

Agreement by and between  
**UFCW 3000**  
and  
**Fred Meyer** (Wenatchee)

**Meat**

Effective: 7/17/2016 - 7/20/2019

**UFCW3000**

Faye Guenther, President • Joe Mizrahi, Secretary-Treasurer

# WEINGARTEN RIGHTS

## Your Right to Union Representation

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

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

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

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

## Discipline? Contract violations?

## Call the Member Resource Center

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

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

**A G R E E M E N T**

**By and Between  
FRED MEYER STORES, INC.**

**and  
UNITED FOOD AND COMMERCIAL WORKERS  
UNION LOCAL NO. 1439**

**MEAT  
(Wenatchee)**

**Effective: July 17, 2016  
Through: July 20, 2019  
Ratified: May 19, 2016**

**I N D E X**  
**UFCW UNION LOCAL #1439 - FRED MEYER STORES, INC.**  
**MEAT DEALERS**  
**(WENATCHEE)**

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# AGREEMENT

By and Between  
FRED MEYER STORES, INC.

and

UNITED FOOD AND COMMERCIAL WORKERS UNION LOCAL NO. 1439  
MEAT DEALERS  
(WENATCHEE)

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This Agreement is made by and between Fred Meyer Stores, Inc., at its Wenatchee, Washington store, 11 West Grant Road, East Wenatchee, Washington 98802, (hereinafter referred to as the "Employer") and United Food and Commercial Workers Union Local No. 1439, (hereinafter referred to as the "Union").

WITNESSETH that both of the parties hereto agree to abide by the following rules and conditions:

## **ARTICLE 1 - RECOGNITION AND CONDITIONS OF EMPLOYMENT**

1.1 Fred Meyer Stores, Inc. hereby recognizes, during the term of this Agreement, United Food and Commercial Workers Union Local No. 1439, as the sole and exclusive collective bargaining agency for all employees of the Employer whose job classification is set forth in this Agreement, in its Wenatchee store located at 11 West Grant Road, East Wenatchee, Washington 98802.

1.2 United Food and Commercial Workers Union Local No. 1439, for and on behalf of its members, hereby recognizes Fred Meyer Stores, Inc., during the term of this Agreement, as the sole and exclusive bargaining agency for the Employer.

1.3 Pursuant to and in conformance with Section 8(a)3 of the LABOR MANAGEMENT RELATIONS ACT OF 1947, it is agreed that all employees coming under the terms of this Agreement who have been in the employ of the Employer for a period of thirty-one (31) days shall make application to and shall become and remain members in good standing of the Union and that the Employer shall discharge any employee as to whom the Union, through its business agent, delivers to the Employer a written notice that such employee is not in good standing in the Union as a result of failing to tender payment of regular initiation fees and/or periodic dues.

1.3.1 "Good Standing" shall be defined as the tendering of uniformly required periodic dues and initiation fees.

1.3.2 Upon the failure of any employee to comply with any provision of Article 1, Section 1.3 of this Agreement, the Union may then notify the Employer in writing of such failure. The Employer will not be asked by the Union to discharge any employee for non-compliance

with the provisions of paragraph 1.3 until seven (7) days after the Union has furnished the Employer with notice in writing which contains the following:

(a) A statement that the Union has strictly complied with the necessary procedural steps pursuant to the International Constitution and By-Laws in making its demand.

(b) A statement that demand for termination is made for no reason other than the employee's failure to pay the dues and initiation fees uniformly required by the Union for membership in the Union, pursuant to the Union Security Clause.

(c) The Union agrees to hold the Employer harmless for discharges made pursuant to this Article.

1.4 It is agreed the Employer shall send to the Union office a postcard indicating starting date, employee's name, address, social security number, classification, store and location, for all new employees not later than thirty-one (31) days from date of employment. These prepaid postage cards shall be furnished by the Union.

## **ARTICLE 2 - DISCIPLINARY ACTION**

2.1 No member shall be discharged without just cause. There shall be no individual agreements entered into between the Employer and employees.

2.2 It is agreed that an employee shall notify the Employer of his intent to quit his job prior to the end of his last shift and before leaving the market. Failure to give such notice will result in the loss of earned vacation pay. It is further agreed that an Employer will notify an employee of discharge prior to the end of the last scheduled shift and before leaving the market.

## **ARTICLE 3 - WORKING HOURS**

3.1 Forty (40) hours shall constitute a basic work week. All time in excess of forty (40) hours in any one week or in excess of eight (8) hours in any one day shall be paid for at one and one-half times the regular rate. Eight (8) hours in a period of nine (9) hours with not more than one (1) hour allowed off for lunch shall constitute a basic work day. There shall be no split shifts scheduled. A half day shall consist of four (4) hours work. Any employee called to work shall be offered no less than four hours work.

3.1.1 Where six (6) days, Sunday through Saturday, are worked in any one (1) week, time and one-half (1½) the straight time hourly rate shall be paid for work on the day that the least numbers of hours are worked.

*Note: If Sunday is the shortest day of the six (or is tied for the shortest day) then the Sunday hours are paid at a premium of time and one-half and no other premium is due.*

3.2 Rest periods shall be provided in conformance with State and/or Federal law and all employees shall receive the same rest period benefits. Rest periods shall be paid by the Employer.

3.3 A premium rate of thirty cents (30¢) per hour shall be paid for all work performed between the hours of 6:00 PM and 9:00 PM, and work performed after 9:00 PM and before 6:00 AM shall be paid for at a premium rate of fifty cents (50¢) per hour. There shall not be any compounding or pyramiding of overtime and/or any premium pay, and only the highest applicable rate shall apply.

3.4 The Employer shall post a weekly work schedule for all regular full and part time employees by 6:00 P.M. on Thursday preceding the start of the work week. Any alterations in such work schedule, changing the employees' days off, must be made not later than Saturday of such preceding week, except in cases of emergency. However, it is understood that the established work schedule may be changed by unexpected developments such as illness of employees, accidents, reduction of business, etc. Daily starting times may not be changed once an employee has reported for work. Regular full time employees called for work on his/her pre-designated days off as established in the work schedule provision shall be offered eight (8) hours of work except in cases of emergency. Nothing in the above shall be construed to guarantee any hours of work to anyone.

