

Agreement by and between

UFCW 3000

and

Safeway "Around the World"

(Colville, Chewelah, Newport, Davenport, WA & Sand Point, Bonners Ferry, ID)

Grocery and Meat

Effective: 7/14/2019 - 7/9/2022

UFCW3000

Faye Guenther, President • Joe Mizrahi, Secretary-Treasurer

WEINGARTEN RIGHTS

Your Right to Union Representation

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

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

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

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

Discipline? Contract violations?

Call the Member Resource Center

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

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

A G R E E M E N T

**By and Between
ALLIED EMPLOYERS, INC.
For and on Behalf of
SAFEWAY INC.**

and

UNITED FOOD AND COMMERCIAL WORKERS UNION LOCAL #1439

**“AROUND THE WORLD”
GROCERY AND MEAT**

**Bonnors Ferry, Chewelah, Colville,
Davenport, Newport, Sandpoint**

Effective: July 14, 2019

To: July 9, 2022

Ratified: July 11, 2019

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A G R E E M E N T

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

**For and on Behalf of
SAFEWAY INC.**

and

**UNITED FOOD AND COMMERCIAL WORKERS UNION LOCAL #1439
“AROUND THE WORLD” GROCERY AND MEAT
(Bonners Ferry, Chewelah, Colville, Davenport, Newport, Sandpoint)**

This Agreement made and entered into between the United Food and Commercial Workers Union, Local 1439, chartered by United Food and Commercial Workers International Union, AFL-CIO, party of the first part, hereinafter referred to as the “Union,” and Safeway Inc., its successors and/or assigns, party of the second part, hereinafter referred to as the “Employer,” agree:

That for the mutual benefit of the parties hereto, the following shall be the scale of wages, the limitations of hours, and the rules and working conditions to be observed by both parties to this Agreement.

ARTICLE 1 - RECOGNITION

1.1 The Employer hereby recognizes during the term of this Agreement, UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL 1439, UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION, AFL-CIO, as the sole and exclusive collective bargaining agency for a unit consisting of all employees whose classifications of employment are set forth herein, in all stores of the Employer’s present and future retail establishments located in the Bonners Ferry, Chewelah, Colville, Davenport, Newport, and Sandpoint metropolitan areas and vicinities within the jurisdiction of Local 1439, with respect to rates of pay, hours, and other conditions of employment.

ARTICLE 2 - UNION SECURITY

2.1 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 thirtieth (30th) 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 thirtieth (30th) day following the beginning of such employment, become and remain members in good standing in the Union. For the purpose of this Article, the execution date of this Agreement shall be considered as its effective date.

2.2 Upon failure of any employee to comply with the provisions of paragraph 2.1 of this Article, the Union may then notify the Employer in writing of such failure and that they have strictly complied with the necessary procedural steps pursuant to the International Constitution and Local Union Bylaws in making its demand for termination, and that the demand for termination is made for no other reason 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. Termination shall become effective seven (7) days following date of notice. The Union agrees to hold the Employer harmless for discharges made pursuant to this Article.

2.3 The Employer agrees that the manager or assistant manager in each store shall, upon request, make available to the Union a list of the names, hours worked, and hourly rates of pay of all employees of the bargaining unit.

2.4 It is agreed the Employer shall send to the Union office a postcard indicating the name, hire date, address, Social Security number, classification, store, and location for all new employees, not later than thirty-one (31) days from the date of employment. These prepaid postcards shall be furnished by the Union.

ARTICLE 3 - EXEMPTIONS

3.1 A bona fide storeowner or store manager and assistant manager shall not be required to be a member of the Union. In addition, deli managers and file maintenance clerks shall be exempt on a voluntary or attrition basis. New stores shall recognize all of the foregoing positions as exempt.

ARTICLE 4 - DISCHARGE

4.1 No employee shall be disciplined or discharged except for just cause, provided, however, that the Employer shall be the judge of the competency and qualifications of his employees, and provided further that no employee shall be discharged or discriminated against for any lawful Union activity or for performing service on a Union committee outside of business hours, or for reporting to the Union the violation of any provisions of this Agreement. It is agreed that, upon request, the representative of the Union will be given the reason for discharge in writing. A committee of not less than two (2) representatives from the Employer and two (2) representatives from the Union shall review any case of discharge in the event either party desires such a review. The employer has ninety (90) days after the initial date of hire to evaluate an employee for continuous employment. Within the ninety (90) day period, the Employer may terminate the employee without recourse from the Union.

4.1.1 Notwithstanding 4.1, if a probationary employee is unable to perform their normal and/or full bargaining unit duties due to illness or injury (including any probationary employee injured on the job and assigned to light duty work due to their injury) the probationary period shall be extended for the like period of time he/she was unable to perform their normal assigned bargaining unit duties. This is applicable to all grocery employees as well as the employees covered by the meat addendum.

ARTICLE 5 - HOURS

5.1 All work performed in excess of forty (40) hours per week, five (5) days per week, eight (8) hours in one (1) day, shall be paid for at time and one-half (1-1/2) the employee's straight-time hourly rate of pay. There shall be an interval of not less than ten (10) hours between regular shifts for all employees. An employee who is not allowed one (1) ten (10) hour interval between regular shifts shall be paid at the rate of time and one-half (1-1/2) for time worked prior to the expiration of the ten (10) hour interval.

5.2 Part-time employees working six (6) days per week shall receive one-half (1-1/2) for hours worked on the shortest day of employment.

5.3 Employees working over five (5) consecutive hours shall be entitled to a lunch period of not less than one-half (1/2) hour nor more than one (1) hour. Lunch periods shall be posted and followed as nearly as practical. Such lunch period shall be scheduled not earlier than two (2) hours, nor later than five (5) hours after the commencement of an employee's work shift.

5.4 Rest Period: Employees shall be allowed a rest period of not less than ten (10) minutes, on the Employer's time, for each four (4) hours of working time. Rest periods shall be scheduled as near as possible to the mid-point of the work period. No employee shall be required to work more than three (3) hours without a rest period.

5.5 The checking of monies and cash registers shall be done on the Employer's time.

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

5.7 Weekly work schedules for employees shall be posted by the Employer no later than 6:00 p.m. Thursday before the start of the work week, and any alteration in such work schedule changing the employees' days off must be made not later than Saturday noon. The Employer shall post a seven (7) day work schedule, Sunday through Saturday. It is understood that the established work schedule may be changed as required by unexpected developments, such as illness of employees, accidents, reduction in business, etc. The Employer will attempt to advise the affected employee of any schedule changes which occur after noon Saturday. Schedule changes, which reduce an employee's hours after an employee has reported to duty as scheduled, will be made only in cases of emergency. The work schedule (made out in ink) will include the name of the employee, starting time and ending time, and days off.

5.8 No employee shall be required to work a split shift.

5.9 No employee, other than Courtesy Clerk, shall be required to work less than four (4) continuous hours in any one day on which ordered to report for work if they report on time and are available for such hours.

5.10 There shall be no "free" or "time off the clock" work practices under this Agreement. Any employee found by the Employer or the Union to be engaging in such unauthorized practice

shall be subject to discipline, which may include termination. Likewise, the Employer shall not encourage, intimidate, or coerce an employee to perform off-the-clock work.

ARTICLE 6 - HOLIDAYS

6.1 The following days shall be considered as holidays for employees hired prior to July 13, 2011, who have been on the payroll ninety (90) days or more:

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

6.1.1 For employees hired on or after July 13, 2011, the above holidays will be recognized after six (6) months of employment (i.e. no holiday pay and no premium for working on holiday during this six (6) month time period).

6.2 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 Article 6, paragraphs 6.3 and 6.3.1. 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 as specified in paragraph 6.1 of this Article, the employee's birthday will be celebrated on another day in accordance with the procedure set forth in the previous sentence.

6.3 Employees who average twelve (12) hours or more per week and who work during the week in which the holiday occurs, and report for work their last scheduled working day preceding and their next scheduled working day immediately following the holiday, shall be paid for holidays specified in paragraphs 6.1 and 6.2 of this Article, not worked, on the following basis:

<u>Hours Normally Worked Per Week</u>	<u>Hours of Holiday Pay</u>
12 - 24 hours	4 hours pay
24 - 32 hours	6 hours pay
32 or more hours	8 hours pay

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

6.4 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 the case of the employee's birthday, the week in which the birthday is observed shall be considered as the holiday week.

