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Northwest Food Employers Inc

**PORTLAND & VICINITY
GROCERY, PRODUCE AND DELICATESSEN AGREEMENT
WITH
UNITED FOOD & COMMERCIAL WORKERS UNION LOCAL 555**

July 29, 2003 through July 26, 2008

Table of Contents

<u>ARTICLE</u>		<u>PAGE</u>
	PREAMBLE	1
1	RECOGNITION AND BARGAINING UNIT	1
2	UNION SECURITY AND EMPLOYMENT - NON-DISCRIMINATION	2
3	BARGAINING UNIT WORK.....	4
4	HOURS OF WORK - OVERTIME	4
5	SENIORITY - TRANSFER	6
6	COMPENSATION PRACTICES	8
7	HOLIDAYS.....	13
8	VACATIONS.....	14
9	LEAVES OF ABSENCE.....	15
10	SICK LEAVE	16
11	JURY DUTY - LEGAL PROCEEDINGS	18
12	FUNERAL LEAVE.....	19
13	GENERAL CONDITIONS.....	19
14	HEALTH INSURANCE BENEFITS.....	21
15	PENSION	24
16	ACCEPTANCE OF TRUSTS AND COLLECTIONS	26
17	FREE WORK PROHIBITION	26
17	DISCHARGE.....	27
19	GRIEVANCE AND ARBITRATION PROCEDURES	27
20	AMICABLE RELATIONS	29
21	MANAGEMENT RIGHTS	29
22	TRANSFER OF OWNERSHIP	29
23	EXEMPT MANAGEMENT TRAINEES.....	30
24	MOST FAVORED EMPLOYER	30
25	SEPARABILITY.....	31
26	EXPIRATION AND RENEWAL.....	31
	SIGNATURE PAGE	31
	LETTER OF UNDERSTANDING.....	32
	SCHEDULE "A"	35
	SCHEDULE "B".....	38

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**PORTLAND & VICINITY
GROCERY, PRODUCE AND DELICATESSEN AGREEMENT
WITH
UNITED FOOD & COMMERCIAL WORKERS UNION LOCAL 555**

July 29, 2003 through July 26, 2008

PREAMBLE

This Agreement is entered into between Northwest Food Employers, Inc., referred to hereafter as "Employer" and United Food and Commercial Workers Union Local 555, Tigard, Oregon, chartered by the United Food and Commercial Workers Union, AFL-CIO, referred to hereafter as the "Union."

It is the intent and purpose of the Employer and the Union to promote and improve labor-management relations between them and to set forth herein the basic terms of agreement covering wages, hours, and conditions of employment to be observed by the Employer and the Union.

In consideration of the mutual premises and agreements between the Parties hereto, and in consideration of their mutual desires in promoting the efficient conduct of business and in providing for the orderly settlement of disputes between them, the Parties to the Agreement agree as follows:

ARTICLE 1 — RECOGNITION AND BARGAINING UNIT

1.1 Recognition of Union - Accretion. The Employer recognizes the Union as the sole collective bargaining agent with respect to work, rates of pay, hours, and all other terms and conditions of employment covered by this Agreement for all employees in the appropriate bargaining unit herein defined:

The bargaining unit shall include all employees within the jurisdiction of United Food & Commercial Workers Union Local 555, covered by the wage schedules and classifications listed herein, for all present and future stores of the Employer in Multnomah, Washington, Clackamas, Columbia, and Yamhill Counties, Oregon.

1.2 Recognition of Employer Representative. The Union recognizes Northwest Food Employers, Inc., as the sole collective bargaining agent for its Employer members as of the effective date of this Agreement and any additional members during the life of this Agreement.

1.3 Bargaining Unit Exemptions - Rights To Perform Work. None of the provisions of this Agreement shall apply to one (1) store manager in each retail store in which an owner is not actually engaged on the premises, and to one (1) assistant manager; in addition to the above

exemptions, in each store where ten (10) or more bargaining unit members are employed, there may be up to two (2) additional exemptions. In stores operating twenty-four (24) hours per day, a fifth exemption may be utilized to provide managerial coverage during the evening hours. Exempt employees shall not be restricted in the amount of bargaining unit work which they may perform. In addition to the exemptions provided in this paragraph, the Union agrees that upon request, it will give consideration to requests of Employers who are in need of additional exemptions, taking into consideration the working conditions of the individual store, the number of employees supervised, and the square footage of the store involved. Approval of additional exemptions shall be in keeping with the granting of prior exemptions to other grocery retailers in the Portland area, and where conditions are similar, the granting of additional exemptions shall not be unreasonably withheld.

ARTICLE 2 — UNION SECURITY AND EMPLOYMENT - NON-DISCRIMINATION

2.1 Union Security - Obligations of Employees. It shall be a condition of employment that all employees of the Employer covered by this Agreement, who are members of the Union in good standing on the effective date of this Agreement, shall remain members in good standing and those who are not members on the effective date of this Agreement, shall on the thirtieth (30th) day following the effective date of this Agreement, become and remain members in good standing in the Union. It shall also be a condition of employment that all employees covered by this Agreement and hired on or after its effective date, shall, on the thirtieth (30th) day following the beginning of such employment become and remain members in good standing in the Union. For purposes of this Article an employee shall be considered to be a “member in good standing of the Union” if that employee tenders to the Union the uniformly required dues and initiation fees required by the Union for membership. For purposes of this Paragraph, the execution date of this Agreement shall be considered as its effective date.

2.2 Termination - Failure to Meet Obligations. Upon the failure of any employee to comply with any provision of Article 2, Paragraph 2.1 (Union Security – Obligations of Employees) of this Agreement, the Union may then notify the Employer in writing of such failure. The Employer will not be asked by the Union to discharge any employee for noncompliance with the provisions of Paragraph 2.1 (Union Security – Obligations of Employees) until seven (7) days after the Union has furnished the Employer with notice in writing which contains the following:

- (a) A statement that the Union has strictly complied with the necessary procedural steps pursuant to the International Constitution and By-Laws in making its demand.
- (b) A statement that demand for termination is made for no reason other than the employee’s failure to pay the dues and initiation fees uniformly required by the Union for membership in the Union, pursuant to the Union Security clause.
- (c) The Union agrees to hold the Employer harmless for discharges made pursuant to this Article.

2.3 Notification - New Hires. The Employer agrees to deliver to each new employee a statement to be furnished by the Union outlining the Union Security provisions of this Agreement. The Employer agrees to send to the Union on postage paid forms provided by the Union a record of the hiring of each new employee within fourteen (14) days of the day the new employee reports to work.

2.4 Union Dues Check-Off. The Parties agree that employees may pay their initiation fees and uniform dues through payroll deduction with the following procedures, recognizing that the Employer shall be granted a reasonable period of time to adopt administrative and payroll procedures to accommodate this Agreement:

- (a) Deduction of Dues – Procedure. On a monthly basis the Employer agrees to deduct uniform dues and initiation fees from the paycheck of those covered employees whose individual written unrevoked authorizations are on file with the Employer, and to transmit the amounts so deducted to the Union within twenty (20) days of such deductions. Said deduction authorizations shall be in such form as to conform with Section 302(c) of the Labor Management Relations Act of 1947.
- (b) Deduction of Initiation Fees. Authorized initiation fees will be deducted in three (3) equal installments and remitted to the Local Union monthly.
- (c) Employer Assumes No Liability. It is understood the Employer is not liable in any manner if the employee is not on the payroll at the time deductions are being processed.
- (d) Indemnification and Hold Harmless. The Union shall indemnify and hold the Employer harmless against any and all claims, demands, suits or other forms of liability that shall arise out of or by reason of action taken or not taken by the Employer in reliance upon signed authorization cards furnished to the Employer by the Union or for the purpose of complying with any of the provisions of this Article.

2.5 New Employee Evaluation. There shall be a probationary period of sixty (60) days during which a new employee may be discharged without right of protest.

2.6 Non-Discrimination. The Employer and the Union agree that each will fully comply with applicable laws and regulations regarding discrimination and will not discriminate against any employee or applicant for employment because of such person's race, religion, color, national origin, sex, age, or disability. Any reference to one gender in this Agreement includes both.

