATIONS ON ARBITRATOR:

The arbitrator shall not have the authority to decide questions involving the jurisdiction of any Local, or of the International, or which may in any way affect or change the Union security clause, nor shall the arbitrator have the authority to effect a change in, modify or amend any of the provisions of this Agreement.

SECTION 15.5: TIME LIMITS:

The time limits set forth above shall be absolutely mandatory and failure to comply will mean the grievance is void and no consideration will be given to it. The time limits may be extended by mutual agreement.

ARTICLE 16
SHELF STOCKING

The Employer shall be allowed to utilize suppliers, vendors and salesmen to stock products that they represent, stocking of these products will be held at the minimum consistent with a good operation. Further, the Employer shall be allowed to utilize retail merchandisers, i.e., perishable specialists in perishable departments, grocery specialists in grocery departments, etc., for the purpose of doing resets. All other products will be stocked by members of Local 789, only, except that the two non-bargaining unit employees as outlined in Section 1.1 (store manager and one other designated non-bargaining unit store employee, but no other supervisors) may stock products.

ARTICLE 17
LEGAL ISSUES

A. Discrimination: No employee shall be discriminated against because of race, creed, sex, age, color, national origin, disability, marital status, status with regard to public assistance, religion, sexual orientation, or for engaging in protected Union activities.

B. Conflicting Agreements: No employee shall be asked or permitted to make any written or verbal agreement that will conflict with this Agreement. No employee shall have his/her wage reduced who maybe paid over the minimum wage called for in this Agreement, nor shall any employee be reclassified to defeat the purpose of this Agreement.

C. Separability:

1) Nothing contained in this Agreement is intended to violate any Federal law, rule or regulations made pursuant thereto. If any part of this Agreement is construed to be in such violation, then that part shall be made null and void and the parties agree that they will within thirty (30) days begin negotiations to replace said void part with a valid provision. It is agreed however, that either party to this Agreement shall have the right to appeal any decision that a provision of this contract violates a Federal law, rule or regulation.

2) It is also understood that if a provision is deemed in violation by the final appellate court, the parties will negotiate with the intention of replacing the void part with a valid provision, but, however, should negotiations fail, the matter will be subject to arbitration according to SECTION 15.3 of this contract.

D. It is agreed that the Employer shall comply with all state, city, county and federal laws.

E. No employee shall have his/her wages reduced to defeat the purpose of this Agreement.

ARTICLE 18
HEALTH CARE PLAN

SECTION 18.1:

A. The Employer agrees to make contributions to the United Food and Commercial Workers Union, Local 789 and St. Paul Food Employers Health Care Plan on behalf of any full-time employee who has worked thirty-two (32) or more hours per week or averaged thirty-two (32) or more hours per week for the reporting period ("Full-time Contributions"). These hours are exclusive of hours worked on Holidays.

B. The Employer further agrees to make contributions to the Fund on behalf of any part-time working less than thirty-two (32) hours per week ("Part-time Contributions"). It is further agreed that if the aforementioned part-time employee works thirty-two (32) or more hours in any one week and averages thirty-two (32) hours or more per week for the reporting period he/she will have a full-time contribution made for any week he/she worked thirty-two (32) hours or more during that reporting period. The hours used to determine payments will be exclusive of hours worked on Holidays.

C. Such Trust Fund is jointly administered, is a part of this Agreement, and is in lieu of all Employer established programs including life insurance, sickness and accident insurance, hospitalization insurance, or any other said forms of insurance now in practice.

SECTION 18.2:

The schedule of contributions are as follows:

Contributions made prior to March 8, 2009 will be the same as the St. Paul Industry Agreement.

Effective March 8, 2009:

Full-time Contributions: \$147.88 per week.
Part-time Contributions: \$ 53.23 per week.

Effective March 7, 2010:

Full-time Contributions: \$155.88 per week.
Part-time Contributions: \$ 55.23 per week.

Effective March 6, 2011

Contributions made prior to be the same as the St. Paul Industry Agreement.