3.5 It is agreed that any work performed shall be done by a member of the bargaining unit. This clause includes the cutting, wrapping and displaying of any meats, fish and poultry covered by this Agreement.

3.6 There shall be a Head Meatcutter on duty each work day of the work week (Monday through Saturday) except for his designated day off, and except in cases of emergency of less than forty (40) working hours in a work week. Such substitute Head Meatcutter shall receive the minimum contract rate provided in the attached Appendix, provided he assumes the duties of the Head Meatcutter.

3.7 Each employee shall receive a wage statement each pay period.

3.8 No employee shall be required to take time off in lieu of overtime pay.

3.9 The parties agree that by mutual agreement the Employer may create 4x ten-hour workweeks in recognition that there may be some positions falling under the scope of the referenced Labor agreements that would accommodate a 4x ten-hour workweek schedule for the employees occupying those positions. In that event, the parties agree that the daily overtime provisions of Section 3.1 of the Agreement shall be applicable after ten hours worked. The rest periods provided for in Section 3.2 of the Agreement will be scheduled to provide for a fifteen-minute rest period on either side of the employee's scheduled meal period. In addition, holiday pay provided for in Article 7 of the Agreement shall be applied on the basis that the employee shall receive eight (8) hours pay for each holiday that the employee is eligible for, unless the employee is scheduled for thirty (30) hours during the holiday week, and in that event the employee shall receive ten (10) hours holiday pay.

**ARTICLE 4 - CLASSIFICATIONS AND MINIMUM RATES OF PAY**

4.1 The classifications and minimum scale of wages as set forth in the attached Appendix is hereby made a part of this Agreement.

4.2 It is understood and agreed that the rates of pay provided for herein are minimum rates and apply to the job classification and not to the individual. No employee receiving a higher hourly rate not provided for herein shall have such wage rate taken away by reason of any provision of this Agreement; however, the terms of this Agreement are intended to cover minimums of wages and other employee benefits. The Employer may place superior wages and other employee benefits in effect and may reduce the same to the minimum herein prescribed without the consent of the Union.

**ARTICLE 5 - NEW METHODS**

5.1 Within thirty (30) days after an Employer party to this Agreement introduces new methods of operation into the bargaining unit that require the establishment of new job classifications, the Employer shall notify the Union in writing of the new classification, including a description of work being performed and the wage rate established. Any question as to the adequacy of the wage rate established for the new job classification shall be presented in writing by the Union within ten (10) calendar days following the Employer's written notice to the Union, and shall be subject to the grievance procedure, as set forth in Article 16 of this Agreement. If, through the procedure, as set forth in Article 16, it is determined that the wage rate assigned by the Employer should be adjusted, such adjustment shall be retroactive to the date of the Employer's written notice to the Union.

**ARTICLE 6 - VACATIONS**

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

| <u>Hours Worked</u> | <u>Hours of Paid Vacation</u> |
|---------------------|-------------------------------|
| 1200 to 1600        | 24                            |
| 1600 to 2000        | 32                            |
| 2000 or more        | 40                            |

6.2 Employees who have worked for the same Employer for a period of three (3) years (after the third year of continuous work) shall be entitled to a vacation with pay at their straight-time hourly rate based upon the number of straight-time hours worked in the preceding twelve (12) months as follows:

| <u>Hours Worked</u> | <u>Hours of Paid Vacation</u> |
|---------------------|-------------------------------|
| 1200 to 1600        | 48                            |
| 1600 to 2000        | 64                            |
| 2000 or more        | 80                            |

6.3 Employees who have worked for the same Employer for a period of ten (10) years (after the tenth (10th) year of continuous work) shall be entitled to a vacation with pay at their straight-time hourly rate based upon the number of straight-time hours worked in the preceding twelve (12) months as follows:

| <u>Hours Worked</u> | <u>Hours of Paid Vacation</u> |
|---------------------|-------------------------------|
| 1200 to 1600        | 72                            |
| 1600 to 2000        | 96                            |
| 2000 or more        | 120                           |

The third (3rd) week of vacation is to be taken at a time mutually agreeable.

6.4 Employees who have worked for the same Employer for a period of twenty (20) years (after the twentieth (20th) year of continuous work) shall be entitled to a vacation with pay at their straight-time hourly rate based upon the number of straight-time hours worked in the preceding twelve (12) months as follows:

| <u>Hours Worked</u> | <u>Hours Of Paid Vacation</u> |
|---------------------|-------------------------------|
| 1200 to 1600        | 96                            |
| 1600 to 2000        | 128                           |
| 2000 or more        | 160                           |

6.5 Employees who average twenty (20) hours or more per week who terminate or are terminated, (discharge for dishonesty, drunkenness, sale or possession of illegal drugs excepted) after the first (1st) or any subsequent anniversary date of their employment, prior to their next anniversary date of employment shall be entitled to vacation pay at their straight-time hourly rate based upon the number of straight-time hours worked since the last anniversary date of their employment at the following rates for each full 200 hours worked; after the first (1st) to the third (3rd) anniversary date, four (4) hours vacation pay; after the third (3rd) to the tenth (10th) anniversary date, eight (8) hours vacation pay; and after the tenth (10th) anniversary date, twelve (12) hours vacation pay; after the twentieth (20th) anniversary date, sixteen (16) hours vacation pay.

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

6.7 Employees whose vacations are scheduled during a holiday week shall receive holiday pay provided for under the terms of Article 7 of this Agreement in addition to vacation pay.

6.8 It is hereby understood and agreed that in computing hours of paid vacation for full time employees (employees who regularly appear on the payroll for forty (40) or more hours per week) the terms of paragraphs 6.1, 6.2, 6.3 and 6.4 of this Article shall be applied so that working time lost up to a maximum of thirty (30) hours due to temporary layoff, verified cases of sickness or accident, or other absences from work approved by the Employer (in addition to

vacations and holiday time off earned and taken by the employee) shall be counted as time worked.