2.7 Affirmative Action Programs. Both Parties recognize that in all cases of conflict between Title VII and any provision of the Agreement, or any practice under any provision of the Agreement, Title VII shall prevail. If the Employer is required by Executive Order 11246, as amended, and Revised Order No. 4, to develop and implement an Affirmative Action Program, and in the event of any conflict between the provisions of such program and any provisions of the Agreement, or any practice under any provision of the Agreement, the Affirmative Action Program shall prevail.

2.8 Americans With Disabilities Act. Both Parties recognize in all cases of conflict between the Americans with Disabilities Act and any provision of this Agreement, or any practice under any provision of the Agreement, the Americans with Disabilities Act shall prevail. In the event of a conflict with the Collective Bargaining Agreement, the Employer will notify the Union.

ARTICLE 3 — BARGAINING UNIT WORK

3.1 Non-Employees - Limited Rights to Perform Work. No receiving, marking, stocking, or display of merchandise shall be performed by supplier representatives, salesmen, or other non-employees of the Employer, except that the restrictions of this Paragraph shall not apply to the following persons under the following circumstances:

- (a) Drivers or driver salesmen engaged in servicing the store with their own merchandise directly from their delivery vehicles; or to the servicing of bakery products by the supplier, where the bakery products are those products produced in a bakery or bakery plant;
- (b) Product merchandisers who service the store, working merchandise which has previously been delivered to the store by a driver or driver salesman, where that merchandising could properly be performed under subparagraph (a) by the driver or driver salesman himself;
- (c) Merchandise resets or revamps, and to the preparation required for store grand openings.

3.2 Demonstrators. Demonstrators assigned to a store by a supplier, manufacturer, or other outside employer shall confine themselves to the particular items being demonstrated and wear clothing or a badge identifying them with the product or firm for which the demonstration is made and shall not be considered a part of the bargaining unit. Demonstrators, who are in the direct employ of the Employer, shall perform any work as assigned relating to the demonstration, and shall be part of the bargaining unit. Demonstrators on the Employer's payroll shall be paid at the rates set forth in Schedule "A." It is further agreed and understood that demonstrators are excluded from all other monetary benefits and Employer contributions as provided for in this Agreement and shall receive the straight time hourly rate of pay only, except for time and one-half (1½) after eight (8) hours work per day and forty (40) hours work per week.

ARTICLE 4 — HOURS OF WORK - OVERTIME

4.1 Workweeks. The basic straight time workweek shall consist of forty (40) hours to be worked in five (5) eight (8) hour days within an established seven (7) day workweek. The Employer may establish work schedules consisting of four (4) ten (10) hour days. Employees on such work schedules shall be entitled to daily overtime after the tenth (10th) hour rather than the eighth (8th). All other provisions of this Agreement shall apply as if these employees were working schedules consisting of five (5) eight (8) hour days.

4.2 Workdays - Meal Periods. The basic straight time workday shall consist of eight (8) hours (ten [10] hours for employees working four/ten work schedules) to be worked consecutively, except for a scheduled uninterrupted meal period of not less than one-half (½) hour nor more than one (1) hour at, so near as is practical, the middle of the work shift, except that no employee shall be scheduled for more than five (5) hours without a meal period, unless said employee is a designated person in charge. The scheduling of meal periods for persons in charge shall be by mutual agreement between the Employer and that employee. A meal period shall not be assigned if the employee is scheduled to work four (4) hours or less.

4.3 Holiday Workweeks. In any established workweek in which a holiday occurs, the basic straight time workweek shall consist of thirty-two (32) hours, excluding hours worked or not worked on the holiday, for employees who are required to work more than thirty-two (32) hours. Employees who volunteer to work more than thirty-two (32) hours may be scheduled to work up to forty (40) hours per week at the regular straight time rate.

4.4 Sixth Day Worked In One Week - Rate of Pay. When an employee works six (6) days in a workweek, time and one-half (1½) rate shall be paid for work on the day the least number of hours are worked.

4.5 Time Off Between Shifts. No employee shall be scheduled consecutive shifts without a minimum of eight (8) hours between the two scheduled shifts; work performed prior to the completion of the eight (8) hour period shall be paid at the rate of time and one-half (1½) the employee's straight time rate of pay.

4.6 Overtime. Overtime is defined as work in excess of eight (8) hours in a day or forty (40) hours in a week. Overtime work shall be paid for at one and one-half (1½) times the employee's regular rate of pay, and shall not be compensated for by time off in lieu of wages.

4.7 No Split Shifts. Split shifts shall not be scheduled by the Employer or worked by the employee.

4.8 Rest Periods. Employees shall be entitled to uninterrupted rest periods as follows:

- (a) Employees working more than six (6) hours shall receive two (2) ten (10) minute rest periods during the workday; one in the first part of the workday and the other in the second part of the workday.
- (b) Employees working four (4) or more hours up to six (6) hours in a workday shall receive one (1) ten (10) minute rest period during such working period.
- (c) Rest periods shall not be scheduled in connection with a lunch period or at the end of a shift.

4.9 Minimum Call-In Requirements. There shall be a four (4) hour minimum call-in for all employees except Container Clerks, who shall have a minimum call-in of two (2) hours.

4.10 Minimum Call-In For Students. Notwithstanding the provisions of Paragraph 4.9 (Minimum Call-In Requirements) of this Agreement, students attending school on a full-time basis may be employed by the hour, but in no event shall be scheduled for less than two (2) hours on any workday. During the student's summer vacation, or on any Sunday, he/she shall not be scheduled for less than four (4) hours on any workday.

4.11 Disruption of Operations - Waiver of Minimum Call-In Requirements. In the event that the Employer's operations cannot commence or continue due to the recommendation of civil authorities, or public or private utilities fail or are unable to supply electricity, water, or other such services as required, or the interruption of work is caused by an act of God or other emergency beyond the control of the Employer, the employee shall receive pay only for hours actually worked and shall not be governed by the minimum call-in provisions of Paragraphs 4.9 (Minimum Call-In Requirements) and 4.10 (Minimum Call-In For Students) above. If called in or advised to report upon employee's inquiry, Paragraphs 4.9 (Minimum Call-In Requirements) and 4.10 (Minimum Call-In For Students) shall apply.

4.12 Work Schedule. Weekly work schedules for employees shall be posted by noon on the Thursday prior to the start of the workweek. It is understood that the established work schedule may be changed as required by unexpected developments such as illness of employee, accidents, reduction in business, etc. The work schedule (made out in ink) will include the name of the employee, starting and ending time, and days off.

ARTICLE 5 — SENIORITY - TRANSFER

5.1 Seniority - Classifications. Seniority shall be based upon continuous service with one Employer, but no employee shall suffer loss of seniority by reason of an approved leave of absence in accordance with Article 9 – Leaves of Absence. Seniority shall be applied on an individual store basis by classification. For purposes of this Article, classifications shall be Head Clerks, Head Produce Clerks, Clerks (including Journeypersons and Apprentices), Courtesy Clerks, Container Clerks, and Demonstrators. Separate seniority for Head Clerks and Clerks (including Journeypersons and Apprentices) shall exist in each department covered by Schedule "B." Seniority as defined above shall apply in the reduction of the number of employees in a store performing comparable work, providing qualifications, ability, and availability are equal. Seniority as defined herein shall be applicable on the employee's sixtieth (60th) calendar day of employment, and shall date from the most recent date of hire.

5.2 Loss of Seniority. Employees shall lose all previous seniority, and their employment relationship shall be terminated for the following reasons:

- (a) Voluntary quit or retirement;
- (b) Discharge for just cause;

- (c) Absence on layoff when the employee does not return to work on the day specified by the Employer after having received three (3) days notice of recall;
- (d) Layoff for a period of sixty (60) days or more; provided that for employees who have been employed for two (2) or more years, this period shall be extended to ninety (90) days;
- (e) Failure to return to work in accordance with the terms of a leave of absence as provided in Article 9 – Leaves of Absence of this Agreement;
- (f) Absence from work due to illness or injury, on or off the job, exceeding twelve (12) months.

