

MOLINE-DAVENPORT MEAT CUTTERS, LOCAL 431

Term 8/1/05 - 3/6/10

THIS AGREEMENT entered into this _____ day of November, 2005, by and between JEWEL FOOD STORES, INC., hereinafter sometimes designated as the "Employer" and sometimes called the "Company" and the UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION, DISTRICT LOCAL UNION NO. 431, hereinafter called the "Union."

ARTICLE I
RECOGNITION

Section 1.1 Recognition

The Company recognizes the Union as the sole collective bargaining agent for all its meat department employees, including department heads, journeymen, sausage makers, fish handlers, apprentice meat handlers, self-service wrappers, packers, and delicatessen department employees engaged in the handling, displaying, cutting, wrapping, pricing and customer servicing of fresh, smoked, frozen and pickled meats, sausages, rabbits, poultry, fish and seafood in the retail stores located at 107 Avenue of the Cities, East Moline, Illinois 61244, 1307 North Second Street, Clinton, Iowa 52732, 2010 First Street A, Moline, Illinois 61265, 1312 John Deere Expy., Silvis, Illinois 61282, and 465 U.S. Hwy. 6 East, Geneseo, IL 61254, but excluding cleanup employees, office clerical employees, guards, professional employees and supervisors as defined in the Act.

SECTION 1.2 Intent and Purpose

The Employer and the Union each represent that the purpose and intent of this Agreement is to promote cooperation and harmony, to recognize mutual interests 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, insurance and retirement benefits.

ARTICLE II
GENERAL

Section 2.1 Notices

All notices required under this Agreement shall be deemed to be properly served if delivered in writing personally or sent by certified or registered mail to the offices of the Union at 1401 West Third Street, Davenport, Iowa 52802, or to the Employer at 1955 West North Avenue, Melrose Park, Illinois, 60160, or to an employee at his home address, or to any subsequent address which the Union, the employee, or the Employer may designate in writing for such purpose. Date of service of a notice served by mail shall be the date on which such notice is postmarked by a post office of the United States Post Office Department.

Section 2.2 Separability

Nothing contained in this Agreement is intended to violate any Federal or State Law, rule or regulation made pursuant thereto. If any part of this Agreement is construed by a court or board of competent jurisdiction to be in such violation,

then that part shall be null and void, but the remainder of the contract shall continue in full force, the parties will immediately begin negotiations to replace the void part with a valid provision; provided, further, that in the event the parties cannot agree upon a substitute provision all other provisions of the contract shall remain in full force and effect for the term thereof.

Section 2.3 Effective Date

Unless the context of a provision indicates otherwise, all provisions of the contract become effective upon the date of execution of the contract.

Section 2.4 Job Classifications

- (1) Apprentices - An apprentice is an employee who is in training to become a Journeyman butcher. Apprentices shall be at least eighteen (18) years of age.

Two Apprentices may be employed where a journeyman meat cutter is employed; an additional apprentice may be employed for the next three additional journeymen; and one additional apprentice may be employed for every additional two journeymen employed.

The Employer may hire one (1) part-time apprentice or one (1) part-time journeyman per store, provided no full-time journeyman is on layoff.

The Employer agrees to rotate all apprentices in its markets so as to give them sufficient, well-rounded experience to qualify them as journeymen at the end of the apprenticeship period.

No apprentice shall be regularly employed in self-service meat departments or markets as a wrapper or packager for more than forty percent (40%) of his weekly hours worked.

For the purpose of establishing the proper hourly rate, an apprentice shall be credited for the time worked for any employer subject to a union retail contract. However, seniority rights for an apprentice shall be determined by the date of hire by the most recent employer.

Wrappers desirous of transfer to apprentice meat cutters status shall make their desire known to the company, in writing, and such employees shall be given equal consideration for such vacancy along with other apprentice applicants. There shall be no reduction in pay to any wrapper as a result of entering this apprenticeship program, e.g., wrapper's rate of pay shall apply until such time as the apprentice meat cutter rate exceeds the wrapper rate at which time the apprentice meat cutter rate shall apply.

The wrapper commencing the apprenticeship program shall have a ninety (90) day trial period. Said trial period shall not jeopardize the employee's former classification or seniority. Wrappers transferred to the apprenticeship classification will have seniority for purposes of layoff and recall from the date of transfer.

- (2) Journeymen - After serving an apprenticeship, an employee shall be classified as a Journeyman Meat Cutter and shall be paid the journeyman rate of pay. The Employer may hire one (1) part-time apprentice or one (1)

part-time journeyman per store, provided no full-time journeyman is on layoff.

- (3) Head Meat Cutter - The term "Head Meat Cutter" means a journeyman meat cutter who is assigned the responsibility for management of the market or meat department. It is understood that any communication with the work force concerning man hour production should be given by supervision.
- (4) Wrappers - Wrappers may be employed to wrap, sell, scale, price, label, display and stock meats and other merchandise, and clean anything they work with. Wrappers shall be rotated to insure that they learn all phases of the job.

Wrappers shall not use knives, saws, grinders, cube machines or other mechanical equipment used in the preparation or processing of fresh meats or poultry other than as specified above with the exception that wrappers may perform all market functions excluding the use of power saws in servicing individual customer requests.

5. Pier Department - The Employer may employ regular full-time and/or part-time Seafood Department employees and wrappers. Wrapper hired after October 4, 2002, may work in either the pier or the chopping block. The employer will not hire into the pier classification after October 4, 2002. The pier employees and wrappers will be allowed to perform duties necessary for the efficient operations of the department, including preparing, displaying, selling, cutting, slicing, weighing and wrapping all product offered for sale in the department with the exception of meat products which may require further fabrication. Relief people, who would fill in the department during lunch, breaks, vacation or illness would be delicatessen personnel and/or fresh meat personnel. The production work for meat products that required further fabrication will be done by journeymen, apprentices, or the head meat cutter. It is further understood that the Employer may receive into and utilize in such departments, frozen fish items without the requirement that those items be price marked and may receive into and utilize in such departments, fresh fish items without the requirement that those items be cut, prepared, fabricated, etc., priced or packaged on the premises. Employees working in the pier and chopping block are not required to be craft people; however, they may perform all operations pertaining to fish including the cutting, filleting, packaging, wrapping, pricing, displaying, etc. of either fresh or frozen fish; and may respond to customer requests, to further process meat products in the case, ready for sale. Employees in the Pier and Chopping Block shall not use knives, saws, grinders, cube machines or other mechanical equipment used in the preparation or processing of fresh meats or poultry with the exception that employees working in the pier or chopping block may perform all market functions excluding the use of power saws in servicing individual customer requests. Also, Seafood Handlers who were in service on or before October 5, 1985, shall continue to be paid at the full-time or part-time delicatessen rates applicable to delicatessen employees in service on or before October 5, 1985.

Pier employees and wrappers hired prior to October 7, 2002 will not have their hours reduced as a result of current pier employees doing wrapper duties or current wrappers doing Pier duties. The department will report to the market manager.

6. Chef's Kitchen Manager (Deli Manager) - Such employee, appointed solely by the Employer who is responsible for the efficient management of the Chef's Kitchen.

7. Chef's Kitchen Clerk (Deli Clerk) - Such employees, exclusive of the Chef's Kitchen Manager (Deli Manager); who works in and are assigned to the Chef's Kitchen.

Section 2.5 Part-Time Employees

Any part-time Wrapper, or Chef's Kitchen employee, or Seafood employee, or apprentice who work twelve (12) consecutive weeks at forty (40) hours per week shall be made a full-time employee, provided the employee desires a full-time position and no hours during the twelve (12) consecutive weeks are related to coverage for any leave of absence, vacation, or disability of another employee.

Section 2.6 Pricing

The Employer will price mark merchandise as is necessary. Merchandise which is pre-priced or merchandise with a universal code product will be price marked by bargaining unit employees at the sole option of the Employer.

ARTICLE III UNION-MANAGEMENT RELATIONS

Section 3.1 Union Shop Provisions

- (a) The following provision shall apply only to employees in markets and meat departments located in Illinois:

It shall be a condition of employment that all employees of the Employer covered by this agreement who are members of the Union in good standing and those who are not members on the execution date of this Agreement shall on the 31st day following the execution date of this agreement, become and remain members in good standing in the Union. It shall also be a condition of employment that all employees covered by this Agreement and hired on or after the date of execution shall, on the 31st day following the beginning of such employment, become and remain members in good standing in the Union. The Employer may secure new employees from any source whatsoever.