6.5 No employee shall be required to work on Thanksgiving or Christmas. If there are insufficient volunteers to properly operate the store, then employees will be scheduled via inverse seniority. No employee shall be required to work past 7:00 p.m. on Christmas Eve.

6.6 Employees hired prior to July 13, 2011, who qualify for holiday pay as specified in paragraph 6.3 of this Article 6, shall be paid time and one-half (1-1/2) in addition to such holiday pay for work performed on holidays named in paragraph 6.1 of this Article. Employees who do not qualify for holidays pursuant to paragraph 6.3 of this Article 6 shall receive time and one-half (1-1/2) for work performed on such holidays, provided, this shall not apply to the employee's birthday.

6.6.1 For employees hired on or after July 13, 2011, there shall be no premium for the first six months of employment. For the next 2080 hours the premium for working on a holiday shall be \$1.25 per hour. Thereafter the premium for working on a holiday shall be time and one-half (1½) their regular rate of pay.

ARTICLE 7 - VACATIONS

7.1 Employees who have worked with the same Employer 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 hours worked in the preceding twelve (12) months as follows:

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

7.2 Employees who have worked with the same Employer two (2) years and each subsequent anniversary date of their work to the eighth (8th) anniversary date of their work (after the second and each subsequent year to the eighth year of continuous work), shall be entitled to a vacation with pay at their straight-time hourly rate, based upon the number of hours worked in the preceding twelve (12) months as follows:

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

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

7.3 Employees who have worked with the same Employer eight (8) years and each subsequent anniversary date of their work to the fourteenth (14th) anniversary date of their work, shall be entitled to vacation with pay at their straight-time hourly rate, based upon the number of hours worked in the preceding twelve (12) months as follows:

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

7.3.1 Employees who average twenty (20) hours or more per week, who terminate or are terminated (discharges for dishonesty excepted) after the eighth (8th) or any subsequent anniversary date of their work up to their fourteenth (14th) year of work, shall be entitled to vacation pay at their straight-time hourly rate, based upon the number of hours worked since the last anniversary date of their work, at the rate of twelve (12) hours of vacation pay for each full two hundred (200) hours worked.

7.4 Employees who have worked with the same Employer fourteen (14) years and each subsequent anniversary date of their work (after the fourteenth (14th) and each year subsequent of continuous work) shall be entitled to vacation with pay at their straight-time hourly rate, based upon the number of hours worked in the preceding twelve (12) months as follows:

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

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

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

7.6 Employees whose vacations are scheduled during a holiday week shall receive holiday pay provided for under the terms of Article 6 of this Agreement in addition to vacation pay, or shall be given an additional day off at the option of the Employer.

7.7 It is hereby understood and agreed that in computing “hours of paid vacation” for employees who regularly appear on the payroll for thirty-two (32) or more hours per week, the terms of paragraphs 7.1, 7.2, 7.3, and 7.4 of Article 7 shall be applied so that working time lost up to a maximum of one hundred twenty (120) hours due to temporary layoff, verified cases of sickness or accident, or other absence from work approved by the Employer (in addition to vacation and holiday time off earned and taken by the employee), shall be counted as time worked.

7.8 Employees shall be paid earned vacation pay pro-rated to the time of sale or transfer of the selling employer.

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

7.10 Earned vacation pay shall be paid to the employee prior to the start of his vacation provided the employee requests the pay fourteen (14) days prior to his vacation.

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

7.12 Vacations shall not be accrued from year to year and all earned vacation must be taken within the anniversary year of the employee.

ARTICLE 8 - SENIORITY

8.1 Employees will attain seniority after ninety (90) days of continuous service with one Employer. Upon completion of this period, seniority shall date back to the date of hire. Seniority shall be applicable on an individual store basis and shall apply in the reduction of the number of employees performing comparable work, and the last employee hired shall be the first employee laid off, provided qualifications and ability are equal. Conversely, the last employee laid off shall be the first employee recalled. Seniority shall be defined as length of continuous employment with the same individual Employer. If two or more employees have the same date of hire, the one with the most accumulated hours shall be deemed the senior employee. Nothing herein shall be construed to require pay for time not actually worked.

8.2 An employee’s seniority shall be broken by (1) voluntary quit; (2) discharge; (3) layoff in excess of ninety (90) days; (4) absence caused by illness or non-occupational accident of more

than sixty (60) consecutive days unless mutually extended as provided in Article 19; (5) absence caused by an occupational accident of more than twelve (12) consecutive months, unless a longer time is agreed upon between the Employer and the Union; (6) failure to report to work immediately following an authorized leave of absence; (7) failure to report to work if recalled from layoff. Seniority will not be broken by an employee on an approved leave of absence, however, seniority shall not accumulate while on such leave granted by the Employer.

8.3 An employee's seniority shall not be broken if the Employer transfers the employee to a different store of the same Employer covered by this Agreement.

8.4 In the event an Employer terminates the operation of one of its store in the bargaining unit, the Employer shall transfer such affected employees in accordance with the terms of paragraph 8.3.

8.5 The Employer may arrange weekly work schedules to accommodate the needs of the business, and senior employees performing comparable work shall be offered the most weekly hours up to a maximum of forty (40) hours per week, provided qualifications and ability are equal, the senior employee is available to perform the work, and the employee has notified management in writing of his or her desire for additional hours of work. Regular employees shall not have their hours arbitrarily reduced for the sole purpose of increasing the work hours of part-time employees. Nothing herein shall be construed as a guarantee of daily or weekly hours of work or to require pay for time not actually worked.

8.6 Cross-Classification Work: When an employee is assigned to work in a classification which carries a higher rate of pay, the employee shall be paid such higher rate of pay for all time so worked.

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

ARTICLE 9 - EXPERIENCE

9.1 Previous, provable, comparable Safeway experience of new or rehired employees shall be considered, provided, such past experience is claimed by the employee on his/her employment application, setting forth the past experience being claimed. Such past experience shall be considered in the following manner:

9.1.1 Apprentice: If less than two years have elapsed since last employed in comparable Safeway experience, full credit is given; if more than two years, no credit shall be given.

9.1.2 Journeyman: If less than 2 years have elapsed, employee shall be considered a Journeyman; if 2-3 years have elapsed, employee shall be considered one step below Journeyman; if 3-4 years have elapsed, the employee shall be considered two (2) steps below Journeyman.

9.1.3 If more than four years have elapsed, no credit shall be given.

9.2 Any credit given for other (non-Safeway) previous provable comparable experience in the Retail Grocery Industry shall be as agreed upon between the Company and the employee and such agreement shall not be subject to the grievance procedure.

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

9.4 The parties recognize and agree that the provisions of this Agreement require actual work on the job for appropriate experience. Accordingly, provision is made in this Agreement for advancement through apprentice classifications on the basis of actual hours worked for the Employer.

ARTICLE 10 - FUNERAL LEAVE

10.1 After their first year of employment, employees who are regularly employed twenty (20) hours or more per week shall be allowed up to three (3) days off with pay for loss of their normal scheduled hours of work during the three (3) calendar days commencing with or immediately following the date of death of a member of their immediate family, provided the employee attends the funeral. Funeral leave will be paid only with respect to a work day on which the employee would otherwise have worked, and shall not apply to an employee's scheduled days off, holidays, vacations, or any other day in which the employee would not, in any event, have worked. Scheduled days off will not be changed to avoid payment of funeral leave. Funeral leave shall be paid at the employee's regular straight-time hourly rate. Immediate family shall be defined as spouse, son, daughter, father, mother, brother, sister, father-in-law and mother-in-law of present spouse, and grandparents.

ARTICLE 11 - JURY DUTY SERVICE AND WITNESS SERVICE

11.1 After their first year of employment, employees who are regularly employed twenty (20) 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 twenty (20) working days. Nothing in this section shall have the intent of limiting the amount of time an employee may serve.

