

The logo for UFCW 876 features the letters 'UFCW' in a bold, sans-serif font, followed by '876' in a larger, outlined font. To the left of the 'U' is a stylized graphic of concentric, curved lines that resemble a rainbow or a series of arches.

a **VOICE** for Working America

**Agreement of
United Food & Commercial Workers
Local 876**

Chartered by
UFCW International Union with

The Kroger Company
Metro Grocery Division

March 24, 2013 - March 25, 2017



UFCW 876

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www.ufcw876.org

Union Representatives &
Membership Records
1-800-321-6406

Michigan Health & Welfare Fund
1-800-322-8190
mufcwbenefits.com

UFCW National Pension Fund
1-800-531-2385

Financial Wellness Center
1-800-321-6406
Extension # 8645

Pre-Paid Legal
1-800-826-0101



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THIS AGREEMENT made and entered into this 16th day of March 2013, effective March 24, 2013 between THE KROGER CO., hereinafter designated as the "Employer," and the UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL NO. 876, its successors and assigns, chartered by UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION, hereinafter designated as the "Union."

Article 1 – Intent and Purpose

The Employer and the Union each represent that the purpose and the intent of this Agreement is to promote cooperation and harmony, to recognize mutual interest, to provide a channel through which information and problems may be transmitted from one to the other; to formulate rules to govern the relationship between the Union and the Employer; to promote efficiency and service and to set forth herein the basic agreements covering rates of pay, hours of work and conditions of employment.

Article 2 – Coverage

The Employer recognizes the Union as the sole and exclusive bargaining agent of all employees of the Employer, including employees of lessees, licensees and concessionaires, including those classifications of employees covered by this Agreement and of any new classifications hereafter established in those food stores in the following counties and any food stores hereafter owned and/or operated and supervised within the present territorial area of the Detroit, Michigan Division, in the counties of Wayne, Macomb, St. Clair, Oakland, Livingston, Washtenaw, Lenawee and Monroe, (876-1 counties) and Shiawassee, Genesee, Lapeer, Sanilac, Huron, Tuscola, Saginaw, Midland and Bay, (876-2 counties) Michigan, excluding store managers, co-managers, pharmacists, and pharmacist interns as provided under Article 8B herein and meat department employees.

Pursuant to the above, the Employer warrants that he has authority to and shall require the operator of any such concession or leased and/or licensed department to fully apply and comply with the terms and provisions of this Agreement.

Article 3 – Union Shop, Check-Off & Dues

A. The Union shall be the sole Representative and bargaining agent of all employees covered by this Agreement in collective bargaining with the Employer. It shall be a continuing condition of employment that all employees of the Employer covered by this Agreement who are members of the Union in good standing on the execution date of this Agreement shall remain members in good standing and those who are not members on the execution date of the Agreement shall, on the 31st day following the execution of this Agreement become and remain members in good standing in the Union.

B. It shall also be a continuing condition of employment that all Employees covered by this Agreement and hired on or after the date of execution shall, on the thirty-first (31st) day following the beginning of such employment, become and remain members in good standing in the Union.

C. The Employer shall furnish to each new employee, an application form for membership in the Union, in a form supplied by the Union, which such employee may execute and file subject to the provisions aforesaid. New Employees, pending their application for, and membership in, the Union as aforesaid, shall with all other Employees, be uniformly subject to the provisions of this Agreement, including those pertaining to wages, hours and working conditions; except new Employees within sixty (60) days of hire may be discharged or disciplined without recourse, for any reason whatsoever. The probationary period may be extended an additional thirty (30) days by mutual agreement between the Company and the Union.

D. Upon written notice by the Union, the Employer agrees within seven (7) days to discontinue the employment of any Employee who fails to become and remain a member of the Union in good standing as provided under this Article.

E. Check-Off – The Employer agrees to deduct and remit to the Union monthly dues on a weekly basis and initiation fees and International dues if any, from the wages of each of its Employees, present and future as the same shall be due, provided each such Employee executes written authorization therefore in a form authorized by law, and such authorization is turned over to the Employer.

F. The Union shall furnish to the Employer a list of member Employees and the amounts due therefore, including monthly dues arrearages. The Employer shall deduct and remit weekly dues as authorized to the Union.

G. At the time of such remission of checked-off sums, the Employer shall also furnish the Union a list of all persons hired within the previous thirty (30) days and furnish name and address.

H. The Employer agrees to submit to the Union a monthly seniority list upon request of all employees, indicating date of hire, full-time and part-time status, store locations, classification, and rate of pay. The Employer shall also provide a current energy clause transfer request list on a monthly basis, if applicable.

I. The phrases "members in good standing in the Union," "members," "membership in the Union," "member of the Union in good standing," "member-employees," and "Union members," as used in this Article include persons who are members of the Union and persons who elect and maintain non-member status. Persons who elect non-member status shall be required to pay, as a condition of continued employment, initiation fees and weekly Union fees in an amount not to exceed the full amount of initiation fees and weekly Union dues.

J. Orientation Process – The Employer shall provide the Union with the date, time and location of new employee orientations at least 48 hours in advance of each orientation meeting. The Union shall advise the Employer of whether or not they are attending and who from the Union will be participating. The Employer shall provide the Union designee with a list of new employees who will be involved in the orientation, including employee name(s), job title, department and full-time or part-time status. During such orientation process the Employer may provide new employees information about the Union, the collective bargaining agreement and the benefit programs under the agreement. The Union shall be provided a copy of any printed information provided to the employee during the Employer Orientation.

Immediately following the Employer's orientation, the Union's designated representative(s) shall be properly introduced to new employees and allowed a private audience with such

employees for a period not to exceed 15 minutes. Such access shall be afforded to the Union for the purpose of securing membership and providing other pertinent information about the Union. The Employer shall be supplied a copy of any printed information provided to the employee by the Union. It is understood and agreed that the Employer will not make any negative or disparaging references regarding the Union during the Employer's interviewing, hiring and orientation process. Conversely, the Union shall not defame the Employer or use and inflammatory statements contrary the spirit of a cooperative labor relations environment during their member orientation meeting. Should the Union be found utilizing disparaging comments in its presentation the access as provided in this article shall be withdrawn and suspended until resolved by the grievance process.

K. Check-Off for Political Contributions – The Employer agrees to honor and transmit to the Local Union contribution deductions to the UFCW Active Ballot Club from employees who are Union members and who sign deduction authorization cards. The deductions shall be in the amounts specified on the political contribution authorization and deducted weekly, and remitted weekly to the Union.

Article 4 – Management Rights

The management of the business and the direction of the working forces, including the right to plan, direct and control store operations, hire, suspend, or discharge for proper cause, transfer or relieve employees from duty because of lack of work or for other legitimate reasons, the right to study or introduce new or improved production methods or facilities, and the right to establish and maintain rules and regulations covering the operation of the stores, a violation of which shall be among the causes for discharge, are vested in the Employer, provided, however, that this right shall be exercised with due regard for the rights of the employees and provided further that it will not be used for the purpose of discrimination against any employee.

Post-Accident Employee Drug and Alcohol Testing Policy-

Employer reserves the right for drug testing on accidents that require medical attention. Positive drug testing will result in disciplinary action up to and including discharge. Refusal to take a drug test that is requested by management will be considered insubordination and appropriate disciplinary action will take place.

The basis for which the Company requires a post-accident drug and alcohol test is any accident/injury within the store.

Current levels as established by the Department of Transportation will be utilized as a basis for the results of testing.

All post accident drug and alcohol tests will be performed at an established medical facility or through an oral fluid test done at store level. To ensure privacy, testing at store level shall be performed by management when on duty or employee designated by the Company. Employees shall be required to take only one test, either at the medical facility or at the store.

All circumstances and conditions surrounding an employee suspension will be taken into consideration by the Company upon investigation and determination of final disposition.

An employee testing positive will be given seven (7) business days from the date of suspension to be evaluated and enroll, in a certified substance abuse program. Consideration of eligibility for reinstatement will be given to an employee who provides proof of evaluation within seven (7) business days of suspension and successfully completes the recommended treatment.

Reinstatement will be with the written understanding that any future deviation or incident of substance abuse of alcohol related issues effecting their employment will result in immediate discharge.

The above in all disciplinary cases will be on a non-precedent setting basis.

Article 5 – Dispute Procedure

A. The Union shall have the right to designate or elect one (1) steward and one (1) alternate steward for each store.

B. Should any differences, disputes, or complaints arise over the interpretations or application of this Agreement, there shall be an earnest effort on the part of the parties to settle such promptly through the following steps:

Step 1 By conference during scheduled working hours between the Union steward and/or the business Representative

and/or aggrieved employee, or any of them, and the manager of the store.

Step 2 If the grievance is not satisfactorily adjusted in Step 1, the grievance shall be reduced to writing and signed by the employee or employees involved with concurrence of a Union representative, or signed by a Union Representative in his behalf, presented to the Employer, and discussed with reasonable promptness between the Union's Business Representative and the territorial store supervisor, or human resources department Representative of the Employer. A conference shall be conducted within fourteen (14) days (unless extended by mutual agreement between the Union and the Employer) between the Union business representative, and the territory store supervisor or human resources department Representative of the Employer. The Employer will respond within seven (7) days of the conference. If not responded to, the grievance shall be considered automatically denied.

Step 3 If the grievance is not satisfactorily adjusted in Step 2, it shall be presented to the Employer, and discussed with reasonable promptness by an officer or designated Union Representative and a Representative or Representatives of the Employer.

Step 4 If the grievance is not satisfactorily adjusted in Step 3, either party may, with reasonable promptness, in writing, request arbitration, and the other party shall be obliged to proceed with arbitration in the manner hereinafter provided. The Union Executive Board shall have the exclusive right to determine whether or not the employee's grievance shall be submitted to arbitration by the Union. The parties shall forthwith attempt to agree upon an impartial arbitrator. If they cannot so agree within five (5) working days of the request for arbitration, the party requesting for arbitration may, with reasonable promptness thereafter, file a demand for arbitration with the American Arbitration Association, in accordance with the then applicable rules and regulations of the Association. The expenses of the arbitrator, excepting the parties' own expenses, shall be borne equally by the Union and the Employer.

C. The arbitrator shall have authority and jurisdiction to determine the propriety of the interpretation and/or application of the Agreement respecting the grievance in question, but he shall not have the power to alter or modify the terms

of the Agreement. With respect to arbitration's involving the discharge or discipline of employees, the arbitrator shall determine if the discharge or discipline was for just cause; and he shall review the penalty imposed, and if he shall determine the Employer's action to be improper, inappropriate and/or unduly severe, he may vacate it or modify it accordingly.

It is the understanding of the parties to the contract that under the definition of the arbitrators authority set forth in Article 5, Section C of the Collective Bargaining Agreement; the arbitrator does not have the authority to go outside the bounds of the Agreement, although he/she may look outside the agreement where necessary in order to interpret the terms of the Agreement.

He shall have the authority and jurisdiction in cases concerning discharge, discipline or other matters, if he shall so determine, to order the payment of back wages and compensation for an employee which the employee would otherwise have received and/or enter such other and/or further award as may be appropriate and just.

D. Grievances must be taken up promptly and no grievance shall be considered or discussed which is presented later than fourteen (14) calendar days from the time the individual should have known there was a contractual violation with the exception of wage claims. Wage claims shall be limited to twelve (12) months and shall be defined as the following:

1. Overdue progression step increases.
2. Incorrect wage rates.
3. Computer error.
4. Errors in the mathematical calculation of wages or wage rates or failure to pay for holiday, sick pay, vacation, etc.
5. Improper recall of laid-off employees.

In the case of a grievance contesting a discharge, the time limit shall be seven (7) days from the date of written notice of suspension pending advisability of discharge, and / or discharge.

E. No employee shall be discharged or disciplined, except for just cause. Grievances respecting the discharge or discipline of an employee shall be presented and processed in accordance with the grievance procedure hereinabove set

forth. Any agreement reached between the Union and the Employer under the grievance procedure by their authorized representatives, which in the case of the Union shall be subject to approval by its chief executive officer, its president, and any decision of the arbitrator under Step 4 shall be final and binding upon the Employer, the Union and the employee or employees involved.

F. It is the intention of the contracting parties that, with the exception of those individual grievance privileges expressly set forth herein, in the redress of alleged violations of this Agreement by the Employer, the Union shall be the sole Representative of the interests of employees or groups of employees within the bargaining unit. Subject to individual rights expressly set forth in the grievance procedure of this Agreement, only the Union shall have the right under arbitration procedures or in any judicial or adjudicatory forum, to assert and press against the Employer a claimed violation of this Agreement.

G. Lengthy discussions between employees and representatives of the Union, including the steward, or among themselves, concerning disputes, shall not take place during working hours.

Store Stewards shall have sufficient time to investigate and/or work with store management on grievance resolutions during scheduled working hours, including time to make phone calls relative to these duties. Time spent on the phone shall be limited to Union business and shall be limited in duration. Abuses of the above shall be dealt with by conference between the Company and the Union to a mutual agreement.

H. The Employer, including all supervisors, shall grant to any accredited Union representative, access to the store for the purpose of satisfying himself that the terms of this Agreement are being complied with, including but not limited to, checking rates of pay, work schedules and time sheets.

I. The Employer shall have the right to call a conference with the officials of the Union for the purpose of discussing its grievances, criticisms, or other problems.

Article 6 – No Strike, No Lockout

A. During the term hereof, the Union agrees that there shall be no strike or any other interference with or interruption of the normal conditions of the Employer's business by the Union. The Employer agrees that there shall be no lockout.

B. The Employer agrees that it shall not request or demand that employees go through a legitimate picket line. The Union agrees that it will not refuse to cross a picket line unless such has been duly sanctioned by the President of the Local Union, and until the Employer has been officially notified by the President of the Union.

Article 7 – Other Agreements

The Employer agrees not to enter into any agreements or understandings with its employees, individually or collectively, which in any way conflicts with the terms and provisions of this Agreement.

The Employer agrees that there will be no postings on Company premises, except by the Company or by the Union provided it is signed by the Union, officially.

Article 8 – Other Work, Work by Others

A. Employees shall perform any work which the manager of the store or zone manager may direct with the understanding that when an employee is assigned to a job with a lesser rate, he will be entitled to his regular rate of pay, unless due to a decrease of work, he has been regularly assigned to a lower rated job and desires to resign such job rather than accept a layoff.

B. The Employer agrees to the following exclusions: In stores employing forty (40) or more members, a maximum of seven (7) will be excluded.