The Union agrees to admit to and retain in membership all employees who have served a trial period of sixty (60) days and proven satisfactory to the Employer as prospective permanent employees without discrimination so long as such employees render the initiation fees and periodic dues uniformly required for membership and maintain their membership in good standing with the Union. During this probationary period the employee may be discharged at the discretion of the Employer without recourse from the Union or the employee. In the event that an employee fails to render the initiation fee or periodic dues uniformly required as a condition of employment in good standing, the Union will notify the Employer in writing and the Union member will be given no less than two weeks time in which to re-establish his membership in good standing before the Employer shall be called upon to release him.

- (b) If and when there should be a change in the Iowa law permitting a Union shop, agency shop, Fair Share, or any other form of Union security adopted by the State of Iowa, it shall be effective the week following such change in any and all departments covered by this agreement.

Section 3.2 Union Dues Checkoff

- A. The Employer agrees to deduct the uniform dues, initiation fees, reinstatement fees and assessments from the pay checks of those covered employees whose individual written authorizations are on file with the Employer, and transmit the amounts so deducted to the Union. Said deduction authorization shall be in such form as to conform with Section 302(c) of the Labor Management Relations Act of 1947. The Employer agrees to make deductions as certified by the Secretary-Treasurer of the Union on a weekly basis and shall remit the moneys to the Union monthly.

- B. ABC Checkoff - The Employer agrees to honor and to transmit to the Union, contribution deductions to the United Food and Commercial Workers International Union Active Ballot Club from employees who are union members and who sign Deduction Authorization Cards. The deductions shall be in the amounts and with the frequency specified on the political contribution deduction authorization cards; however, such deduction shall be made in conjunction with regular monthly dues deductions.

Section 3.3 Indemnification

The Union agrees to defend, protect, indemnify and save the Employer harmless against any claim, demand, suit or liability that shall arise out or by reason of any action taken by the Employer in reliance upon a request made by the Union to discharge an employee for failure to maintain his membership in good standing pursuant to Section 3.1, or upon employee payroll deduction authorization cards submitted by the Union to the Employer under Section 3.2.

Section 3.4 Union Business Representatives

Union business representatives shall be admitted to the Employer's market premises during the hours meat department employees are working for the purpose of ascertaining whether or not this Agreement is being observed. Such activity shall be conducted in such a manner as not to interfere with the orderly operation of the Employer's business.

It is understood the Union shall have the authority to appoint among the employees in the bargaining unit, a shop steward. There shall be a union shop steward in each retail establishment covered by this agreement that employ more than three (3) employees in the bargaining unit.

Section 3.5 Management Rights

Except as limited by this Contract, the management of the business, including the right to plan, direct and control store operations and hours, the right to study and introduce new methods, facilities and products, the right to direct and control the work force, including the determination of its size and composition, the scheduling and assignment of work, and also including the right to hire, assign, demote, promote and transfer (within a seniority area), to layoff or reduce the hours of work because of lack of work, to discipline, suspend or discharge for proper cause, and to establish and maintain reasonable rules and regulations covering the operation of the stores, is vested in the Employer; provided, however, that these rights shall not be used for the purpose of discrimination against any employees. Supervisors shall not perform production work except in cases of emergency, in which event the Union will be notified.

Section 3.6 Bulletin Boards

The Employer shall provide a bulletin board within the store where the Union may post a copy of this Agreement and notices relating to Union meetings, elections, appointments, reports, activities and similar Union business, notices relating to recreational and social events, and notices of death and no others. The posting of all political, controversial and advertising matter is prohibited. Moreover, the Employer may limit the amount of material which may be posted at any one time.

Section 3.7 Display of Contract and Union Shop Cards

The Employer agrees to keep a copy of this Agreement and also a Union Shop Card of a reasonable size, both of which shall be furnished by the Union, posted in each market or meat department covered by this contract.

Section 3.8 Discipline

During an employee's probationary period, an employee may be discharged at the sole discretion of the Employer. The Employer agrees to notify the Union of all employees who are discharged.

After an employee has completed his probationary period and has acquired seniority, such employee shall not be suspended, discharged or otherwise disciplined without just cause.

The Union agrees to cooperate in improving the efficiency of employees whose inefficiency might otherwise necessitate disciplinary action. Before disciplining an employee for inefficiency, the Employer agrees to warn the employee in writing of the need for greater efficiency and to give the Union a copy of such warning.

Section 3.9 Picket Lines

It shall not be a violation of this Agreement nor shall the employees covered by this Contract be subject to discipline for refusing to cross a picket line and perform work where the picket line has been lawfully established for a legal purpose in compliance with applicable federal and state law and has been officially recognized or authorized by the International President of the United Food and Commercial Workers Union. The Company shall be notified in writing of such sanction before it becomes effective.

Section 3.10 Concessions to Other Employers

Should the Union at any time during the term of this Contract grant any more favorable conditions to any Employer within a seniority area, than those contained in this Contract, this Contract shall be considered amended accordingly so that all Employers within the seniority area will be working under the same terms and conditions.

It is understood and the parties hereby stipulate and agree that this provision does not apply with respect to any Employer not under contract with the Union or whose employees are not represented by the Union on the date of ratification of this Agreement, provided further that this exception is only applicable for the duration of this Agreement.

Section 3.11 Family and Medical Leave Act and Americans With Disabilities Act

The Employer and Union agree to comply with the laws, rules and regulations pertaining to the Americans with Disabilities Act.

The Employer agrees to abide by the leave provisions of the Family Medical Leave Act and its regulations for leaves not to exceed ninety (90) days per year for the employee and the following relatives: spouse, mother, father, son, daughter (including step-father, step-mother, or step-children) when they have lived in an immediate family relationship.

Section 3.12 Non-Discrimination

The Employer and the Union agree to continue our present practice not to discriminate against any employee or prospective employee because of age, sex, race, creed, color, national origin or union affiliation.

ARTICLE IV

WORKING HOURS AND OTHER CONDITIONS OF EMPLOYMENT

Section 4.1 Workday and Workweek

The basic workday for all full-time employees shall consist of eight (8) hours exclusive of meal periods.

During weeks other than holiday weeks, the basic workweek for full-time employees shall consist of forty (40) hours which shall be scheduled to be worked in five (5) days of eight (8) hours each, Sunday being considered the seventh day of the week. During weeks other than holiday weeks, the basic workweek for full-time employees hired after September 21, 2005 shall consist of forty (40) hours to be worked in five (5) shifts of not less than eight (8) hours each Sunday through Saturday.

However, employees, excluding delicatessen employees, will not be required to work later than 9:00 p.m. or earlier than 6:00 a.m. Hours between 9:00 p.m. and 6:00 a.m. will be on a voluntary basis, (each market separate) it being understood that customers who are in the store at closing time shall be waited upon and the department placed in a clean and sanitary condition before leaving.

During holiday weeks, the basic workweek for full-time employees shall be thirty-two (32) hours to be worked in four (4) days of eight (8) hours each, Monday through Saturday inclusive. During holiday weeks, the basic workweek for full-time employees hired after September 21, 2005 shall be thirty-two (32) hours to be worked in four (4) days of eight (8) hours each Sunday through Saturday inclusive.

Part-time employees shall not be scheduled for less than four (4) hours work per day. Part-time employees shall not be scheduled for less than sixteen (16) hours work per week, provided they are available to work, except in cases of sickness, absenteeism, emergency, or at the end of the week when sixteen (16) hours are not available. Additional hours will be distributed to part-time employees in accordance with seniority.

Delicatessen employees may be required to work until store closing with the understanding that customers who are in the store at closing time shall be waited upon and the department placed in a clean and sanitary condition before leaving.

In the event that the Employer's operations cannot begin or continue due to the recommendation of civil authorities; or public or private utilities fail or are unable to supply electricity, water or other such services as required; or the interruption of work is caused by an Act of God or other emergency beyond the control of the Employer, the employees shall receive pay only for hours actually

worked and shall not be governed by the daily or weekly minimum pay requirements of this Agreement.

Section 4.2 Work Schedules

A work schedule showing the days and hours to be worked by full-time and regularly scheduled part-time employees shall be posted Thursday, if completed, but no later than 12:00 noon Friday of the week preceding the week in which the schedule is to be effective. There shall be no change in the posted schedule unless mutually agreeable to the employee or for reasons beyond the control of the Employer. Unless the schedule is posted as provided, the schedule for the previous week shall be applicable. The Employer shall designate the starting time for employees, and all employees shall be dressed and ready to go to work at their scheduled starting times.

There shall be no split shifts scheduled for any employee.

No employee who works on his day off shall be required to take time off from his regularly posted schedule.

Section 4.3 Meal and Rest Periods

Each employee shall be entitled to a lunch period of one (1) hour each workday; provided, however, that by mutual agreement between the employee and the Employer an employee may take a shorter lunch period, but not less than one-half (1/2) hour. Lunch Periods shall be taken between the fourth and sixth hours from the beginning of the shift unless specifically agreed to between the Employer and the employee, the employee could go earlier.