11.1.1 An employee called for jury duty who is temporarily excused from attendance at the 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.

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

11.1.3 Employees called for jury duty and who have been so engaged for eight (8) hours that day and who are scheduled to commence work at or after 6:00 p.m. on such day shall not be required to report to work that day.

11.2 Employees required to appear in court or in legal proceedings on behalf of their employer shall receive compensation at their regular straight-time hourly rate of pay for the time spent in making such appearance, less any witness fees received.

ARTICLE 12 - INDUSTRIAL INSURANCE

12.1 The Employer agrees to place all members of the bargaining unit under the provisions of the Industrial Insurance Act of the State of Washington/ Idaho, or to provide equivalent coverage through a private carrier selected by the Employer. If equivalent coverage is elected, the Employer agrees to furnish evidence of such coverage upon request of the Union.

ARTICLE 13 - SAVINGS CLAUSE

13.1 Any provision of this Agreement, which may be adjudged by a court of last resort to be in conflict with any Federal or State law shall become inoperative to the extent and duration of such conflict. Since it is not the intent of either party hereto to violate any such laws, it is agreed that in the event of a conflict between any provision of this Agreement and such Federal or State law, the remainder of this Agreement shall remain in full force and effect. The Employer and the Union agree that substitute provisions shall be written within thirty (30) days to replace those provisions coming into conflict with the laws herein described.

ARTICLE 14 - WEARING APPAREL

14.1 Aprons, uniforms, or any special wearing apparel required by the Employer, not suited for regular street wear, shall be furnished and laundered by the Employer.

14.2 Drip-dry apparel furnished by the Employer shall be laundered by the employee.

14.3 The Employer agrees to provide protective rain jackets for employees at the store.

ARTICLE 15 - WAGE STATEMENTS

15.1 The Employer agrees to furnish each employee for every pay period, a statement setting forth the information relative to hourly rates of pay, hours worked, etc., in accordance with the record-keeping requirements as established in the State of Washington/Idaho Minimum Wage Act.

ARTICLE 16 - STORE VISITS

16.1 After making their presence known to the manager or, in his/her absence, the person in charge, representatives of the Union shall have the right to contact employees during store hours so long as calls shall not interfere with the proper service to customers.

ARTICLE 17 - STORE CARDS

17.1 The Union agrees, in consideration of the signing of this Agreement by the Employer and for the period of the good and faithful performance of its covenants and provisions by the Employer, to issue to each store represented by the Employer a Union Store Card, the property of the United Food and Commercial Workers International Union, AFL-CIO. Said card shall be displayed in a prominent place in the store and shall only be removed if the Employer fails to comply with the final decision of an arbitrator reached in accordance with the provisions of this Agreement.

ARTICLE 18 - LEAVE OF ABSENCE

18.1 Regular 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:

18.1.1 Illness or non-occupational injury which requires absence from work for more than fifteen (15) days;

18.1.2 Pregnancy;

18.1.3 Serious illness, injury, or death in the employee's immediate family, which leave will not exceed thirty (30) days;

18.1.4 Leaves due to occupational injuries shall be granted for periods up to twelve (12) months unless a longer period is agreed upon between the Employer and the Union.

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

18.3 An employee who wants a leave of absence shall submit to his Employer in writing his request for such leave, stating (1) reason, (2) date leave is to begin, and (3) expected date of return. If approved, the Employer shall confirm such requested leave in writing to the employee.

18.4 Any leave of absence with the exception of 18.1.3 and 18.1.4 above may run to a maximum of six (6) months.

18.5 Employees who fail to return at the end of a leave of absence or any agreed-upon extension of a leave of absence, shall be considered as terminated. Any request for extension of a leave of absence period must be presented in writing to the Employer prior to the expiration of the initial leave; however, in case of a bona fide emergency, telephone requests for extensions

may be made to management for their approval, which extensions must be confirmed in writing.

18.6 The employee must be able to resume his regular duties upon return to work from an approved leave of absence. A doctor's certificate verifying that the employee is able to resume his normal duties may be required before the employee is returned to the work schedule. The employee shall then be returned to the job previously held or to a job comparable in rate of pay, on the first weekly schedule made up after the Employer and the Union have received notice in writing of the employee's availability, except when the employee returns prior to the end of a granted leave of absence, and in that event, the employee shall be returned no later than the second weekly schedule after the Employer and Union have received notice in writing of the employee's availability.

18.7 The apprentice progression is based entirely on actual hours of comparable experience in the retail industry, experience which is absolutely essential for proper understanding of the responsibilities and satisfactory performance of the job or position. However, for those apprentices who go into the military service prior to becoming a journeyman, such an employee will be re-employed at the next higher wage rate above his/her rate at the time of entry into the military service, if the employee applies for re-employment within 90 days following discharge.

18.8 The parties agree to comply with the Family and Medical Leave Act of 1993.

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

ARTICLE 19 - SICK LEAVE

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

19.2 Sick leave pay shall be accrued by an employee depending upon the number of straight-time hours worked, including vacations and holiday hours, by the employee with his current Employer in each twelve (12) months as follows:

<u>Hours Worked</u>	<u>Hours of Sick Leave Pay</u>
1400 to 1679	16
1680 to 2080	32
2080 or more	40

19.3 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 has a full sick leave bank, is hospitalized or has a medically

determined disabling outpatient surgery on such first (1st) normally scheduled working day and 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 H&W 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 net pay shall be required in any one workweek.

19.4 Sick leave pay shall be cumulative from year to year but not to exceed a maximum of one hundred sixty (160) hours. Sick leave pay must be earned by employment with the Employer.

19.5 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 prior to returning to work.

19.6 Any employee found to have abused sick leave benefits by falsification or misrepresentation, shall thereupon be subject to disciplinary action, reduction or elimination of sick leave benefits (including accumulated sick leave), and shall further restore to the Employer amounts paid to such employee for the period of such absence, or may be discharged by the Employer for such falsification or misrepresentation.

19.7 Sick leave benefits shall apply only to bona fide cases of illness and injury off the job and shall not apply to on-the-job accidents which are covered elsewhere in this Agreement.

19.8 Regular part-time employees shall be entitled to use earned sick leave in proportion to average hours worked (pro rata).

19.9 Employees shall be permitted family leave in accordance with RCW 49.12 on the same terms and conditions (including eligibility requirements) as provided in Sections 19.1 through 19.8 above.

ARTICLE 20 - WAGE SCALES AND CLASSIFICATIONS

20.1 The scale of wages and classifications of employment are set forth in Appendices A, B, B-1, C and D, which are hereby made a part of this Agreement.

20.2 Also attached and made a part of this Agreement is an Addendum covering Meat Cutters, Wrappers, Weighers and Pricers, and Service Fish Department Clerks. Such employees shall be covered under the full terms of this Agreement except as modified by the terms of said Addendum.

ARTICLE 21 - HEALTH & WELFARE - DENTAL - PRESCRIPTION – VISION

21.1 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.

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

21.2.1 Notwithstanding the provisions of paragraph 21.2, 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.

21.3 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.

21.4 “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.

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

21.6 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 22 - RETIREMENT PROGRAM

22.1 The Employer and the Union agree to be bound by the terms of the provisions of that certain revised and restated Trust Agreement effective March 1, 1985, dated June 12, 1985 (date of initial execution, January 13, 1966), creating the Sound Retirement Trust (formerly Retail Clerks Pension 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.

22.2 The Employer shall pay the amounts below per compensable hour (maximum of one

hundred seventy-three (173) hours per calendar month per employee) into the Sound Retirement Trust on account of each member of the bargaining unit. These monies shall be used by the Board of Trustees to provide pension benefits to eligible employees. There shall be no contribution for employees in the Helper Clerk and Courtesy Clerk classifications.

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

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

	Apprentice*	Journey person
Base	\$0.30	\$0.60
Pre-PPA Suppl.^	\$0.10	\$0.10
Past Rehab Incr.	\$0.51	\$0.51
Current Total:	\$0.91	\$1.21
Rehab Plan Increases This Term:		
Aug. 2019 hours (+\$0.138)	\$1.048	\$1.348
Jan. 2020 hours (+\$0.106)	\$1.154	\$1.454
Jan. 2021 hours (+\$0.106)	\$1.260	\$1.560
Jan. 2022 hours (+\$0.106)	\$1.366	\$1.666

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

* Employees shall receive the Apprentice rate until they work 10,400 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 Journey person pension contribution.