B-2. Beverage Steward – The duties of the Beverage Steward (exclusionary position) shall include customer service, ordering of merchandise and supplies, product receiving, stocking, tagging, displaying and operation of the wine, beer, and liquor areas of the store in accordance with the Employer's operations merchandising policies and applicable laws. It is

understood that employees in such departments shall not perform work outside such department. No bargaining unit hours will be reduced as a result of this position.

C-1. To preserve bargaining unit work, the Employer agrees that no supervisor, store manager, co-manager or any other person not covered by this Agreement shall perform any work customarily performed by employees covered by this Agreement, except that they shall be permitted to assist on resets, occasional and unscheduled clean up or facing of shelves or end caps, customer requests, holiday promotions, opening of new or remodeled stores, seasonal and specialty displays during the months of November and December and the four (4) weeks preceding Easter, and emergencies not attributed to the Employer, and train employees in connection with this activity. In event of an unexpected and unanticipated increase in customer demand, management shall have the right to perform incidental front end bargaining unit work, excluding operating a check lane register.

C-2. The Employer may utilize any vendor services available to the trade. Current employees will not have their hours reduced as a direct result of the implementation of this provision.

Vender stocking – The parties agree to sit down in advance of any new non-tradition commodity being added. Those items being identified as non-tradition may be stocked by vendors or non-bargaining unit members. It is understood that merchandise delivered on Kroger trucks will continue to be stocked by members of the bargaining unit. Present employees will not have their hours reduced as a direct result of the implementation of this language.

Reset defined * - To change location, position, facing or allocation of shelf products, tags, shelving and extender product according to a Kroger plan-o-gram as determined by Kroger merchandising departments.

No present employee will have their hours reduced as a direct result of this clause.

In the event of a violation of the above section, the first violation shall be a written warning, a second or subsequent violation the Employer agrees as liquidated damages, to pay

straight time of the grievant rate of pay, in effect at time of violation, for all such time worked but in no event shall the penalty be less than one (1) hour. If such violation is reported by a member of the bargaining unit, the liquidated damages shall be paid to the reporting member. When the violation is reported by the Union, straight time damages shall be added to the pay of the most senior employees working less than forty (40) hours in the work week the violation occurs and shall thereafter be rotated amongst such employees by seniority, working less than forty (40) hours that week. If such pay places the most senior employee over forty (40) hours for that week, such pay in excess of forty (40) hours shall be paid to the next most senior employee working less than forty (40) hours, etc.

D. The Employer may designate persons of its choice as managers in training. The employer shall notify the Union of the names, assigned stores and date of entry into the training program for all employees who are accepted into the Company's management training/internship program.

Managers in training who are hired from outside the store shall be on a one hundred eighty (180) day probationary period and shall not be required to become members of the Union until the end of thirty (30) days of employment. During the one hundred eighty (180) day probationary period, they may be terminated for unsatisfactory performance without recourse. Managers in training from the bargaining unit shall be on a one hundred eighty (180) day training period during which time they shall remain members in accordance with the provisions of Article 3, and during which time they shall remain fully subject to the provisions of this Agreement, except as provided in the following sentence. During the one hundred eighty (180) day training period, managers in training shall be excepted from the provisions of Article 8-C hereof, and shall be permitted to perform work of the bargaining unit, provided that said managers in training shall not displace any full-time or part-time employees.

On or before the expiration of the one hundred eighty (180) day training period, the Employer shall do the following, and shall notify the Union accordingly.

1. Promote the manager in training to store manager, or
2. Placed in and into the co-manager classification, or

3. As to a manager in training from outside the bargaining unit, discharge such person or place him in one (1) of the bargaining unit classifications with seniority beginning at time of placement in the bargaining unit classification, or
4. As to a manager in training from the bargaining unit, disqualify him as a manager in training and return him to his former position, with uninterrupted seniority.

Article 9 – Maintenance of Standards

The Employer agrees that all conditions of employment relating to wages, hours of work, overtime differentials and general working conditions shall be maintained at not less than the highest minimum standards in effect at the time of the signing of this Agreement, and the conditions of employment shall be improved wherever specific provisions for improvement are made elsewhere in this Agreement. No employee is to receive a reduction in wages as a result of the signing of this Agreement.

Article 10 – Working Conditions

A. For the purpose of establishing eligibility for full-time benefits as set forth in this Agreement, a full-time person is one who is hired as such, or an employee who averages thirty-six (36) hours or more during their basic work week for twelve (12) consecutive calendar weeks, excluding hours worked on Sundays and holidays for employees hired prior to 8/9/1987. Full-time employees involuntarily reduced to part-time shall continue to be classified and treated as full-time until they have averaged less than thirty (30) hours per week during their basic work week for twelve (12) consecutive weeks, excluding hours worked on Sundays and holidays for employees hired prior to 8/9/1987. For those employees awarded full-time after 6/18/92, the full-time disqualifier is an average of less than thirty-four (34) hours for twelve (12) consecutive weeks.

For the months of June, July, and August part time employees may be scheduled up to forty (40) hours per week and such work will not be counted toward the twelve (12) week qualifier.

During the twelve (12) week qualifying period, employees off for up to one (1) week due to illness and/or layoff shall not be

reclassified and the number of weeks worked shall be frozen and upon return to work shall continue as if there was no break for purpose of qualifying.

B-1. Wages - Effective during the term of this Agreement, the wage rates and classifications shall be set forth in Appendix A and B attached hereto.

Hourly rates of pay and pay schedules as set forth in Wage Schedules "A" attached hereto, shall remain in effect for the life of this Agreement and shall constitute the basis for determination of wage for time worked.

Previous comparable experience may be the basis for determination of employee's rate of pay.

Previous comparable experience must be shown on the application for employment, otherwise the employee forfeits any claim under this provision. Documentation to support an employee's previous experience rate shall be provided to the Union upon request.

Claims for rate adjustment based on previous experience must be filed in writing within thirty (30) days from date of employment, otherwise the employee forfeits any claim under this provision.

B-2. Employees shall be paid for all time spent in the service of the Employer.

C-1. Work Week- The basic work week for all full-time employees shall be forty (40) hours, which shall be worked in five (5) eight (8) hour days, not necessarily consecutive.

Four (4) ten (10) hour shifts may be permitted by mutual agreement between the Employer and all full-time employees on said shift. This may be cancelled any time by the Employer, the Union, or the employees.

C-2. For employees on the payroll as of August 8, 1987, the work week shall be Monday through Saturday, inclusive. For all employees hired after August 8, 1987, the work week shall be Sunday through Saturday, inclusive.

In the event adequate staff cannot be obtained for Sunday and/or holiday work to meet the needs of the business, the

Employer can require employees to work in the inverse order of seniority to meet staffing requirements.

D-1. Work Schedules - The Employer shall post and maintain a current seniority list of employees employed in the store and the hours of each employee shall be scheduled by the Employer in conformity with this Agreement.

D-2. Work schedules shall be posted in the stores no later than Thursday 6:00 p.m. for the following week. All employees listed on the schedule for work shall be guaranteed work or pay provided they report and work as scheduled. Any employee required to work over his scheduled time any day shall not be required to take time off later in the work week. This guarantee shall be inapplicable in the event of fire, flood, civil disturbances or Acts of God.

D-2 (a). If the schedule of employees is not in conformance to the employee's seniority, employees shall have until Saturday 12:00 noon to bring to the store manager's attention, in writing, the error in scheduling, and such schedule shall be adjusted prior to the start of the work week. In the event an employee fails to report the scheduling error as outlined above, the schedule will be deemed acceptable and not subject to a grievance.

D-2 (b). Full-time employees may, in writing, request a reduction of hours indicating their unavailability for continued full-time work, and once agreed to, in writing, by the Employer, the employee shall be placed into the store seniority list for available hours only and shall receive the hours of work his position on the seniority list entitles him to.

If the employee at a later date advises the Employer in writing of his availability for additional hours up to twenty-eight (28) hours per week, the employee may claim additional available hours but may not claim previously scheduled hours of another employee until hours become available because of a vacancy or become available on a regular basis (available hours on a regular basis are hours expected to exist on a permanent basis for more than thirty (30) days).

Upon receiving the hours as described above, the employee shall be placed into the store seniority list and hours will be scheduled in accordance with his seniority.

D-3. The Employer shall recognize the wishes of senior employees' choice for days off and daily work schedules by seniority based on classifications and demonstrated skill and ability to perform the duties within the store in which they work. Once the choice is made, neither the Employer nor employee will arbitrarily change the schedule (more than thirty (30) days). The Employer has the right to adjust the schedule weekly to fit the needs of the business.

Assistant Customer Service Managers, when scheduled to operate a register or work other than Assistant Customer Service Manager's duties at the beginning of their shift and/or for their full shift, shall be scheduled in accordance with their Clerk/Cashier seniority.

D-4. In the event the manager fails to post a work schedule, as required by the preceding section, the schedule last posted shall prevail. The foregoing sentence shall not apply to the week preceding or the week including a holiday, as to each of which weeks a new schedule shall be posted.

D-5. Employees who, in writing have voluntarily limited their availability for work may thereafter claim additional available hours, up to twenty-eight (28) hours but may not claim previously scheduled hours of another employee until a vacancy occurs or additional hours become available.

D-6. When scheduling two (2) or more employees for less than a six (6) hour shift for a similar assignment in the same classification, there shall be a lapse of at least one (1) hour between shifts. The intent of this provision shall be to maximize senior employees' hours but shall not be construed to guarantee overtime.

D-7. The Employer agrees not to employ two (2) or more part-time employees where it is possible to employ one employee on either a daily eight (8) hour or weekly forty (40) hour basis.

D-8. Part-time employees shall be scheduled for available hours in each department within their store, in accordance with seniority, job classification and demonstrated skill and ability to perform the work. Such employees shall be scheduled for no less than twelve (12) hours per week, nor may they claim more than twenty-eight (28) hours per week (Monday through

Saturday for employees on the payroll as of 8/8/87; Sunday through Saturday for employees hired after 8/8/87). In no event can part-time employees be scheduled or claim hours so that their total hours worked exceeds twenty-eight (28) hours (Monday through Saturday for employees on the payroll as of 8/8/87; Sunday through Saturday for employees hired after 8/8/87) per week unless by mutual agreement by the Employer and the employee, and in accordance with store seniority.

Part-time employees, whose scheduled weekly hours are below the previous twelve (12) week average for three (3) consecutive weeks, may claim additional hours throughout the store in order to maximize their weekly hours. An employee's scheduling limitations may affect the Company's ability to maximize the employee's schedule.

Schedules can be claimed on a weekly basis only. Employees must have the demonstrated skill and ability for the schedule that they are claiming. Employees who do not have the demonstrated skill and ability to perform the work may request, in writing to their store manager and the Union, their interest to have the ability to maximize their hours.

Pharmacy Techs, Pharmacy Clerks, Fuel Center Clerks and Starbuck's Coffee will continue to be scheduled by department and will not be able to claim hours in other departments.

D-9. Employees who work in addition to their scheduled time shall not be compelled to take time off to avoid the payment of overtime. If for any reason it becomes necessary to work an employee in addition to his scheduled time, he shall also be permitted to work the balance of his week as originally scheduled.

D-10. No full-time employee within the department, except night stocking and receiving crews, shall be required to work more than two (2) nights after 7:00 p.m. in any work week, except as necessary to enable work for the employee's basic work week. Saturday night work shall be uniformly rotated among those full-time employees scheduled to work nights. The Employer shall schedule such employees in the inverse (the word "inverse" used in this Agreement shall mean starting with the least senior) order of seniority to work nights in accordance with the needs of the store. No full-time employee, because of his seniority, shall force another full-time employee

to work a third (3rd) or more night. The Union has the right to review work schedules. Where the Union feels this provision has been abused, they shall have the right to consult with the Employer.

D-11. No employee shall be allowed or required to work a split shift.

A split shift is defined as two (2) work periods separated by more than the normal lunch period. For any violation of this provision, the employee shall be paid at the applicable rate of pay from the start of the first (1st) work period to the end of the second (2nd) work period.

D-12. Only management personnel or Department Managers shall be assigned the duty of closing the store in the evening, except only in the event of a bona fide emergency.

D-13. The Employer agrees that he shall have in each store a minimum of six (6) Department Managers in combo stores.

D-14. In the event of a re-grand opening and/or grand opening of a store the Employer may utilize employees to assist up to two (2) weeks preceding and two (2) weeks following the re-grand opening or grand opening. Current employees within the effected stores will not have their hours reduced as a direct result of the implementation of this provision.

Article 11 – Overtime & Premium Pay

A-1. Overtime - Any employee who works in excess of eight (8) hours in any one (1) day or forty (40) hours in any one (1) week, or thirty-two (32) hours and/or four (4) days during a holiday week shall be paid at the rate of time and one-half (1½) his straight-time hourly rate.

Employees hired after 8/8/87, shall be paid at the rate of time and one-half (1½), after eight (8) hours in any one day or forty (40) hours and/or five (5) days during a holiday week.

Effective January 5, 1998 the Company and the Union agree that employees hired after 8/8/87, with three (3) years of service and having qualified for holiday pay for all holidays in accordance with the Collective Bargaining Agreement, will

receive pay at time and one half for all hours worked on the fifth day during a holiday week.

Employees hired after **8/8/87**, with less than three (3) years of service and not having qualified for holiday pay for all holidays, will receive pay at straight time for hours worked on a fifth day during a holiday week. Employees hired after **June 5, 2004** qualify only for daily and weekly overtime.

Daily overtime will apply after ten (10) hours for employees who are working four (4) ten (10) hour shifts. This will be applied on a store by store basis.

A-2. Any employee called upon to work the sixth (6th) day in any one (1) work week, or the fifth (5th) day in a holiday week shall be paid at the rate of time and one-half (1½) his straight-time hourly rate. Employees hired after **8/8/87** shall be paid time and one-half (1½) for work on the sixth (6th) day in any one (1) work week.

For the purpose of this provision, the sixth (6th) day is defined as the call-in day.

A-3. Any compensable absence pay provided in this Agreement shall be counted as time worked for the purpose of computing overtime.

A-4. Scheduled overtime shall be offered by seniority within each classification in each department. Daily overtime not previously scheduled shall be offered by seniority within each classification in the department among employees present when the need for overtime arises. Employees shall not be required or compelled to work overtime as above defined. In such cases, the Employer can require employees to work overtime in the reverse order of seniority, subject to their ability to perform the work in the classification within the department. Sufficient notice shall be given when overtime is necessary.