Employees shall be allowed a fifteen (15) minute rest period without loss in pay for each half (1/2) shift worked. Said rest periods are not to exceed two (2) per day. Rest periods shall be scheduled as near as practicable to the middle of each employee's half shift worked.

Section 4.4 Overtime and Other Premium Rates of Pay

All employees may be required and scheduled to work overtime. Time and one-half (1-1/2) the employee's straight-time hourly rate shall be paid for all hours worked in excess of eight (8) hours a day, forty (40) hours per week in a regular workweek and thirty-two (32) hours per week in a holiday week. Overtime hours worked shall be divided equally over a reasonable period of time in each classification for each individual store, provided the employee is qualified and available to do the work.

Time and one-half (1-1/2) the employee's, excluding delicatessen, straight-time hourly rate shall be paid for all hours worked:

- (a) On holidays, in addition to eight (8) hours straight time holiday pay as provided in Section 6.2 for employees hired before September 21, 2005. Employees hired after September 21, 2005 shall be paid straight time for work on holidays.
- (b) Sunday's for employees hired before September 21, 2005. Employees hired after September 21, 2005 shall be paid straight time for work on Sundays.

Fifty cents (\$0.50) per hour in addition to the employee's straight time hourly rate shall be paid for all work performed before 7:30 a.m. or after 6:00 p.m. on any day, except that this premium shall not be paid with respect to any hours

worked for which either time and one-half (1-1/2) or double time is payable. For employees hired after September 21, 2005, the premium shall be paid for all work performed before 6:00 a.m. or after 10:00 p.m.

Up to the first four (4) hours of scheduled overtime within the journeyman classification will be worked by the head meat cutter: additional scheduled overtime shall be rotated with the classifications, provided the employee is qualified and available, within the store. For the purpose of this clause, the head meat cutter shall be classified as a journeyman.

For employees hired before September 21, 2005, work performed on the seventh (7th) consecutive calendar day will be paid at double the employee's regular straight time rate of pay.

Section 4.5 Calculation of Overtime

Only hours worked shall be counted in computing overtime pay. If under the provisions of this contract two or more premium rates (e.g. time and one-half and double time), are applicable to the same hours worked, only one, the higher, shall be paid. In no case shall there be a duplication or pyramiding of daily, weekly or other overtime compensation.

Section 4.6 Working Time

(a) Time Clocks

All employees are required to accurately record the time worked, including the start time of the shift, the beginning and ending of any unpaid lunch period, and the time the shift ends. No employee may work "off the clock" and any request by a manager or supervisor to do so should be immediately reported to the employer or to the union. No employee may falsify his or her time records, make unauthorized adjustments to the time records, or record the time worked by another employee.

(b) Travel Time

When an employee in a one (1) day period is transferred from one market to another after starting work at the first market, the time spent in traveling to the second market shall be considered time worked.

(c) Store Meetings

If an employee is required to attend a store meeting, such attendance time shall be considered time worked.

(d) Physical Examinations and Treatments

If an employee who has completed his probationary period is required by the Employer to take a physical examination, other than an examination required by state law, the Employer shall pay for such examination and also for any working time lost in taking it.

If an employee is required by the Employer to visit a doctor during working hours for treatment or dressing of an injury received on the job, the Employer shall pay for the working time lost in securing such treatment.

Section 4.7 Sunday and Night Work

The Employer may sell fresh meat and fish at any time on Sundays and holidays without a member of the bargaining unit on duty. No one in the Meat Department will be required to work on Sundays or holidays. However, work on Sundays and holidays can be done on a voluntary basis. If at the Employer's request an employee volunteers to work, such employee shall be paid a wage rate of time and one-half (1-1/2) their regular hourly rate. Employees volunteering for such work shall be guaranteed a minimum of four (4) hours of work. Such voluntary work shall be offered by seniority, classification and rotation for all journeymen in the Meat Department including the head meat cutter; it being understood that if a head meat cutter or a journeyman do not volunteer then the work will be offered to apprentices, it being understood that if an apprentice does not volunteer, a wrapper could be utilized on a voluntary basis. In markets where additional help is required, the second and third volunteers can be either wrappers and/or apprentices. It is the intent of the Employer not to change the Sunday starting time in each market as a result of voluntary Sunday coverage. This paragraph does not apply to employees hired after September 21, 2005.

If there are insufficient volunteers for Sunday and/or holiday work, the Employer may assign by inverse seniority for work between the hours of 6:00 a.m. and 5:00 p.m. Work after 5:00 p.m. to be voluntary only and no work permitted by non-unit members after 5:00 p.m. This paragraph does not apply to employees hired after September 21, 2005.

The product covered by this agreement may not be handled by anyone who is not a member of the bargaining unit on Sundays or holidays unless work had been previously offered to members of the bargaining unit in that store and no one volunteered. Work on New Year's Day, Thanksgiving Day or Christmas Day can be done on a voluntary basis if an insufficient number of employees fail to volunteer on New Year's Day, the Employer may assign employees to work by reverse seniority.

The penalty for a proven violation within each contract year of the above in any store on an individual store basis shall be as follows:

1. First Proven Offense - written warning to Employer with a copy to the Manager of the store in which the violation occurred.
2. Second Proven Offense - a fine in an amount equal to one-half (1/2) of the then prevailing journeyman straight time daily rate (four hours pay) to be divided equally among the members of the bargaining unit in the store in which the violation occurred.
3. Third and Subsequent Offenses - a fine in an amount to the then prevailing journeyman straight time daily rate of pay (eight hours pay) to be divided equally among the members of the bargaining unit in the store in which the violation occurred.

It is further understood, and the parties hereby stipulate and agree, that the above provision relative to market operating hours are not indicative of any intent on the part of the Employer to violate any of the terms and conditions of the current Agreement relative to product jurisdiction. Rather, the purpose of those provisions is to curtail the broadening by the Employer of the periods of time when it may become necessary for the Employer to utilize people other than

bargaining unit members to fill the meat cases due to an out of stock or other emergency situations, such as illness or accident to an employee on duty which necessitates his leaving work before the end of his work schedule; a personal emergency which calls for an employee to leave work prior to the end of their work schedule; or, a refrigeration or power failure. Furthermore, anyone not a member of the bargaining unit will never be specifically scheduled to replace stock at a fixed time.

Sunday work shall be aside and apart from the basic work week of Monday through Saturday. Full-time employees shall be given preference for any work to be performed on Sundays and the designated holidays. On request by a full-time employee, Sunday and holiday work shall be rotated on a store basis, within each classification as spelled out in Article II, Section 2.4. It is understood that any employee who does not work on their scheduled Sunday or holiday, shall be considered to have worked on such days for rotation purposes. This paragraph shall not apply to employees hired after September 21, 2005.

For the purpose of rotation, the Head Meat Cutter shall be classified a Journeyman.

When full-time employees whose basic workdays are normally scheduled between the hours of 8:00 a.m. and 6:00 p.m. are required to work after 6:00 p.m., such work shall be rotated within job classification to the extent possible within each individual market whenever requested by either a full-time employee or by the Employer.

Section 4.8 Call-In Pay

Each employee who upon request reports to work shall be guaranteed the minimum number of hours of work or pay at straight-time in lieu thereof set out below, unless such employee cannot work the required number of hours due to illness or injury, attendance at school, or other personal reason which makes him unavailable to work such hours. The minimum hours of work or pay for full-time employees or full-time employees reduced to part-time employees shall be four (4) hours and additionally four (4) hours for part-time employees.

Section 4.9 Pay Day

There shall be one regularly established pay day each week provided, however, that the established pay day may be changed during holiday weeks and in the event of emergencies.

Section 4.10 Journeyman on Duty

It is understood that a journeyman will be on duty whenever work is being performed or the market department is open to the public; except during meal and rest periods or after 5:00 p.m. The requirement that a person being on duty on Sundays and holidays shall be in accordance with the provisions of Article IV, Section 4.7.

Section 4.11 Restrictions on Non-Employees

Salesmen shall not be permitted to display or price any self-service or packaged meats, poultry, or fish products in any display cases serviced by employees covered by this Agreement, except in cases of new store openings or newly remodeled store openings.

Demonstrators who are not employees shall not cut meats or sausages in the meat department. Such cutting if performed by non-employee demonstrators shall be restricted to the delicatessen department.

Section 4.12 Restrictions on Cleanup Employees

The Employer may employ personnel in the market who will not be subject to the collective bargaining agreement to do cleanup work only, provided such cleanup personnel do not commence work prior to 5:00 p.m. on the days the market is in operation.

