

AGREEMENT

BETWEEN

THE KROGER CO., CINCINNATI/DAYTON MARKETING AREA (KMA),

D/B/A

KROGER

AND

UNITED FOOD & COMMERCIAL WORKERS UNION LOCAL 75

DAYTON STORES

June 17, 2012 through June 13, 2015

I N D E X
UNITED FOOD & COMMERCIAL WORKERS UNION LOCAL 75
DAYTON STORES

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TERM: June 17, 2012 THROUGH June 13, 2015

AGREEMENT

THIS AGREEMENT has been entered into between The Kroger Co., Cincinnati/Dayton Marketing Area (KMA), doing business as Kroger, its successors and assigns, hereinafter designated as the "Employer" and the United Food and Commercial Workers Union Local No. 75, chartered by the United Food and Commercial Workers International Union, AFL-CIO, CLC, hereinafter designated as the "Union".

ARTICLE 1. INTENT AND PURPOSE

- 1.1 The Employer and the Union each represents that the purpose and the 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.

ARTICLE 2. COVERAGE

- 2.1 The Union shall be the sole and exclusive bargaining agent for all associates in each of the Employer's Stores located in the counties of Montgomery, Greene, Darke, Shelby, Miami, Clark, Preble, and Auglaize Ohio and in the metropolitan area of Franklin, Ohio, excluding Store/Unit Managers, Co-Managers, Chefs, Drug/ Drug General Merchandise Managers, Human Resource Coordinators, Photo Lab/Digital Media Managers, Professional Pharmacy Department associates, Security associates, and associates covered by the Cincinnati Stores.
- 2.2 Vendor Stocking - The practice of outside salesmen stocking shelves shall not be expanded during the term of this Agreement except that if a brand of merchandise now being stocked by outside salesmen is discontinued and another brand substituted or a new brand is added, salesmen may stock all brands of the same type of merchandise; for example, if a new brand of cookies is added or substituted, salesmen may stock the new brand.

The understanding in the paragraph immediately above shall not apply in new or remodeled stores during the first two (2) weeks prior to opening.

It is understood that the rotation of merchandise, taking inventory or ordering shall not be considered stocking. It shall not be a violation of this provision for a vendor to perform the work necessary to accomplish a reallocation of product in his commodity section. This work is to be done under the supervision of the department head. (This provision does not alter 11.9, Scheduling Major Resets.)

The following guidelines shall apply:

1. An "allocation" will refer to the number of facings or placements of a particular item.
2. A "reallocation" refers to the changing, positioning and/or the discontinuance of an item and/or the addition of a new item.
3. Vendors may perform work necessary to reallocate an item within a commodity section in a given aisle. Should an entire commodity section (i.e., coffee) need to be removed to accomplish a reallocation, bargaining unit associates(s) will assist in the reallocation, where it would not cause the addition of hours to the schedule.
4. When an item will be relocated in a new aisle, vendors will be permitted to pull the block and set the block.
5. Vendors will not stock any product from the back room other than a new item.
6. Vendors must sign the daily log "in" and "out" and state the reasons for being in the store (i.e., reset, inventory, etc.). If the steward questions a vendor's actions, he may verify the vendor(s) presence and reasons for being in the store.

7. Department heads will better supervise vendor work.

In stores with a distinct Drug/GM department, the Employer may utilize any vendor store assistance on Drug/GM merchandise products, which are available to the trade without additional costs.

- 2.3 Management Work - In stores having both manager and co-manager(s), the Employer agrees that they will not perform work normally done by members of the bargaining unit, including office functions normally performed by the front-end manager and assistant front-end managers. This does not preclude the manager and co-manager(s) from doing the above due to associates being absent where no one is available to do the work or circumstances beyond the control of the Employer. It is understood, however, that work incidental to handling customers' requests, inventorying product(s) and merchandise markdowns are not a violation of this Section.

For meat department, the following shall apply:

It is understood that the work performed due to the absence of a member of the bargaining unit while attempting to bring in additional help (during a breakdown, demonstration, during training, experimentation, reallocation of product (using stock on the shelves) will not be considered a violation of this paragraph).

In the event of a proven violation of Sections 2.2 and 2.3, the Employer will pay to the associate filing the grievance the amount of time spent in such proven violation at the premium rate of time and one-half (1 ½), but no less than one (1) hour's pay at the associate's regular rate of pay.

The language in this Article 2.3 does not apply to the Drug/GM department.

ARTICLE 3. UNION SHOP CONDITIONS AND CHECKOFF

- 3.1 Union Shop - It shall be a condition of employment that all associates 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 this Agreement shall, on the sixty-first (61st) 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 associates covered by this Agreement and hired on or after its execution date shall, on the sixty-first (61st) day following the beginning of such employment become and remain members in good standing in the Union. The Employer may secure new associates from any source whatsoever.

During the first sixty (60) calendar days of employment, a new associate shall be on a trial basis and may be discharged at the discretion of the Employer. By mutual agreement between the Employer and the Union, such trial period may be extended for an additional thirty (30)-day probationary period, and such discharge shall not be subject to the Grievance and Arbitration Procedure. For the purpose of this paragraph, the execution date of this Agreement shall be considered its effective date.

- 3.2 Check-Off - The Employer agrees to deduct weekly dues and/or service fees and uniform assessments from the wages of associates in the bargaining unit who individually certify in writing, authorization for such deduction in a form authorized by law. The Employer agrees, in the case of new Union members, to deduct the Union initiation fee and in the case of a non-member, an initial service fee from the wages of any new or non-member Union associate who certifies in writing authorization for such deduction in a form authorized by law.

In the event no wages are then due the associate, or are insufficient to cover the required deduction, the deduction for such week shall nevertheless, be made from the first wages of adequate amount next due the associate, and thereupon, transmitted to the Union.

Upon written request by an authorized representative of the Union, the Employer agrees to separate from employment any associate within five (5) working days after notification by the Union that such associate has failed to comply with Article 3, Section 3.1, limited only by the Labor Management Relations Act of 1947.

- 3.3 Active Ballot Club - The Employer agrees to honor and transmit to the Union contribution deductions to the UFCW Active

Ballot Club from associates who are Union members, and who sign deduction authorization cards. The deductions shall be in the amount specified on the political contribution deduction authorization card and shall be deducted not more than once each month.

- 3.4 New Associates - The Employer agrees to give the Union a list of new associates weekly, showing the associate's name, residence address, social security number, store number, date of employment, and birth date.
- 3.5 Union Visitation - The manager of a store shall grant to any accredited Union official access to the store for the purpose of satisfying himself that the terms of this Agreement are being complied with. Lengthy discussions between associates and representatives of the Union, including the shop steward, or among themselves concerning disputes, shall not take place during working hours.
- 3.6 Other Agreements - The Employer (or any part of its management) agrees not to enter into any agreement or contract with its associates, individually or collectively, which in any way conflicts with the terms and provisions of this Agreement.
- 3.7 Bulletin Board - The Employer agrees to provide a bulletin board in each store and will permit the Union to post and maintain any notices pertaining to Union business, provided however, notices other than routine meeting announcements or announcements of social events will be approved by the Human Resource Manager.
- 3.8 Union Steward - The Union shall have the right to designate a grocery steward, meat steward, and a Drug/GM steward in each store. In the top fifty percent (50%) of the stores (based on sales volume), the Union shall have the right to designate a grocery steward, alternate grocery steward, meat steward, and an alternate meat steward.

The employer shall send a letter to the Union each February to update the stores by sales volume. The Union shall notify the stewards and alternate stewards of any change.

A list showing the names and store addresses of all stewards and alternate stewards is to be submitted to the Employer.

- 3.9 Union Card - The Employer agrees to display the Union Store Card and/or decal in a prominent place in its store. The Union Card and/or decal are and shall remain the property of the Union.
- 3.10 Union Counselor - The Union shall have the right to designate a Union Counselor in each store.

ARTICLE 4. CONFORMITY TO LAW

- 4.1 The parties hereto agree that should any Article, part or paragraph of this Agreement be declared by a Federal or State Court of final jurisdiction or Federal or State Agency having jurisdiction thereof to be unlawful, invalid, ineffective or unenforceable, said Article, part or paragraph shall not affect the validity and enforceability of any other Article, part or paragraph thereof and the remainder of this Agreement shall continue in full force and effect.

If any part of this Agreement is construed to be in such violation, then that part shall be null and void and the parties agree that they will within thirty (30) days begin negotiations to replace said void part with a valid provision.

- 4.2 The Employer and the Union agree to continue to uphold the principles of non-discrimination based on race, color, sex, religion, national origin, age, disability, Union activity and veteran status. Wherever in this Agreement, words such as "he", "she", "him", "her", etc. are used, the intent of the parties is that the application of the contract shall be applied equally and on a nondiscriminatory basis regardless of gender.

ARTICLE 5. MANAGEMENT RIGHTS

- 5.1 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 associates 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 associates and provided further that it will not be used for the purpose of discrimination against

any associate or for the purpose of invalidating any contract provision.

ARTICLE 6. NO STRIKE, NO LOCKOUT

- 6.1 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 or its members. The Employer agrees that there shall be no lockout.

Following a work stoppage, it shall be the associate's responsibility to advise the store manager of their store, within a reasonable period of time, of their availability for return to work. The Employer will then direct associates to start work on an orderly basis, as needed for the type of work being considered.

On the first full day following the end of the stoppage, associates will be placed in needed categories on a "first come, first serve" basis considering the type of work to be performed. On the second and subsequent days, associates who have made themselves available will be placed in accordance with the seniority and available hours provisions of the Agreement for the type of work being considered.

It is the intent of this Section that temporary associates will be replaced in an orderly and expeditious manner.

ARTICLE 7. PICKET LINE

- 7.1 No associate shall be required to cross a legal labor picket line which has been recognized by the Union at any time after the Employer has received at least forty-eight (48) hours notice in writing from the Union that such picket line has or will receive such recognition. This forty-eight (48) hour period shall begin upon receipt by the Employer of the written notice, and where the labor organization that intends to picket is not the Union, the UFCW or any of its Locals such notice shall not be given until the commencement of such picketing.

ARTICLE 8. GRIEVANCE AND ARBITRATION PROCEDURE

- 8.1 Grievance Procedure - Should any "grievance" arise over the interpretation or application of the contents of this Agreement, there shall be an earnest effort on the part of both parties to settle same promptly through the following steps. The term "grievance" comprehends any complaint, difficulty, disagreement or dispute between the Employer and the Union or any associate covered by this Agreement, and which complaint, difficulty, disagreement or dispute pertains to the interpretation or application of any and all provisions of this Agreement.

STEP 1. By conference between the aggrieved associate, the job steward, or both and/or a representative of the Union and the manager of the store. If the grievance is not settled, it shall be reduced to writing with copies to the Union and Employer and referred within ten (10) days to Step 2, unless such time period is mutually extended by the Union and the zone manager.

STEP 2. By conference between the representative of the Union and the zone manager. If this step does not settle the grievance, it shall be referred within ten (10) days to Step 3, unless such time period is mutually extended by the Union and the zone manager.

STEP 3. By conference between the business representative and/or the executive officer of the Union, the Human Resource Manager and/or a representative delegated by the Employer.

In the event the grievance is not settled in this Step, a written response will be exchanged by the parties within twenty (20) days from the Step 3 conference unless otherwise mutually agreed to.

STEP 4. In the event that the last step fails to settle satisfactorily the grievance and either party wishes to submit it to arbitration, the party desiring arbitration must so advise the other party in writing within forty-five (45) days from the Step 3 written response, or the grievance will be considered settled in Step 3.

- 8.2 Timeliness of Grievances - No grievance will be considered or discussed unless the outlined procedure has been followed and the grievance presented within ten (10) days, except a grievance arising from an error in the rate of pay may be

presented within two (2) years.

Grievances may arise of a general nature affecting or tending to affect an associate or associates. Such grievances may be initiated at any of the above steps deemed appropriate by the parties.

- 8.3 Arbitration - The Board of Arbitration shall consist of one (1) person appointed by the Union and one (1) person appointed by the Employer.

Said two (2) persons shall, within ten (10) days after disagreement, unless mutually extended, select a third (3rd) arbitrator from the agreed panel of twelve (12) permanent arbitrators as provided for in Appendix "D", each of whom has agreed to act in this capacity. The decision of the third (3rd) arbitrator shall be binding on both parties. The expenses of the third (3rd) arbitrator shall be paid for jointly.

The Board of Arbitration is not vested with the power to change, modify or alter this Agreement, but only to interpret the provisions of the Agreement.

It is agreed that the panel of permanent arbitrators will remain at twelve (12) during the term of this Agreement, and if for any reason an arbitrator would withdraw from the panel, the Union and the Employer agree to meet within thirty (30) days to select a replacement.

Grievances shall be submitted to the permanent arbitrators in rotation, provided however, that the parties may select an arbitrator in deference to rotation if the arbitrator, otherwise called upon to hear the grievance, is unavailable. The party requesting arbitration shall notify the arbitrator in writing of their appointment with a copy to the other party.

- 8.4 Expedited Arbitration - The parties agree that in lieu of following the procedures outlined above in Section 8.3 of this Article, by mutual agreement, a special expedited arbitration process may be utilized.

In such case(s), the parties agree that no attorney will serve as the representative of either party, briefs will be waived, and no stenographic or mechanical transcript of the proceedings will be made.

It is further agreed that an arbitrator mutually selected to hear such a case must agree in advance to render a short form written decision within forty-eight (48) hours of the date of hearing. Although it is not anticipated that such cases will involve substantial questions of contract interpretation, the decision of the arbitrator will have the same force and effect as an award rendered pursuant to the more formal Arbitration Procedure detailed in Section 8.3. The arbitrator shall, in no event, have the power to disregard or modify any provisions of the Agreement.

The parties agree, in such expedited cases, to present a stipulated issue to the arbitrator in advance of the hearing. Either party may withdraw its consent to submit an issue to the expedited process up to, but not after, the time at which the hearing is convened.

- 8.5 Suspension or Discharge - The Employer may, at any time, suspend or discharge any associate for proper cause. The Employer shall send a copy of the constructive advice record setting forth the suspension or discharge to the Union. The Union may contest the suspension or discharge by filing a written complaint with the Employer at the Step 2 level of the Grievance Procedure within ten (10) calendar days following the receipt of the notice of suspension or discharge. Such complaint shall be discussed between the Union Representative and the Zone Manager within ten (10) calendar days.

Failure of the Zone Manager to issue a Step 2 position regarding the suspension or discharge within the ten (10) calendar day period shall automatically refer the Union's written complaint to the Step 3 level. If the Union and the Employer then fail to agree on the written complaint within ten (10) additional calendar days, it shall be referred within forty-five (45) calendar days to the Board of Arbitration, if the Union desires to arbitrate the suspension or discharge. Should the Board determine that it was an unfair suspension or discharge, the Employer will reinstate the associate in accordance with the findings of the third (3rd) arbitrator.

Any monetary settlement to a grievance shall be paid within three (3) weeks from the date of said settlement.

- 8.6 Constructive Advice Records - All constructive advice records shall be issued and signed by non-bargaining unit associates

only. Disciplinary action causing lost time shall be at the direction of non-bargaining unit associates or the person designated in charge of the store.

During any investigation, which may lead to disciplinary action, the associate, upon request, shall have the Union Steward or Union Representative present.

Constructive advice records used by the Employer shall not affect the associate's right to file a grievance, and upon signing such constructive advice record, shall receive a copy thereof. Any probationary period resulting therefrom shall be limited to a period not to exceed thirty (30) days. Additional periods of thirty (30) days may be imposed if necessary improvement is lacking, and the associate and the Union will be advised.

Constructive advice records will be issued and discussed with the associate no later than ten (10) days from the date of the incident. If this is not done by management in the specified time period, it will be considered null and void.

This will not preclude discipline for an offense, which would warrant a discharge. (Serious offense shall not be considered as a circumstance, which normally results in progressive discipline.)

Any such constructive advice record not received by the Union within ten (10) days of the consultation date shall be null and void.

Any such constructive advice record, which does not involve a disciplinary suspension after which twelve (12) consecutive months have elapsed without a recurrence of the same nature, shall be null and void.

Any constructive advice record, which does involve a disciplinary suspension after which twenty-four (24) months have elapsed without a recurrence of the same nature, shall be null and void.

- 8.7 Authority of Executive Board - At any step in the Grievance Procedure, the Executive Board of the Local Union will have the final authority in respect to any aggrieved associate covered by this Agreement to decline to process a grievance, complaint, difficulty or dispute further, if in the judgment of the Executive Board, such a grievance lacks merit or lacks justification under the terms of this Agreement, or has been adjusted or justified under the terms of this Agreement to the satisfaction of the Union Executive Board.
- 8.8 It is the intent of the parties to this Agreement that all associates within the bargaining unit covered by this Agreement exercise all their rights, privileges, or necessary procedures under this Agreement, International or Local Constitution, in the settlement of any and all complaints or grievances filed by such associate before taking any action outside the scope of this Agreement for the settlement of such grievance.

ARTICLE 9. OVERTIME AND OTHER PREMIUM PAY

- 9.1 Overtime and Sixth Day Worked – For full-time associates, all work in excess of forty (40) hours per week shall be paid for at time and one-half (1 ½). All work in excess of eight (8) hours per day shall be paid for at time and one-half (1 ½). Time and one-half (1 ½) shall be paid on the weekly or daily basis, whichever is greater, but in no case on both.

Any full-time associate called into work the sixth (6th) day of any one (1) work week shall be paid at the rate of time and one-half (1 ½) the regular hourly rate for all hours worked on the sixth (6th) day, (Sunday through Saturday) excluding holidays. For pay purposes, the sixth (6th) day shall be the associate's normally scheduled day off, unless the associate is scheduled to work six (6) days in one (1) work week, in which case it shall be the sixth (6th) day in which work is performed by that associate.