A-5. There shall be no pyramiding of premium pay and any hours paid for at premium pay shall be set aside and not used in the computation of other premium pay.

B-1. Sunday & Holiday Pay - Sunday and holiday work shall be defined as work performed from **12:01 a.m.** on Sundays

and/or holidays, to midnight Sundays and/or holidays. For those employees who are scheduled for night stocking and receiving crews, Sunday and holiday work shall be defined as work performed from 11:01 p.m. on Saturday night to midnight Sunday 11:01 p.m. on the eve of a holiday to midnight on the holiday.

B-2. For employees on the payroll August 8, 1987, work performed on Sunday and holidays shall be paid at time and one and one-half (1½) the employee's rate of pay. For employees hired after August 8, 1987, work performed on Sunday and holidays will be paid at the employee's regular straight-time rate of pay. After two (2) years of service, a one dollar (\$1.00) per hour premium will be paid for hours worked on Sunday in addition to their straight-time hourly rate of pay and two dollars (\$2.00) after four (4) years of service for hours worked on Sunday in addition to their straight-time hourly rate.

C. Employees shall receive thirty cents (\$.30) per hour additional compensation for time worked between 11:00 p.m. and 6:00 a.m. When the majority of the week's work is between 11:00 p.m. and 6:00 a.m., the additional compensation shall be paid for the entire work week.

Such additional compensation shall be added to the employee's straight-time hourly rate and the total used in computing overtime and/or premium pay and shall also be paid for vacations, holidays, supplemental days, etc.

Article 12 – Holidays & Pay

A. All employees hired prior to 6/5/04 shall receive six (6) paid national holidays or days customarily celebrated in lieu thereof. Full-time employees, who have completed one (1) year of employment and who work the scheduled day before, the holiday if scheduled, and the scheduled day after each holiday, shall receive holiday pay consisting of eight (8) hours pay at straight-time hourly rates. Full-time employees who are absent during a holiday week because of proven illness shall receive holiday pay if they have worked any part of the holiday week.

B. Part-time employees who have completed one (1) year of employment and who work the scheduled day before, the holiday if scheduled, and the scheduled day after each holiday, shall receive holiday pay consisting of four (4) hours

holiday pay at straight-time hourly rates. Part-time employees who are absent during a holiday week because of proven illness shall receive holiday pay if they have worked any part of the holiday week.

C-1. Supplemental Days - Employees hired prior to 8/9/1987 in 876-1 shall receive eight (8) supplemental days per year. Employees hired prior to 8/9/1987 in 876-2 shall receive five (5) supplemental days per year.

Employees hired after 8/8/87, excluding Courtesy Clerks, shall receive five (5) supplemental days off with pay.

Employees hired after 6/5/04, excluding Courtesy Clerks, qualify for six (6) holidays and five (5) supplemental days as follows:

After thirty (30) days of service	Christmas Day
After one (1) year of service	Add Labor Day, add one supplemental day
After two (2) years of service	Add Memorial Day, add one supplemental day
After three (3) years of service	Add Thanksgiving, add one supplemental day
After four (4) years of service	Add New Year's Day and July 4th, add two supplemental days

Employees hired on or after 6/18/10, excluding Courtesy Clerks, shall qualify for six (6) holidays and five (5) supplemental days as follows:

After one (1) year of service	Christmas and Labor Day, add one supplemental day
After two (2) years of service	Add Memorial Day, add one supplemental day
After three (3) years of service	Add Thanksgiving, add one supplemental day
After four (4) years of service	Add New Year's Day and July 4th, add two supplemental days

C-2. Supplemental days may be used for the purpose of mini-vacations. Employees shall be entitled to such days at a time of their choice subject to personnel needs of the Employer, subject to store seniority preferential in the event of conflict of employee choice.

Supplemental days are to be scheduled and taken between January 1st and December 10th of each year. An exception will be made for those employees that have been denied their request for supplemental days.

Effective June 6, 2004, employees qualifying for supplemental days between December 10th and December 31st shall be able to schedule and take those days up to an including February 25th of the new year.

Employees shall notify the store manager in writing at least three (3) weeks in advance of his intention to use his supplemental days off for a mini-vacation. The Employer will notify the employee at least one (1) week in advance of approval/or denial. In the event of a conflict of employee choice, seniority shall prevail.

Employees shall notify the store manager in writing at least two (2) weeks in advance of his intentions to use a supplemental day off. The Employer will notify the employee at least one (1) week in advance of approval/or denial. In the event of a conflict of employee choice, seniority shall prevail.

C-3. The Employer agrees to permit the use of supplemental days for absences that are a result of sickness. The employee would have to submit their request in writing to management to be paid for the absence(s) before the specified week is completed. Request submitted after payroll has been processed will not be eligible for payment. Any supplemental days that are paid for the above absence will be subject to the attendance policy.

C-4 An employee who separates or is separated from the Employer's service, voluntarily or involuntarily (including but not limited to separation occasioned by voluntary or involuntary termination of the Employer's business) except when such employee is duly discharged for dishonesty, shall on separation be paid for unused supplemental days on a pro-rata basis upon written request.

D. Employees shall not receive holiday pay for any holiday that occurs during a leave of absence.

E. The Employer agrees to close the store no later than 5:30 p.m. on Christmas Eve. No employee shall be permitted

or required to work after the closing hours, except those employees necessary to serve the customers in the store at closing time. The Employer shall close the stores on December 25th.

F. Hours of work after 6:00 p.m. on New Year's Eve and hours of work on New Year's Day shall be voluntary. In the event an adequate staff cannot be obtained, the Employer can require employees to work in inverse order of seniority, provided they have the ability to perform such work to meet staffing requirements.

G. The steward designated as per Article 5 - Section A, shall be allowed one (1) day off per calendar year with pay. This benefit shall not exceed one (1) day off per store, per calendar year.

Article 13 – Lunch & Rest Periods

A. Lunch Periods - Employees shall be granted one-half (1/2) hour for lunch. By mutual consent, this may be one (1) hour in individual cases. The lunch periods shall be scheduled so that no employee shall be required to start his lunch period earlier than three (3) hours after his scheduled starting time, and no employee shall be required to work more than five (5) hours before starting his lunch period.

B-1. Rest Periods - All employees shall be allowed fifteen (15) minutes rest period in each half shift on Employer time. Rest periods shall be assigned approximately mid-way in each half shift.

B-2. All employees shall have an unbroken rest period of not less than eight (8) hours between work periods. If an employee is called back during his eight (8) hour rest period, he shall be paid double (2x) the applicable rate for all work performed during his eight (8) hour rest period.

Notwithstanding the provisions of this section, employees scheduled to work Sunday and holiday hours with less than an eight (8) hour rest period may do so.

Article 14 – Call In Pay

Any employee who reports for work upon request shall be guaranteed for that day not less than four (4) such hours if worked (at his applicable straight-time, overtime or premium rate for such hours).

Notwithstanding the provisions of Article 10-D-2, in the event hours become available because of an emergency, such additional hours shall first be rescheduled to the senior full-time and/or part-time employee not working eight (8) hours that day. Any other additional hours shall be given to the most senior employee. This provision shall not be construed to guarantee overtime for that day.

Article 15 – Uniforms & Tools

Uniforms and tools deemed necessary by the Employer for its employees shall be furnished by the Employer. When drip-dry uniforms are furnished by the Employer, they will be laundered by the employee.

Article 16 – Vacations

A. All employees shall annually receive vacations with pay in the manner hereinafter provided:

Less than one	(1) year of service	no vacation pay;
After one	(1) year of service	one (1) week;
After three	(3) years of service*	two (2) consecutive weeks;
After eight	(8) years of service	three (3) consecutive weeks;
After thirteen	(13) years of service	four (4) consecutive weeks;
After eighteen	(18) years of service	five (5) consecutive weeks.

*Part-time employees hired on or after 6/18/10 will receive a maximum of two (2) week's vacation.

Earned vacation may be split into weekly units by mutual agreement between the Employer and the employee.

Service shall mean the total time employed since the employee's

latest hiring date, whether full-time or part-time and/or a combination of both full-time and part-time employment for determining vacation eligibility only.

All employees shall be permitted to take vacations of their choice consecutively by seniority within the department any time during the year based on individual seniority, subject to personnel needs of the Employer, subject to store seniority preferential in the event of conflict of employee choice.

At the time employees indicate their preference for vacation dates, those employees who have more earned vacation than two (2) weeks coming during that year, may opt, by mutual agreement with the Employer, to work and be paid for his or her vacation for a number of weeks due in excess of two (2). If this election is made by the employee and is agreeable with the Employer, the pay due for the vacation time not taken will be given to the employee with the first (1st) vacation check received. If the Employer must limit the number of week's vacation to be paid in lieu of time off, the more senior employees will be given preference.

B. Vacation with pay shall be deemed earned as of the employee's first (1st) or later anniversary date of employment, and again on January 1st, next following (regardless of the intervening period), and again on each succeeding January 1st.

C. Vacation pay shall be deemed payable as of the date of vacation, except as the employee and Employer may otherwise agree; provided that an employee who separates or is separated from the Employer's service, voluntarily or involuntarily (including, but not limited to separation occasioned by voluntary termination of the Employer's business), except when such employee is duly discharged for dishonesty, shall on separation, be paid vacation pay earned as of his anniversary date or January 1st, whichever is applicable but not yet paid, together with further vacation pay prorated from said anniversary date or January 1st, whichever is applicable, to date of separation, which he shall be deemed to have additionally earned, when requested in writing to the Company.

D. Vacation pay for each week will be calculated averaging the previous year's weekly hours, not to exceed forty (40) straight-time hours, and will be paid at their current rate at the time vacation is taken.

E. If any employee, who would otherwise be entitled to a vacation under the provisions above set forth, has had time off work, his vacation shall be affected as follows:

Time off work accumulative up through ninety (90) days shall be counted as time worked (eight (8) hours per day for full-time employees, four (4) hours per day for part-time employees) for the purpose of computing vacation pay.

Time off work, ninety-one (91) through one hundred eighty (180) days, vacation pay shall be reduced by one-quarter (1/4).

Time off work, one hundred eighty-one (181) days through two hundred seventy (270) days, vacation pay shall be reduced by one-half (1/2).

Time off work in excess of two hundred seventy (270) days makes the employee ineligible for any vacation pay.

In the event an employee is off work because of illness and/or injury through one hundred twenty (120) days, the Employer shall count all time off as time worked for the purpose of computing vacation pay. Over one hundred twenty (120) days, the above formula will apply.

The Employer shall on January 1st post a vacation request schedule. Employees shall, on or before February 1st designate desired vacation weeks. The Employer shall on or before March 1st, notify in writing denials. The Employer shall, on or before April 1st, approve the vacation schedule. Once approved, the vacation schedule may not be changed except by mutual consent by the employee and the Employer.

F. If a holiday falls during an employee's vacation, he shall receive an additional day's pay. Vacations must be taken during the calendar year unless, due to an emergency, management finds it necessary to request postponement. No employee shall be given pay in lieu of vacation, unless agreed to by management.

Article 17 – Severance Notice or Pay

A. Severance/Lay-off Notice or Pay - All employees who have been in the employ of the Employer for a period of six (6) months or more shall be given one (1) week's notice

or one (1) week's pay in lieu thereof (employees working less than forty (40) hours shall receive average pay), if laid off from employment due to lack of work. Notice of layoff will remain in effect for one (1) rolling calendar year. Dismissal notice or dismissal wages shall not apply to any employee who is discharged for just cause. Dismissal notice or dismissal wages shall not apply to any employee who is temporarily laid off in an emergency, which is no fault of the Employer, and in no case shall any employee receive dismissal wages more than once in any twelve (12) month period.

All employees shall be permitted to work out their one (1) week separation notice. Should the Company separate the employee before the effective separation date, such employee shall receive their scheduled lost time up to forty (40) hours.

In the event the Employer sells or closes a store and employees are terminated as a result thereof, employees with three (3) years of full-time service or frozen full-time service shall be paid three (3) weeks of severance pay and one (1) additional week of severance pay for each additional year of full-time service or frozen full-time service up to a maximum of six (6) weeks of severance pay.

All monies due employees shall be paid upon termination in accordance with this Agreement when requested in writing to the company after separation. An employee who does not accept severance pay shall retain recall rights as provided in this Agreement for a period of one (1) year, and if still not recalled to work by the Employer, shall receive his severance pay and has no further recall rights.

Employees voluntarily terminating their employment shall not be eligible for severance pay. Employees who accept severance pay shall not retain seniority or recall rights.

Employees who refuse a transfer as outlined in this Agreement shall not receive severance pay.

Severance pay will equate the average number of hours worked in the twelve (12) weeks preceding separation, not to exceed forty (40) hours straight-time pay.

If a store is sold and the successor Employer offers employment to an employee who is otherwise eligible for severance pay

under the terms of this Article and the new job is comparable, then no provisions of this Article shall apply.

All monies due employees shall be paid in a lump sum within two (2) weeks after separation.

No benefits shall accrue under the terms of this Article, unless the Employer makes a business decision to close or sell a store. If a store closing is caused by fire, flood, storm, land condemnation or other Act of God, then this Article shall not apply.

B. In the event a store is scheduled to be closed, the Union will be given thirty (30) calendar days notice, whenever possible, so that they may meet with the Employer and seek alternative solutions.

Article 18 – Leaves

A. Jury Duty Leave and Pay - If an employee is required to serve on a jury, he shall be paid for hours necessarily absent from work because of such service. The combined hours of work and jury duty will not exceed eight (8) hours in any one (1) day with the further understanding that, upon release from jury service such employee will report to complete the remaining portion of the employee's schedule not to exceed eight (8) hours. In unusual cases, the Employer will make reasonable effort to accommodate employees with scheduling problems.

B. Death Leave and Pay- Up to three (3) days leave of absence with pay for scheduled time lost up to and including the day of the funeral shall be granted to an employee in the event of a death in the immediate family. "immediate family" is deemed to include employee's and/or spouses parents, step-parents, grandparents, current mother and father-in-law, brother, current brother-in-law, sister, current sister-in-law, wife, husband, children, step children, foster children, and grandchildren, whether or not any of said persons resides with the employee, and any other relative that resides with the employee. The Employer shall grant such employee up to an additional three (3) days leave of absence without pay if such additional leave shall be necessary or reasonable with respect to the employee's responsibilities arising out of the death and/or funeral of such relative.