5.3 Promotions. In promotion, senior employees shall be given consideration where merit and ability are approximately equal, but no trial period shall be required. Employees demoted from a higher classification to a lower classification shall not lose seniority.

5.4 Layoff and Recall. In the reduction of the number of employees due to lack of work, the last employee hired shall be the first to be laid off; and in rehiring, the last employee laid off shall be the first rehired until the list of employees previously laid off has been exhausted. Employees who are laid off due to lack of work shall have seniority rights in rehiring for extra and/or steady jobs subsequently available with the Employer prior to the hiring of new employees. Employees shall not be terminated while on an approved leave of absence or vacation.

5.5 Transfers.

- (a) Conditions of Transfer. When an employee is transferred from one store to another, it is agreed that the employee shall suffer no reduction in wages. Such transfers shall not be used as a device for creating hardship to the employee in order to provoke his resignation. Similarly, an employee will not be arbitrarily or capriciously transferred. Requests for transfers within the Union's jurisdiction, so an employee may work nearer his home, will be given consideration and may not be refused arbitrarily. When an employee is transferred by the Employer from another area, the transferred employee shall retain all seniority rights with the Employer, but shall be entitled to exercise such rights with respect to layoff and rehire only after having worked in their new store for a minimum of sixty (60) calendar days. An employee's seniority shall not be broken if the Employer transfers the employee to a different store of the same Employer covered by this Agreement.
- (b) Right to Transfer Upon Store Closure. In the event an Employer who operates six or more stores in the area covered by this Agreement terminates the operation of one of its stores in the bargaining unit, the Employer shall transfer such affected employees in accordance with the terms of Paragraph 5.5(a) (Conditions of Transfer) above.

5.6 Scheduling Practices.

- (a) It is the desire of the Employer and the Union to provide full-time employment in the retail food industry for as many employees as is practical within the range of sound employment practices, which the Parties wish to maintain under this Agreement. Part-time employees who are available for work in the store shall be assigned any additional available work providing the employee is available and qualified to perform the work. If a reduction of hours becomes necessary in an individual store, employees with seniority and performing comparable work shall not have their hours arbitrarily and capriciously reduced.
- (b) The Employer shall determine and schedule hours based on overall practicability, seniority, availability, and ability to do the work. The Employer retains the right to determine the needs of the business and to establish weekly work schedules in accordance with said needs.

An employee with seniority, as provided elsewhere in this Agreement, performing a comparable work assignment within the same job classification as a junior employee who has been assigned a longer weekly work schedule, shall be entitled, upon request, to said junior employee's work schedule up to a maximum of forty (40) straight time hours per week, provided that the senior employee's qualifications and ability are equal, that said employee is available to perform the longer weekly work schedule, and that said employee has previously notified the Employer, in writing, of the employee's desire to work additional hours. The senior employee's request for said longer weekly work schedule shall be made in writing to the employee's immediate department or section supervisor within twenty-four (24) hours of the publication of the weekly work schedule in question.

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

5.7 No Guarantees - No Pay For Time Not Worked. Nothing in this Article shall be construed to require pay for time not worked.

ARTICLE 6 — COMPENSATION PRACTICES

6.1 Wage Rates. The minimum wage rates and effective dates mutually agreed upon for employees working under this Agreement are set forth in Schedules "A" and "B," which by reference are made part of this Agreement.

6.2 Actual Hours of Experience Required. All employees shall receive hourly rates of pay based on accumulated experience as defined in Paragraph 6.1 (Wage Rates) of this Article, provided no employee shall be credited for more than one hundred seventy-three and one-third (173½) hours per month. The Apprentice step wage schedule is based entirely on actual hours of comparable experience in the retail industry, experience which is absolutely essential for proper

understanding of the responsibilities and satisfactory performance of the job or position. However, for an Apprentice who goes into the military service prior to becoming a Journeyman, such employee will be re-employed at the next higher wage rate above his/her rate at the time of entry into the military service, if the employee applies for re-employment within ninety (90) days following his/her discharge from the service.

6.3 Effective Date of Progression Increases. Progression increases provided in Schedules "A" and "B" of this Agreement shall be placed into effect the first pay period beginning on or after the date the employee completes the required number of straight time compensable hours to advance to the next hourly wage bracket.

6.4 Contract Minimums. The terms of this Agreement are intended to cover only minimums of wages and other employee benefits. The Employer may place superior wages and other employee benefits in effect and may reduce the same to the minimum herein prescribed without the consent of the Union.

6.5 Minimum Contract Hourly Rates. Effective January 1, 2004 no employees shall be paid less than a minimum of ten cents (10¢) per hour above the then current Oregon minimum wage.

6.6 Premium Pay. The following premiums are payable on straight time hours only:

- (a) Sunday Premium. Employees working on Sundays between 12:01 a.m. and 11:59 p.m. shall receive the following premiums payable on straight time hours only:
 - (1) Schedule "A" Employees, other than Demonstrators and Containers Clerks. Schedule "A" employees, other than Demonstrators and Container Clerks, shall receive a premium of one dollar (\$1.00) per hour worked, except Courtesy Clerks hired or promoted on or after November 22, 1987 shall receive a Sunday premium of fifty cents (50¢) per hour.
 - (2) Schedule "B" Employees. Schedule "B" employees shall receive a premium of sixty-five cents (65¢) per hour worked.
- (b) Evening Premium. Payable on the hours of 6:00 p.m. to 11:00 p.m.
 - (1) Schedule "A" Employees, other than Demonstrators and Container Clerks. Schedule "A" employees, other than Demonstrators and Container Clerks, shall receive an evening premium of twenty-five cents (25¢) per hour.
 - (2) Schedule "B" Employees: Schedule "B" employees shall receive an evening premium of twenty-five cents (25¢) per hour.

(c) Night Premium.

- (1) Schedule "A" Employees, other than Demonstrators and Container Clerks. Schedule "A" employees, other than Demonstrators and Container Clerks, working 11:00 p.m. to 7:00 a.m. shall receive a night premium of thirty cents (30¢) per hour.
- (2) Schedule "B" Employees. Schedule "B" employees working 11:00 p.m. to 6:00 a.m. shall receive a night premium of twenty-five cents (25¢) per hour.

6.7 No Compounding or Pyramiding of Premiums. There shall be no compounding or pyramiding of overtime pay and premium pay, and only the highest applicable rate shall apply.

6.8 Buy Out Programs. The Employer may offer voluntary buyouts that do not violate any provision of the Agreement.

6.9 Container Clerks. The duties of a Container Clerk shall be to receive empty refund-type containers; count and issue receipts therefore; sort and place in appropriate receptacles; perform other functions related to the handling of such containers and clean-up of the immediate area associated with carrying-out the aforementioned duties. In the event of an initial violation of this provision and following written notice from the Union, the Container Clerk shall be paid the Courtesy Clerk rate of pay for a minimum of four (4) hours or as scheduled in excess thereof on that day.

For a second violation all Container Clerks in the market shall receive the Courtesy Clerk rate of pay for hours worked during that week.

For a third violation within a twelve (12) month period the market shall lose the Container Clerk classification for a period of twelve (12) months.

It is further agreed and understood that Container Clerks are excluded from all other monetary benefits and Employer contributions as provided for in this Agreement and shall receive the straight time hourly rate of pay only, except time and one-half (1½) after eight (8) hours work per day and forty (40) hours work per week.

6.10 Courtesy Clerks. The primary duties of a Courtesy Clerk are customer service and/or general housekeeping duties, but he/she shall be permitted to perform other duties incidental to or in addition to his/her primary duties. Courtesy Clerks shall not be required or permitted to work as checkers. In the event of an initial violation of this Paragraph, following written notice from the Union, the employee shall be paid the beginning Apprentice rate for that day. In the event of a second violation, the employee, following written notice from the Union, shall immediately be re-classified as an Apprentice Clerk.