SECTION 18.3:

The program of benefits of this full-time plan and of this part-time plan are as agreed to between the Employer and the Union Trustees and will be maintained for the life of this Agreement at no contribution cost to employees. Benefits may be modified by mutual agreement of the board of trustees.

ARTICLE 19
RETIREMENT PLANS

SECTION 19.1: GROCERY DEFINED BENEFIT PLAN:

A. The Employer will make the following hourly contributions into the Milwaukee Area Retail Food Clerks Pension Fund during the term of this Agreement for all hours worked up to and including forty (40) hours per week.

Full Time Grocery	3/01/09 \$1.25	3/07/10 \$1.25	3/04/11 same as St. Paul
Part-time Grocery	\$.55	\$.55	Industry Agreement

The above-referenced fund will be jointly administered by the Union and participating Employers as provided in a trust agreement establishing the fund.

B. No contributions to any retirement plan shall be made by the Employer for any employees off the job for any reason other than the above mentioned holidays and vacation periods. No contribution shall commence for any part-time employee until the employee has been employed for fifty-two (52) full calendar weeks in a position in which a defined benefit plan contribution is required.

C. Purpose of Fund: Said pension fund shall be used to provide pension benefits for eligible employees of the Employer as provided in a pension plan, the terms and provisions of which are to be agreed upon by the trustees of the fund, said pension plan shall, among other things, provide that all benefits under the plan and costs, charges and expenses of administering the plan and all taxes levied or assessed upon or in respect of said plan or trust or any income therefrom shall be paid out of the pension fund.

D. Trust Agreement: The Employer hereby agrees to execute and be bound by the existing trust agreement or joinder agreement covering the aforesaid fund and any amendments thereto, without delay.

E. Other Plans: It is agreed by and between the parties hereto, that when the Employer begins contributions to the pension fund, those employees covered by this Agreement shall automatically cease to participate in the Employer's retirement plan then in effect.

SECTION 19.2: MEAT DEFINED BENEFIT PLAN:

A. The Employer will make the following contributions into the United Food and Commercial Workers International Union-Industry pension fund during the term of this Agreement for meat department employees.

3/01/09 \$272.00	3/07/10 \$272.00	3/04/11 same as St. Paul Industry Agreement
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B. Trust Agreement: Payment to the United Food and Commercial Workers International Union Industry Pension Fund is conditioned upon the continued qualification of said plan under Internal Revenue regulations.

C. Eligibility For Pension: Contributions for new employees will not be paid until the first (1st) of the month following a full thirty (30) calendar days of employment.

SECTION 19.3: DEFINED CONTRIBUTION PLAN:

A. 1) The Employer will make the following contributions into the Local 789 Defined Contribution Fund during the term of this Agreement for all bargaining unit employees for all hours worked; together with hours of holiday and vacation pay, up to forty (40) hours per week.

Contributions made prior to March 8, 2009 will be the same as the St. Paul Industry Agreement.

	3/08/09	3/07/10	3/04/11
Full-Time Grocery Employees	\$.50	\$.60	same as the St. Paul Industry Agreement
Part-Time Employees	\$.70	\$.80	
Full-Time Meat Employees	\$.35	\$.45	

The above-referenced Fund will be jointly administered by the Union and participating Employers as provided in a Trust Agreement as it is developed by the parties and any amendments thereto.

2) No contribution shall be due to such Fund for any part-time employee until the employee has been employed for fifty-two (52) full calendar weeks in a position for which a contribution to such Fund is required.

B. Effective February 28, 1999, all bargaining unit employees who are eligible under the Trust Agreement will be allowed to make pre-tax contributions into a 401K plan which shall be jointly administered by the Union and the Employers as provided for in a Trust Agreement which establishes such Plan. The Employer is bound to the Trust Agreement as it is developed by the parties and any amendments hereto. It is understood that the Employer shall have no obligation to make any contribution to such 401K plan, to match any employee contributions to such plan, or otherwise to fund that plan.