C. Personal and Illness Leave - Employees may be granted a personal leave of absence, not exceeding thirty (30) days, upon the Employer's permission, and shall be granted a leave of absence for his or her certified illness (including, but not limited to, pregnancy, miscarriage, childbirth, and recovery there from), not exceeding six (6) months. Employees who are on Workmen's Compensation shall be granted a leave of absence not to exceed one (1) year. Seniority shall accrue during such personal and illness leave. Leaves of absence in excess of the foregoing periods may be granted by the Employer, but retention and/or accrual of seniority in such event shall require agreement by the Union and the Employer. Employees desiring a leave of absence other than for illness or injury must do so in writing.

Employees returning from illness, injury and/or approved leave of absence shall notify the manager by Wednesday noon of his availability for work the following week.

D. Job Injury - Employees injured on the job and unable to complete his/her day's work, shall be paid for all hours scheduled for that day plus an additional one (1) day of scheduled lost time within seven (7) calendar days of the injury providing a doctor certifies an inability to return to work and such time shall not be charged to supplemental days.

E. Military Service - Any employee who enlists or is inducted into military service shall retain job rights and seniority in accordance with the provisions of applicable federal and state laws.

F. An employee who is a member of the National Guard of the U.S. Government Reserve Program shall have the option of taking a leave of absence rather than use vacation time for the purpose of participating in one of the above named programs.

G. Employees promoted out of the bargaining unit into a supervisory position shall have their seniority frozen for a period of up to one (1) year. The Employer shall grant a leave of absence without loss of seniority for a period not to exceed one (1) year for any employee selected by the Union for the purpose of Union employment within the Local covered by this Agreement. The Employer reserves the right to limit the amount of employees for temporary help.

Article 19 – Health & Welfare Fund

A. Participation Agreement - The Employer shall participate in and contribute to the Michigan UFCW Union s & Employers Health & Welfare Fund (“Health Fund”), and adopts and agrees to be bound by the terms and conditions of the Health Fund’s Trust Agreement, as amended, and the actions taken pursuant to such provisions. The Employer shall execute the normal form of Participation Agreement concerning participation under the Health Fund.

B. Employee Contributions - The required employee contributions for full-time and part-time employees who qualify for Health Fund Benefits in effect as of the date of this agreement shall continue as amended and adopted by the Trustees. As of January 1, 2011 contributions are as follows:

Single	\$ 5.00 per week
Single + Child/Spouse	\$10.00 per week
Family	\$15.00 per week

Employee Contribution Rate Holidays - Weekly employee contributions shall be suspended and not deducted from the weekly payroll of employees commencing March 31, 2013 and thereafter ending with the payroll week commencing September 29, 2013. Effective with the payroll week commencing December 29, 2013, the following employee contributions shall apply dependent upon the employee plan election:

Premium Plan				
Coverage	Effective 12/29/13	Effective 12/28/14	Effective 12/27/15	Effective 1/1/17
Single	\$6.00	\$7.00	\$8.00	\$9.00
Single + Spouse	\$12.00	\$14.00	\$16.00	\$18.00
Single + Child	\$11.00	\$12.00	\$14.00	\$16.00
Family	\$18.00	\$20.00	\$22.00	\$24.00

Deluxe Plan				
Coverage	Effective 12/29/13	Effective 12/28/14	Effective 12/27/15	Effective 1/1/17
Single	\$6.00	\$7.00	\$8.00	\$8.00
Single + Spouse	\$12.00	\$14.00	\$16.00	\$16.00
Single + Child	\$11.00	\$12.00	\$14.00	\$14.00
Family	\$18.00	\$20.00	\$22.00	\$22.00

Standard Plan				
Coverage	Effective 12/29/13	Effective 12/28/14	Effective 12/27/15	Effective 1/1/17
Single	\$6.00	\$7.00	\$7.00	\$7.00
Single + Spouse	\$12.00	\$14.00	\$14.00	\$14.00
Single + Child	\$11.00	\$12.00	\$12.00	\$12.00
Family	\$18.00	\$20.00	\$20.00	\$20.00

Basic Plan				
Coverage	Effective 12/29/13	Effective 12/28/14	Effective 12/27/15	Effective 1/1/17
Single	\$6.00	\$6.00	\$6.00	\$6.00
Single + Spouse	\$12.00	\$12.00	\$12.00	\$12.00
Single + Child	\$11.00	\$11.00	\$11.00	\$11.00
Family	\$18.00	\$18.00	\$18.00	\$18.00

1. Part-time employees shall only qualify for single coverage except as provided in Section G below effective January 1, 2014.
2. Employee contributions will be made by weekly payroll deductions on a Section 125 pre-tax basis and remitted to the Health Fund.

C. Spousal Coverage and Working Spouse Fee - Qualifying full-time employees electing to provide Health Plan coverage to a spouse, who has access to an employer sponsored health insurance (other than through another contributing employer where the spouse employee is a member of the bargaining unit) and who have chosen not to take health insurance, are currently required to pay an additional (pre-tax) fee of \$100 per month. This fee is referred to as the Working Spouse Fee (WSF). Effective January 1, 2014, the WSF shall increase to \$200 per month. Spousal coverage, where applicable, is subject to appropriate proof of marriage and audit by the Health Fund. Falsification of such relationship and/or the disclosure of other spousal employment/coverage are subject to discipline and/or discharge.

D. Employer Contributions - Employer contributions to the Health Fund shall be made for all qualifying employees on the Employer's active payroll as of the first pay period of each month and such contributions and related contribution reports are due on the first of each month. In no event shall such reports and contributions be received at the Health Fund Office, or other location which the Trustees may designate, later than the fifteenth (15th) of such month. The Employer will make contributions to the Health Fund on all qualified full-time and part-time employees paid at the applicable rates regardless of whether or not they opt out of such coverage.

Kroger Metro Grocery Contract**2013 - 2017**

Effective January 1, 2014, the Employer will make contributions to the Health Fund on all eligible full-time and part-time employees by the Plan for which they qualify even if they enroll in a Plan lower than that for which they are qualified (or opt out). Rates shall be set annually in accordance with provisions in this CBA and as provided by the Funding and Actuarial Policy of Board of Trustees of the Michigan UFCW Union s and Employers Health & Welfare Fund. However, in no case shall such rates exceed the maximum monthly Employer contribution rates effective as follows:

Effective	Composite Rates for 2013			
3/1/2013	\$623.00			
4/1/2013	\$000.00			
10/1/2013	\$603.32			
	Maximum Plan Rates – Full-time / Part-time			
	Premium Plan	Deluxe Plan	Standard Plan	Basic Plan
2/1/2014	\$642.79 / \$364.61	\$394.46 / \$232.22	N/A	\$282.94 / \$145.21
2/1/2015	\$682.04 / \$391.52	\$515.21 / \$269.34	N/A	\$402.94 / \$202.62
2/1/2016	\$733.36 / \$422.83	\$627.84 / \$308.98	\$606.70	\$475.32 / \$242.93
2/1/2017	\$779.98 / \$447.46	\$739.49 / \$347.69	\$612.65	\$506.17 / \$271.09

1. These contributions are to be used exclusively for the purpose of providing benefits to employees who participate in the current plans of benefits and newly negotiated plans as adopted by the Trustees effective January 1, 2014. Until January 1, 2014, contributions for those employees newly qualifying will be made in the month that the employee completes his qualifying period to provide coverage on the first of the following month in accordance with the current Health Fund practice for new hires. Effective January 1, 2014 employer contributions for variable hour new hires will be made in accordance with a twelve month measurement period and compliance with the Patient Protection and Affordable Care Act (PPACA).
2. The Employer shall continue contributions for any of said employees for up to three (3) months during absence from work due to an approved Workers Compensation Leave and for up to three (3) months for a proven illness.
3. Once an employee is qualified in accordance with Section G of this Agreement and covered by the Health Plan, the employee shall remain eligible until disqualified in accordance with the provisions herein. The Employer

shall continue to pay such contributions as required so long as the employee remains employed and qualified in a covered classification provided, however, that Employer contributions shall immediately be discontinued in either of the following events:

1. Leave of absence (not covered by FMLA).
2. Voluntary quit.
3. Termination, or suspension pending termination, for cause.
4. Layoff except that a contribution shall be paid for the one (1) month immediately following the layoff.

It is understood that effective January 1, 2014 any cessation of contributions as provided above shall comply with PPACA.

4. Employer contributions shall be resumed as of the first (1st) of the month immediately following return to work on the Employer's active payroll after illness, injury, leave of absence, or layoff. It is understood that if a suspended or termed employee is returned to service by a subsequent proceeding in accordance with this contract or a court of competent jurisdiction, the Employer shall make the Health Fund whole for contributions lost and the employee may make claims against the Health Fund for any loss of benefits during the term of such suspension.
5. The foregoing provisions are intended to establish the basis and amount of Employer contributions to the Health Fund, and nothing herein contained shall be deemed to establish the eligibility, or the type or the amount of benefits to be provided by the Health Fund, which determinations shall be in the sole discretion of the Health Fund's Trustees pursuant to empowerment under the Health Fund's Trust Agreement, as amended from time to time.
6. Fund Reserves - Annual Employer contribution rate action shall be subject to the requirement that a minimum target reserve level be maintained at least equal to 3.5 months of total assets as of end of the term of the Kroger CBA, and those targets as provided herein in Section 6(a) below. The process for rate setting shall function year to year as follows:

- a. Not later than August 31st of each year the Fund Consultant will be required to produce a report for the trustees that details what temporary rate reductions, if any, can be made from the maximum rates for all plans and coverage tiers to achieve the following Health Fund Reserve Policy targets:

Effective 1/31/14 – Fund Assets equals 6.0 months of average plan expenses at the average of the previous 12 months of experience, July 1, 2012 through June 30, 2013.

Effective 1/31/15 – Fund Assets equals 5.0 months of average plan expenses at the average of the previous 12 months of experience, July 1, 2013 through June 30, 2014.

Effective 1/31/16 – Fund Assets equals 4.0 months of average plan expenses at the average of the previous 12 months of experience, July 1, 2014 through June 30, 2015.

Effective 1/31/17 – Fund Assets equals 3.5 months of average plan expenses at the average of the previous 12 months of experience, July 1, 2015 through June 30, 2016.

- b. At the September regular meeting of the Board of Trustees, the Fund Consultant shall provide recommendations for Trustee review and action - taking into account the above criteria and known investment gains/losses through June 30th, but excluding estimates of investment gains/losses thereafter through the end of the term of the Kroger CBA. If the consultant reserve report referenced in sub-section 6 (a.) above indicates that reserves exceed the minimums stated above, the Fund Consultant shall recommend rates for action by the Trustees to 'normalize' the rates to the reserve targets and the dates such temporary rates shall take effect. It is understood that the rates in any event shall return to the 'maximum rates' as provided above in (D.) above, effective the subsequent February 1st.
- c. The Consultant shall, not later than the December Trustee meeting, review the September recommendations and if necessary, submits a revised

set of rate actions for consideration by the Trustees. If anytime during the term of the agreement the consultant alerts the trustees that projected funding as provided by this agreement will not maintain at least 3.5 months of total assets, the bargaining parties shall, within ten (10) days of such notification, direct their Representative trustees to meet and confer to determine what action, if any, is needed to address the problem. Any trustee dispute/deadlock regarding rate action shall be referred to final and binding expedited arbitration.

E. Health and Welfare Delinquencies - If the Employer fails to make monthly Health and Welfare contributions as set forth herein, it shall be notified in writing of its delinquency, by the Health Fund Administrator, and if said remittance is not paid within ten (10) days, notwithstanding any provisions of this Agreement, the Union, without necessity of giving any other or further notice, shall have the right to strike or to take such action as it shall deem necessary until such delinquent payments are made, and it is further agreed that in the event such action is taken, the Employer shall be responsible to the employees for any losses resulting there from. The Employer hereby waives the requirement of any notice or notices being given by the Health Fund Administrator or by the Union to it or to anyone else other than such notice or notices expressly provided for in this Article.

F. Reporting Obligations - The Employer is responsible for reporting the appropriate qualifying status for each employee to the Health Fund Office on a contribution report each month. The Employer accepts that failure to submit timely and correct contribution reports and contribution payments may result in interest, liquidated damages, and cost assessments pursuant to the Health Fund's delinquency collection rules and/or applicable law. The Employer consents to the audit of its payroll records by persons designated by the Health Fund's Trustees for the purpose of verifying the correctness of the Employer's contribution payments in accordance with uniform audit policies adopted by the Trustees. Any underpayments disclosed by such an audit shall be processed as delinquent contributions pursuant to the Health Fund's delinquency collection procedures. Contributions must be reported and paid each month, without regard to any prior overpayments. Prior overpayments and mistaken contributions can be claimed

by the Employer pursuant to the rules adopted by the Health Fund's Trustees for refund of mistaken contributions.

G. Qualification - Current qualifications shall remain in effect until the PPACA guidelines take effect. The Health Plan shall remain compliant with PPACA throughout the term of this agreement. The parties agree that the Employer may elect the maximum allowable qualification calculation periods and tunnels allowed by PPACA. Where measurement and administration periods are such that contributions are required by PPACA for an employee's enrollment in a Plan, the Employer shall comply accordingly. The Employer shall meet and confer with the Union upon the development of changes in the current system to ensure compatibility with the Health Fund.

Full-Time Employee Qualification – Effective until 1/1/14 - The Employer shall make monthly contributions for the following full-time employees (excluding Courtesy Clerks with less than five (5) years of continuous service, Utility Clerks and Fuel Center Clerks):

1. Full-time employees who have completed nine (9) months of service shall have a contribution made in the ninth (9th) month to provide coverage in the plan of benefits for which they qualify based on their hire date, on an employee only basis, on the first (1st) of the tenth (10th) month, provided the employee enrolls for such coverage and makes the necessary corresponding employee contribution.
2. Full-time employees who have completed twelve (12) months of service shall have a contribution made in the twelfth (12th) month to provide benefits on a family basis on the first (1st) of the thirteenth (13th) month, provided that the employee enrolls for such coverage and makes the necessary corresponding contribution.
3. A full-time employee is one who is hired as such or who averages thirty-six (36) hours or more during their basic work week, as defined in Article 10, for twelve (12) consecutive weeks.
4. Any full-time employee reduced to part-time through no fault of their own shall continue to be qualified for full-time benefit coverage for a period of three

(3) months following such reduction provided they remain qualified under the part-time qualifications in this article.