6.9 In the scheduling of vacation, seniority shall be considered with the understanding that in the case of employees entitled to three (3), four (4) and five (5) weeks of vacation, a minimum of two (2) weeks may be scheduled consecutively and the remaining earned vacation time shall be scheduled by mutual agreement between the Employer and employee.

### **ARTICLE 7 - HOLIDAYS**

7.1 The following days shall be considered holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

7.2 To be eligible for holiday pay employees must satisfy the following requirements: (1) must be employed six (6) months with the same Employer, (2) must work the last scheduled working day preceding and the next scheduled working day following the holiday and work the Holiday, if scheduled; (3) must earn pay for work actually performed during the week in which such holiday occurs. This requirement does not apply to those employees on paid vacation during the holiday week; (4) must work the hours specified below:

| <u>Hours Normally Worked</u> | <u>Hours of Holiday Pay</u> |
|------------------------------|-----------------------------|
| 20 to 31 inclusive           | 4                           |
| 32 or more                   | 8                           |

7.3 Employees who qualify for holiday pay as specified in Section 7.2 shall be paid time and one-half (1-1/2) in addition to such holiday pay for work performed on holidays named in Section 7.1. Employees who do not qualify for holidays pursuant to Section 7.2 shall receive time and one-half (1-1/2) for work performed on such holidays. This paragraph shall not apply to employee's birthday.

7.3.1 For employees hired on or after October 3, 2006, there shall be no holidays for the first six (6) months of employment (i.e. no holiday pay and no premium for working on a holiday during this six [6] month period). For the next 2080 hours the premium for working on a holiday shall be \$1.25 per hour. Thereafter, the premium for working on holiday shall be time and one-half (1½) their regular rate of pay.

7.4 Employees with one (1) year of continuous service with the Employer shall receive their Birthday as a paid holiday. By mutual agreement between the Employer and employee, the employee may receive payment in lieu of such holiday in accordance with Section 7.2 (4) above. Employees shall give the Employer a thirty (30) day notice prior to their birthday. The birthday shall be observed within thirty (30) days of the employee's birthday on a mutually agreeable day. In the event the employee's birthday falls on the same day as any of the holidays, specified in Section 7.1 above, the employee's birthday will be celebrated on another day in accordance with the procedure set forth in the previous sentence.

7.5 Holidays either worked or not worked, shall not be considered as days worked for the purpose of computing weekly overtime except in the case of employees who normally work six (6) days per week, totaling at least forty-four (44) hours per week. In case of the employee's birthday, the week in which the birthday is observed shall be considered as the holiday week.

#### **ARTICLE 8 - JURY DUTY**

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

8.2 An employee called for jury duty who is temporarily excused from attendance at court must report for work if sufficient time remains after such excuse to permit him to report to his place of work, and work at least one-half (1/2) of his normal work day. Employees scheduled to work evenings or nights will not be required to report to work if the employee served on a jury that day.

8.2.1 Provided the employee provides the Employer with adequate notice, the Employer will not schedule past 9:00 p.m. Sunday evening if the employee has received notice to appear for jury duty the following Monday morning.

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

#### **ARTICLE 9 - FUNERAL LEAVE**

9.1 After an employee's first year of employment, employees who are regularly employed twenty-four (24) hours or more per week shall be allowed up to three (3) days off with pay for a loss of their normal scheduled hours of work for the purpose of attending the funeral of a member of the immediate family. Immediate family shall be defined as spouse, son, daughter, mother, father, or guardian, brother, sister, grandparents, and grandchildren.

#### **ARTICLE 10 - HEALTH AND WELFARE AND DENTAL, VISION AND PRESCRIPTION DRUG BENEFITS**

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

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

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

10.2.1 Helper Clerks, Senior Courtesy Clerks, & Courtesy Clerks hired on or after September 4, 2002: Helper Clerks and Senior Courtesy Clerks shall have the same benefit levels, eligibility requirements, and Employer contributions as for all other Helper Clerk participants under the Eastern Washington plan: employees who are nineteen (19) years old or otherwise emancipated, who have worked continuously for one (1) year or more, and who meet the eligibility requirements referred to in 10.1, will qualify for health and welfare benefits. There shall be no coverage and no contributions required for Courtesy Clerks.

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

10.4 Notwithstanding the provisions of paragraph 10.1, the Board of Trustees of the United Food and Commercial Workers Welfare Trust shall establish and enforce, as an alternate method of contribution, a method for reporting contributions on an accounting period basis rather than a calendar month basis. In such a case, the eighty (80) hour provision shall be appropriately adjusted as directed by the Trustees. Further, the total contributions due for each approved accounting period shall be remitted in a lump sum not later than twenty (20) days after the end of the accounting period. In the event this alternate system deprives the employee of benefits that would otherwise have been covered on a calendar basis, the Employer is obligated to make the remittance for such employee to the Trust Fund.

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

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

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

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

### **ARTICLE 11 - RETIREMENT SAVINGS**

11.1 During the term of this Agreement the Employer shall pay into the Washington Meat Industry Pension Trust on account of each member of the bargaining unit, the amounts as specified in this Article.

11.2 Employees hired prior to September 4, 2002 shall be grandfathered at their current pension rates:

|             |                               |
|-------------|-------------------------------|
| Journeyman: | Total contribution to \$0.36  |
| Apprentice: | Total contribution to \$0.293 |

11.3 Contributions for employees hired on or after September 4, 2002, but before October 3, 2006, shall be:

| <b>Classification</b>             |         |
|-----------------------------------|---------|
| Journeyman*                       | \$0.36  |
| Step 8 (Next 2080 hrs)            | \$0.248 |
| Step 7 (Next 2080 hrs)            | \$0.225 |
| Step 6 (Next 2080 hrs)            | \$0.203 |
| Step 5 (Next 1600 hrs)            | \$0.18  |
| Step 4 (Next 1040 hrs)            | \$0.158 |
| Step 3 (Next 1040 hrs)            | \$0.135 |
| Step 2 (Next 1040 hrs)            | \$0.113 |
| Step 1 (1 <sup>st</sup> 1040 hrs) | \$0.113 |

11.3.1 For employees hired on or after October 3, 2006, there shall be a waiting period of 1040 hours or one calendar year, whichever is longer, before the Employer is required to begin making the following contribution:

|              |                               |
|--------------|-------------------------------|
| Journeyman:  | Total contribution to \$0.36  |
| Apprentice*: | Total contribution to \$0.225 |

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

progression and the employee must actually work (as defined above) the full number of hours before being entitled to the Journeyperson pension contribution.