Any full-time associate who works five (5) days in a holiday week, (Sunday through Saturday) excluding the holiday, will be paid overtime on the same basis.

For current and future part-time associates, all work in excess of forty (40) hours in a basic workweek will be paid at time and one-half (1 ½). They will not receive daily or sixth (6th) day overtime. This applies to full-time associates by mutual agreement*

* Mutual Agreement- When referred to in this contract "mutual agreement" means when both the associate and the Employer jointly agree to the benefit of both on a specific subject. Any dispute arising from the application of mutual agreement, subsequent situations will require the use of documentation between the associate and Employer.

- 9.2 Department heads, assistant department heads, leads and full-time meat associates required to work past 6:00 p.m. for more than two (2) nights per week after shall be paid time and one-half (1 ½) for all hours worked after 6:00 p.m. on the third (3rd) and subsequent nights in such week. Department heads, assistant department heads, leads and full-time meat associates who are desirous of additional hours of work within the work week, and who have indicated this desire (and availability) in writing to the store manager (with a copy to the Union) may be scheduled for more than two (2) nights per week without regard to the time and one-half (1 ½) requirements. Such written notice of intent under this Section shall stand for thirty (30) days and then until revoked in writing to the parties with one week's notice. It is understood, however, that it is not the intent of the parties that frequent changes in this status be invoked. Sections 9.2 shall not apply to work on such days where associates receive time and one-half (1 ½) for such work. Third (3rd) night overtime will not apply to any full-time Status 3 associate and all full-time associates hired on or after June 20, 2009 with the exception of department heads. This language does not apply to the Drug/GM Clerks.

Starting times for Drug/GM Department Heads shall be determined by the Employer. However, no Drug/GM Department Head shall be required to work more than two (2) nights per week past 6:30 p.m. on a regular basis.

- 9.3 Night Premium - Any associate who works between 10:00 p.m. and 6:00 a.m. will receive one-dollar (\$1.00) premium in addition to their regular rate of pay. The provisions contained in Section 9.2 of this Article do not apply to such associates. The definition of a night shift associate is contained in Article 14 of this Agreement.

The night shift rate will apply on a holiday and vacation pay to those regularly employed on night shift; that is, in holiday weeks if fifty percent (50%) or more of the hours worked are on night shift and on vacation pay if fifty percent (50%) or more of the hours worked in the twelve (12) weeks prior to vacation on night shift.

A Drug/GM clerk who is a member of the regular night stocking crew will have their night stocking premium included in the calculation of their vacation and holiday pay as well as in the calculation of any contractual overtime.

When a night shift associate is scheduled to work fifty percent (50%) or more of their working hours in any week will receive the night shift rate for the full week and shall be considered a night shift associate for the purpose of the Article and Article 14.

When a night shift associate is scheduled to work fifty percent (50%) or more of their schedule work shift prior to 6:00 a.m., they will receive the night shift premium for the entire shift. It is understood that this paragraph does not apply to the Drug/GM department.

Any associate who is scheduled two (2) consecutive weeks or more on night shift work shall be considered a night shift associate and shall be subject to the provisions under Article 14, Night Shift Provisions, except for those associates who are doing relief work for vacation and/or sick leave; provided management has given advance notice of such schedule change. Drug/GM associates will only be paid the night shift premium for hours actually worked between 10:00 p.m. and 6:00 a.m.

- 9.4 Holiday Premium - When work is performed on a holiday, it shall not be considered as part of the normal work week and time and one-half (1 ½) the associate's regular hourly rate shall be paid for all hours worked that day. In the case of a holiday, this shall be in addition to the holiday pay provided for elsewhere in this Agreement. Holidays begin at 12:01 a.m. and end at midnight.
- 9.5 Pyramiding - There shall be no pyramiding of premium pay, and any hours paid for at one-half (1 ½) shall be excluded when computing overtime on a weekly basis.
- 9.6 Sunday Work - Sunday work shall be considered part of the normal work week and associates shall be paid at their regular hourly rate for hours worked that day. However, it is understood if an associate elects not to work on Sunday (seniority permitting) he may elect to do so with the understanding it may result in a reduced workweek.

The Employer agrees that the elimination of Sunday premium pay is not intended to reduce the work hours that associates

hired prior to December 6, 1986, (June 1, 1987 in Drug/GM), are currently working during the normal work week. The parties understand that this is not intended to be a guarantee of hours and schedules which can be affected by business conditions or factors beyond the control of the Employer.

ARTICLE 10. HOURS OF WORK

- 10.1 Basic Work Week - The workweek for full-time associates shall consist of up to forty (40) hours in not more than five (5) days, not necessarily consecutive, Sunday through Saturday unless mutually agreed* upon. For all part-time associates, the basic workweek shall consist of up to forty (40) hours, Sunday through Saturday. A day shall be considered to mean a workday or shift, not necessarily a calendar day.
- 10.2 Daily Guarantee - Any associate who is instructed to report for work shall be guaranteed at least four (4) hours work if the associate is available for four (4) hours of work. It is understood, however, that the payment of four (4) hours shall not apply to part-time associates whose hours of work are restricted by circumstances beyond the control of the Employer. Such scheduling guarantees shall not apply if the hours are not available due to Article 11, Section 11.3, or would violate state or federal laws.
- 10.3 Meal Periods - Associates shall be granted one-half (1/2) hour uninterrupted period for mealtime at approximately the middle of the working day. Meal periods shall not be scheduled until an associate has worked three (3) hours and the associate will not be required to work more than five (5) hours prior to beginning such meal period. Meal periods will not be required unless an associate has been scheduled for six (6) hours or more unless in conflict with State or Federal law. Associates will be scheduled for meal periods based upon starting times considering type of work performed and classification.
- 10.4 Rest Periods - All associates who work more than three (3) hours up to and including five (5) hours in a day shall receive a fifteen (15) minute, uninterrupted rest period. An associate who works more than five (5) hours in a day shall receive two (2) fifteen (15) minute, uninterrupted rest periods. Rest periods will be scheduled by the store manager in accordance with the needs of the business but no earlier than one (1) hour after reporting time and no later than one (1) hour before mealtime or quitting time.
- 10.5 Time Off for Overtime - No associate shall accept time off as compensation for overtime. When a full-time associate is required to work outside of his posted schedule, he shall be permitted to work the balance of his week as scheduled.

ARTICLE 11. WORK SCHEDULES

- 11.1 Posting Work Schedules - The hours for each associate shall be scheduled by the Employer, subject to the provisions of this Agreement. A working schedule for the succeeding week shall be posted in ink not later than 3:00 p.m. Friday of the current week, with the associate's full name listed by seniority and the associate's seniority date. One master work schedule shall be posted by department in all stores with the scheduled hours of associates totaled at the end of the column, and the Union Steward will receive a copy of the master work schedule. In the event such schedule is not posted, the schedule for the preceding week shall prevail, except in the week preceding or the week of a holiday. After the schedule is posted, a full-time associate's schedule will not be changed and full-time associates working their scheduled day off will be paid time and one-half (1 ½) for such hours. Hours added to the schedule will be done within the seniority, available hours, and earlier starting time provisions of this Agreement.

Schedules will be arranged by the following departments: meat department, deli/bakery department, seafood/service meat department, grocery department (which shall include dairy and frozen foods), produce department, front-end (cashiers), sacker/carryout, salad bar department, floral department, fuel center, coffee shop, demonstrators, Drug/GM, cosmetics, and photo lab.

- 11.2 Full-Time Ratio - It is the intent of the parties that fifty percent (50%) of the hours in the contract area, excluding hours worked in the classifications of sacker, demonstrator, floral clerk and salad bar, will be offered as forty (40) hour schedules to full-time associates. No associate will be reduced from full-time status to part-time status in order to meet the ratio.

Ratio exclusions: sackers/carryouts, demonstrators, floral attendants, and salad bar clerks. Effective November 15, 2005, these classifications will no longer qualify for full-time benefits. Current associates in the above classifications will be red-circled with full-time benefits. Individuals promoted to lead floral and lead salad bar will be eligible for full-time benefits.

The ratio will be administered in accordance with the ratio operational guidelines as follows:

1. Once each period (four (4) weeks) the number of full-time hours to part-time hours will be determined in the contract area for the upcoming period. Total eligible hours, including Sunday hours, will be divided by forty (40) in order to determine the number of forty (40) hour schedules to be offered. When the required number exceeds the number of full-time status associates, the senior part-time associates desiring full-time will be offered the full-time schedules required to meet the ratio.
2. Vacation schedules and schedules not worked (including sick leaves at a maximum of one year) count for the ratio purposes.
3. The ratio will not apply to a new store for the first six (6) months of operation. There shall be a minimum full-time ratio of thirty percent (30%).
4. The ratio will apply for the determination of eligibility for full-time benefits.
5. (a) When a part-time associate is promoted to a department head and/or assistant department head, they shall receive full-time benefits the first of the month following such promotion in accordance with Article 22.
 (b) If the aforementioned associate is demoted and/or voluntarily reduces himself/herself in the classification, such associate shall not continue to receive full-time benefits unless they have the seniority to maintain them under the ratio.
 (c) Once the full-time ratio has been reached (i.e., the Company is required to begin promoting part-time associates to comply with 1 and 4 above), the following shall also apply:

When a part-time associate is promoted to a classified position as previously mentioned, and said associate is not the most senior to receive full-time benefits in accordance with the ratio operational guidelines, in addition to the newly promoted associate receiving full-time benefits, the most senior eligible associate will also be elevated to full-time benefits.

- 11.3 Available Hours - Associates shall receive available hours up to and including eight (8) hours per day, forty (40) hours per week in accordance with seniority, within the individual store, provided that this does not conflict with another provision of this Agreement. Available hours may be exercised only for the five (5) highest hour days in the week (four (4) highest hour days in a holiday week) excluding holidays. Associates may claim any or all portions of a less senior associate's schedule only when such a claim would add hours to the senior associate's schedule for that day. Food associates hired after April 22, 1993 may exercise their seniority for the claiming of the weekly schedule with the most hours. Part-time associates may claim or be scheduled a maximum of forty (40) hours in week.

Associates within the meat department, deli/bakery department, seafood/service meat department, sacker/carryout department, floral department, salad bar department, coffee shop, demonstrators, Drug/GM, cosmetics, and photo lab can claim available hours in order to maximize their schedule up to and including eight (8) hours per day and/or forty (40) hours per week in their respective department ONLY.

It is the intent of the parties that grocery department associates (which shall include dairy and frozen food department associates), produce department associates, front-end associates, which will include fuel center associates, must claim additional available hours within their department schedule in order to maximize up to and including eight (8) hours per day before claiming additional available hours in other department(s), first among clerks and then among sackers.

Associates on the payroll as of June 4, 1972, except in the meat, deli/bakery, seafood/service meat, and Drug/GM will be scheduled and/or allowed to claim any and all portions of the available hours of a sacker/carryout associate's schedule in order to extend their scheduled shift(s) to eight (8) hours per day or forty (40) hours per week at the associate's current rate of clerk's pay. However, such associates shall not be permitted to claim earlier starting times of sacker/carryout associates. Associates classified as clerks and hired after June 4, 1972 will not be allowed to claim any hours in the sacker/carryout classification.

Twelve-Hour Minimum - Associates will be scheduled for a minimum of twelve (12) hours if they are available unless

associate and Employer otherwise mutually agree and may not have their hours claimed below this twelve (12) hour minimum. (The intent of this language is not to reduce current full-time and/or part-time associates. Hours will be scheduled by seniority.)

It is the intent of the parties that associates cannot use the available hours clause to claim hours of work that will cause the payment of premium pay at time and one-half (1 ½) during that week.

Associates cannot claim available hours and/or earlier starting times of department heads, assistant department heads and lead clerks as provided in this Agreement. This provision shall also apply to Sunday and holiday hours.

An associate who consistently works the basic workweek shall not have his hours reduced as a result of a claim by another associate who is available only on a temporary basis.

Store manager trainee assignments will not be utilized to circumvent the available hours provisions of this Agreement.

Training Period - Newly hired associates shall receive training by a qualified individual within the department who has been selected by the store manager.

Training shall begin upon assignment to the position. The number of training hours per job classification shall be as follows: floral, salad bar, and sacker/carryout shall receive twenty-four (24) hours of training. Grocery and produce shall receive thirty-six (36) hours of training. Front end, meat, delicatessen/bakery, seafood/service meat, and Drug/GM shall receive seventy-two (72) hours of training. New hire training hours may not be claimed.

All training hours shall be posted and noted on the weekly department schedule. Training hours shall be scheduled consecutively and within the minimum scheduling guidelines.

Specialized Training - Training hours (designated on a schedule) for associates, assistant/lead department heads and department head candidates selected by the store manager will receive training by a qualified individual within the department designated by the store manager. These hours are not to be claimed by any other associate. These hours will not reduce the regularly scheduled hours in the department where training hours are assigned. Any grievance/dispute arising from the scheduling of these designated training hours shall proceed directly to Step 3 of the grievance procedure.

- 11.4 Earlier Starting Times - The Employer shall recognize earlier starting times, i.e., a shift commencing at 6:00 a.m., available in the store and on the following basis: Earlier starting times will be assigned on a continuing basis to the more senior associate within their respective job classification as defined in Appendix "A" where such scheduling does not conflict with other provisions of this Agreement or would cause the Employer to pay overtime as a result of such schedule. (This paragraph shall not apply during the first forty-five (45) calendar days of a new store operation.) It is further understood that earlier starting times shall not be exercised between departments, i.e., front-end to produce, etc.

Starting times of department heads and assistant department heads shall be determined by the Employer which includes head general merchandise clerk.

It is understood that assistant front-end managers shall not be scheduled earlier starting times (out of seniority) for the purpose of doing clerks' work; i.e., operating register check lane, candy, cigarettes, etc.

Assistant Customer Service Managers will be scheduled the starting times necessary to perform Front-End Office procedures and supervision. (Assistant Customer Service Managers will not be scheduled to begin a shift solely for the purpose of relieving the first office break).

Whenever an associate(s) is scheduled for work hours in more than one (1) department within the grocery clerk group in the store, the department containing fifty percent (50%) or more of such associate's total weekly hours will be considered such associate's basic weekly department for the purpose of achieving earlier starting times provisions based on ability and experience.

The language in this Article 11.4 does not apply to Drug/GM associates.

11.5 Associate Waivers - At the associate's discretion, an associate may indicate to the Employer's store manager in writing (with a copy to the Union) that, pertinent contractual clauses notwithstanding with respect to available hours, earlier starting times, etc., such associate may waive such application of seniority and request scheduled shifts based on personal preference for "day" or "nights" even if such scheduling results in a less number of hours than might have been obtained in some other manner. Such written notice of intent under this paragraph shall stand for thirty (30) days and then until revoked in writing to the parties with one (1) week's notice. It is understood, however, that it is not the intent of the parties that frequent changes in this status be invoked. A day shift shall be defined as any shift that ends on or prior to 6:30 p.m.

11.6 Regular Day Off - The Employer will, where the needs of the business are not adversely affected, schedule associates working five (5) days a week a regular day off on a consistent basis, by department by seniority.

This provision shall not be construed to obligate the Employer to recognize a senior associate's demand to be scheduled off on any particular weekday, unless such requested day off is available based upon the scheduling needs of the department(s).

The language in this Article 11.6 does not apply to Drug/GM associates.

11.7 Sunday and Holiday Work - Work performed on a holiday or Sunday shall be assigned by seniority among associates qualified to do the work that is needed on a holiday or Sunday in the individual store on a voluntary basis provided, however, that if a sufficient number of associates to perform the necessary work do not volunteer, the work may be assigned on an inverse seniority basis.

The Employer shall post a legal holiday sign-up sheet by 3:00 p.m. on Tuesday prior to the holiday hours being scheduled. Effective January 1, 1994, associates hired prior to December 6, 1986, (June 1, 1987 in Drug/GM), may volunteer to work on Sunday, but shall not be required to do so. If for extreme business reasons, it becomes necessary to require pre December 6, 1986 associates (June 1, 1987 in Drug/GM) to work, they shall be paid at a rate of time and one-half (1 1/2) their hourly rate of pay.

The term "extreme business reasons" shall be considered to include an emergency such as fire, flood or Act of God, as well as major holiday weekends (example when Christmas Eve falls on Sunday).

No associate will be scheduled for less than four (4) hours work on a holiday or Sunday.

Associates who work on Sundays and/or holidays shall have the right, based on seniority, to claim all available hours in the store on that day up to and including, but not to exceed, eight (8) hours, excluding the meal period. Furthermore, the provisions pertaining to earlier starting times will be applicable to Sunday and holiday work. This section shall apply to associates on the payroll as of December 6, 1986, (June 1, 1987 in Drug/GM).

11.8 Claiming of Hours and Earlier Starting Times Penalty - A claim for hours or early starting times may be made on the Employer's time. All claims shall be made in writing by 3:00 p.m. on the Saturday after the schedule is posted.

Proven violations of available hours and earlier starting time scheduling to the final posted work schedule shall result in penalty pay, if not resolved in Step 1 of the Grievance and Arbitration Procedure as follows: This language does not apply to Drug/GM associates.

Available Hours - Time and one-half (1 ½) the associate's rate of pay for the hours involved. This language does not apply to Drug/GM associates.

Earlier Starting Time - Time and one-half (1 ½) for the hours between the end of the earlier shift and the end of the scheduled shift. This language does not apply to Drug/GM associates.