Employee Qualification for Employees averaging 36 or more hours – Effective 1/1/14 - The qualifications shown below are subject to modification as necessary for compliance with PPACA. The Employer shall make contributions for full-time employees as indicated below:

1. Full-time employees who average thirty-six (36) hours or more during their basic work week as defined in Article 10, for twelve (12) consecutive weeks, will have a contribution made in order to provide family coverage in the plan of benefits for which they qualify, based on their hire date, for coverage effective on the first (1st) day of the second month of contribution, provided that such effective date is no later than the ninety-first (91st) day of service.
2. To receive coverage, the employee must enroll for and make the necessary corresponding employee contribution for such coverage.

Part-time Employee Qualifications (excluding Courtesy Clerks, Utility Clerks and Fuel Center Clerks) – Effective until 1/1/14 -

The Employer shall make monthly contributions for the following part-time employees:

1. Employees hired before June 18, 2010 who have completed the eighteen (18) months of service tunnel and who average a minimum of twenty (20) or more but less than thirty-six (36) hours per week in a thirteen (13) consecutive week periods.
2. Employees hired on or after June 18, 2010 who have completed the eighteen (18) months of service tunnel and who average a minimum of twenty-four (24) or more but less than thirty-six (36) hours per week in a thirteen (13) consecutive week period.
3. Once qualified, part-time employees shall have their hour averages updated quarterly and such qualification changed as appropriate.

4. Coverage will become effective as of the first (1st) day of the month following the initial contribution and will be for the plan of benefits for which they qualify based on their hire date.
5. To receive coverage, the employee must enroll for and make the necessary corresponding employee contribution for such coverage.
6. Should a part-time employee lose qualification, benefit coverage will cease concurrent with the curtailment of monthly contributions. Part-time coverage and contributions will recommence if the employee re-qualifies in the subsequent quarter. Qualification for a contribution may also end during an eligibility year if the employee experiences a leave of absence (not covered by FMLA); voluntary quit; suspension pending advisability of discharge; termination for cause; layoff after one month additional contribution following the layoff.

Part-Time Variable Hour Employee Qualification (excluding Courtesy Clerks, Utility Clerks and Fuel Center Clerks averaging less than thirty (30) hours per week during the twelve (12) month measurement periods described below) – Effective 1/1/14 - The qualifications shown below are subject to modification as necessary for compliance with PPACA (i.e. employees who are known in advance to work more than 30 hours per week shall have a 90 day wait period). The Employer shall make monthly contributions for the following employees:

1. Employees hired before June 18, 2010, who have completed twelve (12) months of service and who average a minimum of twenty (20) or more but less than thirty-six (36) hours per week during their twelve (12) month measurement period.
2. Employees hired on or after June 18, 2010 who have completed twelve (12) months of service and who average a minimum of twenty-four (24) or more but less than thirty-six (36) hours per week during their twelve (12) month measurement period.
3. The initial measurement period for qualification will be the first twelve (12) months following an employee's start date. Subsequent measurement

periods will be the twelve (12) month period established by the Employer for measurement of all on-going employees.

4. A part-time employee's average hours during a measurement period shall determine that employee's qualification for contributions during the stability period corresponding to the measurement period, typically the following twelve (12) months. Qualification will be updated as of the end of the next measurement period to which the employee is entitled, typically yearly.
5. Coverage will become effective as of the first (1st) day of the month following the initial contribution and will be for the plan of benefits for which the employee qualifies based on his hire date.
6. Employees averaging a minimum of thirty (30) or more hours per week during their measurement period will be eligible for coverage on an employee plus child(ren) basis.
7. To receive coverage, the employee must enroll for and make the necessary corresponding employee contribution for such coverage.

H. Holidays and Vacations - Paid holidays and vacations shall be considered as time worked for benefit purposes.

I. Waiver of Qualification Period - The Employer agrees that the qualifying period shall be waived when hiring employees either currently covered under this Health Plan through another contributing employer or covered under another Health Plan provided by an acquiring employer group, by making the delinquent contribution, if any, except that the Employer shall not be required to pay more than one (1) month delinquency.

J. Cost Containment - The parties agree to make their best efforts to direct the Trustees of the Health Fund to adopt as many cost containment measures as practical without reducing existing benefit levels. It is the desire of both parties that such cost containment measures when implemented might require a contribution rate that is less than the contribution

rates listed in the Agreement to maintain benefits. However, the existing applicable benefits may be modified by the Trustees only if the proposed modifications are unanimously agreed to by every Employer Trustee (or Alternate) and by every Union Trustee (or Alternate.)

K. Retiree Health Plan - Subject to the Reserves of the Retiree Health Plan, effective April 1, 2014 the Employer agrees to contribute up to ten cents (\$.10) per hour for all hours worked up to forty (40) hours per week per employee to the Retiree Health Plan to provide Retiree Health benefits as may be determined by the Trustees of the Fund. Contributions shall commence the first of the month following hire on all employees in a covered classification.

Retiree Health Plan Reserves - Annual Employer contribution rate action taken in September of each year, effective the following February 1st, shall be subject to an analysis of projected expenses and reserves of the Retiree Health Plan by the Fund Consultant. Such analysis shall take into account the projected expenses of the Retiree Health Plan for the coming plan year to determine if, during the term of the Kroger CBA a minimum target reserve level of 48 months will be maintained. If such projection determines that reserves are projected to exceed the target, the rate shall be adjusted downward or suspended. In no event shall the rate exceed ten cents (\$.10).

L. Coordination of Benefits Rules - When an eligible dependent has the option of receiving money in lieu of selecting health care coverage under a plan provided by such person's employer, the Michigan UFCW Union's & Employers Health & Welfare Fund will coordinate its benefits as if the other employer's benefit coverage was in force. This coordination of benefits provision also extends to dependent coverage and, in that situation; the Fund uses the "birthday rule" to determine which coverage is primary. It is the employee's responsibility to provide the Fund Office with information necessary to determine whether it will pay on a primary or secondary basis.

M. Health Care Reform - The Employer and Union agree to meet and discuss, at the request of either party, the effects of the PPACA, any amendments thereto and attendant federal regulations on this Health and Welfare article and, in the event they jointly agree to do so, the Employer and the Union may

reopen this Health and Welfare article to bargain such matters during the term of this Agreement. The Employer and the Union hereby agree that in the event of a reopening of this Health and Welfare article, this article and only this article will be reopened. No other article (including but not limited to any no-strike or no-lockout articles) is or will be construed to be reopened without the express joint agreement of both the Employer and the Union. The Employer and the Union further agree that in the event that the PPACA and/or any amendments thereto are overturned or invalidated, either in their entirety or in substantial part, they will take all reasonable steps to request and direct to the extent possible that the Health Fund negate and reverse measures previously implemented as a result of enactment of the PPACA and/or any amendments thereto.

N. Amendments to Plan, Delivery or Funding - In the event the UFCW International Union and The Kroger Company come to an agreement on a regional or national level that a change in the delivery, Plan, or Funding of health care to employees is mutually beneficial, the parties to this agreement agree to reopen this article for the purpose of amending such terms to conform with such agreement.

O. Prescription Drug Plan - Coverage for Prescription Drug benefits is based the eligibility requirements for full-time and part-time employees previously described in this Article. Employees may not have Rx Benefits unless Medical coverage has been elected. The Prescription Drug plan for all active and COBRA Kroger Employees shall be “carved out” and the costs of the plan will become the Company’s liability. The Kroger Company will issue eligible employees an Rx Benefit Card.

Dependent Eligibility: Dependent eligibility for the prescription drug plan shall be the same as dependent eligibility for medical benefits.

The prescription drug benefit card issued by the Company will be valid at any Kroger Pharmacy.

A co-pay charge will be paid by the employee for each prescription as follows:

	30 day Retail Co-pay	90 day Retail Co-pay	90 day Mail- In Co-pay
Generic	\$10.00	\$25.00	\$20.00
Brand Formulary	\$25.00	\$65.50	\$50.00
Brand Non-Formulary	\$35.00	\$87.50	\$70.00

Step Therapy applies and Specialty Drugs apply. Annual changes in Formulary and non-co-pay cost containment initiatives are aligned with Company plan. Special maintenance drug categories (medication includes hypertension, high cholesterol, diabetes control drugs, asthma, glaucoma, osteoporosis, and related supplies which require a prescription).

The following provisions will be made available for any employee who works in an outlying area where Kroger Pharmacy is not readily available:

1. Mail in.
2. Network local pharmacy.
3. Area to be defined.

Associates not now covered by the prescription drug program will become eligible for the Prescription Drug Card Program when they become eligible for benefits as outlined in Article 22 (Health and Welfare) of the current agreement.

Any changes to the prescription drug plan must be communicated to the plan participants at least thirty (30) days prior to the effective date of the change. This includes, but is not limited to, changes in the formulary program.

The Employer and the Union will have access to reports on the cost and operation of the plan in a format mutually agreeable.

The Employer agrees that the Prescription Drug Card Program plan administrator and Health Fund administrator must coordinate and share information to maximize operational efficiency, including data coordination with any program established by the Health Fund, such as disease management or other enhanced services provided to plan participants.

P. Retiree Health Plan Prescription Drug Program - The Prescription Drug plan for the Retiree Health Plan shall remain with the Health Fund. The Prescription Drug plan administration for the Retiree Health Plan and the liability for the Retiree Health Plan Prescription Drug Program shall remain with the Health Fund. All other terms noted above shall apply.

Article 20 – Pension Plan

The Employer agrees to participate in and contribute to the UFCW International Union-Industry Pension Fund. The Employer agrees to continue contributions at the appropriate rate for all employees based on date of hire, years of service, classifications as well as other relevant factors. Such contributions shall commence after one year of service.

Contributions to be made for all hours worked, up to eight (8) hours per day, and up to forty (40) hours per calendar week by members of the bargaining unit (other than courtesy clerks), including hours of all compensable absence pay. No contributions shall be made by the Employer for employees off work for any non-compensable absences.

The foregoing provisions are intended to establish the basis for Employer contributions to United Food and Commercial Workers International Union-Industry Pension Fund and nothing herein contained shall be deemed to establish the benefits or beneficiaries of the Fund, which shall be determined by the Trustees thereof, pursuant to the Trust Agreement, as from time to time amended, and applicable Pension Plan, as from time to time amended.

Notwithstanding the provisions of Article 6 of this Agreement, the Union reserves the right to exercise all lawful economic recourse, including striking or other concerted activities in support of demands for delinquent contributions, if any, owed by the Employer to the United Food and Commercial Workers International Union-Industry Pension Fund. Provided, however such action shall not take place until the Fund Manager notifies the Employer, in writing, of the delinquency.

The parties to this Agreement acknowledge and agree to the Letter of Understanding, "Pension Eligibility and Contribution Rates," which details the bargaining history, contributions, and benefit accruals for the various groups of employees covered by this Agreement prior to the effective date of this Agreement. Nothing herein is intended to increase or reduce the benefit level accrued by members of this bargaining unit, which is currently provided by the UFCW International Union-Industry Pension Fund, nor shall such expand or extend coverage of such plan to employees not currently covered. The Employer agrees to maintain appropriate funding to support such current benefit

accruals and comply with all IRS rules and other regulations governing a Single Employer Pension Plan.

Article 21 – Prepaid Legal Services Plan

A. The Employer shall participate in and contribute to the Michigan United Food and Commercial Workers Union s and Food Employers Joint Prepaid Legal Services Fund.

B. The Employer shall contribute two cents (\$.02) per hour on all hours worked by all members of the bargaining unit, except Courtesy Clerks and other employees with less than one (1) year of non-courtesy clerk service.

C. Coverage for qualifying employees and his or her eligible dependents begins on the first (1st) day of the calendar month following the first (1st) month in which Employer contributions are paid to the Legal Services Fund on behalf of the qualifying employee.

D. It is agreed that total assets of the Fund are targeted to be maintained at a level adequate to fund expenses, but not to exceed \$500,000 dollars in unencumbered assets as of September 1stst of any given year. In the event total assets of the fund exceeds \$1,000,000 dollars as of September 1st of any given year, the Board of Trustees shall notify the Employer not later than October 1st of the over funding and the Employer may at their discretion suspend their contribution for the following fiscal year. During the course of a given calendar year in which the Employer contribution is suspended, the Fund shall perform due diligence to insure funding does not fall below the \$500,000 reserve target. Should total assets of the fund be projected to fall below the target during a given funding period, the Employer shall be notified that the contribution must be restarted effective at the start of the next fiscal year of the Employer. Such notice must be sent not later than October 1st, of any given year.

Article 22 – Review of Employer Records

In order to facilitate the proper functioning of each employee benefit plan, and to ensure that contributions are being made for all employees covered by this Agreement in accordance with the provisions of the Bargaining Agreement, the Employer hereby agrees in accordance with the provisions of the Trust

Agreements (Michigan United Food and Commercial Workers Unions and Food Employers Health and Welfare Fund, United Food and Commercial Workers International Union -Industry Pension Fund and Employers Joint Prepaid Legal Services Fund) to the examination of those records deemed necessary by a certified public accountant or by any other Representative of the Funds or Union.

Article 23 – Seniority

A. Seniority is the length of continuous employment with the Employer. Seniority shall be dated from the date the employee actually reports for work. Under this definition, the last employee hired shall be the first to be laid off. Recall to work shall be governed by the same principle of seniority. Absence from work, as set forth in this Agreement, shall not break seniority. Seniority may be broken only by the following:

1. Quit.
2. Justifiable discharge.
3. Layoff of more than one (1) year.
4. Failure to return to work in accordance with the terms of leave of absence.
5. Failure to return to work after a lay-off within one (1) week after receipt of notice from the Employer.

B. For the purpose of this Article, a full-time employee is one who is hired as such or an employee who works thirty-six (36) hours or more per week including all compensable absence pay for twelve (12) consecutive calendar weeks. The first day worked of the twelve (12) weeks, qualifying period, except as provided under Article 10 A., shall be used to determine the seniority dates, health and welfare and vacation eligibility only. No other full-time benefits are payable during the twelve (12) weeks qualifying period. A part-time employee is an employee who regularly works twenty-eight (28) hours or less per week. A full-time employee involuntarily reduced to part-time shall continue to be classified and treated as full-time until he has averaged less than thirty (30) hours or less per week (including all compensable absence pay) for twelve (12) consecutive calendar weeks, less than thirty-four (34) hours or less per week (including all compensable absence pay) for twelve (12) consecutive calendar weeks for those employees awarded full-time after 6/18/92, except as provided under Article 10 A. The

Employer shall maintain and furnish from time to time upon the Union's request a seniority list of all employees covered by this Agreement as follows:

1. Department Managers by classification.
2. Full-time employees by classification.
3. Part-time employees by classification.