Section 4.13 Restrictions on Part-Time Help

It is the intent of the parties that two (2) employees shall not be employed on a part-time basis when it is practicable to employ one (1) employee on a full-time basis. Therefore, if two (2) part-time employees in the same job classification within the same store, are working a combined total of forty (40) hours or more, on a split week basis, then the Employer shall employ one person on a full-time basis.

Section 4.14 Restrictions on Transfers

Transfers shall not be applied by the Employer in an arbitrary, capricious or discriminating manner and shall not be utilized as a device which will create a hardship to the employee or to force or provoke his resignation.

Section 4.15 Tail Gate Delivery

Employees shall not be required to load or unload vehicles other than from the tail gate except in cases of emergency. The Union shall be notified in such emergency situations.

Section 4.16 Uniforms and Tools

Any aprons or uniforms required by the Employer shall be furnished by the Employer. If the furnished uniform or clothing is a drip-dry or wash-and-wear variety it shall be laundered by the employee. All employees shall be permitted to wear slacks.

All tools and sharpening of tools shall be furnished by the Employer.

Section 4.17 First Aid Kits

The Employer shall furnish and maintain a first aid kit located in or near the meat department.

Section 4.18 Maintenance of Standards

No present employee who is on the payroll at the signing of this agreement shall have the hours of their basic work week lengthened or any work condition or vacation privilege they are presently receiving, that is more lenient than contained in this agreement, be taken from them by the signing of this agreement.

Section 4.19 Previous Comparable Experience

The employer will recognize proven comparable experience in the retail food industry for full-time wrappers not terminating more than two (2) years prior to the date of application and shown on the application for employment, which shall be the basis for determination of a new employee's rate of pay.

Section 4.20 Free Time

It is intended that there shall be no "free" or "time off the clock" work practices under this agreement. Any employee found by the Employer or the Union to be engaging in such unauthorized practice shall be subject to discipline which may include termination.

Section 4.21 Part-Time Wrapper Hours

Any part-time wrapper hired before September 21, 2005, who works twenty-five (25) hours or more in any one (1) week shall receive the full time wrapper rate for such week. Any part-time wrapper hired after September 21, 2005, who works thirty-two (32) hours or more in any one (1) week shall receive the full-time wrapper rate for such week.

ARTICLE V
WAGES

Section 5.1 Wage Rates

During the term of this agreement, the Employer agrees to pay not less than the minimum wage rates set out in Appendix A attached hereto.

Section 5.2 Head Meat Cutter/Chef's Kitchen Manager

Whenever a journeyman meat cutter relieves and assumes the responsibility of the head meat cutter for a full calendar week, he shall receive the minimum contract rate of pay for head meat cutter relief work.

Whenever a Chef's Kitchen clerk relieves and assumes the responsibility of the Chef's Kitchen Manager for a full calendar week, he/she shall receive the minimum contract rate of pay for Chef's Kitchen Manager relief work.

Section 5.3 Incapacitated Employee

If an employee becomes unable to perform his regular work, the Employer may, if such work is available, provide work which the employee is capable of performing. In such cases, the Union and the Employer shall agree upon a rate of pay applicable to the work of such employee.

Section 5.4 Earnings Record

Effective as soon as the Employer's payroll system will permit, the Employer shall furnish each employee with a record showing the employee's straight time hours worked, overtime hours worked, holiday pay and any and all deductions made from his pay.

ARTICLE VI
HOLIDAYS

Section 6.1 Holidays

For employees with a minimum of sixty (60) days of continuous service, the following holidays shall be recognized:

New Year's Day - January 1
Memorial Day - Fourth Monday in May
Independence Day - July 4
Labor Day - First Monday in September
Thanksgiving Day - Fourth Thursday in November
Christmas Day - December 25.

Work on New Year's Day, Thanksgiving Day or Christmas Day can be done on a voluntary basis. If an insufficient number of employees fail to volunteer on New Year's Day, the Employer may assign employees to work by reverse seniority.

Work on the remaining holidays is permitted on a voluntary basis.

No employee shall be required to take or assist in taking inventory on New Year's, Thanksgiving, or Christmas Day or to work after 5:00 p.m. on Christmas or New Year's Eve, nor shall employees suffer a loss of pay because of the earlier closing hour on Christmas Eve and New Year's Eve.

Section 6.2 Holiday Pay

(a) Full-Time Employees

All full-time employees who qualify shall receive eight (8) hours pay at straight-time for each of the above listed holidays or the days observed in lieu thereof; provided, however, that if the employee is unable to work on the holiday or the day observed in lieu thereof due to sickness or injury, the employee shall be paid disability pay due, if any, under the Health and Welfare plan elected by the employees.

To qualify for holiday pay a full-time employee must have completed his probationary period and must work both the regularly scheduled workdays before and after the holiday, except that this latter requirement shall be deemed to be met if the employee's failure to work said workday is due to his personal illness, injury or other excused cause, including death in the immediate family (as defined in Section 8.4) or the employee's wife giving birth to a child; provided, that he works at least one (1) day in the workweek in which the holiday falls.

(b) Part-Time Holiday Pay

To qualify for holiday pay a part-time employee must have completed his or her probationary period and work both his/her regularly scheduled workdays before and after the holiday unless his/her absence is due to an injury on the job or other cause effected by the Employer.

Part-time employees who qualify shall receive holiday pay equal to the product of five percent (5%) of the number of straight-time hours worked during the four (4) weeks accounting period preceding the period in which the holiday falls (including paid vacation hours), times the straight time

hourly rate in effect in the weeks in which the holiday falls, it being further understood that in no event will such employee receive less than four (4) straight time hours of pay.

An employee who actually works on a recognized holiday shall receive pay for all hours worked on this holiday in accordance with Sections 4.4, which pay shall be in addition to any pay due under this Section.

Section 6.3 Personal Holidays

All regular full-time employees who have completed their probationary period shall be entitled to five (5) personal days off with pay per calendar year. Full-time employee shall qualify for personal holidays at the rate of one (1) day for each seventy-two (72) days of service in their first and last year of employment.

Such days off shall be taken at a time mutually agreed upon between the Employer and the employee. There shall be no carry-over of such personal holidays if not taken. If the employee has not taken said holidays within the applicable years, the employee will be compensated at year end for any holidays not taken. The employee shall give the Employer seven (7) days prior notice.

Earned personal holidays, not used, shall be paid to the employee upon resignation, retirement, layoff or extended leave of absence at the rate of one (1) day for each seventy-two (72) days of employment in that calendar year. If an employee terminates their employment and they have been paid for more personal holidays than detailed herein, the amount of overpayment will be deducted from their final paycheck.

Effective 3/16/95 all part-time employees shall be entitled to four (4) personal holidays per calendar year.

Part-time employees hired after 3/16/95 shall earn personal holidays as follows:

- 1 year of employment - 1 day
- 2nd year of employment - 1 day for a total of 2 days
- 3rd year of employment - 2 days for a total of 4 days

Employees hired after September 21, 2005 shall not earn or receive any personal holidays.

ARTICLE VII
VACATIONS

Section 7.1 Length of Vacation

All employees, hired prior to November 10, 1985, covered by this Contract who qualify shall be entitled to a vacation with pay in accordance with the following schedule:

<u>Years of Service</u>	<u>Weeks of Vacation</u> <u>With Pay</u>
1 year	1 week
2 thru 4 years	2 weeks
5 thru 11 years	3 weeks
12 thru 19 years	4 weeks
20 thru 24 years	5 weeks
25 or more years	6 weeks

Employees hired on or after November 10, 1985 and who qualify shall be entitled to a vacation with pay in accordance with the following schedule:

<u>Years of Service</u>	<u>Weeks of Vacation With Pay</u>
1 Year	1 week
2 - 6 years	2 weeks
7 - 14 years	3 weeks
15 - 19 years	4 weeks
20 or more years	5 weeks

As used in the above schedule, a "year of qualifying employment" means a "year of employment in which the employee meets the requirements for a vacation with respect to that year or calendar year of employment"; provided further that in the event the Employer purchases an additional market in the collective bargaining area and as part of the purchase agreement retains the market employees of the former owner, those employees who are retained for thirty (30) days or more after the business is transferred to the Employer shall be credited with each successive year of full-time employment with their previous employer as years of qualifying employment.

Employees with five (5) years or more of continuous service may use up to one (1) week as single vacation days. The day(s) scheduled will be by mutual agreement by the Employer and Employee. All other terms and conditions pertaining to vacations will apply.