- (a) Limitation of Hours. Total man hours worked by Courtesy Clerks in an individual store shall not exceed twenty-five percent (25%) of the total man hours worked by employees in the bargaining unit. Should this limitation be exceeded in a given week, the Employer shall adjust the Courtesy Clerk hours to not exceed twenty-five percent (25%) in the second (2nd) week following the week such ratio was exceeded. If the excessive percentage is not readjusted, then Courtesy Clerks shall be promoted to the Apprentice classification in order to conform with the aforementioned twenty-five percent (25%) ratio for Courtesy Clerks.

- (b) Promotion to Grocery Clerk. At the Employer's discretion, Courtesy Clerks may be placed in the Apprentice Grocery Clerk classification. The first thirty (30) days in such classification shall be considered a period of training and during this training period the employee shall receive the 1st Step Apprentice rate of pay. The Employer is not obligated to retain an employee who does not perform the work in a satisfactory manner and may return the employee to his/her former classification and wage rate. However, if such employee does perform work in a satisfactory manner during such period of training, said employee shall receive credit for fifty percent (50%) of all hours worked with the same Employer as a Courtesy Clerk towards his/her progression as an Apprentice as outlined elsewhere in this Agreement, said credit not to exceed a maximum of 1,040 hours. Nothing in this Paragraph or elsewhere in this Agreement shall be interpreted so as to entitle any employee to automatically progress from the Courtesy Clerk classification to the Apprentice Grocery Clerk classification.

6.11 Prior Experience Credit. In the application of the above wage provisions, a newly hired employee's prior working experience in the retail grocery industry shall be considered as follows:

- (a) Apprentices shall receive credit as follows for provable, comparable experience:
 - If less than 1 year has elapsed since last employed: full credit
 - If less than 2 years have elapsed since last employed: ½ credit
 - If more than 2 years have elapsed since last employed: no credit

- (b) Journeypersons shall receive credit as follows for provable, comparable experience:
 - If less than 1 year has elapsed since last employed: full credit
 - If less than 2 years have elapsed since last employed: start at 5th Step
 - If less than 3 years have elapsed since last employed: start at 4th Step
 - If less than 4 years have elapsed since last employed: start at 3rd Step
 - If more than 4 years have elapsed since last employed: no credit

Obligation to Provide Proof of Experience. Prior hours of experience must be accurately claimed on the employment application. Comparable experience means having performed a substantially similar kind of work in a similar kind of store or section in the retail grocery industry. The burden of providing the proof of previous comparable experience rests solely with the employee. Should the employee fail to provide within forty-five (45) days of date of hire acceptable proof of actual hours of previous experience, in writing, any adjustment made thereafter shall be prospective only.

6.12 Pay on Termination of Employment. Upon termination from employment for any reason (including but not limited to discharge, retirement or voluntary quit with or without prior notice), the Employer shall have until the next regularly scheduled pay day after the date of the employee's termination to pay the employee all wages earned and unpaid at the time of the employee's termination.

6.13 Pay Periods and Wage Statements. All persons covered by this Agreement shall have at least one (1) regular pay day per week except that any Employer shall be allowed five (5) days beyond the end of the pay period in which to prepare the payroll. All remunerations shall be in cash or fully negotiable check. In the event an Employer wishes to change its payroll period from one (1) week to two (2) weeks, the Employer may do so, upon giving sixty (60) days notice to affected employees of the date the changeover will occur, and then providing the Union an opportunity to help devise a transition procedure which mitigates employee hardships. This Paragraph shall not be applied in such a way as to require any Employer to change any current pay period practice.

Wage statements shall be furnished to each employee showing the period of time covered, employee identification, straight time, overtime, and premium time hours worked, total amount of wages paid, and itemized deductions made therefrom.

6.14 Wage Claims. All claims for back wages or overtime not paid must be presented through the Union to the Employer in writing within thirty (30) days of the date the employee is paid for the period in which back wages or overtime is claimed; otherwise the employee forgoes any right of appeal under this Agreement except as provided below:

- (a) Wage increases due the employee in accordance with hours worked with the present Employer under wage progression schedule of Schedules "A" and "B" of this Agreement.
- (b) If the Employer fails to comply with Article 2, Paragraph 2.3 (Notification – New Hires), the new employee's wage rate shall be subject to back adjustment from the date of hire to the end of a thirty (30) day period following the new employee's application for membership in the Union.
- (c) Wage rates for new employees without any previous experience, that are established at less per hour than the minimum applicable contract rate, shall be subject to back adjustment for a maximum period of six (6) months from the date the employee was hired.

ARTICLE 7 — HOLIDAYS

7.1 Paid Holidays. The following days shall be recognized as paid holidays for all eligible employees:

New Year's Day	-	January 1 st
Memorial Day	-	last Monday in May
Independence Day	-	July 4 th
Labor Day	-	1 st Monday in September
Thanksgiving Day	-	4 th Thursday in November
Christmas Day	-	December 25 th

7.2 Holiday Observation - Required Store Closures. It is agreed that the day observed as the holiday shall be from 12:00 midnight to 12:00 midnight. All stores and sections covered by this Agreement will close no later than 7:00 p.m. on Christmas Eve, December 24th, and no employee shall be scheduled or required to work after 8:00 p.m. on such day. All stores shall be closed to the public on Christmas Day, and no employee shall be scheduled to work on this day.

7.3 Eligibility. To be eligible to receive holiday pay, an employee must:

- (a) Have six (6) months continuous service with the Employer;
- (b) Work in the holiday week; and
- (c) Work all scheduled hours in the holiday week, unless unable to report due to a bona fide illness or injury as certified by a licensed physician, or if the employee has received prior approval of management for the absence from work.

Regular employees who would normally be employed in a holiday week shall not be laid off or reduced in hours or replaced just to avoid the payment of holiday pay.

7.4 Calculation of Holiday Pay. Eligible employees shall be entitled to holiday pay in accordance with average hours worked per week in the four (4) weeks preceding the holiday in question, as follows:

0 - 3 hours	-	No pay
4 - 7 hours	-	1 hour pay
8 - 11 hours	-	2 hours pay
12 - 15 hours	-	3 hours pay
16 - 19 hours	-	4 hours pay
20 - 23 hours	-	5 hours pay
24 - 27 hours	-	6 hours pay
28 - 31 hours	-	7 hours pay
32 or more hours	-	8 hours pay

7.5 Birthday Holiday. Employees with one (1) year or more of continuous service with the Employer shall be entitled to receive their birthday as a paid holiday, and it shall be observed within thirty (30) days of the employee's birthday on a mutually agreeable day. Holiday pay for the birthday holiday shall be calculated using the same formula by which the employee's vacation pay has been calculated for the vacation earned during the immediately preceding anniversary year of employment.

7.6 Work on Holidays - Rate of Pay. Employees eligible for holiday pay who work on a named holiday shall receive time and one-half (1½) of the employee's regular straight hourly rate of pay for all hours worked, plus any regular earned holiday pay. Holiday work shall be on a voluntary basis as near as practical, taking into consideration the proper manning and operation of the store. For scheduling during holiday weeks, see Paragraph 4.3 (Holiday Workweeks) above.

ARTICLE 8 — VACATIONS

8.1 Vacation Eligibility - Minimum Hours. All employees shall receive an annual vacation with pay for continuous work with their Employer as follows:

After 1 year of work	-	1 week vacation
After 2 years of work	-	2 weeks vacation
After 5 years of work	-	3 weeks vacation
After 12 years of work	-	4 weeks vacation

Employees shall not be entitled to vacation for any year in which they receive straight-time compensation for less than 900 hours.

8.2 Vacation Pay for Employees on Regular Overtime Schedules. The amount of vacation pay paid an employee will be the regular and overtime pay normally earned by the employee each week for at least ten (10) months of the year's time in which the employee qualified for the vacation. The application of this Paragraph shall be limited to calculation of vacation pay for employees on a regular overtime schedule.

8.3 Payment Prior to Scheduled Vacation. Earned vacation pay shall be paid to the employee prior to the start of his/her vacation, providing the employee requests the pay fourteen (14) days prior to his/her vacation.