11.9 Scheduling Major Resets - On days when reset work is scheduled, all store associates, including Sackers, will be offered eight (8) hour schedules, providing such associates are available for the reset work. Sackers scheduled for reset work will be upgraded to clerk for the entire week.

The Employer will give the Union two (2) weeks notice of all resets.

The Employer will notify store associates in advance of all resets and will provide a reset sign-up sheet for store associates. If they sign the sheet, they will be offered the opportunity to increase their schedule to eight (8) hours on reset days (if they are not already scheduled for eight (8) hours), and work some or all of their schedule on the reset.

The Employer will continue the practice of soliciting associates in other stores to work in resets with the understanding that there will be no guarantees that they will be used.

The Employer will use the necessary number of vendors in any manner to supplement store help and complete the reset by the end of the week, unless a different time frame is agreed upon between the Union and the Employer.

It is understood that in stores that are remodeled, resets may take longer than one (1) week. In these cases, the Employer agrees to post a sign-up sheet weekly until the reset is complete. Associates will sign up weekly for reset work. After associates who have signed the sign-up sheet have been offered the reset work, vendors may supplement store help as needed.

If the Employer does not comply with the above posting provisions, then the Employer will be obligated to pay time and one-half (1 ½) for all hours of work performed by vendors.

The language in this Article 11.9 does not apply to Drug/GM associates.

- 11.10 Split Shifts - No associate shall be required or permitted to work a split shift schedule. 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 associate shall be paid as time worked between the two (2) work periods at the applicable rate of pay.
- 11.11 Time Off Between Shifts - Associates shall not be required to report to work without a minimum of ten (10) hours between scheduled shifts. This does not apply in the event of an emergency, such as an Act of God.
- 11.12 Replacement Hours - The Union recognizes the Employer's problem with respect to re-scheduling in cases of associate absenteeism. Accordingly, the parties have agreed upon the following application of this intent in such situations.

When hours (which are on the posted work schedule) become available due to absenteeism of a scheduled associate(s), and the Employer elects to replace any or all of the vacated hours, the Employer will first offer by proper notification and by seniority the most senior associate(s) already on the schedule and having a work shift ending after 6:00 p.m., the earlier desirable schedule of hours.

As a result of the above process, if hours are still required, the store's most senior associate(s) working less than eight (8) hours on the day(s) will be properly notified by seniority and offered the available hours up to and including eight (8) hours. If shifts for two (2) or more days (which are posted on the work schedule) become available due to absenteeism of a schedule associate(s), and the Employer elects to replace any or all of the vacated hours, the Employer will offer the hours to the most senior associate available.

If the most senior available associate cannot be reached for the shifts, the next most senior associate will be called and so on until the first shift can be replaced. If this process results in a less senior associate receiving hours, the Company agrees to attempt to contact the most senior associate available for the remaining available shifts that the Employer elects to replace.

Following proper notification and the associate(s) acceptance or rejection of the change, the Employer will have the right to call in other associate(s) and/or increase the hours of associate(s) already on the schedule in order to take care of the Employer's business in the most expeditious manner possible and with a minimum of disruption to the already planned schedule. However, an associate shall not be obligated to stay beyond the period of time it requires for the next senior associate(s) called in to arrive and replace the absent associate. In the event no such associate is available, the least senior associate working shall be required to work the necessary time to maintain the efficient operation of the store.

When it becomes necessary to call in an associate from another store, the work will be offered by seniority to those

qualified to perform the needed work who are not on the schedule in their store.

When proper notification involves telephone calls, such calls shall be limited to a total of fifteen (15) minutes and made by:

- A. The union steward, if at work
- B. The alternate steward, if at work
- C. A clerk member of the bargaining unit

The language in this Article 11.12 does not apply to Drug/GM associates.

- 11.13 Working Beyond Posted Schedule - If it becomes necessary to retain associates beyond their posted schedule, the least senior associate(s) based on type of work performed shall be required to remain for not more than one (1) hour beyond their posted schedule provided they are notified two (2) hours prior to their quitting time.

Associates shall retain the right to refuse call-in hours and refuse hours beyond the associate's scheduled quitting time, except as provided for in Section 11.12 and 11.13.

- 11.14 Scheduling Overtime - Scheduled overtime shall be offered by seniority among associates who are qualified and available to do the necessary work within each store. Daily overtime, not previously scheduled, shall be offered by seniority among associates qualified and available to do the necessary work within the store who are present when the need for overtime arises.

The language in this Article 11.14 does not apply to Drug/GM associates.

- 11.15 For Drug/GM Associates: The schedule for full-time Drug/GM associates shall not be changed during the workweek, except in the case of associate's absence or emergency beyond the control of the Employer. The schedule for part-time associates may be changed by notification to the associate prior to his/her leaving home to report to work for his/her scheduled work shift. Claims against the work schedule will be submitted in writing and initialed by a member of management or an associate so designated by management prior to 3:00 p.m. Saturday to be a valid grievance.

The Employer agrees to continue to recognize seniority for preferential daily work shifts whenever/wherever possible.

- 11.16 Emergency Conditions - In case an associate would lose time from his schedule for a particular week due to emergency caused by riot, civil disorder, fire, flood, or other Act of God, any arrangement worked out between the Union and the Employer to make up all or part of such lost time shall be valid under this Agreement. When work is offered under such arrangement, he may accept such work or reject it and lose the time. However, in case of riot where a store must be closed and the police order the associates to vacate the store, any associate who has not completed his schedule for that day will be paid for the balance of his schedule for that day.

ARTICLE 12. HOLIDAY WORK

- 12.1 Legal Holidays - The following shall be recognized as holidays: New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, and Christmas Day. When one of these holidays falls on a Sunday, the holiday shall be celebrated on the Monday immediately following.
- 12.2 Personal Holidays - In addition to the above mentioned holidays, the Monday following the associate's birthday shall be a recognized holiday subject to the same conditions set forth above for other holidays. In case this personal holiday falls in the same week as one of the above full-time holidays, it shall be celebrated on the Monday following the holiday week; however, where scheduling problems are involved, the holiday may be scheduled on any Monday or Saturday within thirty (30) days immediately following the date on which the associate's birthday occurs, such day to be mutually agreeable to the Employer and associate.

For all Drug/GM associates and all food associates who qualify, shall be granted an additional paid holiday to be the associate's anniversary date. Such holiday shall be celebrated during the week in which the associate's anniversary date occurs except in the case of a holiday week in which it shall be celebrated in the first non-holiday week that follows. (In the event that a substantial number of associates have an anniversary date in the same week in a particular store, alternate

arrangements may be made in which case seniority shall prevail for choice of available dates.)

For all meat associates hired before May 8, 2001, will receive one (1) additional personal holiday for a total of three (3).

Full-time Drug/GM associates hired prior to June 1, 1987 shall have eight (8) hours straight time added to their first week of vacation pay. Part-time Drug/GM associates hired prior to June 1, 1987 shall have four (4) hours straight time added to their first week of vacation pay.

- 12.3 Holiday Pay (Unworked): Full-time Associates - In a week in which one of the above holidays occur, a full-time associate who works his scheduled workday before and his scheduled workday after the holiday will receive eight (8) hours straight-time pay in addition to the hours actually worked. Absence during a holiday week caused by illness substantiated by a doctor's certificate or absence approved by the Employer in advance; shall not disqualify the associate for holiday pay, provided he has performed some work during the holiday week. Such doctor's certificate must be presented during the week in which the associate returns to work.

It shall not be mandatory for the Employer to require a doctor's certificate in each and every case if the associate's store manager has knowledge of an illness (where the associate has performed some work in the holiday week) that, in his opinion, would make the requirement for the certificate unnecessary.

Overtime pay at time and one-half (1 ½) will be paid during a holiday week after thirty-two (32) hours actually worked. If a holiday occurs during a full-time associate's vacation, he or she shall be paid one (1) additional day's pay of eight (8) hours at straight-time in addition to the vacation pay.

- 12.4 Holiday Pay (Unworked) Part-Time Associates - A part-time associate who has worked in twelve (12) weeks or more shall be entitled to holiday pay for the holiday set forth in Article 12, Section 12.1, 12.3, and 12.4 provided they were scheduled for work in the holiday week and worked their scheduled hours in the holiday week. Associates who are absent of their own accord during a holiday week shall be paid only for the hours actually worked, except where absence is caused by proven illness or is excused by the Employer, the associate shall receive holiday pay provided he worked any part of the holiday week.

It shall not be mandatory for the Employer to require a doctor's certificate in each and every case if the associate's store manager has knowledge of an illness (where the associate has performed some work in the holiday week) that, in his opinion, would make the requirement for the certificate unnecessary.

Holiday pay shall be figured on the average hours worked for the four (4) consecutive weeks immediately preceding the holiday week on the following basis:

<u>Average Hours Worked</u>	<u>Holiday Pay</u>
20 or less	2 hours
Over 20 hours to and including 30 hours	4 hours
Over 30 hours to and including 32 hours	6 hours
Over 32 hours	8 hours

- 12.5 Holiday Work Week – In any calendar week in which one of the holidays mentioned in Article 12, Sections 12.1 and 12.2 occurs, the basic straight-time workweek for full-time associates shall consist of thirty-two (32) hours to be worked in four (4) days, not necessarily consecutive, exclusive of the holiday. In such holiday weeks, all work in excess of thirty-two (32) hours or work on the fifth (5th) day, exclusive of the holiday, shall be paid for at time and one-half (1 ½) the associate's regular hourly rate.

All hours worked in excess of forty (40) hours will be paid at time and one half (1 ½). Holiday pay shall not be considered time worked. This shall apply to part-time associates, and to full-time associates upon mutual agreement*.

- 12.6 Christmas Eve – No associate shall be required to work after 6:00 p.m. on Christmas Eve.

ARTICLE 13. VACATIONS

13.1 Vacation Schedule – Associates will be entitled to vacation pay based upon the following schedule:

<u>Years of Continuous Service</u>	<u>Weeks of Vacation</u>
1 year	1 week
3 years	2 weeks
7 years	3 weeks
14 years	4 weeks
18 years	5 weeks
25 years	6 weeks

13.2 Eligibility For Vacation – Eligibility for an associate's first vacation (one week) and for any increase in vacation will be determined by their anniversary date. Arrangements must be made to permit associates to enjoy such earned vacations between the actual anniversary date and the end of the year in which it occurs. Where necessary, vacations due in the 11th and 12th periods may be carried over to the 13th period of next year.

Associates who completed the required service prior to January 1st of any year are eligible for vacations as of that date.

After an associate has qualified for the amount of vacations as stipulated in Section 13.1 above, they automatically qualify for that amount of vacations as of January 1st of each year, provided the associate has worked one scheduled work day up to eight (8) hours that year with the exception of associates eligible for the retirement bonus outlined in Article 13.9.

Lay-off Status - Associates who are on lay-off or leave of absence at the end of a calendar or anniversary year will not be entitled to vacation and vacation pay for service for said year until their return to work. Their vacation will be subject to the reductions outlined under Section 13.6.

The qualifying date for all vacation purposes of any part-time associate who, subsequently and without a break in his employment, qualifies as full-time associate as defined in Article 15 of this Agreement shall be the date from which his service has been counted for part-time vacation purposes rather than the date he qualified as full-time associate.

13.3 Computation of Vacation Pay – The weekly rate of pay for vacation purposes will be determined as follows:

- (a) Full-time associates who worked on a full-time, forty (40) hour basis in at least forty (40) weeks, or who were not laid off for more than thirty (30) working days during the anniversary or calendar year in which their vacations were earned, will be paid their current straight-time hourly rate for their regularly scheduled work week. In determining if an associate has worked forty (40) or more weeks on a full-time basis, weeks not worked because of paid vacations, approved leaves of absence (including sick leave), and weeks in which only thirty-two (32) hours were worked because of holidays are to be counted as weeks so worked.
- (b) The weekly pay of a full-time associate who worked on a full-time (40 hour) basis in fewer than forty (40) weeks, or who was laid off for more than thirty (30) working days in the year, will be computed at his current straight-time hourly rate for the average number of hours worked per week during the anniversary or calendar year in which the vacation was earned. To determine the average number of hours worked per week, divide the total hours worked during this anniversary or calendar year by the number of weeks in the year; exclude from this divisor the weeks off the job because of paid vacation, sick leave, or other authorized leave of absence.
- (c) A part-time associate will be entitled to vacation under the same general rules as for full-time associates and part-time vacation will be figured on the number of hours worked in the vacation year in which the vacations is earned, divided by fifty-two (52).

Vacation pay will be paid with the associate's last paycheck prior to the vacation week.

13.4 Vacation Scheduling – Choice of vacation dates will be granted on the basis of seniority, except that the Employer reserves the right to grant vacations to any associate when absence will least affect the operation.

The Employer will post a vacation schedule in each store effective December 1 of each year. The associates will exercise their preference by February 1 of each year. A complete vacation schedule shall be posted in each store within fifteen (15) days. Vacation dates for associates indicating their preference will be scheduled by the Employer. Once finalized, no associate will be permitted to change his vacation at the expense of another associate's scheduled vacation. Associates will be allowed to take a maximum of three (3) consecutive weeks vacation during the summer if so eligible, provided further, that the Employer will recognize additional consecutive weeks during the summer vacation period when associate(s) can verify additional consecutive weeks are required.

Vacations must be taken during the calendar year, unless, due to an emergency, the management finds it necessary to request postponement.

No associate shall be permitted to take pay in lieu of vacation.

Associates may take vacations beginning in the middle of the week and ending in the middle of the following week.

Associates with four (4) or more weeks of vacation may elect to schedule one (1) week of vacation a day at a time. Associates must notify the store manager of their desire to schedule this week of vacation days at the time of vacation selection. The individual days will be scheduled by mutual agreement to be taken Monday through Thursday by October 31st of each year. Unused days as of October 31 will be scheduled at the discretion of the Employer, which will be done by year-end.

Any associate who is eligible for at least four (4) weeks of vacation or more may "sell" vacation weeks as follows: Associates eligible for four (4) weeks vacation may sell one (1) week vacation. Associates eligible for five (5) weeks and six (6) weeks of vacation may sell up to two (2) weeks vacation. The "selling" of vacation weeks shall be at the associate's option only and must be submitted to store management when vacation selections are due as of February 1st of each year.

- 13.5 Holiday Occurring During Vacation - If one of the holidays set forth in Article 12, Sections 12.1 and 12.2 occurs during any week of an associate's vacation, they shall receive holiday pay, at straight time rate of pay, as set forth in Article 12 of this Agreement, in addition to their vacation pay for such week.
- 13.6 Effects of Leaves On Vacation Pay - Leaves totaling ninety (90) days or less in any calendar year shall not affect vacation earned in that year. Leaves totaling more than ninety (90) days but not over 180 days shall reduce vacation and vacation pay by one-fourth (1/4). Leaves totaling more than 180 days but not over 270 days shall reduce vacation and vacation pay by one-half (1/2). Leaves totaling more than 270 days shall disqualify for vacation. (The above ninety (90) days shall become one hundred and twenty (120) days in the event of leaves of absence due to illness, on-the-job injury, or pregnancy). Associates will be scheduled the number of weeks vacation earned by their Company length of service at reduced pay. Associates may reduce their vacation time so that they do not suffer a reduction of their weekly pay with the agreement of the Store Manager.
- 13.7 Vacation for Associates Returning From Military Leave - Vacations for associates with one year or more of continuous service as a full-time associate who return to Kroger employment from military leave within ninety (90) days after discharge from the Armed Services, shall be as follows:
- (a) Continuous service as a full-time associate includes time on military leave of absence.
 - (b) Those who return to Kroger service and thereafter work for ninety (90) days or more before the end of the year are eligible for vacation in that year based on their length of continuous service as defined above.
 - (c) Those who do not return early enough in the year to be employed ninety (90) days are not eligible for a vacation that year, but are eligible for a vacation in the next calendar year upon completing ninety (90) days of employment following their return from military leave of absence.
- 13.8 Effects of Separations - If an associate who has not taken the vacation which he has earned by reason of his service leaves (regardless of whether he gives notice), goes into military service or is separated for any reason other than confessed or proven dishonesty, shall receive his vacation pay at the time of leaving.

- 13.9 Retirement Bonus - Associates with twenty (20) or more years of continuous service who are eligible to retire will receive a retirement bonus. This bonus will not count as time worked; no other contractual obligations will apply to this bonus.

This bonus will be calculated as follows: the number of vacation weeks as determined by years of service divided by 52, times the number of weeks worked in the retirement year, equal the number of weeks of this bonus. The weekly payment is equal to the current hourly rate, times the average hours per week (not to exceed 40 hours) in the retirement year.

ARTICLE 14. NIGHT STOCK CREW PROVISIONS

- 14.1 A night shift associate shall be defined as any associate who is scheduled in a manner which requires the night shift hourly premium specified in Article 9, Section 9.3 of this Agreement.
- 14.2 Transfers to Day Shift - Night shift associates with one (1) year or more of service as a night shift associate, who certify in writing of their desire for day shift work, will be assigned such work within their store on the basis of seniority, but not to exceed one (1) such associate each ninety (90) days. Associate(s) within the store may volunteer to fill the vacancy by seniority. However, if associate(s) do not volunteer for such vacancy, then the least senior full-time associate including Status 3 associates within their respective classification within the store may then be assigned to fill the vacancy on the night shift.
- 14.3 The Employer will appoint a Head Night Stock Lead Clerk (where the Head Grocery Clerk is not working with the night stock crew.)
- 14.4 Other Provisions - Night shift associates will be allowed to leave the store during the meal period.