A Clerk/Cashier faced with a layoff may exercise his or her Clerk/Cashier seniority and previous frozen Courtesy Clerk's seniority, if any, to displace less senior Courtesy Clerk's.

Part-time employees shall not accumulate seniority over full-time employees.

A full-time employee (including Department Manager) suffering a reduction of hours or laid off shall have the right to displace a less senior employee of the same job classification.

If there is no junior full-time employee in the same job classification, then such full-time employee shall have the right to displace a part-time employee in the same job classification that will give him the maximum hours of work or displace a full-time employee in a lesser job classification for full-time work based on seniority in the job classification. Part-time employees shall have seniority among other part-time employees under the same conditions enumerated for full-time employees.

Within each seniority list, seniority shall be applied by seniority area within the geographical jurisdiction of the Local Union except in the event of a store closing without a replacement store, a lay off; promotion or transfer seniority shall apply by Local Union jurisdiction. Expand current seniority area to Company-wide 876-1 and 876-2 in the event of store closings and full-time layoffs. When a qualified candidate is unavailable in the current seniority area for Department Manager or full-time opening, the position shall be posted outside the current seniority area (876-1 and 876-2).

876-1 - Seniority Areas:
Wayne, Monroe, Macomb,
St. Clair, Oakland, Washtenaw
and Livingston Counties

876-2 - Seniority Areas:
Midland, Bay and Lapeer
Counties

C. When a full-time employee (other than a Department Manager) is involuntarily reduced to part-time, his seniority shall

be frozen, and shall pick up their previous full-time seniority date when returned to full-time. When a full-time employee voluntarily reduces himself in writing, his part-time seniority is dated from the original date of hire.

When a Department Manager is involuntarily reduced, he shall be returned to his previous Department Manager classification with his total Department Manager seniority. When a Department Manager voluntarily reduces himself, in writing, he shall be returned to the Clerk/Cashier classification in accordance with his Clerk/Cashier seniority.

In the event a Department Manager is reduced and has no seniority in another Department Manager classification, he shall have the right to use his total years of full-time seniority to displace a Clerk/Cashier.

In the event of absence for a period of one (1) week or more of a Produce Manager, Customer Service Manager or Dairy Manager, a full-time employee shall be appointed to fill the vacancy and shall receive the wage rate of the particular Department Manager he is relieving, but in no event less than twenty cents (\$.20) per hour more than his own rate.

Any employee designated by the Store Manager to relieve a Grocery Manager, Night Stock Manager, Assistant Customer Service Manager, Deli Manager, Bakery Manager or Drug G/M Manager for a period of one (1) week or more shall receive the rate of the employee he is relieving, but in no event less than twenty cents (\$.20) per hour more than his own rate.

Any employee designated by the Store Manager to relieve a Lead Position for a period of one (1) week or more shall receive the appropriate premium in addition to their hourly rate.

D. Promotions:

1. Senior part-time employees shall be promoted to full-time employment over new hires.
2. The most senior employee shall be promoted provided he/she has the demonstrated skill and ability to perform the job.
3. Courtesy Clerks after two (2) years of continuous full-time service and promoted to a Clerk/Cashier

classification shall be credited twenty-four (24) months on the Clerk/Cashier Progression.

4. Preferences for Customer Service Manager openings will be given to employees in the Assistant Customer Service Manager classification.
5. Temporary vacancies of up to twelve (12) weeks duration (unless extended by mutual agreement) created by vacations, leaves of absence, and short term illness that cannot be filled through the scheduling language will be, if filled by management selection and those temporary vacancies will not be posted.

Job openings for Department Managers shall be posted in the stores for a period of three (3) days. The employee selected shall be promoted on a ninety (90) day trial basis during which time the employee may be reduced to his former status for justifiable reasons. An employee who may be reduced to his former status for justifiable reasons shall be disqualified from rebidding for the same Department Manager job classification for one (1) year. The employee shall receive the classified department rate of pay during the trial period. The vacancy created by the promotion shall not be permanently filled until the original trial period is completed, after which the vacant job shall be posted. The temporary appointee shall receive the classified rate of pay. Any employee who wins a job bid and declines to accept the position shall be disqualified from bidding for any Department Manager position for a period of one (1) year. Employees accepting a job bid outside their current seniority area shall retain their seniority and go to the current applicable wages and benefits of the new seniority area.

6. The Employer agrees to create and post a total of six hundred (600) new, full-time, clerk / cashier positions during the four-year term of the Agreement; in increments of one hundred and fifty (150) of said positions for each year.
7. If the Employer elects to create or replace a full-time non-Department Manager position, he will post a notice in the stores for a period of three (3) days. The senior employee who applies and who has demonstrated skill and ability will be selected for the position.

8. Employees selected for any Department Manager positions will not be eligible to submit an energy clause transfer request during their ninety (90) day probationary period.

9. The Company and the Union agree that in the event that a part time clerk-cashier is awarded a Department Manager job bid and is subsequently reduced from that position, voluntarily or involuntarily, after a ninety day probationary period has expired but before one year in the position, the employee will be returned to their previous part time clerk-cashier position.

Furthermore, it is agreed that in the event that a part time clerk cashier is awarded a Department Manager job and is subsequently reduced from that position, voluntarily or involuntarily, after one year in the position, the employee will maintain full time status in the clerk cashier classification.

Any employee who wins a job bid and voluntarily or involuntarily is reduced within ninety (90) days shall be returned to the store from which they came.

Department Manager who have been involuntarily reduced and whose seniority has been frozen (as provided under Section C above) shall by signing the job posting receive preference for the posted position in accordance with seniority in the posted job classification.

Full-time Clerk/Cashiers, whose seniority has been frozen as provided under Section C above, shall by signing the job posting, receive preference for the posted position in accordance with seniority.

Copies of the job postings and successful bidders signed and dated by the store manager or his Representative shall be furnished to the Union.

In the event the Employer fails to post notices for promotion and job openings, the aggrieved employee shall be compensated for loss of hours, additional pay and/or both.

Establishing a full time date in the event of a conflict will be done by alphabetical order, as is the industry standard.

E. Transfers - When the transfer of an employee to a different store becomes necessary for justifiable reasons, such transfer shall be made in the reverse order of seniority or on a voluntary basis.

The Employer shall make every effort to assign employees to a store where such transfer shall require the lesser travel time from his home. Such transfer will not be applied in an arbitrary, capricious or discriminatory manner, nor shall it be utilized as a device for creating hardship to the employee in order to provoke his resignation.

Full-time employees who desire to transfer to a store closer to their home shall notify the store manager, in writing, with a copy to the Union one time per calendar year. For the purpose of this article requests expire on December 31st of each calendar year. The Employer agrees to transfer said employee if a permanent full-time vacancy exists in their classification, or if another full-time employee agrees to exchange work shifts with said employee. Such transfers to new or remodeled stores are subject to the mutual agreement of the Employer. If two (2) or more employees request a transfer to a store, seniority shall apply. The intent of this clause is to reduce an employees' travel distance to and from work for the purpose of energy conservation. However, an employee requesting an energy clause transfer must reduce their driving distance by at least fifty (50) miles per week. Employees may not transfer if involved in the disciplinary process.

Transfers of current employees from one United Food and Commercial Workers Union Local 876/951 Collective Bargaining Agreement to another 876/951 Collective Bargaining Agreement will maintain their seniority date, and go to the current applicable wages and benefits of the new seniority area. All other transfers will have a Union seniority date reflecting the Sunday of the week the employee begins working in the new Agreement.

In the event of a store closing or layoff, part-time employees may exercise their seniority to transfer. Part-time employees' requests for transfers for reasons other than those situations mentioned above should be submitted to the Company in writing.

Union Stewards shall have top seniority with respect to layoffs (a reduction in hours shall be construed as a layoff) in their stores. No Union Steward shall be transferred without the consent of the steward and the Union except in the event of a store closing.

F. Night Stocking and Receiving Crew - A full-time employee with two (2) years of service or more may exercise their seniority rights in transferring (a maximum of one (1) employee per store the first week of April and the first week of October each year) too day hours, based on seniority and ability in their store. Once the shift choice is made, neither the employee nor the Employer will arbitrarily change the shift. Such employees must advise the Employer and the Union, in writing, of their desire for day hours. Where two (2) or more employees in the store make this request, seniority shall prevail. Such transfer requests shall be implemented within two (2) weeks of the date of the request.

Transfers made other than each April and October shall be made under the applicable provisions of the Agreement. Full-time employees shall have the right to refuse a transfer to a night stock and receiving crew job and in the event the employee refuses it, shall be considered an involuntary reduction.

If the Employer assigns a Grocery Manager Clerk to a night stocking and receiving crew, the Grocery Manager Clerk shall be in addition to the Head Night Stock Clerk.

The Employer agrees to continue to post job bids for the Grocery Department Manager position in accordance with Article 23, Section D of the Labor Agreement between The Kroger Company and UFCW Local 876. Preferences for Department Manager openings will be given to current employees in the Night Stock Department Manager classification with at least two (2) years in the position. Employees may not be considered if involved in a progressive disciplinary process.

When two (2) or more employees in the Night Stock Department Manager classification sign the bid for a department manager position, the Employer will recognize seniority within their classification as the determining factor when awarding the position, providing they have the demonstrated skill and ability.

Article 24 – Union Cooperation

- A. The Union agrees to the reasonable rules and regulations of the Employer in regards to punctual and steady attendance, conduct on the job, and all other reasonable rules and regulations established by the Employer.
- B. The Union agrees to cooperate with the Employer in maintaining and improving safe working conditions and practices; in improving the cleanliness and good housekeeping of the stores; and in caring for equipment and machinery.
- C. The Union agrees to cooperate in correcting inefficiencies of members, which might otherwise necessitate discharge.
- D. The Union recognizes the need for improved methods and output in the interest of the employees and the business, and agrees to cooperate with the Employer in the installation of such methods, in suggesting improved methods, and in the education of its members in the necessity for such changes and improvements.
- E. The Union recognizes the need for conservation and the elimination of waste and agrees to cooperate with the Employer in suggesting and practicing methods in the interests of conservation and waste elimination.

Article 25 – General

- A. It is agreed that in the event any Article, section or clause hereof shall be deemed invalid under applicable law or regulations that the various remaining Articles, sections and clauses of this Agreement shall be deemed severable and of continuing effect insofar as they shall not be affected thereby.
- B. No employee or applicant for employment covered by this Agreement shall be requested or required by any Representative of the Employer to be the subject of a Polygraph (lie detector) test for any reason whatsoever, nor shall the results of any Polygraph test or opinion based thereon be relied upon by the Employer or be admissible in any arbitration or judicial proceeding for any purpose whatsoever.

C. The Employer and the Union shall not discriminate against any employee for reasons of age, sex, race, religion, sexual orientation, handicap, creed, color, national origin or Union activity.

D. The Employer shall display Union store cards, which shall be furnished by the Union, in each of the Employer's stores covered by this Agreement. Such cards shall remain the property of the Union and shall be surrendered on demand.

E. The Employer will not schedule meetings so as to conflict with regular or special meetings of the Union.

F. In the event that the Employer contemplates the introduction of major technological changes affecting bargaining unit work, advance notice of such change will be given to the Union. If requested to do so, the Employer will meet with the Union to discuss the implementation of such changes before putting such changes into effect.

In the event a store is scheduled to be closed, the Union will be given thirty (30) calendar days notice, whenever possible, so that they may meet with the Company and seek alternative solutions.

In any discussions that are forthcoming as a result of technological change, both parties are agreed that they will make every effort to arrive at mutually agreeable decisions with regard to those full-time members of the bargaining unit (on the payroll as of the **March 5, 2001**) who may become displaced as a direct result of the technological change.

G. Effective June 6, 2004, employees required to use their automobile shall be paid at the Company's prevailing rate for all miles in excess of the mileage between their home and base store. The Employer shall not arbitrarily change the employee's base store.

Employees who use their automobile for Employer errands shall be paid at the Company's prevailing rate.

H. The Employer and the Union agree that registers may be located in the following departments: snack bar, floral, pharmacy, lobby, parking lot, and liquor. Such registers shall be for ringing sales for their respective departments. No employee

shall be disciplined for encouraging customers to use the front end for purchasing products from outside their department.

Article 26 – Economic Relief

The Employer may request modification of the economic terms of the contract according to the following procedure:

The Employer may seek economic relief to keep store(s) open or in operations outside the counties of Wayne, Oakland, Macomb, Livingston, Washtenaw and Monroe. The Union shall present the terms of the economic relief to the membership in the affected store unit(s) and/or operation for their vote. The Company and the Union agree that the terms of the Economic Relief Package will not be less than those of the 876-2 wage and working conditions agreement.

Article 27 – Term, Expiration & Re-opener

This Agreement shall be effective the 24th day of March 2013, and shall continue in full force and effect to and including March 25th 2017; and thereafter from year to year unless either party serves notice in writing upon the other at least sixty (60) days prior to said expiration date or any anniversary thereof that such party desires to terminate this Agreement. It is agreed, however, that where no such termination notice is served; and the parties desire to continue this Agreement, but desire also to negotiate any changes or revisions in this Agreement, each party may serve upon the other a notice, at least sixty (60) days prior to said expiration date or any anniversary thereof, advising that such party desires that the parties change or revise designated provisions of this Agreement. Pending negotiations on such proposed changes or revisions, or pending effectuation of changes or revisions which may in fact be negotiated. This Agreement shall continue in full force and effect, provided that the parties reserve the right without further notice, and notwithstanding the provisions of Article 6 hereof, to exercise all lawful economic recourse, including strikes or other concerted activities, in support of demands for change or revision, and to thereupon, by notice to such effect, forthwith terminate this Agreement. All provisions of this Agreement to be effective with ratification except as otherwise specified.

In an effort to have a positive impact on employee turnover, the Company and the Union may discuss and implement certain contract modifications on a test basis. No current employee will be negatively impacted by such modification.

IN WITNESS WHEREOF, the said parties have caused duplicate copies hereof to be executed by their duly authorized officers this 24th day of March 2013.