22.3 The contributions referred to in Article 22, paragraph 22.2, shall be computed monthly, with a maximum of one hundred seventy-three (173) hours per calendar month per employee, and the total amount due for each calendar month shall be remitted in a lump sum not later than twenty (20) days after the last day of the month in which the contributions were earned, to Zenith Administrators, Inc. Contributions will be delinquent if not paid by the twenty-fifth (25th) day, which delinquency shall be a violation of this Agreement.

22.3.1 Notwithstanding the foregoing paragraph 22.3, the Board of Trustees of the Sound Retirement Trust shall have the authority to establish and enforce a method of reporting contributions on an accounting period basis rather than a calendar month basis. In such a case, the one hundred seventy-three (173) hour maximum shall be appropriately adjusted, as directed by the Trustees; provided that in no event shall the Employer's total obligation or the employee's eligibility be different than what it would have been on a calendar month basis. Further, the total

contributions due for each approved accounting period shall be remitted in a lump sum not later than twenty (20) days after the end of the accounting period in which the contributions were earned.

22.4 The provisions of paragraph 24.5, Article 24 of this Agreement shall in no way apply to or affect the Employer's obligation to pay contributions to this Trust Fund.

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

ARTICLE 23 - GENERAL PROVISIONS

23.1 This Agreement supersedes and voids all previous oral and written understandings. Any changes altering the provisions of this Agreement must be in writing and be approved by the Employer and the Union.

23.2 No employee shall suffer any loss of his hourly rate of pay by reason of the signing or adoption of this Agreement; however, the terms of this Agreement are intended to cover only 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 minimums herein prescribed without the consent of the Union.

23.3 Time spent in attendance at store meetings called by the Employer before the start or after the ending of the employee's regular shift shall be compensated for at the employee's regular hourly rate of pay. Sections 5.8 (split shifts) and 5.9 (four-hour minimum) of this Agreement do not apply to store meetings.

23.4 The Employer shall not permit demonstrators or employees of a supplier to perform regular work of store clerks. Demonstrators assigned to a store by a supplier shall confine themselves to the particular items being demonstrated and wear clothing or carry some badge identifying them with the product or firm for which the demonstration is made.

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

23.6 The Employer agrees that it will not require any employee or prospective employee to take a polygraph (lie detector) test as a condition of employment or continued employment.

23.7 During the life of this Agreement or any extension thereof, neither party shall be obligated to bargain collectively with respect to any matter unless specifically required to do so by the express terms of this Agreement.

23.8 The Company agrees to notify the Union of the sale and/or closure of a store at least thirty (30) days in advance, whenever practical. Reasons where the thirty (30) days notice is not

practical may include but are not limited to lease contingencies, financing arrangements, and/or finalization of the buy/sell arrangements.

23.9 Drug Testing: 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. Reasonable grounds will not be required for drug or alcohol testing when an employee is involved in an industrial accident which involves injury or damage. Time spent in such testing shall be on Company time; however, any 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. An employee who refuses to take a drug or alcohol test upon request shall be subject to termination.

23.10 The Employer agrees to allow the posting of Union meeting notices in the store at a location designated by the Employer. The notice will state the date, time, and place of the Union meeting.

ARTICLE 24 - GRIEVANCES

24.1 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]).

24.2 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.

24.3 There shall be no strike, lockout, or other economic action unless the other party is refusing to comply with the final decision of an arbitrator reached in accordance with the provisions of this Agreement.

24.4 It is distinctly understood and agreed that the Board of Arbitration is not vested with the power to change, alter, or modify this Agreement in any of its parts. The arbitrator shall not decide on any subject, the condition of which is not specifically treated in this contract, but only on the contractual obligations that are specifically provided in this Agreement.

24.5 In order to be recognized, all claims of violation must be made in writing thirty (30) days from the day such violation occurs. Said claims shall be limited to the amount involved in the thirty (30) days except in those cases where reports of violations have been suppressed through coercion by the Employer.

24.6 Any grievance or complaint regarding an alleged unjust discharge must be brought to the attention of the Employer in writing within fifteen (15) days after the discharge occurs or the right to protect shall be deemed waived by the Union and the employee.

ARTICLE 25 - NO DISCRIMINATION

25.1 The parties agree to comply with all applicable laws and regulations prohibiting discrimination.

25.2 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.

ARTICLE 26 - TECHNOLOGICAL CHANGE

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

ARTICLE 27 - NO STRIKE AND LOCKOUT

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


UFCW Local #1439 - Safeway Inc.
Around The World
July 14, 2019 – July 9, 2022

ARTICLE 28 - DURATION


28.1 This Agreement shall be in full force and effect from July 14, 2019 through July 9, 2022, expiring at midnight, and thereafter from year to year unless sixty (60) days written notice of modification is given by either party prior to the expiration date.

ALLIED EMPLOYERS, INC.
For and on behalf of Safeway Inc.

UNITED FOOD AND COMMERCIAL
WORKERS UNION LOCAL 1439



Scott Klitzke Powers 1-27-20
President Date



Eric Renner 2-18-20
President Date

WORKING REGULATIONS

No receiving, marking, stocking, or display of merchandise shall be performed by supplier representatives, salesmen, or other non-employees of the Employer, except that the restrictions of this paragraph shall not apply to the following persons under the following circumstances:

(a) Drivers or driver salesmen engaged in servicing the store with their own merchandise directly from their delivery vehicles; or to the servicing of bakery products by the supplier where the bakery products are those products produced in a bakery or bakery plant;

(b) Product merchandisers who service the store, working merchandise which has previously been delivered to the store by a driver or driver salesman, where that merchandising could properly be performed under paragraph (a) by the driver or driver salesman himself;

(c) Merchandise resets or revamps, and to the preparation required for store grand openings.

(d) Present Employer practices may be continued for the life of the Agreement.

Demonstrators assigned to a store by a supplier shall confine themselves to the particular items being demonstrated and wear clothing or carry some badge identifying them with the product or firm for which the demonstration is made.

ADDENDUM
MEAT DEPARTMENT PERSONNEL

Safeway Inc., operating in Bonners Ferry, Chewelah, Colville, Davenport, Newport, Sandpoint, and United Food and Commercial Workers Union, Local 1439, have a certain Labor Agreement between them, to which this Addendum is attached and made a part thereto. This Addendum applies only to Meat Cutters, Wrappers, Weighers, Pricers, and Service Fish Department Clerks, and provides exceptions and additions to the aforesaid Labor Agreement, to which all terms shall also apply to said Meat Department Personnel, except as is modified herein, TO WIT:

1. PREMIUM PAY

- a. A premium rate of fifteen cents (15¢) per hour shall be paid for all work performed between the hours of 6:00 p.m. and 9:00 p.m., and work performed after 9:00 p.m. and before 6:00 a.m. 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.
- b. Sunday Rates: Meat Department employees hired prior to July 13, 2011, working on Sunday shall receive \$1.20 per hour premium pay in addition to their regular straight-time hourly rate. Employees hired on or after July 13, 2011, shall receive \$1.00 per hour premium pay.

2. PREDESIGNATED DAYS OFF - Regular full-time employees called for work on their predesignated days off as established in the work schedule provision, shall be offered eight (8) hours of work at the overtime rate.

3. JURISDICTION - It is agreed that any work performed shall be done by members of the bargaining unit. This clause includes the cutting, wrapping, and displaying of any meat, fish, and poultry covered by this Agreement in either service or self-service markets.

The owner is hereby excluded. 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.

4. HEAD MEAT CUTTER - There shall be a Head Meat Cutter on duty each work day of the work week (Monday through Saturday), except for a designated day off and except in cases of emergency of less than forty (40) hours in a work week. Such Head Meat Cutter shall receive the minimum contract rate provided in the attached appendix.

5. WRAPPERS - WEIGHERS - PRICERS - 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 employees 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.