ARTICLE 15. SENIORITY

- 15.1 Application - In layoffs, recalls, transfers, scheduling and the reduction of hours, the principle of seniority shall apply. Promotions will be based primarily on seniority and ability, but when ability is reasonably equal, the associate having the greatest seniority shall receive preference. Based on all factors, the Employer will exercise final judgment on promotions. This shall not preclude the Union from questioning through the Grievance and Arbitration Procedure whether or not the Employer has given due regard to seniority.

Associates promoted shall be given up to a ninety (90) day but not less than thirty (30) day break-in period to familiarize themselves with the job duties by which time the associates will be required to perform the job at a satisfactory level. If, for justifiable reasons, the Employer thinks an associate cannot perform the job at a satisfactory level, the associate shall be returned to his or her original classification.

In the matter of promotions or transfers from one type of work to the other, or from one store to another, the Employer will consider seniority in conjunction with ability and practicability. No department head will be transferred unless they are given one (1) week's notice.

- 15.2 Determination - For the purpose of layoffs, recalls, transfers, scheduling, promotions, and the reduction of hours, the Union #1 seniority date shall apply. The Union #1 seniority date shall be determined as follows:
- (a) For full-time associates, the Union #1 seniority date shall be determined as the first day worked in the twelve (12) qualifying weeks (BDCS date). For full-time meat group associates prior to May 8, 2001, the Union #1 seniority date shall be determined on length of service.
 - (b) For part-time associates, the Union #1 date shall be their most recent date of hire. Effective May 8, 2001 for food associates, and effective November 15, 2005 for Drug/GM associates, a part-time associate who qualifies for full-time shall have their seniority date as a full-time associate determined on the basis of one (1) week's credit for each two (2) weeks of part-time work. The Union #1 seniority date in this case will be this adjusted date.
 - (c) For grocery group associates hired prior to March 25, 1996, if two (2) or more associates have the same hire date and/or Union #1 date, seniority will be decided by alphabet of the last name. When the last name is the same, it

will revert to the first name. For associates hired after March 25, 1996, if two (2) or more associates have the same seniority date, the associate having the lowest social security number shall be considered to have the greatest amount of seniority. This Paragraph shall apply to Drug/GM associates hired after June 12, 2000. Established seniority dates for Drug/GM associates hired prior to June 12, 2000 (initial of the last name) shall stay the same, provided they remain in their seniority group.

- (d) In the event the Employer transfers an associate from any other store or unit which is not covered by this bargaining unit, such associate's Union #1 seniority date shall be their date of entering this bargaining unit for the purposes of layoffs, recalls, transfers, promotions, the scheduling of hours which shall include Sunday and holiday work.
- (e) Eligibility for holidays as provided in Article 12, and vacations as provided in Article 13, or any other benefits as provided for in this Agreement, shall be based upon the associate's length of employment with the Employer.
- (f) For food associates hired on or before December 11, 1989, if a transfer is mutually agreeable to an associate and store manager, either from one seniority group (grocery/meat) to another, between entry level positions in the grocery seniority group (such as sacker, floral attendant, demonstrator, and salad bar) the associate's seniority date shall be the date of transfer. The associate's original date of hire, however, shall prevail for all other matters such as earned vacation, holidays and total Employer service. However, any meat associate transferring within the meat seniority group after May 8, 2001 retains their seniority and bakery clerks transferring to the grocery clerk will retain all seniority.
- (g) Any food associate hired after December 11, 1989, and any Drug/GM associate, upon mutual agreement* between the associate and management, may be transferred between seniority groups covered by this Agreement and retain all seniority. Any such transfer would be subject to thirty (30) day "trial period" and could be rescinded by either associate or the Employer during that time. Any associate interested in transferring to another seniority group, as outlined in this Section, should make such desire known in writing to the store manager with a copy to the Union steward. In order to provide customer service in an extreme situation, the Employer may utilize any such associates to work in any other department. The Employer recognizes that all hours must be maximized within a department before exercising this option.
- (h) Probationary associates shall have no seniority rights except among other probationary associates during such probationary period, and upon successful completion of said probationary period, their seniority and seniority rights shall refer to their initial date of employment; however, all probationary associates shall be entitled to all other terms and provisions of the Agreement, unless otherwise exempted herein.
- (i) There shall be three (3) separate seniority groups as follows:

Group A – Meat

Departments: Meat, Deli/Bakery, Seafood/Customer Service

Classifications:

Meat	Meat Department Manager, Assistant Meat Department Manager, Journeyman, Meat Clerk
Seafood/Service Meat	Lead Seafood Clerk, Seafood/Customer Service Attendant
Deli/Bakery	Department Head, Assistant Department Head, Lead Baker, Cheesemaster, Lead Coffee, Deli/Bakery Clerk, Coffee Shop Clerk, Line Cook

Group B – Grocery

Departments: Grocery, Dairy, Frozen Food, Produce, Front-end, Demonstrator

Classifications:

Grocery	Department Head, Night Lead Clerk, Backdoor Receiver, Clerk, Fuel Center Clerk
Dairy	Department Head, Clerk
Frozen Food	Department Head, Clerk
Produce	Department Head, Assistant Department Head, Clerk, Lead Floral Attendant, Floral Attendant,

	Lead Salad Clerk, Salad Bar Clerk
Front-end	Department Head, Assistant Department Head, File Maintenance Clerk, Clerk, Sacker/Carryout
Demonstrator	Demonstrator

Group C - Drug/GM

Departments: Cosmetics, Drug/GM, One-Hour Photo

Classifications:

Cosmetics	Cosmetician I, Cosmetician II
Drug/GM	Head Drug/GM Clerk, Assistant Head Drug/GM Clerk, Drug/GM Clerk
One-Hour Photo	Photo Lab Clerk

Seniority shall be exercised by associates listed in Groups A, B, and C above as follows:

- Full-time, Part-time within the store
- Within the respective seniority area
- Adjoining seniority area within the same zone
- The store in the zone closest to the associate's residence
- Union jurisdiction covered by this Agreement

Seniority zones will be set forth in Appendix "C" attached

15.3 Limited Associates – Meat Department Only – Associates who limit their availability due to other employment and/or for personal reasons shall have no seniority over any full-time or part-time associate but only among themselves in the same store for the purpose of claiming available hours/earlier starting times. If the aforementioned associates have a change in availability, then said availability shall be certified in writing to the store manager with a copy to the Union. Once limited associates are available for all hours, their seniority date shall revert back to date of hire.

15.4 Department Head Seniority - Department Head, Assistant Department Head, and Lead Clerk seniority shall be on the same basis as clerk classification, except that Department Heads and Assistant Department Heads shall have separate seniority, based on length of service as a Department Head or Assistant Department Head within the classification, except for Sunday and holiday work.

If a Department Head or Assistant Department Head voluntarily reduces himself in the classification, he shall have the option to remain in the same store or be transferred to another store. Such store shall be mutually agreeable to the associate and Store Manager/Zone Manager. Such transfer shall be finalized within sixty (60) days of the reduction in classification. Any Department Head or Assistant Department Head who elects to voluntarily reduce himself in the classification shall submit a written statement to that effect to the Human Resource Department of the Employer. Such statement shall be signed and dated by the associate, the Store Manager/Zone Manager and Union Steward of the store. The Human Resource Department shall send a copy of such statement to the Union office.

When a Department Head is reduced in classification, his service as a Department Head will be considered as a clerk for seniority purposes.

15.5 Department Head, Assistant Department Head and Lead Clerk Vacancies - If a vacancy occurs in a department head, assistant department head or lead clerk classification not resulting from vacation, leave of absence, etc., it shall be filled within thirty (30) days after the vacancy occurs.

If the coffee shop closes, the coffee shop associates have the right to transfer to the Deli/Bakery and will keep their seniority date.

15.6 Promotions - When a position within the Clerk classification becomes available within the individual store, such position will be offered by seniority to the associates in the combined classifications (Sacker/Carryout, Demonstrators, Salad Bar Attendants, and Floral Shop Attendants, Drug/GM) within the store. This provision shall not preclude an associate within the aforementioned classification from refusing such promotion. However, any associate in the aforementioned

classifications who does not qualify or fails cashier training within thirty (30) days after promotion shall revert to the previous classification and seniority date and shall not re-qualify for promotion to an available opening in the Clerk classification until six (6) months have elapsed. Associates refusing such promotion shall effectuate a statement that such position was offered to them by seniority and refused, and such statement shall be signed by the associate, the Union steward and store manager on the date such associate refused the promotion to the Clerk classification. However, in the event a Clerk is reduced to one of the aforementioned classifications, his/her seniority date shall be the date of hire with the Employer.

Any sacker/carryout, demonstrator, salad bar attendant, or floral shop attendant associate promoted to the grocery group clerk classification, may subsequently request to voluntarily reduce himself to his previous classification. Associates wishing to exercise this option shall present their request in writing to the store manager. Such request shall be signed by the store manager, associate, and Union steward. Such associates shall be reduced on the next posted work schedule following Saturday of the week in which the request was made. These associates shall revert to their previous Union #1 date, in their previous classification for scheduling purposes and shall be paid the applicable rate based on their length of service in their previous classification. Any associate who exercised this option shall not qualify for promotion to the grocery group clerk classification until six (6) months have elapsed.

Effective May 8, 2001, associates in the sacker/carryout, floral attendant, salad bar clerk, and demonstrator classifications who are promoted to the clerk or Drug/GM classification, will be inserted on the part-time seniority list based upon date of hire for the purpose of layoffs, recalls, transfers, claiming available hours, earlier starting times, which also includes Sunday and holiday hours and all other terms of the Agreement.

- 15.7 Termination - Seniority shall be considered broken if an associate is duly discharged by the Employer, if they voluntarily quit, if they have been laid off continuously for a period of more than one year, if they fail to notify the Employer within ten (10) days of recall that they will return to work, or if they fail to return to work after recall from a lay off within ten (10) days of the date of issuance of notification to recall by certified mail to the last known address of the associate, if they fail to return to work in accordance with a leave of absence provided herein.
- 15.8 Promotion to Non-Bargaining Unit Position – Seniority rights of an associate within the bargaining unit shall be protected for a period not to exceed one year in the event of a promotion to a non-bargaining unit position. The Union shall be notified when such promotions occur. If returned to the bargaining unit with one year, the associate shall return to their previous job classification in accordance with their seniority.
- 15.9 A Union steward in the grocery group and Drug/GM group, regardless of their date of employment, shall have seniority, except for earlier starting times, over all other associates within their classification within the store in which they work, and accordingly, shall be the last associate to be reduced in hours and/or laid off and shall have the right to claim all available hours over all other associates within their classification within the store in which they work, excluding all department heads, assistant department head, lead classifications or head night lead clerk. It is further understood that alternate Union steward(s) shall not have superseniority. The Union steward may act for the Union in signing up associates for Union membership and in explaining the functions of the Union to associates.
- 15.10 Reduction of Hours - A full-time associate regularly working thirty-six (36) hours or more during the basic work week, and who averages less than thirty-six (36) hours for more than four (4) weeks shall have the option to transfer and displace, considering the type of work, the least senior full-time associate in their seniority area who is working the largest number of hours per week more than the hours per week to which they are reduced, up to and including forty (40) hours.

If the least senior full-time associate in the seniority area is working a lesser amount of hours than the full-time associate who has been reduced, then that reduced full-time associate has the option to transfer and displace, considering the type of work, the least senior full-time associate working the largest amount of hours per week up to and including forty (40) hours in the adjoining seniority area. If the least senior full-time associate in the adjoining seniority area is working a lesser amount of hours than the full-time associate who has been reduced, then that reduced full-time associate has the option to transfer and displace the least senior associate working the largest amount of hours per week up to and including forty (40) hours in the zone closest to the associate's residence.

If the least senior full-time associate in the zone closest to the associate's residence is working a lesser amount of hours than the full-time associate who has been reduced, then that reduced full-time associate has the option to transfer and

displace the least senior full-time associate working the largest amount of hours per week up to and including forty (40) hours in the Local Union's jurisdiction. The associate who is finally displaced may claim all available hours in their store.

"Regularly working" shall be defined as the four (4) week average immediately preceding the four (4) weeks of reduced hours. For example:

<u>Regularly Working Weeks</u>		<u>Reduced Weeks</u>	
Week 1	38 hours	Week 5	38 hours
Week 2	37.5 hours	Week 6	24 hours
Week 3	39 hours	Week 7	30 hours
Week 4	36.75 hours	Week 8	32 hours
Average hours: 37.81 hours		Average hours: 31 hours	

In the above example, weeks (1) through (4) determine the average hours regularly worked, and weeks (5) through (8) determine the average hours reduction.

Before exercising their rights under this provision, the associate must exercise all available hours in their store, except associates will not be required to claim hours between 12:00 midnight and 6:00 a.m. to fulfill the "all available hours" criteria.

A full-time associate eligible for transfer as provided above must request such transfer in writing to the store manager with a copy to the Union steward no later than the end of the week in which the schedule for the fourth week of reduced hours is posted.

The Employer will arrange the transfer at the beginning of the week following the fourth week of reduced hours. The associate must complete the transfer on the date scheduled by the Employer or forfeit all rights to transfer.

Associates regularly working thirty-two (32) hours who are reduced to an average of less than thirty-two (32) hours for more than four (4) weeks shall be eligible to follow the same procedures as outlined in paragraphs 1 through 6.

Any associate who does not elect to exercise their seniority to transfer as a result of reduction of hours, as outlined above, will be given one additional opportunity to request a transfer. This transfer must be exercised within ten (10) days of March 1, June 1, or October 1 of the year in which the original transfer was requested.

When an associate exercises this option, the transfer shall take effect on the next posted work schedule following such request.

- 15.11 Any associate with three (3) months or more of seniority, whose hours are reduced during the basic work week to less than sixteen (16) hours within their basic work week, through no fault of their own, shall have the opportunity to transfer and displace the least senior associate on the same basis as specified in Section 15.10 of this Article, pertaining to full-time associates, provided the associate exercises this opportunity in writing to the store manager with a copy to the Union steward not later than Monday immediately following a reduction in hours, as specified above. The Employer will arrange the transfer at the beginning of the next week after the request. The associate must complete the transfer on the date scheduled by the Employer or forfeit all rights to the transfer.
- 15.12 Store Closings - In the event of store closing, Department Heads and Assistant Department Heads shall be eligible to transfer and displace (on the basis of seniority as a Department Head or Assistant Department Head) the least senior Department Head or Assistant Department Head in the same classification and volume bracket in another store within first, his seniority area; second, adjoining seniority area in his Zone; third, volume bracket store in the Zone closest to his residence; and fourth, the volume bracket store within the bargaining unit.

In the event that the Department Head or Assistant Department Head in the closing store is the least senior in the classification and volume bracket, he shall be eligible to transfer and displace the least senior Department Head or Assistant Department Head in the same classification in the next lower volume bracket.

Department Heads and Assistant Department Heads who are displaced, as a result of the above process, shall be eligible to transfer and displace the least senior Department Head or Assistant Department Head in the same classification in the next lowest volume bracket until the least senior Department Head or Assistant Department Head is reduced to a Clerk classification.

As an alternative to the above, a Department Head with seniority in a closing store may elect to displace the least senior Department Head in the lowest Department Head classification in the seniority area and/or adjoining seniority area, as determined by rate of pay in which he was previously a Department Head and shall retain first option to return to this original classification, based on volume brackets when such opening becomes available. In this event, the displaced Department Head may exercise the option to transfer, as specified above.

Department Heads or Assistant Department Heads eligible for transfer, as provided above, must request a transfer in writing to the Zone Manager with a copy to the Union within five (5) days. The Employer will arrange the transfer no later than the second week after the request by the eligible associate is made with no loss in pay until the transfer is completed, and the associate must complete the transfer on the date scheduled by the Employer or forfeit all rights to the transfer.

If the Company permanently closes the Eaton store, the Company will offer positions at other Cincinnati/ Dayton KMA stores to the employees affected by the closing (B-1 in the current Cincinnati Bargaining Agreement Seniority Area and G-2 in the current Dayton Bargaining Agreement Seniority Area).

- 15.13 New Store Openings - When a store is opened under this Agreement, a notice of such openings will be posted approximately six (6) weeks prior to the opening of the new store in the existing stores within the Zone. Those Clerks and Sacker/Carryout associates wishing to transfer to the new store will sign the notice providing all necessary information within seven (7) days. Available job openings will be filled from such associate requests on the basis of seniority, job classification and type of work performed.

When a store or stores are closed in conjunction with the opening of the new store, such Clerks and Sacker/Carryout associates will be transferred to the new store before associates from other stores are transferred. Additional available job openings will then be filled on the basis provided for above before the Employer hires new associates.

The Employer, however, reserves the right to determine the number of part-time and the number of full-time associates to be transferred as well as the right to restrict a reasonable number of associates transferring from any one store.

The above provision does not apply to Department Heads, Assistant Department Heads, and Lead Clerks.

- 15.14 Seniority Lists - Seniority lists shall be established and maintained and such lists shall be available to the Union at all times. Each three (3) months on February 1, May 1, August 1, and November 1 of each year, the Employer agrees to send to the Union office two (2) copies of a list of associates by store, specifying job classification, rate of pay, and seniority status. The Employer also agrees to notify the Union of layoffs, leaves of absence, permanent transfers, promotions, and terminations on a weekly basis.

- 15.15 Definition of Full-time - The term "full-time associate" whenever it appears in this Agreement shall refer to the Employer's definition of a "full-time associate" as follows:

- (a) An associate shall be classified as a "full-time" associate at the end of the first twelve (12) consecutive workweeks during which his average hours worked equal or exceed thirty-four (34) hours in the basic workweek for his classification. This language shall apply only to those associates who are excluded from the ratio.