8.4 Holidays Falling During Vacation Periods. When a holiday falls during the Employee's vacation period, such Employee shall receive an additional day's vacation, or pro ration of same, or an additional day's pay, or pro ration of same, in lieu thereof.

8.5 Scheduling Extended Vacations. In the case of three-week and four-week vacation periods provided above, two (2) weeks shall be consecutive and the third (3rd) and fourth (4th) week may or may not be consecutive, as mutually agreed between Employer and employee.

8.6 Vacation Preference.

- (a) Employees in a store or section shall be given preference in the choice of vacation dates on the basis of seniority. The Employer will make a good faith effort to advise employees in a store or section of the available vacation dates for each classification prior to March 1st of each year so that the employees will be better able to express their preference for vacation periods.
- (b) In the event of transfer, employees in a store or section shall be given preference in the choice of vacation dates based on seniority except:
 - (1) The vacation of an employee shall not be changed if it was scheduled prior to his/her transfer from one store to another.
 - (2) If an employee does not have a scheduled vacation at the time of transfer, the vacation preference will be based on his/her seniority in the store to which he is transferred.

8.7 Scheduling - By Mutual Agreement or By Assignment. Vacation periods may be arranged at any time during the year that is mutually agreeable to the employee and the Employer. Assigned vacation periods scheduled by the Employer will not start before April 1st, and will be completed by October 1st of each year. At least fourteen (14) days notice of the date of Employer-assigned vacations shall be given each employee.

8.8 Pro Rata Vacation Pay Upon Termination. Any employee otherwise eligible for vacation who voluntarily quits, retires, or is permanently laid off due to lack of work, shall be entitled to pro rata vacation pay in proportion to the hours for which the employee has received straight time compensation in proportion to the 2,080 hour industrial year.

8.9 Pro Rata Pay When Taking Vacations Early. Employees with one (1) or more years of continuous work with the Employer, who are required to take time off prior to their vacation anniversary date, shall receive a pro rata payment at that time, if requested in writing, and the additional amount will be paid at the anniversary date.

ARTICLE 9 — LEAVES OF ABSENCE

9.1 Eligibility. Employees shall be required to request, and the Employer shall grant, written leaves of absence in accordance with the rules and procedures provided herein. An employee who wants a leave of absence shall submit to his/her Employer in writing his/her request for such leave stating (1) reason, (2) date leave is to begin, and (3) expected date of return to work.

9.2 Procedure for Requesting Leaves. Employees shall request leaves of absence in writing on an authorized Leave of Absence form. The Union and the Employer will maintain a supply of special forms prepared jointly by both Parties for this purpose.

9.3 Acceptable Reasons. The following are acceptable reasons for granting to the employee an approved leave:

- (a) Illness or injury (on or off the job) of the employee which requires absence from work for more than fifteen (15) days; and pregnancy of employees. This applies to full-time and part-time employees who have been employed one (1) year by the Employer and who are able to resume their normal duties as a clerk when they return to active employment. Leaves granted hereunder shall not be for periods of time in excess of six (6) months, unless the leave is due to illness or injury on or off the job, in which case the leave shall not exceed twelve (12) months. Both Parties recognize that exceptional cases could occur under which a further extension of six (6) months limitation is justified and proper and may be granted by mutual agreement. Any such extension shall be in writing.
- (b) Serious illness, injury, or death in the employee's immediate family as defined in Article 12 - Funeral Leave. Length of such leave shall not exceed thirty (30) days.
- (c) Election or appointment to a temporary Union assignment such as delegate to a meeting or convention, for a period not to exceed fifteen (15) days. Not more than one (1) employee per store shall be eligible for such leave during the same period except by mutual agreement between the Employer and the Union.
- (d) Any other reason acceptable to the Employer.
- (e) Employees who fail to return to work at the end of a leave of absence or any agreed upon extension of a leave of absence shall be considered as terminated.

9.4 Ability to Perform Job Duties Upon Return - Certification. The employee must be qualified to resume his/her regular duties upon return to work from an approved leave of absence. A doctor's certificate verifying that the employee is able to resume his/her normal duties may be required. The employee shall then be returned to the job previously held, or to a job comparable with regard to rate of pay, on the first weekly schedule made up after the Employer and the Union have received notice in writing of the employee's availability.

ARTICLE 10 — SICK LEAVE

10.1 Eligibility. Employees during each twelve (12) months following their last anniversary date of employment shall be entitled, as set forth herein, to paid sick leave at their current regular straight time hourly rate for bona fide illness or injury off the job.

10.2 Accrual of Bank. Sick leave pay shall be accumulated by an employee based upon the number of straight time hours worked by the employee with the current Employer in each anniversary year as follows:

$$\text{Straight time hours} \div 2,080 \times 48 \text{ hours} = \text{Annual accrual}$$

Employees who work less than 1,248 hours in their anniversary year shall accrue no sick leave pay for the year. Sick leave pay shall be cumulative from year to year up to a maximum of 120 hours. Sick leave pay must be earned by employment with one (1) Employer.

10.3 Coverage - Certification of Illness or Injury Off the Job. Sick leave benefits shall apply only to bona fide cases of illness or injury off the job and shall not apply to on the job accidents which are covered by state industrial insurance or private insurance coverage. A doctor's certificate or other acceptable verification of illness or injury may be required by the Employer and, if so, must be presented by the employee prior to return to work.

10.4 Calculation of Benefits. A day of pay (or portion thereof) as used herein shall be in an amount per day equal to the average weekly straight time hours worked by the employee divided by five (5) during the twelve (12) month period immediately preceding the employee's last anniversary date of employment. Each employee who completes 1,248 hours or more of work in the preceding year shall be entitled to sick leave pay to the extent it has been accumulated as follows:

Sick leave pay for absence from work due to illness:

Beginning with the third working day and continuing through the seventh working day, except that in the event hospitalization occurs earlier than the third working day, sick leave pay will commence on the day hospitalization starts and continue through the first five (5) working days of the first seven (7) working days of absence.....1 day of pay

Beginning with the eighth working day and continuing through the first five (5) working days in each succeeding period of seven (7) working days½ day of pay

Sick leave pay for absence from work due to injury off the job:

Beginning with the third working day of absence and continuing through the seventh working day, except that in the event hospitalization occurs earlier than the third working day, sick leave pay will commence on the day hospitalization starts and continue through the first five (5) working days of the first seven (7) working days of absence½ day of pay

Beginning with the eighth working day and continuing through the first five (5) working days in each succeeding period of seven (7) working days½ day of pay

For purposes of this Article disabling outpatient surgeries will be treated as hospitalization.

10.5 Penalty for Abuse. Any employee found to have abused sick leave benefits by falsification or misrepresentation shall thereupon be subject to disciplinary action, reduction or elimination of sick leave benefits (including accumulated sick leave), and may be discharged by the Employer for such falsification or misrepresentation.

10.6 Coordination of Sick Leave and Time-Loss Benefits. Sick leave benefits hereunder together with any disability payments provided by the Portland Area UFCW Local 555 - Employers Health Trust shall not exceed the employee's net pay for a day of work.

10.7 Return to Work. An employee who returns to work in the same workweek as the illness or accident occurs shall be restored to that week's work schedule. An employee returning to work during the remainder of the fifteen (15) day period shall be restored to the work schedule not later than the second (2nd) day after notifying the Employer of his/her availability provided employee is able to resume his/her normal duties.

ARTICLE 11 — JURY DUTY - LEGAL PROCEEDINGS

11.1 Eligibility. After one (1) year of employment, any full-time employee called for service on a municipal, district, circuit, or federal court jury shall be scheduled five (5) days, Sunday through Friday or Monday through Saturday, and shall receive pay during such workweek for each day on such jury service at the rate of eight (8) hours times his/her straight time hourly rate, less any remuneration received by him/her for jury service. The employee's scheduled shift shall end not later than 7:00 p.m. on any weekday, Monday through Friday. Regular employees averaging twenty-four (24) hours or more per week for the year immediately preceding their anniversary dates of employment shall be paid the number of regular hours scheduled on the day in question, less any remuneration received for jury service. Reimbursement by the Employer as provided herein for jury duty service shall be limited to service on eighty (80) hours pay in any one (1) calendar year.