6. SERVICE FISH DEPARTMENT CLERKS - Service Fish Department Clerks shall have seniority separate and apart from other classifications. Service Fish Department clerks may do all work required in the Service Fish Department (includes related service department work). However, whenever no other meat department employees are on duty, the Service Fish Department clerk may handle prepackaged meat items and those products previously prepared by a meat department employee to service specific customer requests.

7. APPRENTICES - 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.

For the purpose of classifying new persons who have worked in the retail trade for three (3) years or more in other localities, and in order to protect the Employer as well as the Union from inferior help, the Union agrees to create an examining board, if necessary, to classify persons making application for membership. This Board shall be composed of at least two (2) members of the Union and two (2) representatives of the Employer.

Employees shall receive credit for actual comparable Safeway work experience in the meat industry, provided such previous experience is claimed on the employment application. If the Union or the employees disagree with the experience credit given, the grievance must be filed stating such disagreement within sixty (60) days after the employee's first day of work. Any credit given for actual comparable work experience with other (non-Safeway) Employers in the meat industry shall be as agreed upon between the Company and the employee and such agreement shall not be subject to the grievance procedure.

Wrappers desirous of becoming Meat Cutters:

- a. Wrappers desirous of promotion to Apprentice Meat Cutter status shall make their desires known to the Employer, in writing, and such employees shall be given equal consideration for such vacancies. Selection to fill the vacancy shall be made on the basis of company seniority, ability and qualifications being equal.
- b. A wrapper commencing the apprenticeship-training program for Meat Cutters shall have a ninety (90) day trial. 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.

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

The first ninety (90) calendar days of employment by an employee shall be considered a probationary period in which the employee may be terminated without recourse from the Union.

Seniority shall apply after the first ninety (90) calendar days of employment with the Employer then seniority shall date back to the date of hire.

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

9. NEW METHODS - Within thirty (30) days after the Employer party to this Agreement introduces new methods of operation into the bargaining unit that require the establishment of new job classification, 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 24 of this Agreement. If through the procedure as set forth in Article 24, 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.

10. RETIREMENT SAVINGS - In lieu of the pension contribution as provided in Article 22 of the Retail Clerks Agreement, the Employer hereby agrees to make the following contributions on a straight-time hourly basis on behalf of all Meat Department employees in the bargaining unit:

Meat Cutters & Meat Wrappers hired prior to February 21, 2005: \$0.25 per hour to the 1439 Retirement Saving Plan, plus the following contributions to the Sound Retirement Trust:

	Journey person
Base	\$0.60
Pre-PPA Suppl.^	\$0.10
Past Rehab Incr.	\$0.51
Current Total:	\$1.21
Rehab Plan Increases This Term:	
Aug. 2019 hours (+\$0.138)	\$1.348
Jan. 2020 hours (+\$0.106)	\$1.454
Jan. 2021 hours (+\$0.106)	\$1.560
Jan. 2022 hours (+\$0.106)	\$1.666

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

Meat Cutters & Meat Wrappers hired on or after February 21, 2005: There shall be a waiting period of 1040 hours or one calendar year, whichever is longer, before the Employer is required to begin making required contributions.

After the waiting period above, the following shall be the required hourly contribution: \$0.25 per hour to the 1439 Retirement Saving Plan, plus the following contributions to the Sound Retirement Trust:

	Apprentice*	Journeyman
Base	\$0.30	\$0.60
Pre-PPA Suppl.^	\$0.10	\$0.10
Past Rehab Incr.	\$0.51	\$0.51
Current Total:	\$0.91	\$1.21
Rehab Plan Increases This Term:		
Aug. 2019 hours (+\$0.138)	\$1.048	\$1.348
Jan. 2020 hours (+\$0.106)	\$1.154	\$1.454
Jan. 2021 hours (+\$0.106)	\$1.260	\$1.560
Jan. 2022 hours (+\$0.106)	\$1.366	\$1.666

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

Meat Service Counter Employees hired prior to February 21, 2005 - The following contributions to the Sound Retirement Trust:

	Journeyman
Base	\$0.30
Pre-PPA Suppl.^	\$0.10
Past Rehab Incr.	\$0.51
Current Total:	\$0.91
Rehab Plan Increases This Term:	
Aug. 2019 hours (+\$0.138)	\$1.048
Jan. 2020 hours (+\$0.106)	\$1.154
Jan. 2021 hours (+\$0.106)	\$1.260
Jan. 2022 hours (+\$0.106)	\$1.366

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

Meat Service Counter Employees hired on or after February 21, 2005: There shall be a waiting period of 1040 hours or one calendar year, whichever is longer, before the Employer is required to begin making required contributions.

After the waiting period above, the following shall be the required hourly contribution to the Sound Retirement Trust:

	Apprentice*	Journeyman
Base	\$0.15	\$0.30
Pre-PPA Suppl.^	\$0.10	\$0.10
Past Rehab Incr.	\$0.51	\$0.51
Current Total:	\$0.76	\$0.91
Rehab Plan Increases This Term:		
Aug. 2019 hours (+\$0.138)	\$0.898	\$1.048
Jan. 2020 hours (+\$0.106)	\$1.004	\$1.154
Jan. 2021 hours (+\$0.106)	\$1.110	\$1.260
Jan. 2022 hours (+\$0.106)	\$1.216	\$1.366

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

* Employees shall receive the Apprentice rate until they work 10,400 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.

Notwithstanding the provisions of the above paragraphs, the Board of Trustees of the UFCW Investment Savings Plan and Trust shall establish and enforce, as an alternate method of contribution, a method of reporting contributions on an accounting period basis rather than a calendar month basis. In such a case, the alternate method 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.

The Employer and the Union agree to be bound by the terms of the provisions of that certain revised and restated Trust Agreement, effective May 1, 1987, dated June 27, 1967 (date of initial execution, September 1, 1955), creating the UFCW Investment Savings Plan and Trust, and all amendments thereto, heretofore or hereafter adopted. Further, the Employer accepts as his representatives for the purpose of such Trust Fund, the Employer Trustees serving on the Board of Trustees of said Trust Fund and their duly appointed successors.

The employer agrees to post monthly audited billings received from the trust office, marked for Meat Personnel.

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

11. ON-THE-JOB TRAINING - The Employer 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 seventy-three (173) hours per person, provided no regular employees are laid off or suffer 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 the Employer for exercising this right.

APPENDIX A
GROCERY AND PRODUCE CLASSIFICATIONS AND WAGE RATES

IDAHO STORES

	Current	7/14/19	7/12/20	7/11/21
Journey person	\$15.06	\$15.31	\$15.51	\$15.71
Next 2080 hours	10.85	10.85	10.85	10.85
Next 2080 hours	9.75	9.75	9.75	9.75
Next 1560 hours	8.65	8.65	8.65	8.65
Next 1560 hours	7.80	7.80	7.80	7.80
Next 1388 hours	7.65	7.65	7.65	7.65
Next 1040 hours	7.55	7.55	7.55	7.55
First 692 hours	7.45	7.45	7.45	7.45
Courtesy Clerks				
Thereafter	7.45	7.45	7.45	7.45
2 nd 1040 hours	7.40	7.40	7.40	7.40
1 st 1040 hours	7.35	7.35	7.35	7.35
Helper Clerks				
Senior Courtesy Clerk*				
Thereafter	7.50	7.50	7.50	7.50
2 nd 1040 hours	7.45	7.45	7.45	7.45
1 st 1040 hours	7.40	7.40	7.40	7.40

*Used and assigned at the sole discretion of the Employer

WASHINGTON STORES

	Current	7/14/19	7/12/20	7/11/21	
Journey person	\$15.06	\$15.31	\$15.51	\$15.71	
	Current	7/14/19	1/1/20	1/1/21[^]	1/1/22[^]
Next 2080 hours	12.10	12.40	13.90		
Next 2080 hours	12.10	12.35	13.85		
Next 1560 hours	12.10	12.30	13.80		
Next 1560 hours	12.10	12.25	13.75		
Next 1388 hours	12.10	12.20	13.70		
Next 1040 hours	12.10	12.15	13.65		
First 692 hours	12.10	12.10	13.60		
Courtesy clerks					
Thereafter	12.10	12.15	13.65		
1 st 1040 hours	12.10	12.10	13.60		
Helper Clerks					
Senior Courtesy Clerk*					
Thereafter	12.10	12.15	13.65		
1 st 1040 hours	12.10	12.10	13.60		

*Used and assigned at the sole discretion of the Employer

[^]Wage rates TBD based on state minimum wage at that time.