Example: In a store with a basic forty (40) hour workweek, an associate worked thirty-four (34) hours in twelve (12) consecutive weeks, an average of thirty-four (34) hours, eighty-five percent (85%) of the basic workweek. This person qualifies as a full-time associate.

- (b) Time not worked because of a holiday shall be counted as time worked toward qualification or continuity as a full-time associate, regardless of whether or not the associate is entitled to holiday pay.
- (c) For an associate who meets the aforesaid requirements, continuous service as a full-time associate shall be dated back to the first day worked in the first of the twelve (12) qualifying weeks.
- (d) Once an individual has qualified as a full-time associate, he shall be removed from full-time status only:

1. If he is discharged.
2. If he quits voluntarily, or becomes unavailable for full-time work because of another job.
3. If he is permanently laid off due to elimination of job.
4. If he voluntarily makes himself unavailable to work at least eighty-five percent (85%) of the full basic workweek for his store, such voluntary reduction shall be in writing to the Human Resource Department with a copy to the Union, and the associate's seniority shall be dated from the original date of hire or the date the associate enters the bargaining unit.
5. Once an associate has qualified as a "full-time" associate, the associate shall be removed from "full-time" status if the associate has been reduced to part-time at the associate's voluntary written request the week following request for demotion to part-time status, and the associate's seniority shall be dated from the original date of hire or the date the associate enters the bargaining unit, or an associate involuntarily reduced to less than twenty (20) hours for twenty-six (26) consecutive weeks.
6. Effective upon July 27, 1980, all meat and grocery associates other than those presently classified as full-time who are involuntarily reduced to an average of less than twenty-eight (28) hours for twelve (12) weeks, shall be removed from full-time to part-time status and the associate's seniority shall be dated from the original date of hire or the date the associate enters the bargaining unit.

Note: In determining if an associate has worked less than twenty (20) hours for twenty-six (26) weeks or averaged less than twenty-eight (28) hours for twelve (12) weeks (subparagraph 6) do not count those periods in which the associate was absent for two (2) or more weeks because of sickness or approved leave.

- (e) If separated from full-time status in accordance with paragraph D preceding, an associate has suffered a break in service, which cannot be bridged or eliminated by subsequent employment. To qualify as a full-time associate, he must again meet the requirements set forth in paragraph (a).
- (f) Definition of Full-Time Associate Status 3 - The term "full-time associate status 3", wherever it appears in this Agreement only, shall be as follows, an associate that averages thirty-four (34) hours in twelve (12) consecutive weeks in a basic workweek. These associates must be available to work any and all hours up to forty (40). After qualifying for full-time status 3, if an associate limits their availability, they will be returned to part-time status and part-time pay by the next posted work schedule. While a full-time status 3 associate, the associate will not have full-time dependent benefits.
- (g) Definition of Status 4 - Any associate classified as part-time status 4 is an associate who limits their availability on a regular basis. Status 4 associate's seniority date will be their most recent date of hire. They will not have seniority over any full-time associate. Status 4 associates includes associates in all classifications.

ARTICLE 16. LEAVES OF ABSENCE

- 16.1 Sick Leave - Associates will be granted a leave of absence not to exceed ninety (90) days, for sickness, accident, or pregnancy upon written request supported by medical evidence of the need for a leave of absence if applied for within two (2) weeks after the date of said sickness or accident (and for pregnancy, two (2) weeks prior to the commencement of such leave) by written request to the Division Human Resource Manager. Additional ninety (90) day leaves of absence will be granted upon written request supported by medical evidence for such need up to but not exceeding three (3) years. Associates on such leave will not be considered to have time worked for the purpose of wage increases.

Upon notice to the Employer of availability for work following absence because of bona-fide sickness, accident or pregnancy, the associate shall be restored to the job previously held (seniority permitting) and shall begin work not later than Monday following the next posted work schedule. The notice to the Employer must be accompanied by a doctor's release and must be given to store management before 12:00 noon on Wednesday. The associate shall be made whole by the Employer for any loss in pay caused by non-compliance to this Section.

- 16.2 Personal Leave - An associate with one (1) year's seniority or more will, for good cause and upon written request, be granted a personal leave of absence, without pay, for a period not to exceed ninety (90) days, but in no case shall a personal leave be granted or used for the purpose of permitting an associate to try out for another job. It is understood that such leave will be granted at the discretion of the Employer.

Associates violating the above leaves of absence will be considered a voluntary quit.

- 16.3 Union Leave - The Employer also agrees to grant the necessary time off without discrimination or loss of seniority rights and without pay to any associate designated by the Union to attend a labor convention or serve in any capacity on other official Union business, provided the Employer is given at least seven (7) days notice prior to the next posted schedule in writing, specifying the length of time off but in no case shall the length of time exceed one (1) year.

It is also understood that the numbers of associates so designated, requesting this leave, will not be so great in total or on an individual store basis so as to adversely affect the prudent operation of the Employer's business.

It is understood that the Employer shall grant the necessary time off with pay for each Union steward and alternate steward(s) for the purpose of attending the Steward's Seminar, provided the steward and alternate steward(s) do attend the Seminar on the date(s) to be selected by the Union. It is also understood that the pay shall be eight (8) hours at straight time, and the Stewards' Seminar shall be limited to one Seminar each year. Three (3) stewards in each store will be paid to attend the Stewards' Seminar. In the top fifty percent (50%) of stores (by sales volume) two (2) alternate stewards will also be paid provided they attend the seminar.

- 16.4 Military Leave - Any associate in military service under the provisions of Federal Law shall be returned to his job and retain his seniority in accordance with that law.
- 16.5 Securing Permission for Leave - Any associate who is qualified for a leave of absence as set forth in this Article, and who desires a leave of absence for more than fourteen (14) days shall secure written permission from the Human Resource Department of the Employer with a copy to the Union, the length of absence to be agreed by the Employer and the associate. The length of leave shall be commensurate with the need. An associate who fails to comply with this provision will be considered to have voluntarily terminated his employment.
- 16.6 General Provision - Time spent on leave of absence will not be counted as time worked for the purpose of wage computation, and seniority will continue to accrue while on leave of absence. Failure to report back to work at the end of a leave of absence shall result in the associate being considered a voluntary quit. Any associate accepting employment elsewhere while on leave of absence shall be considered a voluntary quit, except in a case where such associate is on Union leave.
- 16.7 Funeral Leave - In case of a death in the immediate family of any associate, the associate shall be paid for a reasonable period of absence depending upon the circumstances up to a maximum of three (3) days (four (4) days for death of spouse or child) not to extend beyond the day of the burial but in no case will he receive more than his normal week's pay. By immediate family is meant parents, brother, sister, wife, husband, child, mother-in-law, father-in-law, associate's grandparents, associate's step-parents, step-children, grandchildren, or any other relative residing with him. In case of the death of a member of the immediate family who lives out of town and additional time off is necessary, the Employer will grant reasonable additional time off without pay for the purpose of attending the funeral. If an associate is notified at work of a death in the immediate family and does not complete his schedule for that day, he shall be paid for time lost that day in addition to the above. Proven falsification of the above shall be cause for discharge.
- 16.8 Jury Duty - In case an associate is known to have served on any duly constituted jury, they shall be paid for hours necessarily absent from work including jury fee remuneration. Such pay shall not exceed the pay for the normal workweek. All associates including night crew associates shall be listed on the posted work schedule as "jury service" and the combined hours of work and jury service will not exceed eight (8) hours in any one day with the further understanding that, upon release of jury service, such associate will report to work to complete the remaining portion of the associates schedule, not to exceed eight (8) hours. Time spent by associates who are required to testify and assist the Employer in court will be considered as time worked.

- 16.9 Store Injuries - If an associate is injured on the store premises during the course of his employment, and as a result loses time, he shall be paid for such time lost on the day of injury but not to exceed eight (8) hours.
- 16.10 The parties will comply with the terms and conditions of the Family Medical Leave Act.
- 16.11 Union Counselor - The Union shall have the right to designate a Union Counselor in each store. It is understood that the Employer shall grant the necessary time off for each Union Counselor to attend conferences and/or training sessions.
- 16.12 An educational leave of absence may be granted to associates for the purpose of attending college or specialized training. Associates must provide the employer documentation verifying their attending college or specialized training. The attending college must be outside the contract area. Associates on such leave shall retain seniority and time absent will not count as time worked toward wage progressions.
- 16.13 Any associate who is absent from work for three (3) consecutive working days without notifying a member of management will be considered to have voluntary quit.

ARTICLE 17. OTHER GENERAL WORKING CONDITIONS

- 17.1 Associate Dress - Any uniform deemed necessary by the Employer for its associates shall be furnished by the Employer.

The Employer has the right to establish a reasonable dress code for associates. In stores where uniforms are provided by the Employer:

- (a) The Employer shall have the right to require the return of, or payment for, clothing supplied by the Employer upon an associate's termination.
- (b) The Employer shall have the right to limit accessory items worn in those in the catalogue and those similar in type and color

Name badges are required.

Associates' shoes must be white, tan, brown, and/or black and must be clean and appropriate and adequately protect the feet (cloth sneakers and/or sandals are not permitted).

If sweaters are worn, they shall be neat and presentable and of a solid, subdued color.

- (c) The associate will adhere to rules and regulations, company policies, and local, state and federal mandates related to dress code.

- 17.2 Time Clocks/Computerized Recording - The Employer shall continue to provide time clocks in each of their stores throughout the life of this Agreement for the purpose of recording hours worked by each associate covered by this Agreement.

In stores where computerized recording of hours is used, the Employer shall furnish a weekly computer print-out sheet, upon request, to associates showing the payroll ending date, name of associate, total hours worked (straight-time hours, overtime hours, and premium pay hours).

The Employer and the Union agree that a proven violation of established recording of hours, whether hours are recorded by a time clock or a computer including working before or after recording time, may subject such associate to disciplinary action, up to and including discharge.

When requested to do so, the Employer will make such records available to an authorized representative of the Union for examination.

Time will be figured on the basis of an eight (8) minute break; up to eight (8) minutes, no pay; eight (8) minutes up to and including fifteen (15) minutes, fifteen (15) minutes pay. Associates will not be scheduled to work the seven (7) minutes after

the quarter hour.

For the purpose of this Section, no associate will be required to work the seven (7) minutes before or after their schedule. Associates are expected to work according to posted work schedules unless changes are approved by management.

- 17.3 Pay Day – The Employer shall establish a regular pay day and furnish to each associate on such a pay day a wage statement showing the payroll ending date, name of associate, total hours worked, total amount of wages paid and itemized deductions made there from.
- 17.4 Polygraph Tests - No associate will be required to take a polygraph (lie detector) test, voice or stress evaluation test.
- 17.5 Associates on Duty - The Employer agrees that there will be a minimum of two (2) associates, not necessarily members of the bargaining unit, in the store at all times when work is required.
- 17.6 Transfer Expenses - Any transfer of an associate to another town shall be agreeable to the associate. The expenses of transferring to another town shall be borne by the Employer. In case of a temporary transfer of an associate to another town at the request of the Employer, involving additional transportation cost, the associate will be reimbursed at the same rate per mile as is applicable to management between city limits.
- 17.7 The Employer shall furnish any or all tools necessary to bargaining unit associates to perform the job required. In addition, a first aid kit will be furnished and maintained by the Employer at all times.
- 17.8 Safety on the Job – Where machines such as meat grinders, saws, cubing machine, etc. are equipped with guards for the protection of the associates, such guards must be used. At the request of either party with reasonable advance notice, bona fide unsafe conditions in a store will be discussed between the Employer and the Union.

The Employer shall post safety rules within the market.

Meat Coverage – A Journeyman (this includes the Meat Manager and Assistant Meat Manager) shall be on duty between the hours of 8:00 a.m. and 6:00 p.m., excluding lunch periods and breaks; providing the store is open for business. A member of the bargaining unit will be used to cover the market from 6:00 p.m. to 11:00 p.m. The Employer agrees not to reduce the hours of any present associates as a result of this provision.

If a meat clerk cutter is selected as a head meat cutter or an assistant head meat cutter and remains in the classification for a minimum of one continuous year, they will be reclassified as a journeyman meat cutter if the position of responsibility is relinquished in the future.

Deli/Bakery Coverage – A member of the bargaining unit shall be on duty at all times that the deli or bakery is open for business.

Seafood/Service Meat Coverage – A member of the bargaining unit shall be on duty at all times the seafood/service meat shops are open for business, excluding lunch or dinner periods.

ARTICLE 18. UNION COOPERATION

- 18.1 The Union agrees to uphold the rules and regulations of the Employer in regard to punctual and steady attendance, proper and sufficient notification in case of necessary absence, conduct on the job, and all other reasonable rules and regulations established by the Employer.
- 18.2 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.
- 18.3 The Union agrees to cooperate in correcting inefficiencies of members, which might otherwise necessitate discharge.
- 18.4 The Union and its members agree to make an earnest effort to recommend new associates to the Employer and to aid in decreasing labor turnover in the stores.

- 18.5 The Union recognizes the need for improved methods and output in the interest of the associates 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.
- 18.6 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 interest of conservation and waste elimination.

ARTICLE 19. SEPARATION PAY

- 19.1 Any associate classified as full-time, who is separated for incompetence, or is permanently laid off due to reduction of the work force, shall be given one (1) week's notice or one (1) week's pay in lieu of notice. Such notice or pay in lieu of notice shall not apply to an associate discharged for proper cause.

ARTICLE 20. CHANGE

- 20.1 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.
- 20.2 The Employer and the Union recognize that technological change involving certain automated equipment now available to the retail food industry. In recognition of this, the parties agree that:
- (a) Where installation of any such equipment will materially affect bargaining unit work, the Union will be pre-notified by the Employer.
 - (b) The Employer has the right to install such equipment.
 - (c) Any training or necessary retraining will be furnished expense free by the Employer to affected associates.
 - (d) Where any associates would be displaced by such installation, the Employer will make every effort to affect a transfer in accordance with the transfer provisions of the Agreement.
 - (e) If a full-time associate who has averaged at least thirty (30) hours per week for the eight (8) weeks preceding displacement is not retrained or transferred and would be displaced as a direct result of major technological change, as defined above, then the associate would qualify for separation pay if:
 - 1. The associate had two (2) or more years full-time service.
 - 2. Does not refuse a transfer within the bargaining unit area as outlined in the Agreement.
 - 3. Does not refuse to be retrained or reassigned.
 - 4. Such action does not occur more than six (6) months from date of installation.
 - 5. Does not voluntarily terminate employment.
 - (f) Severance pay (for those associates covered in E above) would be paid at the rate of one (1) week's pay for each year of continuous full-time service not to exceed six (6) weeks.
 - (g) Severance pay would equate the average number of hours worked or paid for Monday through Saturday, the eight (8) weeks preceding displacement, not to exceed forty (40) hours straight-time pay.

ARTICLE 21. STORE CLOSING

- 21.1 In the event that the Employer permanently closes or sells a store and associates are terminated as a result thereof,

separation pay will be paid under the conditions detailed below.

A full-time associate who has averaged at least thirty (30) hours per week for the eight (8) weeks preceding his separation due to the sale or closing will qualify for separation pay if:

- (a) The associate had two (2) or more years of service.
- (b) Does not refuse a transfer within the bargaining unit as outlined in the Agreement, or retraining or reassignment in connection therewith.
- (c) Does not voluntarily terminate employment.

Such associate will be paid at the rate of one (1) week's pay for each year of continuous full-time service not to exceed six (6) weeks.

Severance pay will equate the average number of hours paid in the eight (8) weeks, Monday through Saturday, preceding separation, not to exceed forty (40) hours straight-time pay.

The Employer shall continue contributions to the Pension and Health and Welfare Trust Funds for three (3) months following the termination of those associates who are eligible for such payments and who receive separation pay, except for those associates who secure employment with an already contributing Employer.

Associates who receive separation pay shall also be entitled to holiday pay as prescribed in the contract for any holiday that falls within a period of thirty (30) days after termination.

All monies due associates shall be paid in a lump sum upon termination.

Any associate who is terminated and who is eligible for, and accepts severance pay, forfeits all seniority and recall rights. An associate who does not accept severance pay shall retain his recall rights for a period of six (6) months, and if still not recalled by the Employer, shall then receive his severance pay and has no further recall rights.

If a store is sold and successor Employer offers employment to an associate 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.

The Employer agrees to give the associates and the Union at least four (4) weeks notice in advance of a store closing or sale. When such notice is given, associates shall remain with the Employer until the closing or forfeit his rights under this Article, unless an exception is mutually agreed to in writing by the Employer and the associate with a copy to the Union.

No benefits shall accrue under the term 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, then this Article shall not apply.

ARTICLE 22. HEALTH AND WELFARE

- 22.1 Employer Contributions - The Employer agrees to pay the monthly contributions to provide a Plan of Benefits for eligible full-time and part-time associates. The contribution rate shall be adjusted annually in accordance with the guidelines established by the Trustees of the Plan. Contributions shall be submitted to the Fund by the tenth (10th) day of each month.

The contribution rates will be determined by the Plan consultant, Employer, and UFCW Local 75, and agreed upon by the Board of Trustees as follows:

	1/1/2012	1/1/2013	1/1/2014	1/1/2015
Plan A FT	\$672.44	\$711.70	\$770.64	\$834.47
Plan B FT	\$589.88	\$624.32	\$676.02	\$732.01
Plan A PT	\$247.37	\$261.61	\$283.50	\$306.97
Plan B PT	\$225.01	\$238.15	\$257.87	\$279.23
Partial	\$51.42	\$54.42	\$58.93	\$63.81

Employer Health and Welfare Contribution Rates

Employer contributions, inclusive of employee contributions (current practice)_shall be up to the amounts shown above and are payable on all eligible associates.