Section 7.2 Vacation Qualifications

(a) Full-Time Employees

To qualify for his/her first vacation a full-time employee must complete one (1) year of employment in which he works not less than one hundred ninety (190) basic workdays, and he/she must also be in service on his first service anniversary with the Employer. Once a full-time employee has qualified for his/her first vacation he/she shall qualify for each succeeding vacation as of January 1 of each succeeding calendar year, provided he/she worked not less than 190 workdays during the preceding calendar year, and provided further that any vacation for which he/she may qualify under this provision with respect to his/her last year of employment shall be subject to adjustment as provided under Section 7.3 (6), Adjustment of Vacation Pay in the Event of Separation from Service. Days off which are paid for under the holiday and vacation provisions of this Contract shall be counted as days worked for the purpose of meeting the days worked requirements of this paragraph.

The failure to work sufficient workdays in a year or calendar year of employment to qualify for a vacation in the following calendar year due to illness or other excused absence shall effect only the year in which the vacation would have normally been taken; and the year in which such absence occurred shall, nevertheless, be counted as a year of employment in determining the length of vacation to which the employee shall be entitled thereafter.

(b) Part-Time Employees

To qualify for his/her first vacation a part-time employee must be in service on his/her first service anniversary with the Employer. Once a part-time employee has qualified for his/her first vacation he/she shall qualify for each succeeding vacation if he/she is in service on January 1 of the calendar year in which the vacation is to be taken provided, however, that any vacation for which he/she may qualify under this provision with respect to his final year of employment shall be forfeited in the event the employee leaves service prior to his/her service anniversary.

Part-time employees and employees with mixed continuous service shall receive a pro-rata vacation based on their average hours worked during their anniversary year of employment, divided by fifty-two (52) in accordance with the vacation schedule.

Hours worked as a part-time employee shall be accumulated and divided by forty (40) to get the total weeks worked toward vacation anniversary date when an employee goes full-time. This time shall precede his anniversary date of going full-time.

Section 7.3 Vacation Administration

(1) Calendar Year Basis

(A) Full-Time Employees - Notwithstanding the qualification which must be met with respect to each year of employment, but subject to refund or adjustment of vacation pay in the event such qualification is not ultimately met, each full-time employee covered by this Contract shall take each vacation on a calendar year basis, that is, between January 1 and December 31, in accordance with the following schedule:

<u>Calendar Year in Which Service Anniversary Falls</u>	<u>Number of Weeks Vacation With Pay</u>
1st anniversary	1
2nd thru 4th anniversaries	2
5th thru 11th anniversaries	3
12th thru 19th anniversaries	4
20th thru 24th anniversaries	5
25th and subsequent anniversaries	6
Employees hired on or after November 10, 1985	
1st anniversary	1
2nd thru 6th anniversaries	2
7th thru 14th anniversaries	3
15th thru 19th anniversaries	4
20th and subsequent anniversaries	5

Vacations cannot be accumulated from one year to another, but must be taken in accordance with the above schedule.

(B) Part-Time Employees - A qualifying part-time employee shall take his/her first vacation in the same calendar year as that in which his/her first service anniversary falls if his/her anniversary date is prior to October 1. After a part-time employee has qualified for his or her first vacation, he/she shall take each subsequent vacation to

which he/she becomes entitled during the calendar year in which his/her anniversary date falls.

(2) Vacation Pay

- (a) Full-Time Employees - A week's vacation pay for full-time employees shall be calculated by multiplying forty (40) times the employee's regular straight-time hourly rate in effect at the time of beginning his vacation.
- (b) Part-Time Employees - Part-time employees and employees with mixed continuous service shall receive a pro-rata vacation based on their average hours worked during their anniversary year of employment, divided by fifty-two (52) in accordance with the above vacation schedule.
- (c) Hours worked as a part-time employee shall be accumulated and divided by forty (40) to get the total weeks worked toward vacation anniversary date when an employee goes full-time. This time shall precede his anniversary date of going full-time.
- (d) Full-time employees who qualified for their subsequent vacation and have been reduced to part-time status shall receive a vacation for that anniversary year, provided they have worked at least twenty (20) full-time weeks. Vacation pay for such employees shall be computed by dividing the total hours worked during that anniversary year by fifty (50) for each week of vacation earned in accordance to the vacation schedule.
- (e) Vacation Pay in Lieu of Vacation - Employees shall not be given pay in lieu of a vacation unless agreed to by the employee, the Employer and the Union.

(3) Vacation Schedules

All vacations shall be subject to the necessary scheduling of replacements by the Employer which may limit the number of employees who may be on vacation at any one time. Preference in the choice of earned vacation dates shall be given on the basis of seniority within the meat department within each store, first choice going to the employee with the greatest length of continuous full-time service, and so on.

(4) Calendar Weeks

All vacations shall be for calendar weeks. Vacations may not be split into any period of less than one (1) week increments.

(5) Holidays within Vacations

Whenever a holiday recognized under this Contract falls within a full-time employee's vacation period, the employee will be granted an additional day of vacation or shall receive an extra eight (8) hours of straight-time pay in lieu thereof if worked.

(6) Adjustment of Vacation Pay in the Event of Separation from Service

(a) Separation Prior to First Service Anniversary

Any full-time employee who leaves service prior to his/her first service anniversary or who fails to work the required number of workdays in his/her first year of employment shall forfeit all vacation pay with respect to that year of service (that is, the calendar year in which his/her first service anniversary fell) and shall refund any vacation pay received by him/her with respect to such year.

(b) Separation After First Service Anniversary

The vacation pay of a full-time employee who leaves service on or after his first service anniversary shall be determined as follows:

(1) Employee Separated from Service After Service Anniversary

If the employee leaves service on or after his/her service anniversary falling in the calendar year in which the separation occurs, he/she shall be entitled to full vacation pay for the completed year of employment (that is, the calendar year in which the separation occurs).

An employee who has qualified for his first (1st) vacation and who retires, resigns, or is laid off, after having worked six (6) months or more since his last anniversary date, shall receive pro-rata vacation pay in accordance with the following schedule, unless discharged for proven dishonesty, drunkenness, or use, possession or sale of controlled substances.

<u>Completed Months of Service Since Last Service Anniversary</u>	<u>Vacation Pay</u>
Less than six (6) months	None
6 months	6/12ths
7 months	7/12ths
8 months	8/12ths
9 months	9/12ths
10 months	10/12ths
11 months	11/12ths
12 months	Full vacation pay

(2) Employee Separated from Service Prior to Service Anniversary

If the employee leaves service prior to his/her service anniversary falling in the calendar year in which the separation occurs, he/she shall not be entitled to any vacation pay for the uncompleted last year of employment (that is, the calendar year in which the separation occurs) and shall refund any vacation paid with respect to such year.

(c) Vacation Pay Adjustment

If any vacation pay is due an employee under the terms of this subsection, it shall be paid to the employee within two (2) weeks following separation from service.

If an employee has received all or part of his/her vacation pay for a calendar year in which the separation occurred and no vacation was due him/her under the terms of this subsection, then he/she shall refund the vacation pay received within two (2) weeks following the date of his/her separation.

(d) Vacation Pro-Rata

(1) Retirement

An employee who is required by his Employer to retire, shall be paid the vacation he would normally receive on the basis of one-twelfth (1/12th) for each full month of service completed since his last anniversary date of employment.

(2) Allowable Absences

For the purpose of allocating vacation for full-time employees, any excused absence up to and including ninety (90) days during any one anniversary year shall have no effect on the vacation otherwise earned.

Employees with excused absences in excess of ninety (90) days during any one anniversary year shall receive a pro-rata vacation based on their average hours worked during their anniversary year of employment divided by 52 in accordance with the above vacation schedule.

ARTICLE VIII
LEAVES OF ABSENCE

Section 8.1 Medical Leave of Absence

Illness or non-occupational injury leaves of absence not to exceed ninety (90) days will be granted to full-time and part-time employees who have been employed at least sixty (60) calendar days upon written request to the Employer supported by medical evidence prior to each expiration. Extensions will be given for additional ninety (90) day periods not to exceed twelve (12) months, if necessary, and requested to employee, further extension supported by medical evidence may be mutually agreed upon between the Employer, the employee and the Union.

Section 8.2 Personal Leave of Absence

A personal leave of absence may be granted by the Employer for a period not to exceed two (2) consecutive weeks to full-time and part-time employees, with sixty (60) calendar days or more of service, upon a thirty (30) day notice to the Company, except for unusual or hardship cases.

Section 8.3 Jury Pay

When any full-time employee who is covered by this Agreement is summoned for jury service, he/she shall be excused from work for the days in which he/she reports for jury service and/or serves. He/she shall receive for each such day on which he/she so reports and/or serves and on which he or she otherwise would have worked the difference between his/her regular pay for that day and the payment he/she received for jury service, if any; provided, however, that no payment shall be made under the provisions of this Section to any employee summoned for jury service unless he/she shall have advised the Employer of the receipt by him/her of such jury summons not later than the next regularly scheduled workday after receipt of said summons. Before any payment shall be made to any employee hereunder, he/she shall present to the Employer proof of his/her summons for service, and of the time served and the amount of pay received therefor, if he/she shall have served as juror. When an employee is released for a day or part of a day during any period of jury service he/she shall report to his/her store for work. An employee receiving payment for time lost under this Section shall not receive payment under any other provision of this Contract for said lost time. In no case shall the Employer be required to compensate an employee for jury service in excess of one panel per year.