All employees shall be paid a minimum of ten cents (10¢) above the then current minimum wage for their state.

Hours of experience as an apprentice as set forth in Article 9 of this Agreement. No employee shall be credited for more than one hundred seventy-three and one-third (173-1/3) hours of experience in any one calendar month. Progression wage increases in conformance with this appendix shall be effective the first Sunday of the first workweek following completion of hours specified above.

PREMIUM PAY (Excluding Helper Clerks and Courtesy Clerks)

1. Hours after 7:00 p.m. and before 6:00 a.m., Monday through Saturday: Eleven cents (11¢) per hour.
2. All work performed on Sundays for employees hired prior to July 13, 2011: \$1.15 per hour.

All work performed on Sundays for employees hired on or after July 13, 2011: \$1.00 per hour.
3. There will be no compounding or pyramiding of overtime pay and premium pay.

SUNDAY PREMIUM PAY - HELPER CLERKS AND COURTESY CLERKS:

Twenty-five cents (25¢) per hour.

LEAD CLERKS

The parties agree that two (2) lead clerks may be assigned at the sole discretion of management. Employees assigned to a lead clerk position shall be paid a fifty cent (50¢) per hour premium.

JOURNEYPERSON PRODUCE CLERKS

Journeyperson produce clerks shall receive all wage increases as set forth above regardless of their present wage structure. Fifty cents (50¢) per hour additional shall be paid to one produce clerk per store designated by management as responsible for the administrative functions of the produce department.

Helper Clerks are employees who may perform any work in the stores, except that they shall not be permitted nor required to work as checkers.

Total man-hours worked by Helper Clerks in an individual store shall not exceed twelve* percent (12%)* of the total man-hours worked by employees in the bargaining unit. In any week that the Employer exceeds the twelve percent (12%) limitation, the most senior Appendix A and B employees not receiving forty (40) hours that week will receive the difference between the

Helper Clerk rate and the 4334 - 5025 step rate for all hours worked in excess of the twelve percent (12%), with a per-employee maximum of forty (40) hours.

*During the summer period of May 1 through October 1, the Helper Clerk percentage shall be seventeen percent (17%).

At the Employer's discretion, Helper Clerks may be placed in the Apprentice Grocery Clerk classification. The first thirty (30) days in such classification shall be considered a training period. The Employer is not obligated to retain an employee who does not perform the work in a satisfactory manner during that training period, and may return the employee to his/her former classification and wage rate without recourse from the Union. However, if such employee does perform work in a satisfactory manner during such period of training, said employee shall receive credit for fifty percent (50%) of all hours worked as a Helper Clerk toward his/her progression as an Apprentice Clerk as outlined elsewhere in this Agreement. Said credit shall not exceed a maximum of 1,040 hours. However, Helper Clerks who are promoted and laid off between May 1 and October 1 shall have the right to return to their former position without loss of seniority.

Whenever there are openings in the first step apprentice Clerk classification only, Helper Clerks shall be promoted prior to the use of new hires. Nothing herein shall be construed as requiring the Employer to promote Helper Clerks to any position other than Beginner Clerk. The Employer shall be the sole judge of which Helper Clerks are to be promoted to the Beginner Clerk classification, and it shall not be required that such Helper Clerks be promoted by seniority. Nothing in this section or elsewhere in this Agreement shall be interpreted so as to entitle any employee to automatically progress from the Helper Clerk classification to the Apprentice Clerk classification.

Courtesy Clerks are employees who perform only those duties listed below:

- a) Bag or box the merchandise after it has been checked out and take it to the customer's vehicle;
- b) Perform cleaning assignments in and around the store;
- c) Return products or exchange products brought to the checkstand by customers;
- d) Collect and line up shopping carts and return them to the store from the parking lot;
- e) Stock supplies in the checkstands;
- f) Collect bottles, take them to the designated area and; sort and perform the work incidental to such function;
- g) Change the reader board and window signs;
- h) Verify prices;

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- i) Pull cardboard;
- j) Water plants and flowers;
- k) Cover produce and frozen food cases;
- l) Refill the Select pop machine(s).

Once a Courtesy Clerk is classified as a Helper Clerk, such employee shall not again be classified or paid as a Courtesy Clerk. However, Courtesy Clerks that are promoted and laid off between May 1 and October 1 shall have the right to return to their former position without loss of seniority.

APPENDIX B
BAKERY SALES AND DELI CLASSIFICATIONS AND WAGE RATES

IDAHO STORES

	Current	7/14/19	7/12/20	7/11/21
Head Bakery Sales	\$12.73	\$12.98	\$13.18	\$13.38
Journey person	12.50	12.75	12.95	13.15
Next 2080 hours	9.10	9.10	9.10	9.10
Next 2080 hours	8.60	8.60	8.60	8.60
Next 1560 hours	7.75	7.75	7.75	7.75
Next 1560 hours	7.50	7.50	7.50	7.50
Next 1388 hours	7.45	7.45	7.45	7.45
Next 1040 hours	7.40	7.40	7.40	7.40
First 692 hours	7.35	7.35	7.35	7.35

WASHINGTON STORES

	Current	7/14/19	7/12/20	7/11/21[^]	
Head Bakery Sales	\$12.73	\$12.98	\$13.60		
Journey person	12.50	12.75	13.60		
	Current	7/14/19	1/1/20	1/1/21[^]	1/1/22[^]
Next 2080 hours	12.10	12.40	13.60		
Next 2080 hours	12.10	12.35	13.60		
Next 1560 hours	12.10	12.30	13.60		
Next 1560 hours	12.10	12.25	13.60		
Next 1388 hours	12.10	12.20	13.60		
Next 1040 hours	12.10	12.15	13.60		
First 692 hours	12.10	12.10	13.60		

[^]Wage rates TBD based on state minimum wage at that time.

All employees shall be paid a minimum of ten cents (10¢) above the then current minimum wage for their state.

PREMIUM PAY (Excluding Helper Clerks and Courtesy Clerks)

1. Hours after 7:00 p.m. and before 6:00 a.m., Monday through Saturday: Eleven cents (11¢) per hour.
2. All work performed on Sundays for employees hired prior to July 13, 2011: \$1.15 per hour.

All work performed on Sundays for employees hired on or after July 13, 2011: \$1.00 per hour.
3. There will be no compounding or pyramiding of overtime pay and premium pay.

APPENDIX B-1
SELF-SERVICE BAKERY CLASSIFICATIONS AND WAGE RATES

IDAHO STORES

	Current	7/14/19	7/12/20	7/11/21
Head Bakery Sales	\$12.73	\$12.98	\$13.18	\$13.38
Journeyman	12.50	12.75	12.95	13.15
Next 2080 hours	9.10	9.10	9.10	9.10
Next 2080 hours	8.60	8.60	8.60	8.60
Next 1560 hours	7.75	7.75	7.75	7.75
Next 1560 hours	7.50	7.50	7.50	7.50
Next 1388 hours	7.45	7.45	7.45	7.45
Next 1040 hours	7.40	7.40	7.40	7.40
First 692 hours	7.35	7.35	7.35	7.35

WASHINGTON STORES

	Current	7/14/19	7/12/20	7/11/21[^]	
Head Bakery Sales	\$12.73	\$12.98	\$13.60		
Journeyman	12.50	12.75	13.60		
	Current	7/14/19	1/1/20	1/1/21[^]	1/1/22[^]
Next 2080 hours	12.10	12.40	13.60		
Next 2080 hours	12.10	12.35	13.60		
Next 1560 hours	12.10	12.30	13.60		
Next 1560 hours	12.10	12.25	13.60		
Next 1388 hours	12.10	12.20	13.60		
Next 1040 hours	12.10	12.15	13.60		
First 692 hours	12.10	12.10	13.60		

[^]Wage rates TBD based on state minimum wage at that time.