Any unused amount less than the maximum increase on January 1, 2013 and January 1, 2014 may be carried over to the later rate adjustments during the contract term.

The criteria used to determine all "up to" rate adjustments is to maintain a minimum reserve target at 12/31/15 calculated by the Plan Consultant of at least equal to an amount of 3.75 months of total expenses. In addition, the rate increase, if any, at January 1, 2015 will also ensure that the total Plan income for the 12 month period between January 1, 2015 and December 31, 2015 will be projected to be at least equal to total operational expense.

Eligible and enrolled associates will pay the following weekly contributions:

	1/1/2012	1/1/2013	1/1/2014
	<i>Associate/Associate + Children/Associate + Spouse/Associate + Family</i>		
Plan A FT	\$5/\$10/\$10/\$15	\$6/\$12/\$14/\$18	\$7.50/\$15/\$17/\$22.50
Plan B FT	\$5/\$10/\$10/\$15	\$6/\$12/\$14/\$18	\$6/\$12/\$14/\$18
Plan A PT	\$5	\$6	\$7.50
Plan B PT	\$5	\$6	\$6

Spousal Fee- If a spouse is eligible for health care from his/her (non-Kroger) employer and does not elect this coverage, a \$25 per week fee will be charged to the associate.

Opt-Out Provision – Associates that meet the eligibility requirements will be given the option to waive coverage through a yearly enrollment. The Employer will make full contributions on behalf of every associate who waives coverage. Associates who waive coverage will be eligible for life insurance and sick pay. Associates will be provided the opportunity through the yearly enrollment to re-enroll into the Plan.

- 22.2 Eligibility for Full-Time Plan - The term "eligible associate" shall mean an associate who has worked an average of thirty-four (34) hours or more (including Sunday and/or holiday hours worked and/or paid) for twelve (12) consecutive weeks immediately preceding the first day of any month. Associates who attain full-time status through the ratio operational system shall receive full-time benefits as of the first of the month following such status change.

22.3 Contributions to the Trust Fund shall be discontinued as of the first day of the month following:

- (a) Approved leave of absence (personal or educational)
- (b) Voluntary quit
- (c) Termination for cause
- (d) Associate's request for change in status from full-time to part-time.
- (e) Part-time and full-time associates ceasing to be an eligible associate because of failure to work an average of twenty-five (25) hours per week for the twelve (12) consecutive weeks immediately preceding the first of such month.

22.4 Contributions to the Trust Fund shall be continued under the following conditions:

- (a) In case of absence from work due to illness, pregnancy and/or injury, six (6) months contributions following the month in which illness started or accident occurred.
- (b) In case of absence from work due to an injury on the job, twelve (12) months contribution following the month in which the injury occurred.

22.5 Employer contributions, which have been discontinued as provided for in Sections 22.3 and 22.4 above, will be resumed on the first day of the month immediately following return to work on the Employer's active payroll after illness, injury, pregnancy, or leave of absence. However, if an associate has been disqualified as provided in Section 22.3(e) above, he/she must again qualify as an eligible associate as provided in Section 22.3 above before a contribution will be made in his/her behalf.

22.6 Full-Time to Part-Time Benefit - When a contribution is discontinued as provided in Section 22.3 (e) (full-time) above, and the associate qualifies as provided in Section 22.7 (part-time) below, the applicable contribution provided in such Section will be made when the contribution provided in Section 22.3 (e) (full-time) is discontinued.

22.7 Eligibility for Part-Time Associates - Eligible part-time associates are those who have worked an average of twenty-five (25) hours or more per week for twelve (12) consecutive weeks, except that no contribution will be made on a part-time, high school student under eighteen (18) years of age or an associate who has another full-time job. Part-time associates, after eighteen (18) months of service, may elect to utilize their part-time plan for dependent coverage. Once a part-time associate makes a selection, it can only change at the yearly open enrollment. Effective 12/31/12, part-time associates who have not elected to utilize the part-time plan for dependent coverage will no longer have that option.

22.8 Commencement of Contributions - Contributions for eligible full-time associates shall commence after six (6) months of employment. Part-time associates shall receive contributions on the following basis: on the first of the 13th month of employment for Rx, dental, vision, S & A, and life and on the first of the 19th month of employment for medical. Beginning January 1, 2013, part-time associates shall receive contributions on the first of the 16th month of employment for all benefits.

Associates migrate to the higher benefit plan (Plan B to Plan A) after five (5) years of continuous service. Effective January 1, 2014, any Plan A eligible participant may elect Plan B.

Part-time associates hired after November 14, 2005 will be placed in the new part-time health care plan. Effective January 1, 2006, newly qualified full-time associates under the ratio will be placed in the new full-time health care plan.

22.9 Retiree Health Care – The Employer will contribute to the UFCW Unions and Employers Benefit Plan of Southwest Ohio on behalf of each associate who retires and is eligible for pension benefits, as defined in Article 23 of this Agreement.

Health and welfare and Kroger prescription drug coverage will continue until such time that such retiree is eligible for Medicare coverage in accordance with applicable federal law. Such retiree coverage shall cover the spouse until the spouse is eligible for Medicare.

Effective January 1, 2007, associates must have twenty (20) years of service to be eligible for retiree health care.

Effective January 1, 2007, retiree monthly contributions are listed below:

35 yrs. and over	15% of the total health care costs.
30 – 34 years	20% of the total health care costs.
25 – 29 years	25% of the total health care costs.
20 – 24 years	30% of the total health care costs.

Effective January 1, 2013, anyone who has qualified for health care and is paying health care costs at a rate of 50%, shall have such rate reduced to 40% at the discretion and concurrence of the Board of Trustees of the Southwest Health and Welfare Fund. Such reduced rate shall be reviewed annually thereafter in conjunction with the annual approval of rates and reserves.

Effective January 1, 2011, retiree lifetime maximum health care benefits are \$1,000,000 (or greater if required by Federal Health Care Law).

Article 22.9 does not apply to Drug/GM associates. Drug/GM associates will continue to qualify for the eligible retiree benefits as defined in the Company's Plan and all changes thereto.

22.10 Opt-Out Provision – Retirees that meet the eligibility requirement will be given the option to waive coverage; however, the Employer will be required to make its contribution on behalf of those individuals. Article 22.10 does not apply to Drug/GM associates.

22.11 Prescription Drug Plan – Coverage for prescription drug card is based on associate eligibility for medical coverage for full-time and part-time associates. The drug card will be valid at any Kroger Pharmacy. Full-time associates who qualify under the ratio will have coverage for eligible dependants. Part-time associates will have coverage for the associate only effective the first of the 13th month of employment. Current Prescription co-pays will continue until July 1, 2006. Effective July 2, 2006, the following deductible charge will be paid by the associate for each prescription as follows:

	<u>Co-Insurance</u>	<u>Minimum Co-Pays</u>
Generic	10%	\$10
Brand	20%	\$20
Non-Formulary	30%	\$30
		\$35 Effective 1/1/13

a. Out of Pocket per prescription maximum of \$50.00 for Brand and Non-Formulary. Out of Pocket per prescription maximum of \$20.00 for Generic.

b. Mail order maintenance – Co-Insurance with minimum co-pays at 2x retail, \$100 maximum.

c. Step Therapy applies and Specialty Drugs apply.

Special maintenance drug categories (medication includes hypertension, high cholesterol, diabetes control drugs, asthma, glaucoma, osteoporosis, and related supplies which require a prescription):

	30 day supply	90 day supply
Generic	\$7	\$14
Brand	\$15	\$30
Non-formulary	\$25	\$50

d. Annual changes in Formulary and non co-pay cost containment initiatives are aligned with Company plan.

e. Any associate who works in an outlying area where Kroger Pharmacy is not readily available, provisions will be made:

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. It is agreed that no monies paid into the UFCW Local Unions and Employers Benefit Plan of the Southwestern Ohio Area Plan on behalf of the associates covered by this Agreement will be used by the Trust to provide a prescription drug card benefit. The Prescription Drug Plan will be known as the Local 75 Plan and will contain the Local 75 designation as agreed upon. If a generic drug is legally available as a substitute for a brand name drug, the generic must be purchased. If the associate purchases the brand name drug in lieu of the generic, the associate must pay the difference in cost.

The Employer may not make changes to the program without prior notice and consent by the Union. Any such changes must be communicated to the plan participants at least 30 days prior to the effective date of the change. This includes, but not limited to, changes in the formulary program. The Employer will meet and discuss any changes with the Union before the changes are communicated to the plan participants.

The Employer will present reports to the Union on the cost and operation of the plan at least semi-annually in a format mutually agreeable to the Employer and the Union. The Employer shall also provide information reports to the trustees of the Southwest Ohio Health and Welfare Fund annually.

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

- 22.12 Additional and/or optional benefits may be added by agreement between UFCW Local 75 and the Employer on a voluntary basis. The following changes will be made to the Plan of Benefits:

Medical Benefit Changes

	1/1/2013	1/1/2014
Deductible, single/family	Plan A FT \$300/\$600	Plan A FT \$500/\$1000
	Plan A PT \$300	Plan A PT \$500
		Plan B FT \$700/\$1400
		Plan B PT \$700
Annual out of pocket max <i>(amount shown is for in-network, double amounts for out of network)</i>		Plan A FT \$1700/\$3400
Annual Medical Max	Unlimited	Unlimited

- 22.13 The Employer and Union agree to meet and discuss, at the request of either party, the effects of National Health Care Reform legislation and attendant Federal regulations on the Health and Welfare article, and to make any modifications, and only such modifications, that the Employer and the Union jointly agree are necessary.

ARTICLE 23. PENSION

- 23.1 The Kroger Company and UFCW Local 75 entered into a Memorandum of Understanding dated December 2011 (the "UFCW/Kroger MOU"), the terms of which are incorporated herein by reference (in their entirety). The UFCW/Kroger MOU established all of the terms and conditions of employment as they relate to the provisions of retirement benefits provided to eligible employees under this CBA and governs (1) Kroger's participation in, and contributions to, the UFCW Consolidated Pension Fund (the "Fund"), and (2) the benefits provided to employees of Kroger working under this CBA. A copy of the UFCW/Kroger MOU is available upon request.

Employees in the bargaining unit covered by this CBA shall participate in the UFCW Consolidated Pension Fund, subject to the eligibility, vesting, and other requirements and in accordance with the plan of benefits ("Plan") of the Fund.

Kroger agrees to provide to the Board of Trustees of the Fund or its designee all information needed in connection with the administration of the Fund, including but not limited to all hours worked, paid, or for which employees are entitled to payment, and total compensation, with respect to all bargaining unit employees. In order to ensure that all employees entitled to participate in the Fund are appropriately reflected in the records of the Fund, Kroger further agrees to the examination of its payroll records by the Board of Trustees of the Fund or its designee.

23.2 Meat Pension Employer Contributions - The Employer agrees to contribute to the National Industry Pension Fund, one hundred fifty-two dollars and sixty six cents (\$152.66) per month for employees who work an average of twenty-eight (28) hours for the four (4) consecutive weeks immediately preceding the first of the month.

On September 1, 2014, the contribution amount will increase to one hundred eighty-three dollars and fifty-two cents (\$183.52) per month.

The part-time contribution rate will be one-half ($\frac{1}{2}$) of the full-time contribution rate for associates hired on or before December 11, 1989 working 16-27 hours for the four (4) consecutive weeks immediately preceding the first of the month.

The contributions under this section shall be payable by the tenth (10th) day of each month for associates hired on or before December 11, 1989.

- (a) Continuation of Payments – In case of compensable injury, the Employer shall make six (6) months contributions including the month in which such compensable injury occurs.
- (b) In case of illness or pregnancy, the Employer shall make two (2) monthly contributions after the month in which the illness occurs or after the month in which the associate begins her pregnancy leave of absence.
- (c) In case of non-compensable injury, the Employer shall make one (1) monthly contribution after the month in which the illness or injury occurs.
- (d) In case of termination, the Employer shall make one (1) monthly contribution after the month in which the termination occurs.

Paragraphs (a) through (d) do not apply to associates hired after December 11, 1989.

It is understood as of ratification, meat employees hired after December 11, 1989, pension contributions will be made consistent with the grocery clerk's pension tier schedule into Central Ohio Pension Fund in accordance with paragraph 23.1 above.

Jointly Administered Meat Pension Fund – The jointly administered Employer-Union Pension Fund shall be administered by an equal number of Trustees representing the Employer and an equal number of Trustees representing the Union. Said Pension Fund shall be used to provide benefit pensions for eligible associates of the Employer, as provided in a Pension Plan, the terms and provisions of which are to be agreed upon by the parties hereto. Said Pension Plan shall, among other things, provide that all benefits under the Plan and costs, charges and expenses of administering the Plan, and all taxes levied or assessed upon or in respect of said Plan or Trust or any income there from, shall be paid out of the Pension Fund.

A copy of the Trust Agreement and any amendments thereto shall be made a part hereto, as herein at length set forth. Trust Agreement and Pension Plan shall in all respects comply with all applicable legal requirements.

It is understood that the "jointly administered Employer-Union Pension Fund" referred to in Section 23.2 above shall be the United Food and Commercial Workers International Union-Industry Pension Fund.

23.3 The above said Pension Plan and the Trust Agreement establishing the Pension Trust Funds shall be submitted to the United States Treasury Department for the approval and rulings satisfactory to the Employer, that said plan is qualified under I.R.C. Section 401, et. seq., and that no part of such payments shall be included in the normal rate of pay of any associate.

23.4 Articles 23.1 to 23.4 do not apply to Drug/GM associates. Drug/GM associates will continue to be covered under Company sponsored pension plans and changes thereto.

ARTICLE 24. EXPIRATION

24.1 This Agreement shall continue in effect from June 17, 2012 through June 13, 2015 and include the Dayton Drug/GM contract merged into it on November 14, 2005 and shall automatically be renewed from year to year thereafter unless either party serves notice in writing, to the other party sixty (60) days prior to the expiration date or any anniversary date thereafter of a desire for termination of or changes in this Agreement.

IN WITNESS WHEREOF, the said parties have caused duplicate copies hereof to be executed by their duly authorized officers this ____ day of _____, 2012.

FOR THE UNION:

FOR THE EMPLOYER:

APPENDIX "A" WAGES

- A.1 Rates of Pay - Rates of pay and pay schedules as set forth in Appendix "A" shall remain in effect for the life of this Agreement, and shall constitute the basis for determination of wages for time worked.

No associate's rate shall be reduced as a result of the signing of this Agreement.

- A.2 New Job Classifications - In the event the Employer creates a new job classification, which involves new job duties, responsibilities, or skills, the Employer agrees to notify the Union in advance and to negotiate with the Union the rate of pay for the new job or classification.

- A.3 Department Head/Assistant Department Head/Lead Relief - Any associate assigned to relieve a classified position as defined in Appendix "A" Wages for one full week or more shall receive the appropriate hourly rate for all work performed at this position. This provision shall also apply to relief required for a full midweek to midweek vacation.

The associate assigned to relieve a department head will be the most senior qualified assistant department head where applicable, or if not applicable, the most senior qualified in the classification in the store.

The Employer may disqualify an associate from the award of relief duties if the Employer demonstrates justifiable reasons why such associate should be disqualified.

This language in A.3 does not apply to Drug/GM associates.

- A.4 Other Work - Associates shall perform any work in and about the store and on or around the premises connected with or incidental to the cooperation of the Employer's retail establishment, which may be assigned by the store manager or zone manager, except as otherwise provided for in Appendix "B" – Job Descriptions.

It is further understood that, when an associate is assigned to a job with a lesser rate, they shall be entitled to their regular rate of pay, unless the associate is permanently assigned to a job with a lesser rate of pay.

- A.5 Progression Increases - Progression increases in pay rate which are effective Sunday, Monday, Tuesday or Wednesday of the current week shall be effective for all hours worked in the current week. Progression increases in pay rate, which are effective Thursday, Friday, or Saturday of the current week, shall be effective the following week.

- A.6 Any associate promoted to a higher paid classification will receive the next highest rate of pay in that classification in the part-time/full-time classification; whichever is applicable at the time the promotion takes place.

- A.7 The following number of assistant front-end managers will be utilized within these store volume brackets:

\$0 - \$150,000	One (1)
\$150,001 - \$250,000	Two (2)
\$250,001 – and over	Three (3)

- A.8 All wage rates based on store volume as provided for in this Appendix "A" will be determined by establishing the average weekly store sales (except meat department which will be used based on the sales of the meat market only) over the prior calendar year (52 weeks) effective the first week of the first period.

In new stores or remodeled stores, the average weekly sales for the first twelve (12) weeks, excluding the first two (2) weeks, the third (3rd) through the fourteenth (14th) week will be used.

The Head Grocery Clerk, Head Produce Clerk, Front End Manager, Meat Department Manager, Deli/Bakery Manager, Drug/GM Manager, and Red-Circled Head Non-Foods (if applicable) in stores with an average sales volume of one (1) million or more per week excluding fuels sales will receive an additional premium of fifty cents (.50¢) per hour on their rate. This will only be given to one of each of the above listed positions per store.

The Head Dairy, Head Frozen, Night Leader, Assistant Head Produce, Assistant Front End Manager, Assistant Meat Manager, Seafood Manager, Assistant Deli Manager, Assistant Drug/GM Manager, Lead Baker, and Lead Floral in stores with an average sales volume of one (1) million or more per week excluding fuels sales will receive an additional premium of twenty-five cents (.25¢) per hour on their rate.