11.4 The total amount due for each calendar month shall be remitted in a lump sum not later than twenty (20) days after the last business day of such month. The Employer agrees to abide by such rules as may be established by the Trustees of said trust to facilitate the determination of contributions due, the prompt and orderly collection of such amounts, and the accurate reporting and recording of such amounts paid on account of each member of the bargaining unit. Failure to make all payments herein provided for within time specified shall be a breach of this Agreement.

11.5 Pension Protection Act (“PPA”). This Agreement is subject to the 2010-2011 Rehabilitation Plan adopted by the Board of Trustees, as revised June 25, 2014.

#### **ARTICLE 12 - RESPONSIBILITY CLAUSE**

12.1 The above-listed contributions for Health and Welfare (Article 10) and Retirement Savings (Article 11) are due and payable on or before the twentieth (20th) day of each month for the preceding month, and contributions will be delinquent if not paid by the twenty-fifth (25th) day, which delinquency will be a violation of this Agreement. The Employer agrees to post monthly audited billings received from the Trust Office, marked for Meat Personnel.

#### **ARTICLE 13 - JURISDICTION**

13.1 The jurisdiction of Local No. 1439 shall cover, on an as needed basis, the cutting and handling and sale of all meats, fish, poultry and rabbits in the area covered by this Agreement in either service or self-service markets.

13.2 Whenever a member of the bargaining unit is not on duty, prepackaged meat items and those products that have been prepared by Meat Department employees and are in storage ready for sale, may be placed in the meat case by a person in charge.

#### **ARTICLE 14 - SICK LEAVE**

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

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

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

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

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

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

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

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

14.7 Sick leave benefits shall apply only to bona fide cases of illness and injury off-the-job, and shall not apply to on-the-job accidents.

#### **ARTICLE 15 - GENERAL CONDITIONS**

15.1 The Employer agrees to display in a conspicuous place to the public, the Union shop card of the United Food & Commercial Workers, at all times. Such cards shall remain the property of the Union and can be withdrawn from any market by the President of the Union for violation of this Agreement, provided the dispute has first been processed through the grievance procedures provided in Article 17 and the Employer refuses to comply with a final determination thereunder. The card may also be withdrawn from any shop that ceases to employ Union members.

15.2 It is the desire of both the Employer and the Union to avoid whenever possible, the loss of working time by the employees covered by this Agreement. Therefore, the Union business representative shall be admitted to the Employers sole premises during the hours employees are working for the purpose of ascertaining whether or not this Agreement is being observed, provided such representatives shall first contact the Store Manager or person in charge. Contacts with the employees during such visits shall be conducted in a manner as not to interfere with the orderly operation of the Employer's business nor to interfere with the employee's duties or with the service to the customer, it being further agreed that lengthy discussions between employees

and representatives of the Union or among themselves concerning disputes shall not take place during working hours.

15.3 The Employer shall bear the expense of furnishing gowns and/or uniforms and laundering them. He shall also furnish mesh aprons for knife men. The Employer shall bear the expense of sharpening tools for all employees or furnish a sufficient grinder or stone for the employees to sharpen their tools on Company time. Failure to wear mesh aprons may be grounds for discharge.

15.4 The Employer shall be responsible for payment for all hours worked and an employee shall only work those hours specifically authorized by the Employer. Accordingly, it is intended that there shall be no "free time off-the-clock" work practices under this Agreement. Any employee found by the Employer or the Union to be engaging in such practice shall be subject to discipline which may include termination. Likewise, the Employer shall not encourage, intimidate, or coerce an employee to perform off-the-clock work.

15.5 Store Meetings: Required store meetings shall be paid for at the straight-time hourly rate and shall be considered time worked only for the purpose of computing overtime in accordance with Section 3.1 of the Agreement. Section 3.1.1 shall not apply to this provision.

15.5.1 Employees required to attend such meeting on their day off or who have been called back after an hour off duty-time shall receive a minimum of 2-hour call-in for such meetings.

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

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

## **ARTICLE 16 - NON-DISCRIMINATION**

16.1 When the gender term "he" or "she" is used within this Agreement, it is for explanatory purposes only and does not refer to the actual sex of any person.

16.2 Both parties recognize that in all cases of conflict between TITLE VII and any provision of the Contract, or any practice under any provision of the Contract, TITLE VII shall prevail. If the Company is required by Executive Order No. 11246 as amended, and revised Order No. 4, to develop and implement Affirmative Action Programs and in the event of any conflict between the provisions of such program and any provisions of the Contract, or any practice under any provision of the Contract, the Affirmative Action Programs shall prevail.

16.3 The parties agree to comply with all applicable laws pertaining to discrimination on the basis of Union membership, race, color, national origin, religion, sex or age or any other basis prohibited by law.

### **ARTICLE 17 - GRIEVANCE PROCEDURE**

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

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

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

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

17.2 During the process of making adjustments under the rule and procedure set forth in paragraph 16.1 above, no strike or lockout shall occur.

17.3 No grievance or claim of violation of this Agreement shall be recognized unless presented in writing within thirty (30) calendar days from the date of the occurrence causing the complaint or grievance with the exception of discharge grievances which must be filed in writing within ten (10) calendar days. In the event the claim is one for additional wages, any such claim shall be limited to additional wages, if any, accruing within the ninety (90) day period immediately preceding the date upon which the Employer received notice in writing of the claim.

#### **ARTICLE 18 - LEAVE OF ABSENCE**

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

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

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

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

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

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

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

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

(a) A doctor's certificate verifying that the employee is able to resume his/her normal duties must be furnished if requested by the Employer.

(b) The employee shall then return to the job previously held or to a job comparable with regard to rate of pay and job qualifications, on the first (1st) weekly schedule prepared after the Employer has received notice in writing of the employee's availability.