C. Notwithstanding the terms of this SECTION 20.3, the Employer's obligation to make contributions to any retirement plans or funds other than the Milwaukee Pension Plan in effect at the time of ratification of this Agreement shall be contingent upon and subject to a determination that such contributions may be made by the Employer without violation of any laws or regulations applicable to it or of any trust agreements or participation agreements to which it is a party or by which it is otherwise bound.

D. Employees who have completed their probationary period are eligible to make pre-tax contributions into a 401K plan.

ARTICLE 20
VACATION RELIEF AND SUMMER WAIVER PERIOD, EMERGENCY WAIVER

A. **GROCERY VACATION RELIEF EMPLOYEES:** Grocery employees hired or scheduled for vacation relief purposes and working thirty-two (32) hours or more per week from May 1 through August 31 shall not have payments made on their behalf as required for those employees averaging thirty-two (32) hours or more per week. Such relief employees are guaranteed forty (40) hours of work per week for eight (8) weeks during this period. The Employer will give consideration to current qualified employees for opportunities during this period. If such an employee is retained on such a schedule after that period of time a contribution to the Pension fund will be made in September based on hours worked in August. Contributions to the Health and Welfare fund will start September 1.

B. **MEAT VACATION RELIEF EMPLOYEES:** Meat employees scheduled or hired for seasonal Vacation Relief employees are those employees who work from May 1 through August 31, and/or November 1 through January 1. Such employees will be paid the applicable hourly wage rate but there will be no full-time health and welfare or pension contributions made on behalf of such employees. Such employees will not be eligible for holiday pay except for the July 4 holiday, provided that the employee is otherwise eligible pursuant to ARTICLE 5, SECTION 5.2.C. Such relief employees are guaranteed forty (40) hours of work per week for eight (8) weeks during the May 1 – August 31 period, and for four (4) weeks during the November 1 – January 1 period. The Employer will give consideration to current qualified employees for opportunities during these periods.

C. **MEAT INJURY RELIEF EMPLOYEES:**

1) In the event that a full-time employee in the Meat Department is absent or unavailable to work on an unplanned basis (e.g., as a result of injury, illness, surgery, FMLA leave, etc.) for a period of longer than one week, a replacement employee may be assigned for a period not to exceed twelve (12) weeks per occurrence. The replacement employee shall be paid at the beginning full-time rate applicable to the classification utilized and shall be scheduled for a minimum of forty (40) hours per week for the duration of the replacement period.

2) A special waiver explaining the terms of employment in this situation will be signed by the employee and submitted to the Union.

D. **TWELVE (12) WEEK WAIVER:** The Employer may waive any current part-time employee to full-time in either grocery or meat for up to twelve (12) weeks per calendar year. The employee will be paid at the rate applicable to the classification utilized and will be scheduled for a minimum of forty (40) hours per week for each of the weeks the employee is on waivers. If such an employee is scheduled full-time in excess of the (12) weeks allowed under this provision, Full-time Contributions to the Health and Welfare and Pension funds will begin the first of that same month. The employee must sign a waiver agreement explaining the terms of this agreement. The Employer will notify the Union when an employee initially signs the waiver. The Employer will keep track of the weeks and classification(s) the employee worked as a waiver employee and submit them annually to the Union. The twelve week waiver can be used for any 1 – 12 week period(s) throughout the calendar year and need not be used or scheduled consecutively. This waiver cannot be used in conjunction with any other waiver during the calendar year this waiver is in effect.

E BENEFITS: During the waiver/replacement period, the employee will not accrue any benefits other than the wage rate, except in the case of a bargaining unit employee who is reassigned from a position with the Employer in which that employee currently receives benefits as provided in the Agreement, in which case those benefits will continue to be paid.

ARTICLE 21 **MANAGEMENT RIGHTS**

The Company's right to manage is retained and preserved except as abridged or modified by the restrictive language of this Agreement.

ARTICLE 22 **SUCCESSOR**

In the event of sale of any store or stores covered by this Agreement, the new owner shall recognize the Union and the Agreement with all its provisions, and grant to all employees all rights and benefits provided for thereunder, including all seniority and service time accumulated, except that the new owner shall have a thirty (30) day probation period applied to all employees and may request, in addition thereto, another thirty (30) days in respect to any individual employee whom the Employer has reason to doubt his/her performance.