For the Union:

United Food & Commercial
Workers Union Local 876

_____ Roger Robinson _____

_____ Mark Charrette _____

_____ 12-10-13 _____

Date

For the Employer

The Kroger Company

_____ Lanell Ohlinger _____

_____ Joe Gusman _____

_____ 12-10-13 _____

Date

Appendix A - Local 876-1 Wages

Department Managers Prior to 6/18/2010 Hired on or after 6/18/2010

Start \$15.85
6 months \$18.53

Start \$15.50
6 months \$16.00
12 months \$16.75

Drug GM Manager Prior to 6/18/2010

Hired on or after 6/18/2010

Start \$14.50
6 months \$16.25

Start \$14.50
6 months \$15.00
12 months \$16.25

Lump sum bonus	<u>3/24/2013</u>	<u>3/23/2014</u>	<u>3/22/2015</u>	<u>3/27/2016</u>
Department Managers	\$1,200	\$700	\$700	\$700

Department Managers premium

	<u>3/24/2013</u>	<u>3/23/2014</u>	<u>3/22/2015</u>	<u>3/27/2016</u>
Less than \$350,000	\$0.10	\$0.15	\$0.20	\$0.20
\$350,001- \$500,000	\$0.15	\$0.20	\$0.25	\$0.25
\$500,001- \$700,000	\$0.20	\$0.25	\$0.30	\$0.30
\$700,001- \$900,000	\$0.25	\$0.30	\$0.35	\$0.35
More than \$900,001	\$0.30	\$0.35	\$0.40	\$0.40

Average weekly sales without Fuel and Pharmacy to be reset the beginning of the Kroger fiscal year.

Assistant Customer Service Manager	Hired prior to 6/18/2010 \$17.90	Hired on or after 6/18/2010 \$14.50
Clerk/Cashier	Hired prior to 8/8/1987 \$17.48	Hired / Promoted after 8/8/1987 \$15.38
Specialty Clerks	Hired prior to 8/8/87 \$14.30	

Top rate lump sums bonus (excluding Courtesy Clerks and Utility Clerks):

	<u>3/24/2013</u>	<u>3/23/2014</u>	<u>3/22/2015</u>	<u>3/27/2016</u>
Full-time hired prior to 6/5/2004	\$1,200	\$500	\$500	\$500
Part-time hired prior to 6/5/2004	\$600	\$250	\$250	\$250

Clerk/Cashier (hired after 6/5/2004)	<u>3/24/2013</u>	<u>3/22/15</u>	Clerk/Cashier (hired on or after 6/18/2010)	<u>3/24/2013</u>	<u>3/22/15</u>
Start	\$7.40		Start	\$7.40	
6 months	\$7.50		12 months	\$8.00	

12 months	\$8.00	
24 months	\$8.50	
36 months	\$9.00	
48 months	\$10.00	
60 months	\$11.00	
72 months	\$14.72	\$14.97

Specialty Clerks (hired after 6/5/2004)

	<u>3/24/2013</u>	<u>3/22/15</u>
Start	\$7.40	
6 months	\$7.50	
12 months	\$8.00	
24 months	\$8.50	
36 months	\$9.00	
48 months	\$9.50	
60 months	\$10.75	
72 months	\$14.02	\$14.27

*Indicates top rate for part-time employees

24 months	\$8.50	
36 months	\$9.00	
48 months	10.00	
*60 months	\$11.00	\$11.25
72 months	\$12.50	\$12.75

Specialty Clerks (hired on or after 6/18/2010)

	<u>3/24/2013</u>	<u>3/22/15</u>
Start	\$7.40	
12 months	\$8.00	
24 months	\$8.50	
36 months	\$9.00	
48 months	\$9.50	
*60 months	\$10.75	\$11.00
72 months	\$12.00	\$12.25

	Fuel Center Clerk: Hired prior to 6/18/2010		Hired on or after 6/18/2010)		
	<u>3/24/2013</u>	<u>3/22/15</u>		<u>3/24/2013</u>	<u>3/22/15</u>
Start	\$7.40		Start	\$7.40	
6 months	\$8.00		12 months	\$8.00	
12 months	\$8.50		24 months	\$8.50	
18 months	\$8.75		36 months	\$8.75	
24 months	\$10.20	\$10.45	48 months	\$9.50	\$9.75

Top rate lump sums (excluding Courtesy Clerks and Utility Clerks):

	<u>3/23/2014</u>	<u>3/27/2016</u>
Full-time hired on or after 6/5/2004:	\$500	\$500
Part-time hired on or after 6/5/2004:	\$250	\$250

Former Farmer Jack employees hired under the 6/20/07 acquisition agreement:

	<u>3/24/2013</u>	<u>3/23/2014</u>	<u>3/22/2015</u>	<u>3/27/2016</u>
Full-time	\$1,200	\$500	\$500	\$500
Part-time	\$600	\$250	\$250	\$25

All Courtesy Clerks:

	<u>3/24/2013</u>
Start	\$7.40
6 months	\$7.50

All Courtesy Clerks- Under 18

	<u>3/24/2013</u>
Start	\$7.25
6 months	\$7.30

Utility Clerks

	<u>3/24/2013</u>
Start	\$7.60
12 months	\$8.00
24 months	\$8.50

Part-time employees must work a minimum of 675 hours to progress to next rate of pay for six month progressions and 1,350 hours for twelve (12) month progressions. Compensable hours will be used to calculate eligibility to progress. Work weeks as defined in the Agreement that an employee has zero hours due to layoff or an approved medical leave of absence will not be counted against the hours worked qualifier.

File Maintenance Lead Scan Coordinators to receive a \$.50 per hour premium on hours worked.

Frozen LeadPremium

Less than \$30,000	\$0.50
\$30,000 - \$44,999	\$0.65
More than \$45,000	\$0.75

Lead Natural Food ClerkPremium

Less than \$10,000	\$0.25
\$10,001-\$25,999	\$0.35
More than \$26,000	\$0.50

Floral Lead

Base Rate \$14.30

	<u>Premium</u>
Less than \$120,000	\$0.15
\$120,000 - \$199,999	\$0.50
More Than \$200,000	\$0.85

Average weekly department sales to be reset the beginning of the Kroger fiscal year.

Lead Drug/GM Clerk for non-combo stores (#415, #494, #530, #654 and #656) receive a fifteen cent (\$0.15) per hour premium.

Appendix "B" Wages

Grocery Contract 876-2 Stores #277, #600, #635, #795, #465

Department Managers

	<u>3/24/2013</u>
Start	\$15.50
6 months	\$16.00
12 months	\$16.75

Drug GM Manager (Combo stores only)

	<u>3/24/2013</u>
Start	\$14.50
6 Months	\$15.00
12 Months	\$16.25

Lump sums

3/24/20133/23/20143/22/20153/27/2016**Department Managers**

\$1,200

\$700

\$700

\$700

Department Managers Premiums

		<u>3/24/2013</u>	<u>3/23/2014</u>	<u>3/22/2015</u>	<u>3/27/2016</u>
Less than	\$350,000	\$0.10	\$0.15	\$0.20	\$0.20
\$350,001-	\$500,000	\$0.15	\$0.20	\$0.25	\$0.25
\$500,001-	\$700,000	\$0.20	\$0.25	\$0.30	\$0.30
\$700,001-	\$900,000	\$0.25	\$0.30	\$0.35	\$0.35
More than	\$900,001	\$0.30	\$0.35	\$0.40	\$0.40

Average weekly sales without Fuel and Pharmacy to be reset the beginning of the Kroger fiscal year.

Assistant Customer

Hired on or after 6/18/2010

Service Manager3/24/20133/24/2013

\$16.01

\$14.50

Clerk/Cashier

Hired prior to 12/1/1982

Hired after 12/1/1982

3/24/20133/24/2013

\$15.59

\$14.63

Clerk/Cashier

Hired / Promoted after 8/8/1987

\$13.26

Specialty Clerks

Hired / Promoted after 8/8/1987

\$13.36

Top rate lump sums (excluding Courtesy Clerks and Utility Clerks)

	<u>3/24/2013</u>	<u>3/23/2014</u>	<u>3/22/2015</u>	<u>3/27/2016</u>
Full-Time clerks hired prior 6/5/04	\$1,200	\$500	\$500	\$500
Part-time hired on or after 6/5/04	\$600	\$250	\$250	\$250

	<u>3/24/2013</u>	<u>3/22/15</u>
Start	\$7.40	
6 months	\$7.50	
12 months	\$8.00	
24 months	\$8.50	
36 months	\$9.00	
48 months	\$10.00	
60 months	\$11.00	
72 months	\$12.70	\$12.95

64

	<u>3/24/2013</u>	<u>3/22/15</u>
Start	\$7.40	
6 months	\$7.50	
12 months	\$7.75	
24 months	\$8.00	
36 months	\$8.50	
48 months	\$9.50	
60 months	\$10.25	
72 months	\$12.56	\$12.81

*Indicates top rate for part-time employees

Hired on or after 6/18/2010) (*part-time)

	<u>3/24/2013</u>	<u>3/22/15</u>
Start	\$7.40	
12 months	\$8.00	
24 month	\$8.50	
36 months	\$9.00	
48 months	\$10.00	
*60 months	\$11.00	\$11.25
72 months	\$12.50	\$12.75

Hired on or after 6/18/2010) (*part-time)

	<u>3/24/2013</u>	<u>3/22/15</u>
Start	\$7.40	
12 months	\$7.75	
24 months	\$8.00	
36 months	\$8.50	
48 months	\$9.50	
*60 months	\$11.00	\$11.25
72 months	\$12.00	\$12.25

Fuel Center Clerk

	Hired prior to 6/18/2010:		Hired on or after 6/18/2010:		
	<u>3/24/2013</u>	<u>3/22/15</u>		<u>3/24/2013</u>	<u>3/22/15</u>
Start	\$7.40		Start	\$7.40	
6 months	\$7.50		12 months	\$7.50	
12 months	\$8.00		24 months	\$8.00	
18 months	\$8.50		36 months	\$8.50	
24 months	\$9.63	\$9.88	48 months	\$9.50	\$9.75

Top rate lump sums, excluding Courtesy Clerks and Utility Clerks:

	<u>3/23/2014</u>	<u>3/27/2016</u>
Full-time hired on or after 6/5/04:	\$500	\$500
Part-time hired on or after 6/5/04:	\$250	\$250

Former Farmer Jack employees hired under the 6/20/07 acquisition agreement:

	<u>3/24/2013</u>	<u>3/23/2014</u>	<u>3/22/2015</u>	<u>3/27/2016</u>
Full-time	\$1,200	\$500	\$500	\$500
Part-time	\$ 600	\$250	\$250	\$250

Courtesy Clerk

	<u>3/24/2013</u>
Start	\$7.40
6 months	\$7.45

Courtesy Clerk-Under 18

	<u>3/24/2013</u>
Start	\$7.25
6 months	\$7.30

Utility Clerk

	<u>3/24/2013</u>
Start	\$7.40
12 months	\$8.00
24 months	\$8.50

Part-time employees must work a minimum of 675 hours to progress to next rate of pay for six month progressions and 1,350 hours for twelve (12) month progressions. Compensable hours will be used to calculate eligibility to progress. Work weeks as defined in the agreement that an employee has zero hours due to layoff or an approved medical leave of absence will not be counted against the hours worked qualifier.

Scan Coordinators to receive a \$.50 per hour premium on hours worked.

Frozen Lead

	Premium
Less than \$30,000	\$0.50
\$30,000 - \$44,999	\$0.65
More than \$45,000	\$0.75

Lead Natural Food Clerk

	Premium
Less than \$10,000	\$0.25
\$10,000 - \$25,999	\$0.35
More than \$26,000	\$0.50

Floral Lead - Base rate \$13.36

Fiscal Year Sales

Premium (Fiscal Year Sales)

Less than \$120,000 \$0.15

\$120,000 - \$199,999 \$0.50

More Than \$200,000 \$0.85

Average weekly department sales to be reset the beginning of the Kroger fiscal year.

Appendix "C" - Miscellaneous Notes

A-1. The classification "Specialty Clerks" shall apply to employees working in areas of the store listed on the wage page. Subsequent to the effective date of this Agreement, the parties, upon mutual agreement, may place additional Specialty Departments under the terms and conditions of this Agreement. Upon such mutual agreement, all terms and conditions of this Agreement shall apply unless otherwise provided.

A-2. Pharmacy Technician classification will remain a separate specialty clerk classification in of itself. Pharmacy technicians certified through a Company sponsored training program may receive up to a one dollar (\$1.00) premium per hour above their current hourly rate. Upon satisfactorily completing the required courses premiums will be applied as follows:

Level one (1) - \$0.25 Level two (2) - \$0.50 Level three (3) - \$0.25

Company will offer a minimum of one (1) training class per year.

A-3. Lead Specialty Clerks will retain seniority over other specialty clerks for the purpose of scheduling only. Preferences for Lead Position Openings will be given to current employees with demonstrated skill and ability and seniority in the store in which the opening has occurred. If no current employee demonstrates interest in said position, then the position will be bid in accordance to the normal bidding process.

B. A Clerk/Cashier who is regularly assigned to assist the Customer Service Manager shall be reclassified Assistant Customer Service Manager and paid the classification rate on all hours worked in the work week. Openings for assistant customer service manager positions will be bid per Article 23D. However, Clerk/Cashiers may be utilized to assist with Customer Service Counter duties (i.e. Western Union, postage stamps, lottery tickets, money orders, refunds and exchanges, payroll checks or other customer service duties with the exception of accounting, overrides and banking functions). Seniority shall prevail when assigning such work.

C1. Courtesy-Clerk promoted to the classification of Utility Clerk shall have the demonstrated skill and ability to

perform the duties of a Courtesy-clerk and be in good standing. Each store will be allowed to promote up to five (5) employees to the Utility Clerk classification.

In addition to the duties of a Courtesy-Clerk, a Utility Clerk will have the following duties:

1. General cleaning, including the moving and replacing of shelf product and backroom product.
2. Cleaning of case displays, prep areas, tables and equipment.
3. Bailing and loading of salvage.
4. Interior and exterior window cleaning.
5. Any cleaning or painting as directed in order to maintain store appearance.
6. Maintenance of lawn and shrubs.
7. Conditioning of displays outside the store.
8. Working in outside tent promotions.
9. Putting up store decorations.
10. Handles and assembles seasonal merchandise including outdoor plants and holiday trees and wreaths.
11. Re-shop/restock all misplaced merchandise.
12. Hang signs and tags.

C2. Employees classified as a Courtesy-Clerk may perform only the following duties:

1. Bag or box merchandise after it has been checked out and take it to the customer's vehicle.
2. Collect push carts and return them to the store.
3. Stock grocery bags in check stands.
4. Clean up check-out lanes and area in front of check-out lanes and entrances, clean-up spills, clean up bottle sorting area.
5. Keep sidewalks and parking areas orderly and free from refuse.
6. Accept, receive, and sort empty bottles, cans and other redeemable containers.
7. General cleaning inside the store, excluding power equipment.
8. Obtain product from selling area requested by customer being checked out, check prices for customers and replace damaged and/or saleable merchandise accumulated at check-out counters.
9. Tie up cardboard and cartons.