The Lead Salad Bar, Cosmetician I, Lead Coffee, Lead Back Door Receiver, and Lead File Maintenance Clerk in stores with an average sales volume of one (1) million or more per week excluding fuels sales will receive an additional premium of fifteen cents (.15¢) per hour on their rate.

- A.9 There shall be one head grocery clerk, one head produce clerk, one front-end manager, one head dairy clerk, one head frozen food clerk, one head nonfood clerk (if applicable) or one Drug/GM department head, one head night lead clerk, one assistant head produce clerk, one lead floral clerk, one lead salad bar clerk, one lead coffee shop clerk, lead file maintenance, one lead back door receiver in each store for the volumes indicated in each of the classifications and one lead fuel clerk in each store with a fuel center. There shall also be one meat department manager, one assistant meat department manager, one head deli clerk, one lead seafood clerk, one lead baker, and one assistant head deli clerk in each store for the volumes indicated in each of the classifications. The Employer may appoint additional department heads and assistants as follows: An average of one (1) per store per zone in total. Example: In a zone with fourteen (14) stores, the Employer may appoint up to fourteen (14) additional department heads and/or assistant department heads.

In stores with an average annual sales volume \$250,000 per week or less, the Employer shall maintain a department head in meat, grocery, produce, front-end, and deli. The appointment of other department heads or assistant department heads is at the option of the Employer. No present department head or assistant department head will be reduced in their classification or forced to transfer solely because of this change.

- A.10 Previous Experience: Previous, proven retail experience from the date of present employment shall be the basis for the determination of the associate's rate of pay. However, an associate's rate will not exceed the top rate negotiated for the associate's classification.
1. Previous experience must be shown on the employment application; or otherwise documented in writing.
 2. The Employer will notify the Union, in writing, when an associate is a candidate for previous experience credit, stating the associate's classification, rate of pay, and the reason for recognizing special aptitude.
 3. Experience Credit Guidelines
 - A. Credits are done in terms of months, not \$ per hour (i.e., grant associate 18 months experience credit rather than .50¢ per hour experience credit.)
 - B. Experience must be job-related and must be shown on the employment application.
 - C. Experience credit will not exceed the months of actual experience shown on the application.
 - D. Store managers will be responsible for submitting requests for credit to Human Resources. Such requests will be made at the time a new associate is hired or within one (1) year of hire date and will be accompanied by a copy of the new hire's application showing relevant experience.
 - E. Experience credit will be applied when approved by Human Resources. The Company may review experience credit within one (1) year of an associate's date of hire, with a retroactive limit of 60 days of

pay.

- F. All associates who have completed their probationary period shall be eligible for a one-time merit increase based on overall documented performance. Such an increase may be a maximum of two levels from the associate's current rate within the associate's current pay bracket. No one-time merit increase can exceed the top rate of the classification.

CLASSIFICATION	Current	Ratification	6/9/2013	6/8/2014
Head Grocery, Head Produce, Front End Mgr., Deli Mgr. (Total Store Sales excluding Fuel)				
\$200,000 and less	\$17.47	\$800.00	\$17.72	\$18.02
\$200,001 - \$400,000	\$17.94	\$800.00	\$18.19	\$18.49
\$400,001 - \$600,000	\$18.14	\$800.00	\$18.39	\$18.69
\$600,001 - \$700,000	\$18.24	\$800.00	\$18.49	\$18.79
\$700,001 - \$1,000,000	\$18.34	\$800.00	\$18.59	\$18.89
\$1,000,000 +	\$18.84	\$800.00	\$19.09	\$19.39
Head Dairy, Head Frozen Food, Head Non-Foods (Total Store Sales excluding Fuel)				
\$200,000 and less	\$16.74	\$800.00	\$16.99	\$17.29
\$200,001 - \$400,000	\$16.84	\$800.00	\$17.09	\$17.39
\$400,001 - \$600,000	\$16.94	\$800.00	\$17.19	\$17.49
\$600,001 - \$700,000	\$17.04	\$800.00	\$17.29	\$17.59
\$700,001 - \$1,000,000	\$17.14	\$800.00	\$17.39	\$17.69
\$1,000,000 +	\$17.39	\$800.00	\$17.64	\$17.94
Head Night Clerk (Total Store Sales excluding Fuel)				
\$200,000 and less	\$16.43	\$600.00	\$16.68	\$16.98
\$200,001 - \$400,000	\$16.53	\$600.00	\$16.78	\$17.08
\$400,001 - \$600,000	\$16.63	\$600.00	\$16.88	\$17.18
\$600,001 - \$700,000	\$16.73	\$600.00	\$16.98	\$17.28
\$700,001 - \$1,000,000	\$16.94	\$600.00	\$17.19	\$17.49
\$1,000,000 +	\$17.19	\$600.00	\$17.44	\$17.74
Asst Front End Mgr				
Asst Front End Mgr in \$1M+ total store sales w/o Fuel	\$16.43	\$600.00	\$16.68	\$16.98
	\$16.68	\$600.00	\$16.93	\$17.23
Lead Floral				
Lead Floral in \$1M+ total store sales w/o Fuel	\$16.43	\$500.00	\$16.68	\$16.98
	\$16.68	\$500.00	\$16.93	\$17.23
Asst Produce				
Asst Produce in \$1M+ total store sales w/o Fuel	\$16.43	\$600.00	\$16.68	\$16.98
	\$16.68	\$600.00	\$16.93	\$17.23

CLASSIFICATION	Current	6/9/2013	6/8/2014
Clerks/Meat Clerks, Bakery Clerks, Service-Seafood, Deli Clerks (hired 2-17-82 or after), Seafood/Service Meat/Deli (hired 8-1-80 or after), Meat Clerks (hired 8-2-80 or after), Bakery Clerks (hired 2-17-82 or after)			
First 350 hours	\$7.70	\$7.70	\$7.70
Next 500 hours	\$7.70	\$7.80	\$7.80
Next 600hours	\$7.70	\$7.90	\$7.90
Next 600 hours	\$7.70	\$8.00	\$8.00
Next 600 hours	\$7.70	\$8.10	\$8.10
Next 600 hours	\$7.80	\$8.20	\$8.20
Next 600 hours	\$7.90	\$8.30	\$8.30
Next 800 hours	\$8.40	\$8.40	\$8.40
Next 800 hours	\$9.10	\$8.90	\$8.90
Next 1000 hours	\$9.60	\$9.40	\$9.40
**Next 1000 hours	\$10.10	\$9.90	\$9.90
Next 1000 hours	\$10.60	\$10.20	\$10.20
*Next 1000 hours *Experience Credit Cap*	\$11.10	\$10.70	\$10.70
Next 1000 hours	\$0.00	\$11.20	\$11.20
Next 1000 hours	\$0.00	\$11.75	\$11.75
Next 1000 hours	\$11.70	\$12.20	\$12.20
Thereafter	\$13.70	\$400.00	\$13.95
Lead Coffee Mgr Lead Coffee Mgr in \$1M+ total store sales w/o fuel	\$12.00	\$500.00	\$12.25
	\$12.15	\$500.00	\$12.40
Deli Clerks (hired 7-15-77 or before), Deli Clerks (hired between 7-16-77 and 8-1-80), Bakery Clerks (hired 2-16-82 or before, Clerks (hired 2-16-82 or before)	\$15.93	\$400.00	\$16.28
Meat Clerks (hired 8-1-80 or before)	\$16.03	\$400.00	\$16.28
Salad Bar and Floral Shoppe (hired 12-6-86 or after)			
First 350 hours	\$7.70	\$7.70	\$7.70
Next 500 hours	\$7.70	\$7.75	\$7.75
Next 600 hours	\$7.70	\$7.80	\$7.80
Next 600 hours	\$7.70	\$7.85	\$7.85
Next 600 hours	\$7.70	\$7.90	\$7.90
Next 600 hours	\$7.80	\$8.00	\$8.00
Next 1000 hours	\$7.90	\$8.10	\$8.10
Next 1000 hours	\$8.15	\$8.20	\$8.20
Next 1000 hours	\$8.65	\$8.30	\$8.30
Next 1000 hours	\$9.15	\$8.80	\$8.80
Next 1000 hours	\$9.40	\$9.40	\$9.40
Next 1000 hours	\$0.00	\$9.75	\$9.75
Thereafter	\$10.40	\$400.00	\$10.65

CLASSIFICATION
Salad Bar and Floral Shop Attendant
(hired before 12-6-86)

Current	Ratification	6/9/2013	6/8/2014
\$13.50	\$400.00	\$13.75	\$14.05

Sacker and Demo
First 175 hours
First 250 hours
First 250 hours
First 250 hours
Next 500 hours
Next 500 hours
Next 750 hours
Next 1000 hours
Thereafter

\$7.70	\$7.70	\$7.70	\$7.70
\$7.70	\$7.75	\$7.75	\$7.75
\$7.70	\$7.80	\$7.80	\$7.80
\$7.70	\$7.85	\$7.85	\$7.85
\$7.70	\$7.90	\$7.90	\$7.90
\$7.70	\$7.95	\$7.95	\$7.95
\$7.85	\$8.05	\$8.05	\$8.05
\$8.00	\$8.10	\$8.10	\$8.10
\$8.25	\$100.00	\$8.25	\$8.25

Meat Dept Manager
(Total Store Sales excluding Fuel)
\$200,000 and less
\$200,001 - \$400,000
\$400,001 - \$600,000
\$600,001 - \$700,000
\$700,001 - \$1,000,000
\$1,000,000 +

\$19.34	\$800.00	\$19.59	\$19.89
\$19.59	\$800.00	\$19.84	\$20.14
\$20.09	\$800.00	\$20.34	\$20.64
\$20.19	\$800.00	\$20.44	\$20.74
\$20.29	\$800.00	\$20.54	\$20.84
\$20.79	\$800.00	\$21.04	\$21.34

Assistant Meat Dept Manager
(Total Store Sales excluding Fuel)
\$200,000 and less
\$200,001 - \$400,000
\$400,001 - \$600,000
\$600,001 - \$700,000
\$700,001 - \$1,000,000
\$1,000,000 +

\$18.49	\$600.00	\$18.74	\$19.04
\$18.59	\$600.00	\$18.84	\$19.14
\$18.69	\$600.00	\$18.94	\$19.24
\$18.79	\$600.00	\$19.04	\$19.34
\$18.89	\$600.00	\$19.14	\$19.44
\$19.14	\$600.00	\$19.39	\$19.69

Journeyman (see letter of understanding)

\$17.69	\$400.00	\$17.94	\$18.24
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Clerk Cutter Premium

\$1.50	No Change	No Change	No Change
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Lead Seafood Clerk
(Total Store Sales excluding Fuel)
\$200,000 and less
\$200,001 - \$400,000
\$400,001 - \$600,000
\$600,001 - \$700,000
\$700,001 - \$1,000,000
\$1,000,000 +

\$14.54	\$500.00	\$14.79	\$15.09
\$14.74	\$500.00	\$14.99	\$15.29
\$15.04	\$500.00	\$15.29	\$15.59
\$15.24	\$500.00	\$15.49	\$15.79
\$15.24	\$500.00	\$15.59	\$15.89
\$15.49	\$500.00	\$15.74	\$16.04

CLASSIFICATION	Current	Ratification	6/9/2013	6/8/2014
Drug/GM Clerks, Digital Media (hired 6-1-87 or after)				
First 300 hours	\$7.70	\$7.70	\$7.70	\$7.70
Next 500 hours	\$7.70	\$7.80	\$7.80	\$7.80
Next 600 hours	\$7.70	\$7.90	\$7.90	\$7.90
Next 600 hours	\$7.70	\$8.00	\$8.00	\$8.00
Next 600 hours	\$7.70	\$8.10	\$8.10	\$8.10
Next 600 hours	\$7.80	\$8.20	\$8.20	\$8.20
Next 600 hours	\$7.90	\$8.30	\$8.30	\$8.30
Next 800 hours	\$8.00	\$8.40	\$8.40	\$8.40
Next 800 hours	\$8.10	\$8.50	\$8.50	\$8.50
*Next 1000 hours	\$8.25	\$8.65	\$8.65	\$8.65
Next 1000 hours	\$8.45	\$8.75	\$8.75	\$8.75
Next 1000 hours	\$8.85	\$8.85	\$8.85	\$8.85
Next 1000 hours	\$9.15	\$9.00	\$9.00	\$9.00
Next 1000 hours	\$9.25	\$9.30	\$9.30	\$9.30
Next 1000 hours	\$0.00	\$9.50	\$9.50	\$9.50
Next 1000 hours	\$0.00	\$9.75	\$9.75	\$9.75
Thereafter	\$10.40	\$400.00	\$10.65	\$10.95
* Experience Credit Cap				
Drug/GM Clerks (hired before 6-1-87)	\$11.45	\$400.00	\$11.70	\$12.00

CLASSIFICATION	Current	Ratification	6/9/2013	6/8/2014
Asst. Head Deli/ Cheese Master	\$16.31	\$600.00	\$16.56	\$16.86
Asst Head Deli/ Cheese Master in \$1M+ total store sales w/o Fuel	\$16.56	\$600.00	\$16.81	\$17.11
Lead Baker (Total Store Sales excluding Fuel)				
\$400,000 and less	\$16.31	\$500.00	\$16.56	\$16.86
\$400,001 - \$1,000,000	\$16.81	\$500.00	\$17.06	\$17.36
\$1,000,000+	\$17.06	\$500.00	\$17.31	\$17.61
Head Drug / GM (Total Store Sales excluding fuel)	\$14.55	\$800.00	\$14.80	\$15.10
Head Drug/GM in \$1M+ total store sales w/o Fuel	\$15.05	\$800.00	\$15.30	\$15.60
Asst. Drug/GM (hired 6-1-87 or after)				
First 350 hours	\$8.00	\$8.00	\$8.00	\$8.00
Next 350 hours	\$8.10	\$8.10	\$8.10	\$8.10
Next 600 hours	\$8.20	\$8.20	\$8.20	\$8.20
Next 600 hours	\$8.30	\$8.30	\$8.30	\$8.30
Next 600 hours	\$8.50	\$8.50	\$8.50	\$8.50
Next 600 hours	\$8.65	\$8.65	\$8.65	\$8.65
Next 1000 hours	\$8.80	\$8.80	\$8.80	\$8.80
Next 1000 hours	\$9.10	\$9.10	\$9.10	\$9.10
Next 1000 hours	\$9.50	\$9.50	\$9.50	\$9.50
Next 1000 hours	\$9.75	\$9.75	\$9.75	\$9.75
Next 1000 hours	\$0.00	\$10.05	\$10.05	\$10.05
Next 1000 hours	\$0.00	\$10.50	\$10.50	\$10.50
Thereafter	\$11.20	\$600.00	\$11.45	\$11.75
Assistant Drug/GM Clerks (prior 6-1-87)	\$12.25	\$600.00	\$12.50	\$12.80
Lead Cosmetician	\$12.20	\$500.00	\$12.45	\$12.75
Lead Cosmetician in \$1M+ total store sales w/o Fuel	\$12.35	\$500.00	\$12.60	\$12.90

CLASSIFICATION	Current	Ratification	6/9/2013	6/8/2014
Lead Salad Bar Premium	\$0.25	No Change	No Change	No Change
Lead Salad Bar Premium in \$1M+ total store sales w/o Fuel	\$0.40	No Change	No Change	No Change
File Maintenance Clerk Premium	\$0.50	No Change	No Change	No Change
File Manitenance Clerk Premium in \$1M+ total store sales w/o Fuel	\$0.65	No Change	No Change	No Change
Back Door Receiver Premium	\$0.50	No Change	No Change	No Change
Backdoor Receiver Premium in \$1M+ total store sales w/o Fuel	\$0.65	No Change	No Change	No Change
****Wine Steward Premium	\$0.50	No Change	No Change	No Change
****Wine Steward Premium in \$1M+ total store sales w/o Fuel	\$0.65	No Change	No Change	No Change
****Nutrition Clerk Premium	\$0.50	No Change	No Change	No Change
****Nutrition Clerk Premium in \$1M+ total store sales w/o Fuel	\$0.65	No Change	No Change	No Change
Lead GM Premium (Marketplace)	\$0.50	No Change	No Change	No Change
Lead GM Premium in \$1M+ total store sales w/o Fuel	\$0.65	No Change	No Change	No Change
Lead Fuel Clerk	\$0.50	No Change	No Change	No Change
Lead Fuel Clerk in \$1M+ total store sales w/o Fuel	\$0.65	No Change	No Change	No Change
Night Crew Premium	\$1.00	No Change	No Change	No Change
***Marketplace Cashier (top rate)	\$11.20	No Change	No Change	No Change
*Experience Credit Cap **Coffee Shop Cap ***Marketplace Cashier Cap ****Wine Steward and Nutrition Premium				

***In stores as determined by the Company, associates will be eligible for the above premiums upon completion of training and certification programs as may be established and modified by the Company. (The above premiums do not immediately qualify an associate for health insurance, consistent with the current practice for clerk cutter and night crew premiums.)

APPENDIX "B" – JOB DESCRIPTIONS

Sacker/Carryout Associates

- (a) Sacker/Carryout associates may be upgraded to the clerk classification on a temporary basis during the month of December and for any work performed on major store "resets" as provided for in Section 11.9, "Scheduling Major Resets".

Seniority will be determined on the basis of date of temporary promotion to this classification. In the event more than one Sacker is promoted to a temporary clerk on the same day, seniority shall be determined based on date of hire.

Temporary promotions shall be offered by seniority within the store.