11.2 An employee who serves on jury duty Monday through Friday may be scheduled to work Saturday at the straight time hourly rate or Sunday at the regular Sunday premium rate. Payment for Saturday or Sunday work shall be offset against jury duty pay for the week, and in no event shall an employee receive more than a regular week's pay of forty (40) hours for the week.

11.3 Employees who are regularly scheduled six (6) days in a workweek shall be scheduled Saturday or Sunday at the appropriate rate for that day and their pay shall be based on total hours scheduled less the jury duty pay.

11.4 Employee Obligations. If an employee is excused temporarily or permanently from jury service, on any scheduled work day, he/she shall report for work to complete the remaining hours of his/her scheduled work shift, providing transportation time will permit him/her to return to work prior to four (4) hours before the end of his/her scheduled shift. The employee must furnish the Employer with a written statement from the appropriate public official showing the dates and time served and the amount of jury pay received.

11.5 Court Appearances. Employees required to appear in court or in legal proceedings on behalf of their Employer shall receive compensation at their regular straight time hourly rate of pay for the time spent in making such appearances less any witness fees received.

- (a) Notwithstanding the scheduling provisions of this Agreement, the Employer may reschedule an employee making such an appearance during store operation hours, so as to minimize payment of wages for such appearances. Notwithstanding the provisions of Article 4, Paragraph 4.6 (Overtime), if an employee appears in court or legal proceedings during non-scheduled hours on a regularly scheduled work day, he/she shall receive his/her straight time rate of pay for the time spent in making such appearance, less any witness fees received.
- (b) If an employee appears in court or legal proceedings on behalf of the Employer on his/her days off, he/she shall receive his/her straight time hourly rate of pay for the time spent in making such appearance less any witness fees received; but such time shall not be considered as part of the workweek under the terms of this Agreement.

ARTICLE 12 — FUNERAL LEAVE

12.1 Eligibility - Calculation of Benefits. After six (6) months of continuous employment, regular full-time employees shall be allowed up to three (3) days off with pay at straight time for the purpose of attending the funeral and assisting in arrangements therefore in the event of a death in the employee's immediate family. Paid days off will be limited to the employee's scheduled workdays. Scheduled days off will not be changed to avoid payment for funeral leave. Immediate family shall be defined as the spouse, son, daughter, mother, father, brother, sister, or present mother-in-law or father-in-law, or grandparents, of the employee.

12.2 Eligibility - Part-Time Employees. Part-time employees who have averaged twenty (20) hours or more of work per week for the six (6) months immediately preceding the date of the funeral, and who otherwise meet the qualifications in Paragraph 12.1 (Eligibility – Calculation of Benefits), shall be entitled to pro-rata funeral leave as provided above.

ARTICLE 13 — GENERAL CONDITIONS

13.1 Apparel. Aprons, uniforms, or any special wearing apparel required by the Employer, which is not suitable for street wear, shall be furnished and laundered by the Employer, except for the laundering of drip dry garments, which shall be done by the employee.

13.2 Rain Jackets. Protective rain jackets shall be provided for any employee required to perform work in the rain.

13.3 Charitable Contributions. Any contribution which may be made by employees for charitable purposes shall be purely voluntary.

13.4 Unemployment Insurance. The Employer agrees to qualify all employees under the state unemployment compensation and state industrial accident funds, or insurance of equal coverage.

13.5 Physical Examinations. Charges for physical examinations required by the Employer shall be borne by the Employer.

13.6 Check Cashing Policies - Liability Upon Violation. No employee shall be required to make good any checks cashed, unless said checks are cashed in violation of published store or Employer rules and regulations that have been made known to the employee.

13.7 Store Meetings. Employees required by the Employer to attend promotional sales meetings, training meetings, or other store business meetings, shall be paid at straight time limited to one (1) hour prior to the start of a work shift, or after completion of a work shift. Overtime thereafter. Employees shall not be required to attend such meetings on their scheduled days off. The provisions of Paragraphs 4.5 (Time Off Between Shifts), 4.7 (No Split Shifts), 4.9 (Minimum Call-In Requirements), and 4.12 (Work Schedule) shall not apply to time spent in store meetings.

13.8 Travel Between Stores. Time spent by employees in travel from place to place during the workday in order to perform work assigned to them by the Employer shall be paid for as time worked. Employees shall be compensated for necessary expense incurred by them in connection with such travel as follows:

- (a) Actual expense when public transportation facilities are used.
- (b) Employees who are required by the Employer to use their own automobiles in the course of their employment and for the business of the Employer shall be compensated therefore at the Employer's standard rate, which may change from time to time.

13.9 Union Activities of Employees. No person shall be discharged or discriminated against for upholding Union principles or any person who works under the instruction of the Union or who serves on a committee shall not lose his/her position or be discriminated against for this reason; provided, however, that such activities shall not take place on the Employer's time, and shall not take place on the Employer's premises without the express consent of the Employer.

13.10 Picket Lines - Notice of Intent to Observe. Refusal of an employee, covered by the terms of this Agreement, to pass through a lawful primary picket line which has been sanctioned by the Northwest Oregon Labor Council or other Labor Council within the jurisdiction of the United Food & Commercial Workers Union Local No. 555 shall not constitute a violation of this Agreement. The Union will give the Employer seventy-two (72) hours written notice of its intent to recognize an established picket line.

13.11 Store Visitation. It is the desire of both the Employer and the Union to avoid wherever possible the loss of working time by employees covered by this Agreement. Therefore, representatives of the Union when visiting the store or contacting employees on Union business during their working hours shall first contact the store manager or person in charge of the store. All contact will be handled so as to not interfere with service to customers nor unreasonably interrupt employees with the performance of their duties.

ARTICLE 14 — HEALTH INSURANCE BENEFITS

14.1 Contributions for Employees Hired Prior to July 29, 2003. Effective with hours worked in November 2003 (first payable in December 2003 for January 2004 coverage), the Employer agrees to contribute to the Portland Area UFCW Local 555 – Employers Health Trust three dollars and sixty-nine cents (\$3.69), which includes \$0.05 for Retiree Health and Welfare Benefits, per straight time compensable hour to provide benefits to employees who have been compensated 80 or more straight time compensable hours the previous month. For purposes of this Paragraph, an eligible employee is an employee who has successfully completed the probationary period set forth in Paragraph 2.5 (New Employee Evaluation) above. Contributions on employees shall commence with hours worked beginning the first day of the first month following the month in which the employee completes his or her probationary period.

14.2 Contributions for Employees Hired on or After July 29, 2003. The Employer agrees to pay into the Portland Area UFCW Local 555 – Employers Health Trust the monthly contributions specified below on behalf of eligible employees hired on or after July 29, 2003 for the purpose of providing group insurance benefits for the employees covered by this Agreement:

- (a) Commencement of Contributions. Contributions on new employees shall commence with hours worked beginning the first day of the second month following the month in which the new employee completes his/her probationary period as outlined in Paragraph 2.5 (New Employee Evaluation) above.
- (b) Progressive Benefits Based on Length of Service. Benefits and the corresponding hourly contributions for employees hired on or after July 29, 2003 shall be based on the employee's length of service with the Employer.

For the first twelve months after the employee meets the eligibility requirements outlined in sub-paragraph 14.2(a) (Commencement of Contributions) above the hourly contribution shall be \$2.11 (including \$0.05 for Retiree Health and Welfare Benefits).

For the next twelve months the hourly contribution shall be \$3.37 (including \$0.05 for Retiree Health and Welfare Benefits).

Thereafter the hourly amount will be the amount set forth in Paragraph 14.1 (Contributions for Employees Hired Prior to July 29, 2003) above.

14.3 Maintenance of Benefits. The Employer will increase its hourly contribution amount, if necessary to maintain benefits, as follows:

On Hours worked on or after November 1, 2004 – by up to 8% of current contribution rate*

On Hours worked on or after November 1, 2005 – by up to 8% of current contribution rate*

On Hours worked on or after November 1, 2006 – by up to 8% of current contribution rate*

On Hours worked on or after November 1, 2007 – by up to 8% of current contribution rate*

*Excluding any amount added to the contribution rate for the purpose of rebuilding reserves.