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

#### **ARTICLE 19 - STRIKES/LOCKOUTS**

19.1 During the life of this Agreement there will be no strikes or other economic action by the Union, nor lockouts by the Employer, unless the other party is refusing to comply with a final decision of an Arbitrator reached in accordance with the provisions of this Agreement.

#### **ARTICLE 20 - SENIORITY**

20.1 The ordinary rule of seniority shall apply, with the understanding that the ordinary rules of merit and ability shall also apply.

20.2 The first sixty (60) calendar days of employment by a new employee shall be considered a probationary period in which the employee may be terminated without recourse from the Union.

20.3 Seniority shall only apply after the first one hundred twenty (120) calendar days of employment with the Employer, then seniority shall date back to the date of hire.

20.4 Seniority shall terminate when an employee has been laid off in excess of ninety (90) calendar days.

#### **ARTICLE 21 - WRAPPERS DESIROUS OF BECOMING MEAT CUTTERS**

21.1 Wrappers desirous of promotion to Apprentice Meat Cutter status shall make their desires known to the Company, in writing, and such employees shall be given equal consideration for such vacancy. Selection to fill the vacancy shall be made on the basis of Company seniority, ability and qualifications being equal.

21.2 A Wrapper commencing the Apprenticeship Training Program for Meat Cutters shall have a ninety (90) day trial period. Said trial period shall not jeopardize the employee's former classification or seniority. There shall be no reduction in pay to any Wrapper as a result of entering the Apprenticeship Program, i.e., the Wrapper's rate of pay shall apply until such time as the Apprentice Meat Cutter rate exceeds the Wrapper's rate, at which time the Apprentice Meat Cutter rate shall apply.

#### **ARTICLE 22 - SEPARABILITY**

22.1 Any provision of the Agreement which conflicts with the provisions of any Federal or State statute, or Executive order having the effect of law now in force or hereafter enacted, shall

be considered to be automatically modified to such extent as is necessary to remove such conflict, and the fact that any such provision as originally written is determined to be invalid shall not affect the validity of the remainder of the Agreement. The parties agree that substitute provisions shall be written within a reasonable period of time.

**ARTICLE 23 - MANAGEMENT RIGHTS**

23.1 Except as herein clearly and explicitly limited in the express terms of this Agreement the right of the Company in all respects to manage its business shall be unimpaired.

23.2 During the term and course of this Agreement, no collective bargaining shall be had upon any issue covered by this Agreement, or upon any issue which has been disposed of during the course of the collective bargaining which resulted in the consummation of this Agreement, or upon any matter not expressly set forth in this Agreement. Nothing herein shall preclude the parties by mutual agreement from discussing problems which may arise under the contract.

**ARTICLE 24 - ON-THE-JOB-TRAINING**

24.1 The Company shall have the right to place Management Personnel in the Meat Department for the purpose of receiving on-the-job training and instructions up to a maximum of one hundred and seventy three (173) hours per person, provided no regular employees are laid off or suffer a reduction in their normal hours. Such Management personnel will not be required to become a member of the Union. It is further agreed the Union will not attempt to impose any restrictions or penalties upon an Employer for exercising this right.

**ARTICLE 25 - TERM OF AGREEMENT**

25.1 This Agreement shall be in full force and effect from July 17, 2016 through July 20, 2019, and thereafter from year to year, unless sixty (60) days' notice of cancellation or modification is given by either party in writing prior to the expiration date.

This Agreement shall be binding upon the heirs, executors, administrators, and assignees of the parties hereto.

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

UNITED FOOD & COMMERCIAL  
WORKERS UNION LOCAL NO. 1439

  
\_\_\_\_\_  
Scott Klitzke Powers  
Vice President

  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Eric Renner  
Secretary-Treasurer

  
\_\_\_\_\_  
Date

**APPENDIX "A"**  
**WENATCHEE**

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**MEAT CUTTERS**

Employees hired before September 4, 2002:

| <b>Classifications</b>   | <b>Current</b> | <b>7/17/16</b> | <b>7/16/17</b> | <b>7/15/18</b> |
|--------------------------|----------------|----------------|----------------|----------------|
| Market Manager           | \$19.465       | \$19.465       | \$19.715       | \$19.965       |
| Journey person           | 18.465         | 18.465         | 18.715         | 18.965         |
| Step 7 (Next 1260 hours) | 14.12          | 14.12          | 14.12          | 14.12          |
| Step 6 (Next 1040 hours) | 13.36          | 13.36          | 13.36          | 13.36          |
| Step 5 (Next 1040 hours) | 12.62          | 12.62          | 12.62          | 12.62          |
| Step 4 (Next 1040 hours) | 11.86          | 11.86          | 11.86          | 11.86          |
| Step 3 (Next 1040 hours) | 11.11          | 11.11          | 11.11          | 11.11          |
| Step 2 (Next 1040 hours) | 9.66           | 9.67           | 9.67           | 9.67           |
| Step 1 (Next 1040 hours) | 9.57           | 9.57           | 9.57           | 9.57           |

Employees hired on or after September 4, 2002:

| <b>Classifications</b>   | <b>Current</b> | <b>7/17/16</b> | <b>7/16/17</b> | <b>7/15/18</b> |
|--------------------------|----------------|----------------|----------------|----------------|
| Market Manager           | \$19.465       | \$19.465       | \$19.715       | \$19.965       |
| Journey person           | 18.465         | 18.465         | 18.715         | 18.965         |
| Step 8 (Next 2080 hours) | 12.50          | 12.50          | 12.50          | 12.50          |
| Step 7 (Next 2080 hours) | 11.00          | 11.00          | 11.00          | 11.00          |
| Step 6 (Next 2080 hours) | 10.00          | 10.07          | 10.07          | 10.07          |
| Step 5 (Next 1600 hours) | 9.69           | 9.97           | 9.97           | 9.97           |
| Step 4 (Next 1040 hours) | 9.59           | 9.87           | 9.87           | 9.87           |
| Step 3 (Next 1040 hours) | 9.57           | 9.77           | 9.77           | 9.77           |
| Step 2 (Next 1040 hours) | 9.57           | 9.67           | 9.67           | 9.67           |
| Step 1 (Next 1040 hours) | 9.57           | 9.57           | 9.57           | 9.57           |