ARTICLE 23 **DRUG AND ALCOHOL TESTING**

A test for illegal drugs and/or alcohol may be conducted on employees who caused or contributed to accidents occurring during work time or on the Employer's property. Covered accidents include accidents that the employee caused or contributed to that involve:

1. Personal injury to employees or others which necessitates first aid and/or medical attention; and/or
2. Substantial damage to the Employer's property which may necessitate first aid and/or medical attention to employees or others.

Employees are expected to make themselves available for Employer-paid, post-accident testing. The Employer shall adopt drug and alcohol testing procedures which conform to Minnesota Statute § 181.950 and following which shall govern all drug and alcohol testing. Time spent in drug testing shall be paid at the employee's regular straight time rate of pay. Any employee who fails to report any work-related accident may be subject to disciplinary action, up to and including termination. Employees terminated for illegal drug and/or alcohol offenses who file a timely grievance and provide the Employer with a certificate of rehabilitation will be reinstated.

ARTICLE 24
TERM OF AGREEMENT

This Agreement and any Addendums shall take effect _____, 2009 and shall continue in full force and effect through March 3, 2012, and shall continue from year to year thereafter unless either party serves notice in writing upon the other party sixty (60) days prior to the expiration date of its desire to terminate, modify or amend provisions of this Agreement, at which time either party desiring a change shall notify the other party in writing of the specific paragraphs or articles they are desirous of changing so that negotiations may be started as early as possible during the sixty (60) day notice period. All attached Appendices are made a part hereof.

DATED THIS _____ DAY OF _____, 2009.

FOR THE EMPLOYER:
COUNTY MARKET

FOR THE UNION:
UNITED FOOD AND COMMERCIAL
WORKERS UNION LOCAL NO. 789

Name _____

Name _____

Title _____

Title _____

APPENDIX "A"
WAGES

North Branch County Market Wage Schedule

(All employees except meat cutters and department heads)

<u>Hours</u>	<u>Rate</u> <u>3/1/2009</u>	<u>Rate</u> <u>3/7/2010</u>	<u>Rate</u> <u>3/6/2011</u>
0 - 260 Hours	\$8.00	\$8.00	\$8.00
261 - 520 Hours	\$8.25	\$8.25	\$8.25
521 - 780 Hours	\$8.50	\$8.50	\$8.50
781 - 1040 Hours	\$8.75	\$8.75	\$8.75
1041 - 1560 Hours	\$9.00	\$9.00	\$9.00
1561 - 2080 Hours	\$9.50	\$9.50	\$9.50
2081 - 3120 Hours	\$10.00	\$10.00	\$10.00
3121 - 3640 Hours	\$10.50	\$10.50	\$10.50
3641 - 4160 Hours	\$11.25	\$11.00	\$11.00
4161 - 6240 Hours	\$12.00	\$12.00	\$12.00
6241 - 8320 Hours	\$13.25	\$13.25	\$13.25
8321 - 10400 Hours	\$14.50	\$14.50	\$14.75
10401 - 12480 Hours	\$15.75	\$15.75	\$16.00
12481 - 14560 Hours	\$17.00	\$17.40	\$17.80

Meat Cutters

Journeyman	\$20.50	\$21.00	\$21.50
Apprentices			
0 - 1040 Hours	\$15.00	\$15.00	\$15.00
1041 - 2080 Hours	\$16.00	\$16.00	\$16.00
2081 - 3120 Hours	\$17.50	\$17.50	\$17.50
3121 - 4160 Hours	\$19.00	\$19.00	\$19.00
4160 + Hours	\$20.50	\$21.00	\$21.50

Assistant department heads, Manager on duty and lead pricing and bookkeeping, will be paid at their regular rate of pay plus an additional two dollars and fifty cents (\$2.50) per hour for all hours worked up to forty (40) per week.