10. **Emergency Conditions-** In the case of an emergency caused by fire, flood, power outage or an act of God, the Employer may request such employees as it deems necessary to perform such work as necessary. Employees in a lesser classification will be paid higher classification rate.

Such employees shall not be assigned to any stocking duties other than outlined above, operate cash registers, take part in unloading of trucks or be members of a night stocking crew.

D. If new job classifications not presently in existence are established, the parties shall, within thirty (30) days, negotiate appropriate wage rates.

E. Rates of pay and pay schedules as set forth in the wage schedule above shall remain in effect for the life of this Agreement and shall constitute the basis of determination for wages for time worked.

F. The Employer shall post all hours paid for on paycheck stubs.

1. A Fuel Center Clerk's responsibilities will be to perform all tasks employed with the operation of the Fuel Center as directed by store management.
2. The Employer agrees to appoint a Lead Fuel Clerk in each Fuel Center that it operates by seniority, skill, and ability. Each Lead will receive a \$1.00 per hour premium on their individual rate.
3. Effective January 1, 2014 full-time, Lead Fuel Center and full-time Fuel Center Clerks will be eligible for the basic full-time health plan in accordance with Article 19.
 - 3.1 The terms of the Collective Bargaining Agreement such as Union security and seniority shall apply but Fuel Center Clerks shall not receive benefits of a monetary nature, except for wages, national holidays, and vacation as specified. It is understood that benefits such as health and welfare, pension, etc., are of a monetary nature and are not to be provided to the part-time Fuel Center Clerk. Seniority within the Fuel Center shall prevail.

4. Vacations will be granted per Article 16 of the contract. Supplemental days will be granted per Article 12 of the contract. National holiday pay will include six (6) national holidays as contained in Article 12 and will be earned and paid per Article 12.
5. Management may perform any tasks necessary to ensure the efficient operation of the center.
6. A Fuel Center Clerk after six (6) months of service shall be given preference by seniority, together with ability, practicability, and availability, should an opening occur for a part-time store employee. Seniority in their new classification shall begin upon their first day of work in their new classification.
7. Store Clerks interested in transferring to the Fuel Center Clerk classification, shall put their interest in writing to the store manager with a copy to the Union, (their clerk cashier seniority shall be frozen).
8. In the event of a department closing, "Fuel Center Clerks," clerks who worked in another area of the store prior to becoming a "Fuel Center Clerk," will be allowed to return to their previous department with full seniority. Other "Fuel Center Clerks," hired as such will be allowed other clerk/cashier work within another department of the store, maintaining full seniority.
9. If the Company substantially expands the square footage of the fuel center concept, they will agree to meet with the Union to discuss and negotiate new and/or additional terms, if necessary.

H. The parties agree that "Starbucks Specialty Clerk" is added to the Collective Bargaining Agreement. The terms of the Grocery Collective Bargaining Agreement shall apply to the Starbucks Specialty Clerk and to the Starbucks Department. A Starbucks Specialty Clerk's responsibilities will be to perform all tasks employed with the operations of the Starbucks as directed by store management.

In accordance with the provisions of the CBA, departmental seniority within the Starbucks Department shall be utilized for Starbucks Specialty Clerks. Starbucks Specialty Clerks shall be

paid the Specialty Clerk wage rate under the Grocery CBA.

Management may assist in training and when necessary to ensure the efficient operation of the Starbucks Department.

Employees interested in transferring to the Starbucks Department shall put their interest in writing to the Store manager with a copy to the Union. Employees accepting positions in the Starbucks Department and who complete training shall be required to remain in this classification for the period of one (1) year to retain their previous seniority.

Each Starbucks Department will maintain a Lead Starbucks Specialty Clerk who will receive a \$2.00 premium per hour above their current rate. Lead Starbucks Specialty Clerks will retain their seniority over others for the purpose of scheduling.

The Starbucks Specialty Clerk classification will remain a separate specialty clerk classification in itself.

In the event of the closing of a Starbucks Department, the Starbucks Specialty Clerks who worked in another area of the store prior to becoming a Starbucks Specialty Clerk will be allowed to return to their previous department with full seniority. Other Specialty Clerks hired as such will be allowed other Specialty Clerk work in another department of the store, maintaining full seniority.

I. The parties recognize the need for the Boar's Head Brand products. The parties further agree that Boar's Head requires additional in store monitoring and training with its products and with employees who are responsible for their stores. This in store presence will in no way adversely affect available hours to our deli employees or any other employee in the store-but is necessary for us to carry Boar's Head Products.

Appendix "D" - Letter of Understanding**Re: Reset Team**

It is agreed between the Union and the Company that a reset team will be constructed for the purpose of doing major resets in the Kroger stores for the term of this agreement effective March 24, 2013 through March 25, 2017.

No employee working in any store during the reset will have their hours reduced as a direct result of the reset or reset team. The reset team will consist of approximately 20-30 bargaining unit members.

An informational bid for full-time clerk-cashiers will be posted for three days in the Local 876 Kroger Marketing area. Senior employees who apply; and who has demonstrated skill and ability will be selected for the position.

All miles in excess of the mileage between their home stores will be paid per the contract.

The hours shall be determined by the company but the shifts shall consist of five (5) eight (8) hour days or four (4) ten (10) hour days. The employees working on the crew will be identifiable through a special designation (name badges).

Should any prior 1987 member choose to work Sunday, Sundays will be made available in their home store.

For the Union:

United Food & Commercial
Workers Union Local 876

Mark Charrette

11-21-13

Date

For the Employer

The Kroger Company

Joe Gusman

11-21-13

Date

**Appendix “D” - Letter of Understanding
Re: Convenience Stores**

This letter confirms the agreement of the parties that should the Company determine to operate stores, or “convenience” stores with fuel centers, the parties will meet and discuss appropriate collective bargaining provisions to apply to such stores.

For the Union:

United Food & Commercial
Workers Union Local 876

_____ Mark Charrette _____

_____ 11-21-13 _____

Date

For the Employer

The Kroger Company

_____ Joe Gusman _____

_____ 11-21-13 _____

Date

Appendix "D" - Letter of Understanding
Re: Farmer Jack Acquisition

1. The employee's seniority date shall be the date of hire by Kroger. (All previous Farmer Jack employees hired at Farmer Jack acquisition stores within ninety (90) days of acquisition shall be given a date of hire of June 20, 2007).

2. Any employee who previously worked for Farmer Jack at the time of the acquisition and is hired by Kroger (within ninety (90) days of acquisition) will be given credit for service with Farmer Jack in determining number of weeks of vacation and number of holidays and supplemental days effective 1/1/08 with the following guidelines:

Former Farmer Jack employees will be entitled to the Kroger vacation schedule, up to four (4) weeks maximum. After five (5) years of service, employees will be allowed five (5) weeks of vacation if their adjusted service date is eighteen (18) years or more.

The supplemental day's provision for employees hired after 6/5/04 of the Kroger agreement will apply based on the former Farmer Jack employee's adjusted service date.

3. Those employees who previously worked for Farmer Jack at the time of the acquisition, who are hired by Kroger, will be given credit for their experience with Farmer Jack in establishing their rate of pay.

4. All Farmer Jack employees hired by Kroger (within ninety (90) days of acquisition) who are participating in the National Industry Pension Fund will continue to participate without any break in service.

5. All Farmer Jack employees hired by Kroger (within ninety (90) days of acquisition) who had previously qualified for health care coverage will initially qualify for coverage under the Kroger Collective Bargaining Agreement, as provided by the new agreement. Kroger employer contributions to the Health and Welfare Plan will commence the later of the month following the final contribution paid for that employee by the acquired store employer, or as needed to provide coverage in the month hired by Kroger.

Kroger Metro Grocery Contract
For the Union:
United Food & Commercial
Workers Union Local 876

2013 - 2017
For the Employer
The Kroger Company

_____ Roger Robinson _____

_____ Henry B. Taylor _____

_____ Rick Blocker _____

_____ Lanell Ohlinger _____

_____ 11/8/10 _____

Date

_____ 11/8/10 _____

Date

Appendix "D" - Letter of Understanding
Re: Kroger Marketplace

Definition:

As of January 1, 2012 it is understood that whenever the Employer opens and operates what will be known as a "Marketplace" store, with a minimum square footage of 90,000 square feet, (the Employer and Union will discuss the applicability of the Marketplace stores-for a store less than 90,000 sq. ft. if the need should arise because of real estate location). The terms of the Collective Bargaining Agreement (except as noted below) will apply;

Opening New Store:

Approximately 6 months in advance of a Marketplace opening, which replaces a traditional store or existing remodeled store, the Employer agrees to meet and discuss job criteria, standards, and expectations with the Union and the traditional classified employees. Classified employees electing to move, must commit to 24 months in their respective positions in the Marketplace.

In the event of a net new Marketplace, the traditional Department Manager and Lead positions will be posted approximately 6 months in advance. The process above will be used with the interested candidates.

In the event of a re-grand opening and/or grand opening of a Marketplace store the Employer may utilize employees and vendor services to assist up to eight (8) weeks preceding and two (2) weeks following the re-grand opening or grand opening. Current employees within the effected stores will not have their hours reduced as a direct result of the implementation of this provision.

Exclusionary Associates:

The Employer agrees to the following exclusions: In Marketplace stores employing one hundred fifty (150) or more members, the employer may utilize an additional five (5) members of management.

Department Manager:

The Employer will add a General Merchandise Home Department Manager.

Start: \$14.50

6 Months:\$15.00

1 Year: \$16.00

Stores sales \$700,000.01 (w/o Fuel-Pharmacy) and over top rate will be \$16.50.

Assistant Home Department Manager

Start: \$14.50

6 months: \$15.00

1 year: \$16.00

Home Lead Clerks:

Where the Employer deems it necessary, each of the sub-departments (expanded kitchen, home décor, furniture, expanded toys, and baby world) will have an appointed full-time lead position. The Employer reserves the right to appoint a maximum of twelve (12) Home Lead Clerks per store. The Employer reserves right to modify or expand the sub-departments listed to remain competitive in the market. Company agrees to notify Union of such changes.

These sub-department lead positions will receive fifty cents (50¢) per hour, over the Employee's current rate. Each individual will be trained at the Employer's expense and on the Employer's timetable. The Employer reserves the right to reduce an employee from the lead position for justifiable reasons.

Home Department Clerks:

This classification is limited to stores that are designated as Marketplace Stores by the Company and are a minimum of 90,000 square feet with expanded General Merchandise and Home sections. Prior to implementing this classification the Company agrees to inform the Union of any and all such designations in advance of opening the facility.

Current Drug/GM Managers and Clerks performing Drug/GM duties will not be displaced or have their hours reduced as a result of the Company implementing the Home Clerk classification.

All clerks in the Expanded General Merchandise and Home sections are interchangeable.

The Company agrees to discuss any future "non- traditional" classified positions with the Union as the stores progresses.

The Home Clerk classification will remain a separate clerk classification in itself.

Drug/GM Clerks hired prior to the implementation of the Home Clerk classification (store-by-store) may utilize their rights under the available hour's clause to claim hours from employees in the Home Clerk classification, provided they are qualified to perform Home Clerk duties. Home Clerk rates apply to associates that use this right.

There shall be no right of claiming hours of work in this classification by employees in other classifications and vice versa.

Home Clerk Rates:

Start:	\$ 7.40	
12 Month:	\$ 7.50	
24 Month:	\$ 7.70	
36 Month:	\$ 8.50	
48 Month:	\$ 9.50	
60 Month:	\$10.50*	(*Part-Time Top Rate)
72 Month:	\$12.00	

Duties of the Home Clerk shall include and be limited to: ordering, receiving, stocking, merchandising, displaying and tagging/signing merchandise; and cleaning and operating dislocated registers (not for the purpose of providing an additional common check-out or express lane) for the following items or product lines:

- A. Health & Beauty Aids
- B. Peyton-type Merchandise
- C. Continuity Programs, (e.g. dishes, encyclopedias, etc.)
- D. General Merchandise shippers, modules and promotions
- E. Other Non-Food merchandise, except that merchandise that is required for normal household maintenance, such as soap powder, bleach, etc.
- F. Candy, tobacco, diapers, baby formula
- G. Home Fashion
- H. Home Hardlines
- I. Video
- J. Electronics
- K. Photo

- L. Music
- M. Travel & leisure
- N. Apparel

In Marketplace stores, store management has the ability to construct displays in the **General Merchandise Home Department**.

Marketplace letter of understanding will remain in effect through and including **March 25, 2017**.

For the Union:

United Food & Commercial
Workers Union Local **876**

Mark Charrette

11-22-13

Date

For the Employer

The Kroger Company

Joe Gusman

11-22-13

Date

Appendix "D" - Letter of Understanding
Re: In-Union Transfers

The parties hereby agree that the following shall apply to transfers of existing members of UFCW Local 876/951; and all employees who transfer into Local 951 from other bargaining units.

1. All UFCW Local 876/951 bargaining unit members will be allowed to transfer. Employee will be limited to one per year. Employee will maintain original date of hire with the company. In addition, union seniority will be preserved once employee agrees in writing; employee is covered by new collective bargaining agreement (CBA) and all the rules / benefits that apply.
2. Energy transfer requests from both UFCW Local 876/951 employees will be reviewed for purposes of filling vacancies in all CBA's.
3. All UFCW Local 876/951 part-time employees that transfer from store to store for justifiable reasons or business needs will be mutually agreed upon and retain their union seniority.
4. Transferred employees from outside of UFCW Local 876/951 into a UFCW Local 876 location will be part-time and have a union seniority date reflecting the Sunday of the week the employee's first day worked in a store covered by a UFCW Local 876 CBA.
 - a. Transferred employees from outside of UFCW Local 876/951 will keep their date of hire with The Kroger Company for the purposes of determining rate of pay, health and welfare eligibility, pension contributions, legal fund contributions, and compensable time where applicable.
5. When a Department Manager position is available, existing Department Managers can be selected to fill vacancy. Company agrees to fill created vacancy per the CBA.
6. In the result of any computer errors, both parties agree to identify employees with improper seniority dates and correct individually.

Kroger Metro Grocery Contract
For the Union:
United Food & Commercial
Workers Union Local 876

2013 - 2017
For the Employer
The Kroger Company

_____ Mark Charrette _____

_____ Joe Gusman _____

_____ 3-18-13 _____

_____ 3-18-13 _____

Date

Date