Section 8.4 Military and Pregnancy Leaves

Leaves of absence shall be granted for military and pregnancy leaves in accord with applicable laws. Certification in writing of pregnancy or military duty call shall be made in the written request for leave prior to termination of active work.

Section 8.5 Compensable Injury Absences

Any regular employee unable to work because of injuries received during the regularly scheduled workweek and whose injuries arose out of or during the course of his employment shall be entitled to a full day's pay for each day lost because of such injuries, but not in excess of four (4) days pay, including pay for the day of the injury, in the first seven (7) calendar days following the day of the accident; compensation after the seventh day shall be in accordance with the State Workmen's Compensation law; provided, however, that the employee shall report upon receipt of the injury to the Employer's physician whose decision with respect to the length of the time required off shall be controlling; provided further, that nothing in this provision shall affect any rights accrued to either party under the State Workmen's Compensation Act and that the Employer shall receive credit for any payment under this provision should compensation be awarded by the Industrial Commission of Illinois or Iowa.

Section 8.6 Funeral Leave

The Employer agrees to pay all employees on account of death in the immediate family up to and including a maximum of three (3) scheduled work days lost at straight time, provided the employee attends the funeral.

The term "immediate family" shall mean spouse, parent, step parent, child, step child, brother, step brother, sister, step sister, father-in-law, mother-in-law, grandparents, son-in-law, daughter-in-law and grandchildren of the employee. This also includes spouse's grandparents, grandchildren, brother-in-law, sister-in-law or any relative residing with the employee or with whom the employee is residing.

Section 8.7 Leaves of Absence for Union Business

Upon adequate advance application, a leave of absence without pay shall be granted an employee covered by this Contract to transact union business, such as attending conventions, conferences and schools, and participating in negotiations and the processing of grievances; provided, however, that the Employer may place reasonable limitations consistent with the needs of the Employer's business on the number and length of such leaves.

Section 8.8 Effect of Leaves of Absence and Layoffs on Holiday Pay, Vacations and Wage Progressions

An employee on leave of absence or layoff shall not be entitled to holiday or vacation pay or to any other employee benefit not accrued at the time of beginning of the leave of absence or layoff. Leaves of absence or layoffs which total less than thirty (30) calendar days in a year of service shall be considered as time served for the purpose of progression in wage schedules, while leaves of absence or layoffs which equal or exceed thirty (30) calendar days in a year of service shall operate to defer the effective date of each ensuing wage progression by the length of such absences.

ARTICLE IX
HEALTH AND WELFARE

Section 9.1

The Employer will provide to full time employees the Employer's Health Care Plan as may be modified by the Employer. Optional life insurance coverage may be purchased by the employee. Full-time employees hired after September 21, 2005 will be eligible after six (6) months of employment.

The Employer will provide to part-time employees the Employer's health care plan, as may be modified by the Employer.

Part-Time Single Coverage

Part-time employees hired before September 21, 2005.

For all part-time employees hired before September 21, 2005, the initial waiting period for coverage is ninety (90) days. Part-time employees will be allowed to enroll in the health care plan on the first of the month following completion of ninety (90) days of employment. Thereafter, an eligible employee as defined in the following paragraph may enroll during the enrollment period after the six-(6) month semi-annual Employer designated qualifying period.

All part-time employees hired before September 21, 2005 must average sixteen (16) hours worked per week during the six (6) month semi-annual, Employer designated qualifying period to receive single health care, disability, and life insurance benefits under the plan.

Single Coverage: Part-time employees hired on or after September 21, 2005.

For all part-time employees hired on or after September 21, 2005 the initial waiting period for single coverage shall be twenty-four (24) months of continuous employment and employees must average twenty-four (24) hours worked per week as measured by each of the Employer's semi-annual qualifying periods. The employee can enroll during the enrollment period in February or August, in the year the employee is eligible. Thereafter, an eligible employee may enroll during the enrollment period after the six (6) month semi-annual Employer designated qualifying periods provided the employee has averaged twenty four (24) hours of work during each such six (6) month subsequent qualification period.

Part-time Employees hired on or before November 23, 1993.

Part-time employees hired on or before November 23, 1993 and who have dependent coverage as of September 21, 2005 are only required to average twenty-four (24) hours pay per week during each of the Employer's semi-annual six-month qualifying periods to be eligible for dependent coverage.

Part-time Dependant Coverage: Employees hired before September 21, 2005.

Part-time employees hired before September 21, 2005 will be eligible for family coverage after completion of one (1) year of employment if the employee averages twenty-eight (28) hours worked per week during each of the Employer's semi annual, six (6) month qualifying periods to receive dependant coverage. The employee will be allowed to enroll during the enrollment period in February or August after the employee qualifies.

Part-time Dependant Coverage: Employees hired after September 21, 2005.

Part-time employees hired after September 21, 2005 will be eligible for family coverage after completion of twenty-four (24) months of continuous employment. After a part-time employee completes twenty-four (24) months of continuous employment the employee must average thirty (30) hours worked per week during each of the Employer's semi annual, six- (6) month qualifying periods to receive dependant coverage. The employee will be allowed to enroll during the enrollment period in February or August after the employee qualifies.

Part-Time Continued Coverage

Part-time employees shall work the hours per week stated above during subsequent 6 month semi-annual Employer qualification periods to receive single health care, dependant health care, disability and life insurance benefits under the Employer's Plan.

Employee Contribution Rates

Full-time employees hired before September 21, 2005 will pay the following weekly contributions for the Employer's health care plan.

	<u>October 9, 2005</u>	<u>June 06</u>	<u>June 07</u>	<u>June 08</u>	<u>June 09</u>
Single:	\$ 8.00	\$12.00	\$14.00	\$16.00	\$18.00
Family	\$16.00	\$24.00	\$28.50	\$33.97	\$38.00

Full-time employees hired on or after September 21, 2005 and part-time employees hired before and after September 21, 2005 who become eligible for health care coverage and elect health care coverage will pay weekly contributions of 20% for the Employer's health care plan. The weekly dollar contribution amounts are determined by the Employer based upon plan year COBRA rates less 2% multiplied by 20%.

The Employer may also provide HMO options starting plan year 2005 to eligible associates at its sole discretion. Said HMO options may be available at different employee contribution rates than noted above as determined by the Employer.

ARTICLE X
PENSION

Section 10.1 Pension Fund

By agreement with Employers, the International Union with which this Local Union is affiliated has established a Pension Fund designated as UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION - INDUSTRY PENSION FUND (the "Pension Fund").

Section 10.2 Employer's Contributions and Definition of Eligible Employee

For each employee who is covered by this agreement, who has completed his probationary period and who is customarily engaged to work forty (40) hours per week or more on a regular basis (hereinafter called "an Eligible Employee"), the Employer shall pay to the Pension Fund the sum of One Hundred Seventy Dollars (\$170.00) per month during each calendar month provided the eligible employee worked an average of thirty-two (32) hours per week in the four (4) consecutive weeks preceding the month in which the payment is due.

The Employer shall contribute on behalf of said eligible employees on or before the tenth (10th) day of the month following the month in which the work determining the contribution was performed. Payment shall be made at such location as the Trustees of the Pension Fund shall from time to time designate. For any eligible employee first coming under this Agreement or hired after the date for which contributions were first payable to the Pension Fund by the Employer pursuant to this or a prior collective bargaining agreement, contributions shall be paid on account of work performed on and after the first day of the calendar month after such employee has been on the Employer's payroll for thirty (30) days.

Section 10.3 Commencement of Contributions

The commencement of contributions to the Pension Fund is contingent upon acceptance of the employees covered hereunder in the Pension Fund. The Employer shall make contributions as provided in this Agreement upon receiving written notice of the Trustee's acceptance. Thereafter, this Agreement shall remain in effect during the term set forth in Article XV hereof and any extensions, renewals or modifications thereof and the terms thereof and the terms hereof shall not be amended without the express written consent of the Trustees of the Pension Fund, the Local Union, and the Employer, provided, however, that nothing herein contained shall limit the right of the Trustees to terminate participation of the employees covered hereunder in the Pension Fund on account of the Employer's failure to make contributions or as otherwise provided in the Trust Agreement or Pension Plan, and, further provided, that nothing herein contained shall limit the right of the Employer and the Local Union to terminate participation in the Pension Fund, subject to the terms of the then existing Trust Agreement and Pension Plan.