In the event that the annual contribution increase exceeds the amount of the maximum Employer increase, the liability for the additional amount shall be split on a 50%-50% basis between the Employer and the employees. The employee share of any such increase can be paid through an hourly wage rate reduction or through a benefit plan benefit modification.

Any unused amount of any annual Employer increase shall be carried forward for application toward any contribution increase the following years.

The Employer's obligation to increase its contribution rate to maintain benefits if necessary terminates on July 26, 2008. After that date, the Employer shall be obligated only to continue making the contribution rate in effect on July 25, 2008, unless the Parties specifically negotiate increases in the contribution rate after that date.

14.4 Retiree Health and Welfare Benefits. Health and welfare benefits will be provided for all United Food and Commercial Workers Union Local 555 members and their dependents drawing retirement benefits (present and future) from the Oregon Retail Employees Pension Trust, in accordance with the provisions of Paragraph 14.5 (Retiree Health and Welfare – Eligibility Requirements) below. The Trustees of the Portland Area UFCW 555 - Employers Health Trust will establish and administer the Retiree Health and Welfare Plan.

14.5 Retiree Health and Welfare - Eligibility Requirements. Retiree health and welfare coverage shall be provided for persons who meet all of the following requirements:

- (a) Be a retiree who is currently receiving the Oregon Retail Employees Pension Trust pension benefit or disability retirement (either regular or spouse option), based on the Oregon Retail Employees Pension Plan in effect as of October 1, 1987; and

- (b) Have been covered as an employee under the plan for hospital, medical, surgical, and prescription drug benefits for sixty (60) months of the eighty-four (84) months immediately preceding the date of retirement. For purposes of this requirement, "covered as an employee under the plan" shall mean coverage under the Portland Area UFCW Local 555 - Employers Health Trust.
- (c) An employee opting for retirement before age 65 must be at least 55 years of age, have completed 15 years or more of service for retirement purposes with the Oregon Retail Employees Pension Trust (unreduced early retirement benefits beginning at age 60 for those with 15 years credited service or who satisfy the 750-hour recency test), and have contributions made on their behalf for 60 out of the last 84 months and make self-payments at the current premium rate until age 65.

14.6 Changes in Employer Contribution Rates – Reserve Limitations. In order to implement any increase in the Employer's contribution rate pursuant to Paragraph 14.3 (Maintenance of Benefits) above, the Trustees must have adopted a reserve fund policy requiring that the Trust maintain unallocated, unrestricted Trust reserves totaling two (2) months of operating expenses. The reserves calculation shall be made once a year during insurance contract renewals, based on the previous twelve (12) months. Effective October 1, 2003 the policy shall require at least one (1) but not more than two (2) months of operating expenses, and effective January 1, 2004 the policy shall require unrestricted reserves totaling one (1) month of operating expenses. Accordingly, the Trustees may determine that an amount be added to the hourly contribution rate for reserve rebuild, which may be increased, reduced, or eliminated, as determined by the Trustees, based on the level of the Trust's unrestricted reserves.

14.7 Termination of Coverage. Effective with employees who terminate on or after July 29, 2003 the Employer shall not be obligated to make a contribution on any hours for which the employee receives compensation during the employee's final month of employment, regardless of the number of hours for which the employee received compensation.

14.8 Funding of Retiree Health and Welfare Benefits. The amount allocated for Retiree Health and Welfare will not exceed five cents (5¢) per hour from the total Employer Health and Welfare contribution. Such contribution and the amounts set forth herein shall be used to maintain the level of benefits provided retirees. In the event the cost of retiree health and welfare exceeds the amount specified per hour during the life of this Agreement, the Parties are instructed to direct the Trustees of the Health and Welfare Trust to adjust benefits to retirees to bring the cost of the benefits within the limitations of the five-cent (5¢) requirement provided above.

14.9 Employer Obligation - Funding Only. The Employer's obligation to pay contributions to help fund retiree health benefits for eligible retirees is limited to the commitment to pay the hourly rate based upon hours worked by current employees for the duration of this Agreement. While the Employer has agreed to monthly payments which may purchase retiree benefits, the Employer has not agreed to fund or guarantee benefits which are either vested or unvested for employees now retired or present employees who subsequently retire.

ARTICLE 15 — PENSION

15.1 Eligibility and Contributions. The Employer shall contribute to the Oregon Retail Employees Pension Trust on behalf of each eligible employee the hourly pension contribution specified below. For purposes of this Paragraph, an eligible employee is an employee other than a Container Clerk who has successfully completed the probationary period set forth in Paragraph 2.5 (New Employee Evaluation) above. Contributions on new employees shall commence with hours beginning the first day of the first month following the month in which the new employee completes his or her probationary period. It is further understood and agreed that the above-referenced Trust shall at all times qualify for approval by the Bureau of Internal Revenue of the U.S. Treasury Department, so as to allow the Employer an income tax deduction for the contributions paid.

Employees Other Than Courtesy Clerks.

1 – 1000 straight time compensable hours – No contributions

1001 - 5200 hours compensable hours (for employees hired before August 3, 2003) or 1001 – 7800 hours (for employees hired on or after August 3, 2003) - Thirty-five cents (35¢) per straight time compensable hour paid, not to exceed \$2.80 per day (\$3.50 for employees working four/ten work schedules), \$14.00 per week, to a maximum of \$60.55 per month.

Journeyperson - Forty-five cents (45¢) per straight time compensable hour paid, not to exceed \$3.60 per day (\$4.50 for employees working four/ten work schedules), \$18.00 per week, to a maximum of \$77.85 per month.

Courtesy Clerks. For eligible Courtesy Clerks, the contribution rate shall be as follows:

1 – 1000 straight time compensable hours – No contributions

Thereafter - Twenty-five cents (25¢) per straight time compensable hour paid, not to exceed \$2.00 per day (\$2.50 for Courtesy Clerks working four/ten work schedules), \$10.00 per week, to a maximum of \$43.25 per month.

15.2 . Contribution Increases. Effective on November 2003 hours (first payable in December 2003), pursuant to the eligibility requirements specified in Paragraph 15.1 (Eligibility and Contributions) above, the Employer shall contribute to the Oregon Retail Employees Pension Trust on behalf of each eligible employee the hourly pension contribution specified below.

Employees Other Than Courtesy Clerks.

1 - 1000 straight time compensable hours - No contributions

1001 - 5200 hours compensable hours (for employees hired before August 3, 2003) or 1001 - 7800 hours (for employees hired on or after August 3, 2003) - Forty-seven cents (47¢) per straight time compensable hour paid, not to exceed \$3.76 per day (\$4.70 for employees working four/ten work schedules), \$18.80 per week, to a maximum of \$81.31 per month.

Journeypersons - Fifty-seven cents (57¢) per straight time compensable hour paid, not to exceed \$4.56 per day (\$5.70 for employees working four/ten work schedules), \$22.80 per week, to a maximum of \$98.61 per month.

Courtesy Clerks. For eligible Courtesy Clerks, the contribution rate shall be as follows:

1 - 1000 straight time compensable hours - No contributions

Thereafter - Thirty-seven cents (37¢) per straight time compensable hour paid, not to exceed \$2.96 per day (\$3.70 for Courtesy Clerks working four/ten work schedules), \$14.80 per week, to a maximum of \$64.01 per month.

Purpose of the \$.12 Per Hour Contribution Increase. Twelve cents (12¢) per hour of each of the hourly contribution rates shall be contributed to improve Trust funding, and shall be outside the benefit formula. At such time that the Trust Actuary determines the fund is sufficiently overfunded, this twelve cent (12¢) contribution increase will be incorporated inside the benefit formula.

15.3 Authority to Merge Trusts. The Parties to this Agreement hereby authorize the Trustees of the Oregon Retail Employees Pension Trust to pursue merger of the Oregon Federation of Butchers Pension Trust into the Oregon Retail Employees Pension Trust provided such merger is beneficial to participants in both Trusts.