All employees shall be paid a minimum of ten cents (10¢) above the then current minimum wage for their state.

Hours of experience as an apprentice as set forth in Article 9 of this Agreement. No employee shall be credited for more than one hundred seventy-three and one-third (173-1/3) hours of experience in any one calendar month. Progression wage increases in conformance with this appendix shall be effective the first Sunday of the first workweek following completion of hours specified above.

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PREMIUM PAY (Excluding Helper Clerks and Courtesy Clerks)

1. Hours after 7:00 p.m. and before 6:00 a.m., Monday through Saturday: Eleven cents (11¢) per hour.
2. All work performed on Sundays for employees hired prior to July 13, 2011: \$1.15 per hour.

All work performed on Sundays for employees hired on or after July 13, 2011: \$1.00 per hour.
3. There will be no compounding or pyramiding of overtime pay and premium pay.

**APPENDIX C
 GENERAL MERCHANDISE (NON-FOODS OR VARIETY OR FLORAL)
 CLASSIFICATIONS AND WAGE RATES**

IDAHO STORES

	Current	7/14/19	7/12/20	7/11/21
Journey person	\$12.21	\$12.46	\$12.66	\$12.86
Next 2080 hours	8.90	8.90	8.90	8.90
Next 2080 hours	8.35	8.35	8.35	8.35
Next 1560 hours	7.75	7.75	7.75	7.75
Next 1560 hours	7.50	7.50	7.50	7.50
Next 1388 hours	7.45	7.45	7.45	7.45
Next 1040 hours	7.40	7.40	7.40	7.40
First 692 hours	7.35	7.35	7.35	7.35

WASHINGTON STORES

	Current	7/14/19	7/12/20	7/11/21[^]	
Journey person	\$12.21	\$12.46	\$13.60		
	Current	7/14/19	1/1/20	1/1/21[^]	1/1/22[^]
Next 2080 hours	12.10	12.40	13.60		
Next 2080 hours	12.10	12.35	13.60		
Next 1560 hours	12.10	12.30	13.60		
Next 1560 hours	12.10	12.25	13.60		
Next 1388 hours	12.10	12.20	13.60		
Next 1040 hours	12.10	12.15	13.60		
First 692 hours	12.10	12.10	13.60		

[^]Wage rates TBD based on state minimum wage at that time.

All employees shall be paid a minimum of ten cents (10¢) above the then current minimum wage for their state.

Hours of experience as an apprentice as set forth in Article 9 of this Agreement. No employee shall be credited for more than one hundred seventy-three and one-third (173-1/3) hours of experience in any one calendar month. Progression wage increases in conformance with this appendix shall be effective the first Sunday of the first workweek following completion of hours specified above.

PREMIUM PAY (Excluding Helper Clerks and Courtesy Clerks)

1. Hours after 7:00 p.m. and before 6:00 a.m., Monday through Saturday: Eleven cents (11¢) per hour.
2. All work performed on Sundays for employees hired prior to July 13, 2011: \$1.15 per hour.

All work performed on Sundays for employees hired on or after July 13, 2011: \$1.00 per hour.
3. There will be no compounding or pyramiding of overtime pay and premium pay.

All employees who are classified as General Merchandise (Non-foods or Variety or Floral) employees shall devote their time exclusively to the General Merchandise (Non-foods or Variety or Floral) operation. All employees who do any work in foods shall receive the grocery rates of pay for that day. This shall include, but not be limited to, work in the central checkstands (except bagging and carrying out), checking, receiving, stocking, or marking of grocery or produce merchandise. Credit for past experience for General Merchandise (Non-foods or Variety or Floral) employees shall be given on the basis of experience in comparable non-food merchandise and in accordance with the provisions of Article 9 - Experience, of this Agreement, or past experience in retail work with the Employer, whichever is the greater.

APPENDIX D
MEAT DEPARTMENT CLASSIFICATIONS AND WAGE RATES

MEAT CUTTERS

IDAHO STORES

	Current	7/14/19	7/12/20	7/11/21
Meat Department Manager	\$17.67	\$17.92	\$18.12	\$18.32
Journeyman	17.35	17.60	17.80	18.00
Next 2080 hours	13.10	13.10	13.10	13.10
Next 2080 hours	12.05	12.05	12.05	12.05
Next 1040 hours	10.95	10.95	10.95	10.95
Next 1040 hours	10.15	10.15	10.15	10.15
Next 1040 hours	9.35	9.35	9.35	9.35
Next 1040 hours	8.85	8.85	8.85	8.85
Next 1040 hours	8.35	8.35	8.35	8.35
First 1040 hours	7.80	7.80	7.80	7.80

WASHINGTON STORES

	Current	7/14/19	7/12/20	7/11/21	
Meat Department Manager	\$17.67	\$17.92	\$18.12	\$18.32	
Journeyman	17.35	17.60	17.80	18.00	
	Current	7/14/19	1/1/20	1/1/21[^]	1/1/22[^]
Next 2080 hours	13.10	13.10	13.95		
Next 2080 hours	12.10	12.40	13.90		
Next 1040 hours	12.10	12.35	13.85		
Next 1040 hours	12.10	12.30	13.80		
Next 1040 hours	12.10	12.25	13.75		
Next 1040 hours	12.10	12.20	13.70		
Next 1040 hours	12.10	12.15	13.65		
First 1040 hours	12.10	12.10	13.60		

[^]Wage rates TBD based on state minimum wage at that time.

All employees shall be paid a minimum of ten cents (10¢) above the then current minimum wage for their state.

MEAT WRAPPERS

IDAHO STORES

	Current	7/14/19	7/12/20	7/11/21
Journey person	\$14.74	\$14.99	\$15.19	\$15.39
Next 2080 hours	10.85	10.85	10.85	10.85
Next 2080 hours	9.75	9.75	9.75	9.75
Next 1560 hours	8.65	8.65	8.65	8.65
Next 1560 hours	7.80	7.80	7.80	7.80
Next 1388 hours	7.65	7.65	7.65	7.65
Next 1040 hours	7.55	7.55	7.55	7.55
First 692 hours	7.45	7.45	7.45	7.45

WASHINGTON STORES

	Current	7/14/19	7/12/20	7/11/21	
Journey person	\$14.74	\$14.99	\$15.19	\$15.39	
	Current	7/14/19	1/1/20	1/1/21[^]	1/1/22[^]
Next 2080 hours	12.10	12.40	13.90		
Next 2080 hours	12.10	12.35	13.85		
Next 1560 hours	12.10	12.30	13.80		
Next 1560 hours	12.10	12.25	13.75		
Next 1388 hours	12.10	12.20	13.70		
Next 1040 hours	12.10	12.15	13.65		
First 692 hours	12.10	12.10	13.60		

[^]Wage rates TBD based on state minimum wage at that time.

All employees shall be paid a minimum of ten cents (10¢) above the then current minimum wage for their state.

SERVICE COUNTER

IDAHO STORES

	Current	7/14/19	7/12/20	7/11/21
Journey person	\$12.50	12.75	12.95	\$13.15
Next 2080 hours	9.10	9.10	9.10	9.10
Next 2080 hours	8.60	8.60	8.60	8.60
Next 1560 hours	7.75	7.75	7.75	7.75
Next 1560 hours	7.65	7.65	7.65	7.65
Next 1388 hours	7.55	7.55	7.55	7.55
Next 1040 hours	7.50	7.50	7.50	7.50
First 692 hours	7.45	7.45	7.45	7.45

WASHINGTON STORES

	Current	7/14/19	7/12/20	7/11/21	
Journey person	\$12.50	\$12.75	\$13.60		
	Current	7/14/19	1/1/20	1/1/21[^]	1/1/22[^]
Next 2080 hours	12.10	12.40	13.60		
Next 2080 hours	12.10	12.35	13.60		
Next 1560 hours	12.10	12.30	13.60		
Next 1560 hours	12.10	12.25	13.60		
Next 1388 hours	12.10	12.20	13.60		
Next 1040 hours	12.10	12.15	13.60		
First 692 hours	12.10	12.10	13.60		

[^]Wage rates TBD based on state minimum wage at that time.