Department Heads

Meat Manager	\$24.50	\$25.00	\$25.50
Produce Manager	\$23.50	\$24.00	\$24.50
Grocery Manager	\$23.50	\$24.00	\$24.50
Dy/Frozen Manager	\$23.50	\$24.00	\$24.50
Deli. Manager	\$23.50	\$24.00	\$24.50
Customer Service Mgr.	\$23.50	\$24.00	\$24.50

APPENDIX "B"
STORE CLOSING

The Employer and the Union agree as follows:

1) In the event the Employer permanently discontinues operations at a store whose employees are covered by a collective bargaining agreement with the Union, severance pay shall be paid to eligible employees in the manner and to the extent set forth in this Agreement.

Discontinuance of operations due to fire, flood, or other acts of God shall not be deemed discontinuance of operations by the Employer for any purpose of this Agreement.

2) A regular employee having four (4) or more years of continuous employment whose employment is terminated on or before the date of the Employer's permanent discontinuance of operations at a store and by reason of such discontinuance of operations shall be eligible for severance pay except in the following situations:

a. The employee voluntarily terminates his/her employment or is discharged for just cause prior to the date operations are discontinued; or

b. The employee is offered employment at the same location by a successor Employer or is offered employment at another location by the Employer or any other Company having a collective bargaining Agreement with these Unions or with another Union having a labor contract covering similar work in the Twin City Metro area; or

c. The employee is eligible for and actually receives benefits under any retirement plan to which the Employer makes contributions on the employee's behalf, or

d. The employee engages in any conduct which has the effect or is intended to disrupt or otherwise interfere in any way with the Employer's discontinuance of operations.

3) The amount of severance pay for any employee eligible therefore shall be one (1) week's average pay with a maximum of forty (40) hours' pay for each completed year of continuous employment in excess of four (4) but not to exceed a maximum of six (6) weeks' pay. Payment of severance pay shall be subject to any Federal or State withholding requirements.

4) For all purposes of this APPENDIX, a full-time meat employee is any employee who averaged more than (24) hours during his/her basic work week for the fifty-two (52) week period immediately preceding his/her termination of employment and continuous full-time employment shall mean employment as a full-time employee. One (1) week's average pay shall mean one (1) week's pay at the employee's straight time hourly rate based on his/her average weekly hours worked during such fifty-two (52) week period.

5) Severance pay shall be paid at the rate of one (1) week's pay per week commencing with the second week following the number of weeks or parts thereof for which vacation pay is paid: Provided, that any severance pay shall cease in the event the employee is recalled or offered employment by any Employer who is covered by a collective bargaining Agreement with these Unions, (or with another Employer having a labor contract covering similar work in the Twin City Metro area), or who accepts the collective bargaining Agreement in effect with these Unions.

6) Upon acceptance of his/her last payment of severance pay, an employee shall lose any and all seniority or recall rights or credit for previous experience under the collective bargaining Agreement with the Union.

7) The Employer shall continue contributions to the Health and Welfare Plan for four (4) weeks following the employee's termination of employment pursuant to ARTICLE 19 of the contract.

8) Except for unemployment compensation and vacation payments due under the collective bargaining Agreement, any payment received other than payments provided pursuant to this Agreement because of an employee's termination of employment shall be deducted from any severance pay made hereunder.

9) The Employer shall give two (2) week's notice in advance of discontinuance of operations at a store to the Union and the employees employed at such store except when such notice is impossible due to circumstances beyond the Employer's control.

10) In consideration of the benefits provided by this Agreement, the Union agrees to cooperate fully in the Employer's discontinuance of operations and agrees not to engage in any strike, slowdown, or other concerted activity or to commence any legal action or to in any other way disrupt or otherwise interfere with the Employer's discontinuance of operations.

11) The Employer shall have no further obligations or liabilities arising from discontinuance of operations at any store other than as provided under this Agreement or under any other collective bargaining agreement with the Union. In the event the provisions of any other collective bargaining agreement are inconsistent with the provisions of this Agreement, the provisions of this Agreement shall prevail.

12) This Agreement shall expire one (1) year following the expiration date of the current collective bargaining agreement.