Section 10.4 Termination of Contribution

Contributions to the Pension Fund shall be discontinued as of the first of the month following:

- (a) Termination of employment.
- (b) A layoff or leave of absence of thirty (30) calendar days or more.
- (c) The employee's ceasing to be an Eligible Employee due to his failure to work thirty-two (32) hours or more per week for four (4) consecutive weeks.

Section 10.5 Total Hours Worked

The total hours worked during a given week shall include, in addition to all hours actually worked, hours of paid vacation and paid holidays.

Section 10.6 Employer's Rights

The obligation to pay contributions to the Pension Fund shall in no way affect any rights to discharge an employee granted the Employer under this Agreement.

Section 10.7 Benefit Level

Employer contributions to the Pension Fund shall be used to provide retirement benefits for Eligible Employees in accordance with the Pension Plan adopted from time to time by the Trustees of said Pension Fund (the "Trustees"). Eligible Employees shall, pursuant to said Pension Plan receive retirement benefits at Benefit Level I as defined in Article III, Section 2 of the Pension Plan, a copy of which Pension Plan the Employer has received.

Section 10.8 Trustees' Remedies

The Employer's obligation hereunder to contribute to the Pension Fund shall not be subject to any implied bargaining agreement.

In addition to any other remedy which may otherwise be available to them, the Trustees of the Pension Fund shall have the right to sue in any court of competent jurisdiction to secure the payment of any moneys due hereunder without the necessity of first utilizing any other remedy, provided, however, that if the Employer's obligation to contribute is contingent upon the resolution of an existing dispute between the Employer, Union, or employee, which is the subject of a grievance or arbitration pursuant to Article XI hereof, the right of the Trustees to sue shall be stayed until the grievance and/or arbitration procedure is exhausted, but not more than 190 days after the Trustees' initial demand for the Employer's contribution. The Trustees shall be bound by the final disposition of the grievance or the findings of the arbitrator in determining the Employer's obligation to contribute hereunder.

Section 10.9 Trust Agreement

The Employer adopts and agrees to be bound by all of the terms and provisions of the United Food and Commercial Workers Union and Industry Pension Fund Agreement and Declaration of Trust, as amended from time to time, (the "Trust Agreement") as fully as if the Employer was an original party thereto, a copy of which Trust Agreement the Employer has received. The Employer hereby designates as its representatives on the Board of Trustees of the Fund, the Employer Trustees named in said Trust Agreement, together with their successors selected in the manner provided therein. The Employer agrees to be bound by all actions taken by said Trustees pursuant to the powers granted them by the Trust Agreement.

Section 10.10 Trust Limitations

Nothing in this Agreement shall authorize the Board of Trustees to increase the amount of contributions required to be paid by the Employer pursuant to this Agreement to extend the period for which the contributions shall be made or to authorize the Board of Trustees to bind the Employer in any manner inconsistent with the terms of this Agreement or the Trust Agreement.

Section 10.11 Compliance with Law

The Agreement and Declaration of Trust herein provided for shall comply in all respects with the applicable provisions of the Labor Management Relations Act of 1947 as amended and also with Section 7(e)(4) of the Fair Labor Standards Act as amended so that with respect to the latter, the contributions herein provided for shall qualify as exclusions from the regular rate of pay. Said trust shall also comply with all applicable provisions of the Internal Revenue Code of 1954 as amended and the regulations issued thereunder, so that the trust shall constitute a qualified trust under the provisions of Section 401(a), the Employer's contributions to the Pension Fund shall be deductible under Section 404(a), and the Pension Fund shall be exempt from taxation under Section 501(a) of the Internal Revenue Code.

It is agreed that all contributions made by the Employer pursuant to this Article are made subject to the condition subsequent that in the event the Pension Fund shall fail to qualify under said Internal Revenue Code by January 1, 1967, then upon such failure such contributions, less the Employer's pro rata share of such reasonable expenses as the Trustees may necessarily incur in creating and endeavoring to qualify the Pension Fund under said Internal Revenue Code, shall be returned to the Employer, and this Article VIII shall thereupon become null and void.

Section 10.12 Employer's Pension Plan

Unless the Employer and the Union have agreed otherwise, any pension, retirement or profit sharing plan which the Employer has heretofore established for the purpose of providing pension and retirement benefits to employees covered by this Contract shall terminate automatically with respect to such employees effective on September 30, 1965, except for liabilities accrued up to the effective date of such termination.

Section 10.13 Trustees' Acceptance

The Trustees' acceptance for participation in the Pension Fund of the employees covered hereunder shall be limited only to categories of employment covered hereunder at the time application for such acceptance occurs and the admission of any other category of employment to participation in the Pension Fund shall require specific acceptance by the Trustees.

ARTICLE XI SENIORITY

Section 11.1 Seniority Defined

Seniority means the rights secured by an employee by length of continuous employment service as provided herein with respect to layoffs and recalls after layoffs. Seniority starts from the last date when an employee starts work for the Employer within the jurisdiction of Local 431, except that new full-time employees shall not acquire any seniority rights until they have completed a probationary period of sixty (60) calendar days, except that said probationary period for journeymen meat cutter and top-rated wrappers already under the jurisdiction of the Union shall be sixty (60) calendar days, and new part-time employees shall not acquire any seniority rights until they have completed a probationary period of sixty (60) calendar days, after which their seniority shall date back to the date they last began to work. Casual employees shall not

acquire any seniority until they have been employed either as a full-time or as regular part-time employees and when so employed their seniority shall date from the date they are granted such regular employment.

When two or more employees start work the same day, the Employer shall determine their relative seniority and, upon the completion of said employee's probationary period, shall notify the Union of such determination.

Within thirty (30) days after the execution of this Agreement and each six (6) months thereafter, the Employer shall post in each market a list of all employees in that market and their in-service dates. An employee's seniority and his employment shall be terminated if he/she (a) quits; (b) retires; (c) is discharged for cause, (d) fails to report after a layoff within seven (7) calendar days after the Employer sends to the last address known to the employee a written notification to work; (e) refuses, as an alternative to being laid off, to accept work in his classification in another market or meat department within his seniority area; (f) refuses, after having been laid off, to accept work in his job classification in any market or meat department in his seniority area; or (g) if a full-time or part-time employee has been laid off by the Employer for a period of one (1) year, provided that at the end of the sixth month the laid off employee in order to retain his recall rights must notify the Employer in writing of his desire to be retained on recall status.

An employee shall be considered as quitting:

- (1) Who so notifies the Employer, whether orally or in writing; or
- (2) Who fails to report for work within seven (7) calendar days after being recalled from layoff status; or
- (3) Who fails to return from part-time to full-time employment within seven (7) calendar days after being notified to do so by the Employer; or
- (4) Who fails to return from a leave of absence on the first workday following its expiration; or
- (5) Who is absent from work without approval for two (2) or more scheduled workdays in a scheduled workweek; or
- (6) Who, while on leave of absence, accepts other employment or goes into business for himself.

Full-time employees who are scheduled to be laid off because of lack of work and because no other full-time work in the same job classification is available within his seniority area, shall be offered part-time work in the seniority area if such part-time work is available within the same job classification in such seniority area even if this means replacing a part-time employee. A full-time employee who accepts such temporary part-time work shall be given first preference for full-time work within his job classification when such full-time work becomes available within his seniority area, provided his seniority will entitle him to such full-time job. Full-time employees who accept part-time work in lieu of layoff shall not suffer any break whatsoever in their full-time seniority. A full-time employee who requests a reduction to part-time work shall break his full-time seniority. When such employee returns to full-time

employment, his full-time seniority shall begin from the date of his return to full-time employment.

The "in-service" date of an employee who progresses from Apprentice to Journeyman, or who is demoted from Head Meat Cutter to Journeyman shall not be affected by such change in classification.

Section 11.2 Layoffs and Recalls After Layoffs

It is agreed that when increasing or decreasing the work force that the employee with the longest length of service within their job classification, within a seniority area of the Employer, will be given preference. Seniority shall control the order of layoffs and recalls after layoffs on a seniority area-wide basis within the following job classifications:

Full-Time Employees

Head Meat Cutter
Journeyman and Apprentices
Wrappers
Chef's Kitchen Employees

Part-Time Employees

Journeyman and Apprentices
Wrappers
Chef's Kitchen Employees

The Employer shall give regular full-time employees a two (2) week written notice when it becomes necessary to lay off the employee, or two (2) weeks pay in lieu thereof. Full-time and part-time employees shall have recall rights for a period of twelve (12) months commencing with the first day of layoff.