All employees shall be paid a minimum of ten cents (10¢) above the then current minimum wage for their state.

Hours of experience as an apprentice as set forth in Article 9 of this Agreement. No employee shall be credited for more than one hundred seventy-three and one-third (173-1/3) hours of experience in any one calendar month. Progression wage increases in conformance with this appendix shall be effective the first Sunday of the first workweek following completion of hours specified above.

Current wrappers desiring employment in the Service Fish Department will be so utilized if they desire such reclassification, prior to the use of new hires.

LETTER OF UNDERSTANDING SENIORITY

Recognizing that inconsistent interpretations of the seniority provisions set forth in the above referenced Labor Agreement has caused disruptive labor relations between the parties, the parties agree to the following understanding:

1. Seniority is understood to mean length of continuous service with the individual Employer. Therefore, an employee shall not lose his/her seniority if transferred by the Employer, even though the employee is transferred from outside the bargaining unit.
2. For the purpose of applying the terms of the layoff/recall and the availability of hours provisions in the above-referenced Agreement, priority, where applicable, shall be given to the senior employee, provided the senior employee's "qualifications and abilities" are equal to or greater than the "qualifications and abilities" of the involved junior employee(s) performing the same comparable work, further provided, that all other qualifications of the Agreement are satisfied.
3. Any work performed under the classification in the following sections shall be deemed "comparable work" for purposes of this letter: Grocery and Produce, Deli, Bakery, and Non-food.
4. In the event the Employer or the union takes the position that the "qualifications and abilities" of the junior employee are greater than the "qualifications and abilities" of the senior employee, then priority, where applicable, shall be given to the junior employee subject to satisfying the burden of proof as follows: The party alleging that the "qualifications and abilities" of the junior employee are greater shall have the burden of proof in the matter.
5. When an employee is transferred from another area outside the geographical jurisdiction of this Agreement, the transferred employee shall retain all seniority rights with the Employer but shall be entitled to exercise such rights only after having worked in the bargaining unit for a minimum of sixty (60) days.

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LETTER OF UNDERSTANDING
FLORAL DEPARTMENT EMPLOYEES CLASSIFICATION CHANGE

This is to confirm our understanding reached during our recent negotiations wherein “Floral employees” were added to the wage rates of Appendix D of the “Around-the-World” Agreement between Local 1439 and Safeway, Inc.

As agreed, Floral Department employees who are on the payroll as of June 1, 1991 and who were being compensated under Appendix “A” wage rates will continue to be compensated at the higher rate unless they resign or are voluntarily reassigned to different work.

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LETTER OF UNDERSTANDING
PERMANENT INDIVIDUAL JOB OPENINGS

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

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

**LETTER OF UNDERSTANDING
OFFICE CLERICAL**

The following represents the terms agreed to regarding those employees classified as “Office Clerical” in the stores covered by the clerk contracts listed above.

- 1) This letter shall become an attachment to each labor agreement as listed above and shall be automatically renewed in all terms and conditions unless specifically modified or terminated by mutual agreement between the parties.
- 2) All terms and conditions of the specific contract will apply with the following exception. The office clerical employees will be considered a continuing work force and will not recognize any picket line or participate in any economic action of any kind.
- 3) The office clerical employees will be restricted to clerical functions and as such shall not perform grocery work.
- 4) The office clerical employees will be paid in accordance with the bakery sales wage addendum contained in each area labor agreement.

**LETTER OF UNDERSTANDING
EXEMPTIONS**

As per our agreement, this is to outline the understanding we reached regarding exemptions for our stores that fall under the jurisdiction of UFCW #1439 and the Spokane Branch, Industrial Relations office.

- 1) Currently there are 28 stores in this jurisdiction.
- 2) The total number of exemptions per this 28-store number will be 84.
- 3) Not more than four (4) exempt employees per store will be allowed. These four exempt positions will not include the file maintenance clerk and deli department managers, per the particular area agreement.
- 4) In the event of an opening or closing of a store resulting in more or less than the 28 stores, the total number of exemptions of 84 will be adjusted, plus or minus three (3) for each opening/closing.

It is agreed that this letter of understanding shall remain intact unless both parties mutually agree to modify or abandon it.

LETTER OF UNDERSTANDING
4 x 10 WORKWEEK

This is to confirm the understanding reached in our recent negotiations that the parties agree that by mutual agreement the Employer may create 4 x 10-hour workweeks in recognition that there may be some positions falling under the scope of the referenced Labor Agreement that would accommodate a 4 x 10-hour workweek schedule for the employees occupying those positions. In that event, the parties agree that the daily overtime provisions of Article 5.1 shall be applicable after 10 hours worked. The rest periods provided for in paragraph 5.4 will be scheduled to provide for a 10-minute and 15-minute rest period on either side of the employee's scheduled meal period. In addition, holiday pay provided for in Article 6 shall be applied on the basis that the employee shall receive eight hours' pay for each holiday that the employee is eligible for, unless the employee is scheduled for thirty (30) hours during the holiday week, and in that event the employee shall receive ten hours' holiday pay.

**LETTER OF UNDERSTANDING
MOST FAVORED NATIONS**

Should UFCW Local #1439 enter into a Collective Bargaining Agreement with any other major grocery Employer operating in the area covered by this agreement after ratification of this proposal, up to expiration date of this Agreement, which Safeway perceives to be more advantageous to the Employer than this Agreement, Safeway has ninety (90) days from the receipt of a signed copy of that Agreement to invoke this Article and adopt in full all of the terms and conditions of the other Employer's Agreement as a substitute for this Agreement. The right to invoke this Article shall expire at midnight on the ninetieth (90th) day after the Agreement with the other Employer is received. It is the specific intent of the parties that invocation of the Article by Safeway requires it to adopt only portions of the other Employer's Agreement, it may seek mutual agreement with Local #1439, but nothing herein shall require such mutual agreement. In the event the parties fail to reach agreement, Safeway may invoke the right to adopt the entire Agreement.

**LETTER OF UNDERSTANDING
DUES CHECK-OFF**

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

**LETTER OF UNDERSTANDING
LIMIT ON BACK PAY FOR DISCIPLINE CASES**

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

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

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

<u>Calendar Days</u>	<u>Action Item</u>
0	Incident
15 (termination) from date of discharge	Grievance must be filed in writing
30 (all others) from date of discipline	Grievance must be filed in writing
15 from date of receipt of grievance	Response in writing due 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 both the Employer and FMCS in writing
15 from date the parties receive FMCS list	Parties must mutually select an arbitrator

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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)

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

- 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.

UFCW Local #1439 - Safeway Inc.
Around The World
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**LETTER OF UNDERSTANDING
CORPORATE CAMPAIGN**

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

The parties recognize 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

HEALTH & WELFARE CONTRIBUTIONS

RECITALS

A. Safeway 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 same hours that are credited under the CBAs for purposes of determining whether employees satisfy the 80-hour qualifiers for receiving the prior Monthly Rate contributions. However,

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

SIGNATURE PAGE

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

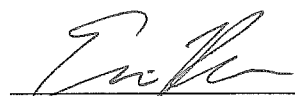
- Addendum: Meat Department Personnel
- Letter of Understanding: Seniority
- Letter of Understanding: Floral Department Employees Classification Change
- Letter of Understanding: Permanent Individual Job Openings
- Letter of Understanding: Office Clerical
- Letter of Understanding: Exemptions
- Letter of Understanding: 4 x 10 Workweek
- Letter of Understanding: Most Favored Nations
- 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: Corporate Campaign
- Letter of Understanding: Health & Welfare Contributions

ALLIED EMPLOYERS, INC.
For and on behalf of Safeway Inc.



Scott Klitzke Powers 1-27-20
President Date

UNITED FOOD AND COMMERCIAL
WORKERS UNION LOCAL 1439



Eric Renner 2-18-20
President Date

THE UNION DIFFERENCE

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

A Voice at Work

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

Right to Union Representation

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

Just Cause for Discipline

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

The Security of a Union Contract

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

Union Leadership

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

My Shop Steward is:

My Union Rep is:

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

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

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

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

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

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

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

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

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

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

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

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