- (b) Sacker/Carryout associate's work is restricted to the following duties:
1. Maintain the area of the checkstands and customer entrances in an orderly condition through clean-up work and the stock of supplies in the checkstands, (also the distribution of supply orders throughout the store) which shall not include merchandise for sale.
 2. Assistance to customers in the "bagging" of their orders and in transporting merchandise purchased by them to their automobiles in the store's parking lot.
 3. The collection of shopping carts.
 4. Sort empty return containers and put in proper area for return.
 5. Cleaning up "spills."
 6. General clean up and loading of "salvage" and all forms of cleaning. (This provision shall not be used to reduce night stock crew member's hours presently spent in cleaning duties.)
 7. "Sign" and decorate the store.
 8. Reshop/restock all misplaced merchandise.
- (c) A violation of the following "Job Descriptions" Sacker/Carryout, Floral Shop Attendant, and Salad Bar Attendant will result in penalty pay for a proven violation at the premium rate of time and one-half (1 1/2), but no less than one (1) hour's pay at the associate's regular rate of pay for the associate filing the grievance.

A violation of the intent of this section is defined as the knowing performance of job duties outside the above classifications by the direction of or with the permission of the store manager, co-manager(s), department head, or assistant department head.

- (d) In the event a Sacker/Carryout associate deliberately violates this Section without being instructed to do so, he will be subject to discipline up to and including discharge.

Demonstrators

Demonstrator's duties shall be limited to securing, preparing, and demonstrating product but will otherwise not perform any other bargaining unit work.

Salad Bar Clerks

This classification is to be used in Produce Departments to operate salad bars. The salad bar section will be considered a distinct part of the Produce Department and as part of the responsibility of the head produce clerk.

Salad bar clerks' duties shall be limited to performing duties directly related to the salad bar only. It is not the intent of this section to expand Salad Bar Attendants' duties; however, only at the customer's request will it be permissible for a Salad Bar Attendant to weigh items that are not part of the salad bar classification.

Salad Bar Clerks will have separate seniority (among Salad Bar Clerks) and benefits under the same conditions described in the appropriate Articles of this Agreement. Clerks may be required to work in the salad bar section at their current rate of pay.

Job Description - salad bar clerks shall order, prepare, display, price, arrange, care for, sell, and inventory those items specifically sold by the salad bar section. They shall also be responsible for maintaining sanitation in their work and sales area.

Clerks working primarily in salad bars December 6, 1986 may continue to work in the salad bar at their clerk rate of pay. Their hours may not be claimed by other clerks. Should any of these clerks accept an assignment to other duties, they will be replaced by a salad bar clerk.

Floral Shop Attendant

Floral Shop Attendants duties shall be limited to performing duties directly related to the floral shop only.

This classification is to be used in produce departments to operate floral shops. The floral shop will be considered a distinct part of the Produce Department and as part of the responsibility of the head produce clerk.

Clerks working primarily in floral shops as of December 6, 1986, may continue to work in the Floral Shoppe at their clerk rate of pay. Their hours may not be claimed by other clerks. Should any of these clerks accept an assignment to other duties, they will be replaced by a floral shop attendant.

Floral shop attendants assigned after December 6, 1986, will have separate seniority among floral shop attendants only and benefits under the same conditions described in the appropriate Articles of this Agreement.

Clerks may be required to work in the floral shop on special occasions such as Mother's Day, Valentine's Day, etc. to assist the floral department.

Clerks may be required to work in floral shops to fill in for vacations, emergencies, and/or absenteeism.

The floral shop attendants shall order, prepare, display, price, arrange, care for, sell, and inventory those items specifically sold by the Floral Shop. They shall also be responsible for maintaining sanitation in their work and sales area.

Meat Department Manager

Shall be qualified to perform all of the duties in the meat department. Because of the greater skill and experience meat department managers must possess, they shall, in the performance of their work, be responsible for the operation of the meat department in accordance with the Employer's policy and direct the movements and operations of all associates in the meat department.

Assistant Meat Department Manager

Is a skilled meat department associate who shall do any work assigned by the meat department manager, including ordering (assisting in ordering with the meat department manager), wrapping, rewrapping, weighing, pricing, and displaying meat in forms acceptable to the Employer and in a manner that will yield the maximum profitable cuts from the carcass. An assistant meat department manager in the cutting room, take charge when the meat department manager is not on duty and carry out the Employer's policy, the same as the meat department manager.

No associate will be assigned to the assistant meat department manager classification who does not at least have one (1) year of seniority in the bargaining unit. Associates who desire consideration for a promotion to assistant meat department

manager or meat department manager shall make their wishes and availability known in writing to their zone manager, Human Resource Department and a copy to the Union. If there are no letters on file to fill a particular store, then the one (1) year prohibition in this paragraph shall not apply.

When filling meat department manager openings, the Employer will promote qualified journeymen or assistant meat department managers, giving consideration to seniority, before going to another source. Those interested should show their interest in writing to the zone manager, Human Resource Department and a copy to the Union.

In stores with a sales volume of \$225,000 per week or less, the appointment of an assistant meat department manager is at the discretion of the Employer. (Assistant meat department managers in such stores on April 3, 1993, shall not be reduced because of this change.) Volume changes shall be based on the procedures outlined in Appendix "A".

Journeyman

A journeyman is a skilled meat cutter who shall do any work assigned, including ordering (assisting in ordering), wrapping, rewrapping, weighing, pricing, and displaying meat in forms acceptable to the Employer and in a manner that will yield the maximum profitable cuts from the carcass.

Meat Clerk

A meat clerk is an associate in a market who is engaged in wrapping, weighing, pricing, cleaning, and displaying all products assigned to the operation of the department. If no journeyman as of December 3, 1989 is reduced in hours, a meat clerk on duty in a market may perform all necessary duties in the department. No meat clerk will be required to operate the saw until the Employer provides a training program and a standardized test.

Any associate in the meat clerk classification who has the ability, qualifications and desires to perform the work to qualify for the meat clerk cutter's list will indicate the desire in writing to the zone manager with a copy to the Union and Human Resource Department. Such individuals will be considered for available openings as they occur.

Upon passing the training program and standardized test, the cutter will receive \$1.50 premium over their personal rate, not to exceed the journeyman rate. This test will be conducted by the meat department manager and Employer's meat M.R.

Such cutters will qualify to receive vacation relief pay for the meat department manager and the assistant meat department manager.

Deli/Bakery Associates

The associates of the deli/bakery department can work and be scheduled in the deli and bakery departments. However, deli/bakery associates will have a primary schedule (deli or bakery) in which they will be scheduled. Associates must maximize their hours in their primary department, be seniority and with consideration of ability to perform the job before claiming hours ("bumping") into the non-primary department schedule.

It is understood that all deli/bakery associates will be subject to the direction of the head deli clerk who is responsible for the deli/bakery operation.

Head Deli Clerk

The head deli clerk shall be a qualified deli/bakery clerk and shall be able to perform all the duties of any associate in the deli/bakery department. Because of the greater skill required, the head deli clerk shall, in the performance of work, be responsible for the operation of the deli/bakery in accordance with the Employer's policy and direct the movements and operations of all associates in the deli/bakery.

Lead Bakery Clerk

The lead bakery clerk shall be a qualified deli/bakery clerk and shall be able to perform all the duties of any associate in the bakery department. Because of the greater skill required, the lead bakery clerk, shall, in the performance of work, be

responsible for the operation of the bakery in accordance with the Employer's policy and direct the movements and operations of all associates in the bakery.

Seafood/Service Meat Attendant

Seafood/service meat attendant(s) will be used only in those markets having a seafood and service meat operation in whole or in part. Seafood/service meat associates are those associates engaged in seafood and service meat operations, waiting on customers by suggesting purchases, displaying, weighing, wrapping, pricing, and ability to prepare, and price fish and service meat items in accordance with the Employer's specifications and in a manner that will yield the highest profit possible. Duties include customer service and the ability to perform the general detailed tasks of the seafood and service meat departments. Seafood/service meat attendants may be placed on either work schedule.

Such associates will not use the tools of the trade in the cutting room, but may perform such incidental work in waiting on customers as is necessary to complete the transaction at the customer's request. Examples of this type of customer service are trimming, grinding, cubing, slicing, and cutting a steak in two and other such incidental work.

In addition to the duties enumerated above, seafood/service meat associates may be used for cleaning and sanitation assignments in the seafood and meat departments.

A separate seniority list shall be set up and maintained with respect to those associates working in the seafood/service meat associates classification. It is further agreed by the parties that there shall be no "bumping" into or out of this classification. However, it is understood that this shall not preclude associates in other classifications from being assigned by the Employer to perform their usual and normal work assignments for both the service counter operations, as well as the balance of the meat department, such as meat department manager supervision, journeyman cutting, etc.

In the event an opening occurs in their store meat department in a higher classification, seafood/service meat associates who have indicated an interest in writing to their zone manager (with a copy to the Union), and who have the necessary qualifications will be given consideration for that opening before hiring a new associate from the outside.

Existing associates in the clerk classification (on the payroll as of August 16, 1976) shall have the opportunity of applying "available hours" in accordance with the Article 11, Section 11.3 of this Agreement, with respect to seafood/service meat attendant classification.

It is agreed that the classification of seafood/service meat attendant does not satisfy the requirements of Article 17, Section 17.8, with regard to market coverage.

The Employer agrees to promote seafood/service meat attendants to meat clerk vacancies by seniority as vacancies occur.

Lead Seafood Clerk

A qualified seafood clerk in charge of the department who has the knowledge and ability to attain sales volume, profit margins and maintain department conditions to the satisfaction of management. Duties normally include ordering of merchandise and supplies, product preparation, service to customers and operation of the department in accordance with the Employer's operations and merchandising policies. Lead seafood clerks will retain their current positions and rates of pay in stores with a service/seafood case.

Job Protection

Full-time journeymen and meat clerks on the payroll as of December 11, 1989 will not be reduced in hours below forty (40) per week, as a result of expanding meat clerk duties.

Definition of Status 1

An associate who is eligible under the benefit ratio shall be classified as Full time status 1 at the end of the first 12 consecutive weeks during which the average hours worked equal or exceed 85% (34 hours) of the hours in the basic workweek. Work performed on Sundays and holidays shall be counted for the purpose of

qualifying for status 1 full time. The associate who qualifies under this definition through the ratio operational system shall receive dependent (family) medical benefits as of the 1st of the month following the status change. Full time status 1 associates have scheduling over all less senior full time associates and all part time associates.

Definition of Status 3

The term full time status 3 is an associate who averages 85% (34 hours) of the basic workweek over any 12 consecutive week period. Work performed on Sundays and holidays shall be counted for the purpose of qualifying for status 3 full time. Status 3 applies to all classifications excluding sacker carryout, demonstrator, floral, and salad bar. An associate who accepts status 3 must be available for full time work up to 40 hours per week. Any associate who limits their availability on a regular basis shall be disqualified for status 3 full time. Status 3 full time associates are eligible for all contractual provisions pertaining to full time except Article 9.2 and Article 22.2 (dependent health care coverage). Contributions under Article 22 for status 3 full time associates shall commence after 6 months of employment. Full time status 3 associates shall have scheduling seniority over all less senior full time associates and all part time associates.

Definition of Status 4

Any associate classified as part time status 4 is an associate who limits their availability on a regular basis. Status 4 associate's seniority date will be their most recent date of hire. They will not have seniority over any full time associate. Status 4 associates includes associates in all classifications.

APPENDIX "C": SENIORITY AREAS

G - 1		G - 2	
Greenville	833	Vandalia	747
St. Mary's	910	Siebenthaler	836
Sidney	913	Needmore	933
Troy	914	Huber Heights	754
Piqua	932	Huber Heights	758
		Englewood	938
G - 3		H - 1	
Wayne Avenue	705	Springfield	720
Miamisburg	759	Springfield	730
Springboro	922	Springfield	741
Alex-Bell	931	Springfield	832
		Springfield	835
H - 2		H - 3	
Spinning Road	729	Dorothy Lane	825
Beavercreek	745	Stroup Road	826
Smithville Road	751	Centerville	815
Whipp Road	812	Fairborn	830
Xenia	829	Sugarcreek	935

APPENDIX "D": PERMANENT PANEL

The parties have agreed that the arbitrators named below shall serve on a permanent panel to hear and render awards following arbitration as discussed in Article 8.3.

1. Mark Glazer
2. Deborah Brodsky
3. John Murphy
4. Samuel Nicholas
5. Mitchell Goldberg
6. Richard Dissen
7. Barbara Doering
8. Charles Kohler
9. Mark Lurie
10. Edwin Render

If any of the arbitrators refuse appointment to this panel, retire, or otherwise become permanently unavailable for service, counsel for Kroger and counsel for the Union will confer and mutually agree on a replacement arbitrator within 30 days of being notified of the arbitrator's being unavailable.

Notwithstanding the fact that Article 8.3 calls for a panel of 12 arbitrators, the parties agree that this panel of 10 arbitrators shall satisfy the requirements of Article 8.3.

If agreed in writing by counsel for Kroger and counsel for the Union for a particular grievance, the parties may appoint an arbitrator not named on this list by using the standard appointment procedures of the Federal Mediation and Conciliation Service. In this instance, each party shall have the right to strike one entire panel and request a new panel at that party's expense. Any arbitrator appointed through this method shall have the same authority as the members of the permanent panel for that particular case.

Mr. Lennie Wyatt, President
UFCW Local 75
913 Lebanon Street
Monroe, Ohio 45050

Dear Lennie:

This letter of understanding should be attached to and become a part of the Agreement between the parties. The intent is to clarify several points of negotiations, which are appropriate for a letter.

1. Job Descriptions/Customer Requests – It is our understanding that people who work in the sacker/carryout, salad bar and floral attendant classifications are to be limited to performing work as outlined in their job descriptions.

Should any grievance arise regarding application of the above, it may proceed directly to the third step of the Grievance Procedure.

2. Labor Management Committee - A Labor/Management Committee shall be established to discuss mutual problems. Such meetings will take place on a quarterly basis (January, April, July, and October) if needed. If a problem would occur of an urgent nature, then meetings will take place sooner than as mentioned above.

The Committee shall be comprised of representatives of the Union, representatives of the Employer and rank and file members.

An agenda will be agreed upon prior to the meeting.

Both parties agree to participate in FMCS training program. This training will include union stewards and store managers. The Company will provide the necessary unpaid time off for the stewards to participate.

3. Vacation Weeks – It is understood and agreed that the Employer shall restrict no more than twelve (12) vacation weeks during any calendar year. To compensate for each restricted week, the Employer shall provide an offset week scheduled within two (2) weeks of the restricted week (i.e., vacation weeks reduced below a normal limitation during restricted weeks shall be added to the normal limitation during offset weeks). The Union and associates shall be advised prior to each January vacation scheduling of the restricted and offset weeks for that year.

If you concur with the above, please sign in the space provided below.

Sincerely,

Reuben M. Shaffer
Director of Human Resources
Labor Relations

For the Union:

Ms. Teresa Turley
Human Resource Manager
The Kroger Company
150 Tri-County Parkway
Cincinnati, Ohio 45246

Dear Teresa:

As discussed and mutually agreed upon, all future qualifiers under the ratio structure, in accordance with the Letter of Understanding, will be eligible for full-time contributions the first of the month following the qualifying quarter. The BDCS date will also be the first of the month after the qualifying quarter for those who qualify for the full-time contributions and for those who already have full-time benefits with part-time status.

In addition, the Company has agreed to notify the Union within a period of the end of the qualifying quarter as to who is eligible for full-time benefits and/or status. The Union will receive copies of the letter of those who have accepted or declined benefits and/or status. The waiver letter (enclosed) declining full-time benefits and status must be completed within two weeks of notification. The Company will continue to offer full-time benefits and status to associates on the part-time seniority list until the obligation is met under the ratio structure.

Sincerely,

FOR THE UNION:
UFCW Local 75

Lennie Wyatt
President

FOR THE EMPLOYER:
Kroger Company

Teresa Turley
Human Resource Manager

LETTER OF UNDERSTANDING: RATIO QUALIFICATION

1. Associates who qualify under the ratio shall be eligible for full-time status as per Article 15.15 and full-time benefits as per Article 22.3 of the current collective bargaining agreement.
2. If an associate is not eligible for full-time status and benefits because of failure to work sufficient hours to qualify, they will receive full-time status and benefits as soon as they qualify as per Articles 15.15 and 22.3.
3. Any associate who declines full-time status and/or benefits under the ratio must sign a waiver to that effect. This waiver only applies to associates who have become eligible under the ratio at the time they become eligible.
4. Associates who decline full-time status and/or benefits as outlined in #3 above shall only become eligible for full-time status and/or benefits by submitting a written revocation of that waiver to the Human Resources Department and the Union.

FOR THE UNION:
UFCW Local 75

FOR THE EMPLOYER:
Kroger Company

Signature Date

Teresa Turley Date
Human Resource Manager

DAYTON LETTER OF UNDERSTANDING -- HEALTH CARE

The parties agree to implement, effective January 2013, Health Reimbursement Accounts for the Kroger Dayton group under the same general terms as outlined in the Health Care Letter of Understanding of the Kroger Cincinnati-UFCW Local 75 agreement, dated October 9, 2010 to October 5, 2013. The parties further agree to adopt the same administrative procedures and program details as set forth by the Trustees of the Southwest Ohio Health and Welfare Fund for the Kroger Cincinnati group.

The parties further agree that all dental and vision benefit changes negotiated in the next Kroger Cincinnati-UFCW Local 75 agreement shall be applicable to the Kroger Dayton group with the same effective date of change. Currently, dental and vision benefits for Kroger associates covered by the Dayton and Cincinnati agreements are identical and it is the intent of the parties that this practice shall be continued.

FOR THE UNION:
UFCW Local 75

Date

FOR THE EMPLOYER:
Kroger Company

Date