Section 11.3 Seniority Areas

For the purpose of this Section, the seniority area shall be considered as follows: Bettendorf, Clinton, Davenport, Iowa; Silvis, Geneseo, Moline and East Moline, Illinois.

Section 11.4 Selection of Employees for Full-Time Employment

When a full time employee is needed, the Employer will try to fill such vacancy by selecting from all applicants the applicant whose qualifications, ability and availability for work are the greatest. Where qualifications are equal, preference shall be given to qualified and available part-time employees on the basis of seniority within the applicable seniority area. The determination of relative qualifications and the manner in which positions are to be posted for applicants to express interest is expressly reserved to the Employer.

Section 11.5 Promotion to Supervision

If an employee is promoted from a job within the bargaining unit to a supervisory position with the Employer and is returned to the collective bargaining unit within one year, he shall commence work with the seniority rank he had at the time of his promotion.

Section 11.6 Seniority of Employees on Leaves of Absence

The seniority rights of an employee who, either by voluntary action or draft, entered the Armed Forces of the United States shall continue as though he had not been absent, and he shall have the right to be reinstated to his employment as provided by law and regulation thereunder.

The seniority of an employee on an extended leave of absence, which is hereby defined as any leave of absence other than military leave of absence in excess of ninety (90) days, shall be protected to the expiration of said leave of absence, but not in excess of one year, but shall not accumulate during any period of absence in excess of one year.

Section 11.7 Transfers To and From Areas

An employee who is transferred from the area covered by this collective bargaining agreement to an area not covered by this Agreement at the request of the employee shall lose his seniority rights.

Section 11.8 Employee Referral

It is agreed that when in need of help the Employer shall call the Union office and the Union office agrees to use its best efforts to provide employees as requested by the Employer.

ARTICLE XII
NO STRIKE: NO LOCKOUT

Section 12.1 No Strike; No Lockout

During the term of this Agreement there shall be no strikes, work stoppage, diminution or suspension of work of any kind whatsoever on the part of the Union or its membership, nor shall there be any lockout on the part of the Employer.

ARTICLE XIII
GRIEVANCES AND ARBITRATION

Section 13.1 Grievances

- (1) Grievance Defined: A grievance is hereby defined as any dispute involving the interpretation or application of the provisions of the Contract or any agreement made supplementary thereto.
- (2) Procedure: A grievance may be initiated by an individual employee, by the Union or by the Employer. Once initiated, the following steps shall be taken to settle such grievance:

Step 1: By conference between the aggrieved employee and/or a Union representative and the Employer's market management representative.

Step 2: By conference between a Union representative and such official as the Employer may designate to represent it in such conference.

Any grievance initiated or carried beyond Step 2 shall be reduced to writing. All grievances shall be investigated and answered promptly.

- (3) Time Limits on Grievances

Any grievance that is not filed within the applicable time limit provided in this subsection shall be deemed to be conclusively abandoned or waived

unless said time limit is extended or waived by mutual written consent of the parties.

Any grievance involving a claim of improper discharge, suspension or other disciplinary action must be presented within three (3) working days after discharge, suspension or other disciplinary action. All other grievances other than wage claims must be made within thirty (30) calendar days after the cause giving rise to the grievance becomes evident. A wage claim involving the proper application of wage rates shall not be valid or collectible for a period earlier than one hundred eighty (180) calendar days prior to the date of filing the claim, while a wage claim as to the number of hours worked shall not be valid or collectible for a period earlier than ninety (90) calendars prior to the date of filing the claim.

(4) Must Follow Procedure

It is understood and agreed that all employees within the bargaining unit covered by this Contract must exercise all their rights, privileges, or necessary procedures under this Contract, international and district union constitution in the settlement of any and all complaints or grievances filed by such employees before taking any action outside of the scope of this Contract for the settlement of such grievances.

Section 13.2 Arbitration

- (1) Either the Union or the Employer may, within thirty (30) calendar days after failure to adjust the grievance in accordance with the grievance procedure, serve upon the other party a written demand for arbitration stating the issue to be arbitrated. The parties shall endeavor to select an impartial arbitrator. However, if the parties fail to agree upon an arbitrator who is willing and able to serve within fifteen (15) calendar days after service of the demand for arbitration either party may, within seven (7) calendar days thereafter, request the Federal Mediation and Conciliation Service to submit a list of not less than five disinterested persons who are qualified and willing to act as impartial arbitrators. Upon receipt of this list, an authorized representative of the Union and of the Employer shall flip a coin to determine who shall have first choice to strike a name. The party winning the toss shall then strike a name. Thereafter the parties shall alternately strike one name each until only one name remains. The person whose name remains shall be the selected arbitrator.
- (2) The arbitrator shall commence hearings as quickly as possible after his selection and shall render his award in writing together with his written findings and conclusions as quickly as reasonably possible after the hearing.

The award shall be final and binding upon the parties to this Agreement and upon the complaining employee or employees, if any.

The arbitrator shall have no power to determine arbitrability nor to add to, subtract from, modify, or amend any provision of this Agreement, nor to substitute his discretion for the discretion of the Union or the Employer, change existing wage rates, or arbitrate proposals for the amendment or renewal of this Agreement.

The arbitrator's fees and expenses, the cost of any hearing room and the cost of a shorthand reporter and of the original transcript shall be borne equally by the parties. All other cost and expense shall be borne by the party incurring them.

- (3) Nothing provided herein shall prevent the parties from mutually agreeing on an arbitrator.

Section 13.3 Union Executive Board Decides Arbitration

The executive Board of the District Union shall have the final authority to decide whether any employee or Union grievance, difficulty or dispute arising under this Contract shall be processed in any step of the grievance and arbitration procedure, and may decline to process any grievance if in its judgment such grievance lacks merit or is justifiable under the terms of this Agreement or has been adjusted satisfactorily.

ARTICLE XIV
SEVERANCE

Section 14.1 Severance Pay

It is agreed that each full-time employee who is displaced from his employment for reason of the voluntary closing or selling of an Employer's store, shall be compensated for such displacement provided he has been continuously employed by the Employer for a period of at least one (1) year. An eligible employee compensated for his displacement shall be on the basis of forty (40) hours of severance pay (at his straight time hourly rate of pay excluding any premiums) for each full year of actual employment, commencing with the first year thereof. Payment under this formula shall be a maximum of 320 hours of severance pay.

Part-time employees shall be eligible after seven (7) years of continuous service up to a maximum of 320 hours of severance pay. For part-time employees a weekly hours average shall be arrived at by taking the average hours worked in the previous calendar year.

For those employees who do not have one (1) completed year of continuous employment they shall receive pro rata pay as follows:

0 - 3 months	25% of 40 hours straight time pay
3 - 6 months	50% of 40 hours straight time pay
6 - 9 months	75% of 40 hours straight time pay
Over 9 months	40 hours straight time pay

Section 14.2 Limitations on Severance Pay

The above described severance pay will not be paid to:

- (A) Any employee who accepts a job with the Employer at any location within their area, or any employee who refuses a job with the Employer at any location within their area;
- (B) Any employee who voluntarily quits, or is discharged for cause, before he is separated from employment by the Employer prior to the voluntary closing or selling of an Employer's store;

- (C) An employee who accepting severance pay shall forfeit and cease to have any seniority and recall rights, as provided for in this Agreement;
- (D) Any employee re-employed after receiving severance pay shall be considered a new employee from the date of re-employment.

Section 14.3 Deferment of Severance Pay

- (A) In the event an eligible employee wishes to remain of the seniority list for the purpose of possible recall, he may elect to defer acceptance for his severance pay for a period of twelve (12) months. At any time during such period of twelve (12) months, however, he may request this severance pay, and his right of recall and seniority shall terminate as of that date.
- (B) If such employee has not been recalled by the end of such period, he shall be paid his severance pay, and his right of recall and seniority shall terminate as of that date.

ARTICLE XV
TERM

Section 15.1 Initial Term

Except as the context of a provision shall provide, otherwise, this Agreement shall become effective on the date of execution hereof and shall terminate 12:00 midnight, March 6, 2010.

Section 15.2 Renewal Term

This Agreement shall take effect August 1, 2005, and shall remain in full force and effect until midnight March 6, 2010, and from year to year thereafter, provided, however, that this Agreement may be terminated on March 6 of any year thereafter by either party upon written notice mailed at least sixty (60) days prior to March 6, 2010, or prior to March 6 of any year thereafter and provided further that this Agreement may be terminated as herein provided.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of _____, 2005.

UNITED FOOD AND COMMERCIAL WORKERS
INTERNATIONAL UNION LOCAL 431

JEWEL FOOD STORES, INC.

BY _____

BY _____

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MOLINE-DAVENPORT MEAT CUTTERS, LOCAL 431

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