**MEAT WRAPPERS**

Employees hired before September 4, 2002:

| <b>Classifications</b>   | <b>Current</b> | <b>7/17/16</b> | <b>7/16/17</b> | <b>7/15/18</b> |
|--------------------------|----------------|----------------|----------------|----------------|
| Journey person           | \$15.66        | \$15.66        | \$15.91        | \$16.16        |
| Step 7 (Next 1260 hours) | 10.93          | 10.93          | 10.93          | 10.93          |
| Step 6 (Next 1040 hours) | 10.13          | 10.13          | 10.13          | 10.13          |
| Step 5 (Next 1040 hours) | 9.69           | 9.97           | 9.97           | 9.97           |
| Step 4 (Next 1040 hours) | 9.59           | 9.87           | 9.87           | 9.87           |
| Step 3 (Next 1040 hours) | 9.57           | 9.77           | 9.77           | 9.77           |
| Step 2 (Next 1040 hours) | 9.57           | 9.67           | 9.67           | 9.67           |
| Step 1 (Next 1040 hours) | 9.57           | 9.57           | 9.57           | 9.57           |

Employees hired on or after September 4, 2002:

| <b>Classifications</b>   | <b>Current</b> | <b>7/17/16</b> | <b>7/16/17</b> | <b>7/15/18</b> |
|--------------------------|----------------|----------------|----------------|----------------|
| Journeyperson            | \$15.66        | \$15.66        | \$15.91        | \$16.16        |
| Step 8 (Next 2080 hours) | 12.50          | 12.50          | 12.50          | 12.50          |
| Step 7 (Next 2080 hours) | 11.00          | 11.00          | 11.00          | 11.00          |
| Step 6 (Next 2080 hours) | 10.00          | 10.07          | 10.07          | 10.07          |
| Step 5 (Next 1600 hours) | 9.69           | 9.97           | 9.97           | 9.97           |
| Step 4 (Next 1040 hours) | 9.59           | 9.87           | 9.87           | 9.87           |
| Step 3 (Next 1040 hours) | 9.57           | 9.77           | 9.77           | 9.77           |
| Step 2 (Next 1040 hours) | 9.57           | 9.67           | 9.67           | 9.67           |
| Step 1 (Next 1040 hours) | 9.57           | 9.57           | 9.57           | 9.57           |

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

**Ratification Bonus:** For all Journeyperson employees on the payroll on the ratification date of this agreement, there shall be a lump sum payment which shall be calculated based on \$0.25 per hour on Journeyperson straight-time hours worked in the prior twelve (12) months. The parties have factored in all overtime requirements in the calculation.

Sunday Premium for Meat Cutters and Wrappers Hired Prior to August 25, 2011: Time and one-third

Sunday Premium for Meat Cutters and Wrappers Hired On or After August 25, 2011: \$1.00 per hour

Wrappers, weighers and pricers, as covered by this Agreement, shall not be permitted to cut or grind fresh meat, and in the operation of the market the ratio of employment in this classification to meat cutter employees shall not exceed one to one, except that one extra wrapper-weigher-pricer may be employed in each market.

Apprentices will be allowed, one apprentice to every three journeymen or fraction thereof, and no apprentice shall be allowed to manage any retail market. Every effort shall be made by the employer to assure the completion of any apprentice's development to a journeyman. Such ratio shall not apply to apprentices who are hired when qualified Journeymen are not available in the geographical area covered by this Agreement.

All employees shall receive credit for actual comparable work experience with other Employer in the retail meat industry. If the Union or the employee disagrees with the experience credit given, a grievance must be filed stating such disagreement within sixty (60) days after the employee's first day of work.

Meat (Wenatchee)

July 17, 2016 – July 20, 2019

Any contract wage increase will occur on the first day of the pay period immediately following the day upon which the employee completes the required number of hours to advance to the next wage bracket.

**SERVICE COUNTER  
WENATCHEE**

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Employees hired before September 4, 2002:

| <b>Classifications</b>   | <b>Current</b> | <b>7/17/16</b> | <b>7/16/17</b> | <b>7/15/18</b> |
|--------------------------|----------------|----------------|----------------|----------------|
| Journeyman               | \$12.11        | \$12.11        | \$12.36        | \$12.61        |
| Step 7 (Next 1260 hours) | 9.59           | 9.87           | 9.87           | 9.87           |
| Step 6 (Next 1040 hours) | 9.57           | 9.82           | 9.82           | 9.82           |
| Step 5 (Next 1040 hours) | 9.57           | 9.77           | 9.77           | 9.77           |
| Step 4 (Next 1040 hours) | 9.57           | 9.72           | 9.72           | 9.72           |
| Step 3 (Next 1040 hours) | 9.57           | 9.67           | 9.67           | 9.67           |
| Step 2 (Next 1040 hours) | 9.57           | 9.62           | 9.62           | 9.62           |
| Step 1 (Next 1040 hours) | 9.57           | 9.57           | 9.57           | 9.57           |

Employees hired on or after September 4, 2002:

| <b>Classifications</b>   | <b>Current</b> | <b>7/17/16</b> | <b>7/16/17</b> | <b>7/15/18</b> |
|--------------------------|----------------|----------------|----------------|----------------|
| Journeyman               | \$12.11        | \$12.11        | \$12.36        | \$12.61        |
| Step 8 (Next 2080 hours) | 9.64           | 9.92           | 9.92           | 9.92           |
| Step 7 (Next 2080 hours) | 9.59           | 9.87           | 9.87           | 9.87           |
| Step 6 (Next 2080 hours) | 9.57           | 9.82           | 9.82           | 9.82           |
| Step 5 (Next 1600 hours) | 9.57           | 9.77           | 9.77           | 9.77           |
| Step 4 (Next 1040 hours) | 9.57           | 9.72           | 9.72           | 9.72           |
| Step 3 (Next 1040 hours) | 9.57           | 9.67           | 9.67           | 9.67           |
| Step 2 (Next 1040 hours) | 9.57           | 9.62           | 9.62           | 9.62           |
| Step 1 (Next 1040 hours) | 9.57           | 9.57           | 9.57           | 9.57           |

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

**Ratification Bonus:** For all Journeyman employees on the payroll on the ratification date of this agreement, there shall be a lump sum payment which shall be calculated based on \$0.25 per hour on Journeyman straight-time hours worked in the prior twelve (12) months. The parties have factored in all overtime requirements in the calculation.