LETTER OF AGREEMENT
Retiree Health Insurance

This Letter of Understanding is intended to reflect the agreement of the parties reached during collective bargaining for the terms of the Grocery and Meat Articles of Agreement for the term March 3, 2002 through March 5, 2005, regarding subsidization of retiree health insurance costs within the Health and Welfare Plan (the "Plan") provided for in the Articles of Agreement. It is agreed that the terms of the Health and Welfare Trust Agreement shall be amended to provide as follows:

1. Eligibility for participation in the retiree health insurance program (the "retiree program") shall be limited to individuals who retire from positions covered by the collective bargaining agreement and who make an election to participate in the retiree program during a fixed period to be defined by the Trustees immediately prior to their retirement, without any break in the employee's participation in medical coverage under the Plan. Eligibility will likewise be extended to current retirees who are presently participating in the existing retiree medical coverage provided under the Plan or who have elected COBRA continuation and are presently continuing to receive benefits during the COBRA continuation period.

2. Further, all participants must be receiving a pension pursuant to the retirement plans provided for in the Articles of Agreement. In addition, eligibility will be limited to those who have a minimum of 25 years as a participant in the Plan and who have attained a minimum age of 55 years. Eligibility will likewise be limited to those individuals who have, for a continuous period of five (5) years immediately prior to retirement, been (a) employed in a bargaining unit position covered by the Articles of Agreement referenced above, and (b) a participant in the Plan. The eligibility criteria established by this Letter of Understanding are intended to be applied cumulatively, not in the alternative.

3. It is understood that a Plan participant who wishes to participate in the retiree program as provided herein shall first elect COBRA continuation of Plan benefits and retain participation throughout the COBRA continuation period at basic plan rates and at the participant's sole cost.

4. The benefits to be provided under the retiree program shall consist of the medical benefits provided under the Plan to retirees.

5. The claims/utilization experience of all retiree program participants shall be separately documented and calculated in order to maintain an ongoing ability to identify and measure the impact upon Plan funding of the retiree program.

6. The cost of coverage for eligible retiree program participants shall be subsidized from the assets of the Plan as follows: For participants with 30 years or more of Plan participation, the Plan shall subsidize the participant's cost of coverage at a rate of 100% of the difference between the Plan COBRA continuation rate and the retiree self-pay rate; for

participants with 25 or more, but fewer than 30, years of Plan participation, the Plan shall subsidize the participant's cost of coverage at a rate of 80% of the difference between the Plan COBRA continuation rate and the retiree self-pay rate. The foregoing subsidies shall cease when the participating employee becomes eligible for Medicare benefits. In all cases, the retiree program participant shall continue to pay the Plan COBRA continuation rate as determined from time to time as a minimum cost of participation.

The parties mutually agree that there is no intention to create vested rights for any employee or any Plan participant by adopting this Letter of Understanding or by amending the terms of the Plan as provided in this Letter. Rather, the terms of the Plan remain subject to change by the Trustees as provided in the Health and Welfare Trust Agreement, and the terms of this Letter of Understanding remain subject to change through the collective bargaining process.

LETTER OF AGREEMENT
New Store Opening

This Letter of Agreement is intended to reflect the agreement of the parties regarding the March 2009 opening of the Jerry's County Market store located in North Branch. This agreement applies only to the initial store opening.

1. Probationary Period:

- a. The Union and the Employer agree that the initial probationary period for all newly hired employees will be extended through ninety (90) days from the date of the original store opening on March 4, 2009 (through May 31, 2009), with seniority reverting back to the date of hire.
- b. All newly hired employees hired after May 1, 2009 will be on probation for thirty (30) calendar days and will thereafter attain seniority with the Employer, with seniority reverting back to the date of hire.

2. Transferred Employees:

- a. The Union and the Employer agree that any employee who transfers from a Jerry's location under the jurisdiction of UFCW Local 789 will be allowed to return to their original position within twelve (12) months without loss of seniority.

3. Benefit Contributions:

- a. The Union and the Employer agree that the Employer will pay the appropriate Health and Welfare or Retirement benefits as outlined in this Agreement effective the first week of February or their date of hire at the North Branch location, whichever is later.