**Lead Service Counter:** This shall be a separate classification at the option of the Employer. Seniority shall not apply to the selection of a Lead Service Counter employee. Lead Counter Employee will receive a twenty-five cent (25¢) per hour premium, where applicable.

**Sunday Premium for Service Counter Employees Hired After October 3, 2006:**

|                  |                 |
|------------------|-----------------|
| First 2080 Hours | \$0.50 per hour |
| Thereafter       | \$1.00 per hour |

Night Premium: 9:00 P.M. to 6:00 A.M. - 25 cents per hour.

Service Counter Pension:

During the term of this Agreement the Employer shall pay into the Washington Meat Industry Pension Trust on account of each member of the bargaining unit, the amounts as specified in this Article.

CURRENT employees shall be grandfathered at the current pension rate of:

Journeyman: Total contribution to \$0.158

Apprentice: Total contribution to \$0.09

For employees hired on or after September 4, 2002, but before October 3, 2006, the contribution rate shall be:

| <b>Classification</b>  |         |
|------------------------|---------|
| Journeyman*            | \$0.158 |
| Step 8 (Next 2080 hrs) | \$0.09  |
| Step 7 (Next 2080 hrs) | \$0.09  |
| Step 6 (Next 2080 hrs) | \$0.068 |
| Step 5 (Next 1600 hrs) | \$0.068 |
| Step 4 (Next 1040 hrs) | \$0.068 |
| Step 3 (Next 1040 hrs) | \$0.045 |
| Step 2 (Next 1040 hrs) | \$0.045 |
| Step 1 (1st 1040 hrs)  | \$0.045 |

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

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

For employees hired on or after October 3, 2006, there shall be a waiting period of 1040 hours or one calendar year, whichever is longer, before the Employer is required to begin making the following contribution:

Journeyman: Total contribution to \$0.158

Apprentice\*: Total contribution to \$0.068

Meat (Wenatchee)

July 17, 2016 – July 20, 2019

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

## **A G R E E M E N T**

**By and Between  
FRED MEYER STORES, INC.**

**and**

**UNITED FOOD AND COMMERCIAL WORKERS UNION LOCAL NO. 1439**

### **SERVICE COUNTER EMPLOYEE ADDENDUM**

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This Addendum Agreement is entered into by and between FRED MEYER STORES, INC. (Employer) and United Food and Commercial Workers Union Local No. 1439. It is understood and agreed by the Employer and the Union that the provisions of the Wenatchee Retail Meatcutters Agreement between FRED MEYER STORES, INC., and the Union will be fully applicable to Service Counter employees except as provided herein:

Service Counter employees will be considered a separate classification for all purposes including seniority. Service Counter employees shall not be permitted to cut, bone or grind fresh meat or perform any wrapping of meat product for preparation for sale in self-service cases. Service Counter employees may cut a steak or roast which has already been processed by a Meatcutter to size in order to serve a customer, modify any prepared cut to suit a customer, or use the slicing or cube machines to serve a customer. Seafood products may be wrapped and priced in the Service Department and placed in the Self-Service Meat Counter or other places in the store for customers to purchase. Meat Wrappers and/or Meatcutters shall continue to be assigned the duties of stocking prepackaged meat items in the Meat Department, however, when other Meat Department employees are not on duty, prepackaged meat items and those products that have been prepared by Meat Department employees that are in storage ready for sale may be placed in the meat case by Service Counter employees. Service Counter employees will be confined to the Service Counter, the holding cooler areas, and other areas necessary to perform the work required by the department.

**LETTER OF UNDERSTANDING**

**By and Between  
FRED MEYER STORES, INC.**

**and**

**UNITED FOOD AND COMMERCIAL WORKERS UNION LOCAL NO 1439**

**FAVORED NATIONS**

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

**LETTER OF UNDERSTANDING**

**By and Between  
FRED MEYER STORES, INC.**

**and**

**UNITED FOOD AND COMMERCIAL WORKERS UNION LOCAL NO. 1439**

**CORPORATE CAMPAIGN**

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

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

**LETTER OF UNDERSTANDING**  
**By and Between**  
**FRED MEYER STORES, INC.**  
**and**  
**UNITED FOOD AND COMMERCIAL WORKERS UNION LOCAL NO 1439**  
  
**DUES CHECK-OFF**

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1. Added initiation and uniform dues through payroll deduction as follows:

a. Union Dues Check-Off

On a monthly\* basis the employer agrees to deduct uniform dues and initiation fees from the paycheck of those covered employees whose individual written unrevoked authorizations are on file with the Employer and to transmit the amounts so deducted to the Union within twenty (20) days of such deductions. Said deduction authorizations shall be in such form as to conform with Section 302 (c) of the Labor Management Relations Act of 1947.

\*Effective as soon as practical, change to a weekly deduction (monthly remittance).

b. Authorized initiation fees will be deducted in three (3) equal installments and remitted to the Local Union monthly.

c. It is understood the Employer is not liable in any manner if the employee is not on the payroll at the time deductions are being processed.

d. Indemnify and Hold Harmless:

The Union shall indemnify and hold the Company harmless against any and all claims, demands, suits, or other forms of liability that shall arise out of or by reason of action taken or not taken by the Company in reliance upon signed authorization cards furnished to the Company by the Union or for the purpose of complying with any of the provisions of this Article.

2. The involved Employers shall be granted a reasonable period to adopt administrative and payroll procedures to accommodate this agreement.

3. Active Ballot Club: For employees who voluntarily authorize a contribution to the UFCW Active Ballot Club political action committee, the Employer agrees to deduct the authorized amount each payroll period on a payroll deduction basis and forward the same to the Union monthly.

## LETTER OF UNDERSTANDING

### LIMIT ON BACK PAY FOR DISCIPLINE CASES

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

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

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

| <u>Calendar Days</u>                                       | <u>Action Item</u>   |
|--|--|
| 0  | Incident   |
| 15 (termination) from date of discharge                    | Grievance must be filed in writing   |
| 30 (all others) from date of discipline                    | Grievance must be filed in writing   |
| 15 from date of receipt of grievance                       | Response in writing to be faxed or postmarked                                |
| 15 from date of receipt of response                        | Moving Party must request in writing a grievance meeting                     |
| 30 from date the request of grievance meeting was received | Grievance meeting held by this date  |
| 15 from date of grievance meeting                          | Moving Party must file a demand for arbitration with the Employer in writing |
| 15 from date the demand for arbitration was received       | Parties must mutually select an arbitrator                                   |
| 90 from the date the Parties select Arbitrator             | Arbitration hearing is held  |
| 30 from date of arbitration                                | Briefs are filed   |

60 from date briefs are received

Arbitration decision issued

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

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

## LETTER OF UNDERSTANDING

### OPTIONAL ACCELERATED ARBITRATION PROCEDURE (Optional by mutual agreement only)

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1. In order for a grievance to go to AAP, **both** the Employer and Union representative must agree that the matter is appropriate for resolution by AAP. If either party's representatives disagrees, the grievance shall not be submitted to AAP and the matter shall be resolved by the usual grievance process (see Article 9).
2. It is understood that prior to referring the matter to AAP the parties' representatives will discuss with each other and explore the possibility of settlement. If the parties' representatives agree to refer the grievance to the AAP, then the following shall govern:
3. Selection of Arbitrator: The parties shall use the normal arbitrator selection procedure. If the chosen arbitrator is not able to fulfill his/her duties per the timelines/terms of this Letter of Understanding, the parties will go to the last struck arbitrator (and so on, in reverse order of struck arbitrators).
4. The date for the hearing shall be within forty-five (45) days of the request for AAP unless an extension is mutually agreed to by the parties.
5. Hearing Conduct and Procedure:
  - A. The hearing shall be informal;
  - B. No briefs shall be filed or transcripts made;
  - C. Each party may offer an opening statement and closing argument;
  - D. Each party's case shall be presented by a representative of their choosing;
6. Removing the Grievance from AAP:
  - A. Prior to the commencement of the hearing, either party may unilaterally remove the matter from the AAP so long as they do so forty-eight (48) hours prior to the hearing. Any arbitrator cancellation fees or joint hearing expenses will be the responsibility of the party removing the matter from AAP. The matter shall then revert back to the usual grievance procedure.
  - B. Within forty-eight (48) hours of the hearing, it shall take both parties' agreement to remove the matter from the AAP and refer it back to the usual grievance procedure.
7. Arbitrator's Decision:
  - A. The Arbitrator shall render his/her decision within five (5) working days after the conclusion of the hearing, (excluding Saturdays, Sundays and Holidays).

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

**LETTER OF UNDERSTANDING**  
**HEALTH & WELFARE CONTRIBUTIONS**

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RECITALS

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

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

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

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

AGREEMENTS

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

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

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

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

(b) The Plan's consultant shall calculate the Hourly Rate to begin effective commencing with hours worked as of March 1, 2015, and such Hourly Rate shall be effective when approved by the Plan's Trustees. The Plan's consultant shall thereafter update his calculation of the projected Hourly Rate each January 1 and July 1 (or such other dates as determined as necessary and appropriate by the Plan's Trustees) based on Plan experience and funding levels, and such updated Hourly Rate shall become effective when approved by the Plan's Trustees.

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

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

3. The Employer shall pay the Hourly Rate to the Plan on behalf of those employees covered by the CBAs who are in a class of employment eligible for the Plan (even if such employees have not yet satisfied the eligibility requirements to qualify for initial Plan eligibility) beginning with the first hour worked with the Employer in such an eligible position. The hours for which the Employer shall be obligated to contribute the Hourly Rate to the Plan shall be the

Meat (Wenatchee)

July 17, 2016 – July 20, 2019

same hours that are credited under the CBAs for purposes of determining whether employees satisfy the 80-hour qualifiers for receiving the prior Monthly Rate contributions. However, employees shall not be required to work such 80 hours to qualify for the Hourly Rate contribution. The Employer shall continue to report credited hours to the Plan on a monthly basis, and the contribution amount shall continue to be payable each month by the deadline required under the CBAs.

**SIGNATURE PAGE**

The Parties hereby agree to the following Addendum and Letters of Understanding:

- ADDENDUM - SERVICE COUNTER EMPLOYEES
- LETTER OF UNDERSTANDING - FAVORED NATIONS
- LETTER OF UNDERSTANDING - CORPORATE CAMPAIGN
- LETTER OF UNDERSTANDING - DUES CHECK-OFF
- LETTER OF UNDERSTANDING - LIMIT ON BACK PAY FOR DISCIPLINE CASES
- LETTER OF UNDERSTANDING - OPTIONAL ACCELERATED ARBITRATION PROCEDURE
- LETTER OF UNDERSTANDING – HEALTH & WELFARE CONTRIBUTIONS

ALLIED EMPLOYERS, INC.  
For FRED MEYER STORES, INC.

UNITED FOOD & COMMERCIAL  
WORKERS UNION LOCAL NO. 1439



Scott Klitzke Powers  
Vice President

Date



Eric Renner  
Secretary-Treasurer

Date

# THE UNION DIFFERENCE

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

## A Voice at Work

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

## Right to Union Representation

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

## Just Cause for Discipline

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

## The Security of a Union Contract

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

## Union Leadership

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

# My Shop Steward is:

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# My Union Rep is:

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

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

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

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

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

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

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

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

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

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

[WWW.UFCW3000.ORG](http://WWW.UFCW3000.ORG)

UFCW3000



**UFCW3000**

1-800-732-1188 | MEMBER RESOURCE CENTER 1-866-210-3000

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