15.4 Limitation on Trustee Actions. The Trustees of the Oregon Retail Employees Pension Trust shall have no authorization to change the details of the pension program if such change would:

- (a) Create unfunded vested benefits for purposes of computing Employer withdrawal liability under the Multi-Employer Pension Plan Amendments Act of 1980 where none existed before such change, or
- (b) Increase the amount of unfunded, vested benefits for purposes of computing Employer withdrawal liability under the Multi-Employer Pension Plan Amendments Act of 1980 above the amount existing for such change, unless such change is required by law.

ARTICLE 16 — ACCEPTANCE OF TRUSTS AND COLLECTIONS

16.1 Acceptance of Trust Provisions. The Employer hereby agrees to become a Party to the Agreement and Declaration of Trust governing the Portland Area UFCW Local 555 – Employers Health Trust Health and Welfare Trust Fund dated January 1, 1985 and the Agreement and declaration of Trust establishing the Oregon Federation of Butchers Pension Fund and agrees to be bound by all the terms and provisions of such Agreements, which by reference are made a part hereof. The Employer further agrees irrevocably to designate as its representative on the Board of Trustees of the Funds such Trustees as are named in said Agreements and Declarations of Trust as Employer Trustees, together with their successors, selected in the manner of the Agreements, and agrees to be bound by all the actions taken by the Employer Trustees pursuant to said Agreements and Declarations of Trust.

16.2 Costs – Fees – Venue in Collection Actions. The Employer acknowledges that the Trust Agreements mentioned above provide for the payment of liquidated damages interest at a rate to be set from time to time by the Trustees, attorney's fees, and court costs in the event of contribution delinquencies. In the event the Trustees of either Trust bring suit to recover delinquent contributions, venue shall be laid in Multnomah County, Oregon.

16.3 Due Date for Contributions. Health and welfare and pension contributions are due and payable on or before the twentieth (20th) day of each month for the preceding month and contributions will be delinquent if not paid by the twenty-fifth (25th) day, which delinquency will be a violation of this contract.

16.4 Failure to Make Contributions – Union's Right to Strike. Notwithstanding any provision to the contrary contained in the Agreement between the Employer and the Union, the Union shall have the right to strike by giving the Employer written notice of its intention to do so not less than forty-eight (48) hours in advance if the Employer shall fail to make payment of the contributions due to the Fund(s) for any month on or before the twenty-fifth (25th) day of the third (3rd) calendar month following the month for which such contribution shall be payable; provided that no such action shall be taken by the Union unless and until the Administrative Director of the Fund(s) shall have certified in writing to the Employer and to the Union that the Employer has so failed to pay such contributions. Any strike pursuant to this provision shall be terminated as soon as the Employer shall pay the delinquent contribution or shall make arrangements for the payment of it which meet with the approval of the Administrative Director of the Fund.

ARTICLE 17 — FREE WORK PROHIBITION

17.1 The Employer agrees that there shall be no "free" or "time-off-the-clock" work under this Agreement. Any employee found by the Employer or Union to be engaging in such unauthorized practice shall be subject to discipline, which may include termination.

ARTICLE 18 — DISCHARGE

18.1 The Employer shall be the judge as to the qualifications and competency of his employees, and reserves the right to discharge any employee for good cause such as dishonesty, incompetency, or failure to perform work as required. Before a regular employee is discharged for incompetency or failure to perform work as required, he/she shall be advised and given an opportunity to improve his/her work, except that a warning shall not be required for cash handling irregularities or failure to record sales.

18.2 Drug Testing. The Employer may require the employee to submit to a legally recognized drug or alcohol test at the Employer's expense, if the Employer has reasonable grounds to believe the employee is under the influence of alcohol or drugs. Reasonable grounds will not be required for drug or alcohol testing when an employee is involved in an industrial accident which involves injury or damage, or by the Employer's policy. An employee who tests positive shall be entitled to have a second test performed using a different disclosure method to verify the accuracy of the test results. Time spent in such testing shall be on the Employer's time; however, any employee refusing to submit to a drug or alcohol test shall be taken off the clock effective with the time of the Employer's request. An employee who refuses to take a drug or alcohol test upon request shall be subject to termination.

18.3 The Employer and the Union agree that discharges will be made fairly and impartially, but in the event a protest of a discharge is lodged with the Employer, then the provisions of Article 19 - Grievance and Arbitration Procedures shall be invoked.

ARTICLE 19 — GRIEVANCE AND ARBITRATION PROCEDURES

19.1 Time Limitations for Filing. Any grievance or dispute concerning the application or interpretation of this Agreement shall be presented in writing by the aggrieved Party to the other Party within twenty (20) days from the date of the occurrence first giving rise to such grievance or dispute, except that in cases of discharge the grievance must be presented within ten (10) calendar days. Wage claims shall be governed by the limitations of Paragraph 6.14 (Wage Claims) above. The grievance shall specify in detail the alleged contract violations, including the contract provisions alleged to have been violated. In the event that any grievance is not filed in accordance with the requirements of this Paragraph, the grievance shall be considered null and void. The Employer agrees to provide the Union upon request with the reasons for discharge within fifteen (15) days of the request.

19.2 Mandatory Fact-Finding. Any such grievance shall be adjusted by accredited representatives of the Employer and the Union and the Parties agree to participate in a mandatory fact-finding meeting in which the grievant(s) shall participate.

19.3 Binding Arbitration - Selection of Arbitrator. In the event of the failure of the Parties to reach a satisfactory adjustment or mutually agree upon an Arbitrator within forty-five (45) days from the date the grievance is filed in writing by the aggrieved Party, the moving Party must request the Federal Mediation and Conciliation Service to submit a list of eleven (11) Arbitrators residing in the states of Oregon or Washington from which an Arbitrator shall be selected by alternately striking names, to settle the matter; otherwise the grievance shall become null and void.

The first strike in each arbitration shall be determined by the flip of a coin, with the winner deciding whether to strike first or second. Nothing in this Paragraph shall preclude the Parties from mutually agreeing upon an Arbitrator, in which case the alternate striking process shall be waived.

- (a) Jurisdiction and Authority. The jurisdiction and authority of the Arbitrator shall be confined exclusively to the application or interpretation of a specific provision or provisions of the Agreement at issue between the Parties. The Arbitrator shall not have the right to alter, amend, delete, or add to any of the terms of this Agreement. The Arbitrator may consider the entire Agreement in making his/her award.
- (b) Limitation on Back Pay and Benefits Awards in Discipline Cases. The Arbitrator shall have the authority to resolve the grievance or dispute, and in cases where it is concluded that an employee has been improperly discharged, the Arbitrator may reinstate the improperly discharged employee. The Arbitrator shall not render an award which requires the Employer to pay an improperly discharged or suspended employee for time that employee has not actually worked in excess of the wage and benefits the employee would have earned had he/she worked his/her normal schedule during the ninety (90) calendar days immediately following the date of the discharge; nor shall the Arbitrator be entitled to require the Employer to pay benefits on behalf of an employee for a time period the employee has not actually worked in excess of the ninety (90) days allowable herein.
- (c) Limitation on Back Pay and Benefits For Seniority Violations. The Parties further agree that the Arbitrator is not empowered to award any back wages or benefits to an employee whom the Arbitrator determines to have been improperly laid off; the Parties recognize that the language of Paragraph 5.7 (No Guarantees – No Pay For Time Not Worked) precludes the awarding of back wages for any type of seniority violation.
- (d) Award To Be In Writing. The award of the Arbitrator shall be written and shall be final and binding on both Parties.
- (e) Expenses of Arbitrator. The expenses and fees of the Arbitrator shall be borne by the losing Party, as determined by the Arbitrator, who shall specifically rule on this issue. If in the judgment of the Arbitrator equity is best served by apportioning the costs of the arbitration between the Parties, he/she may order such an apportionment.

19.4 Prompt Issuance of Decision and Award. The Arbitrator shall render the decision and award within thirty (30) days of the close of the hearing or the receipt of briefs, whichever is later; any Arbitrator failing to comply with these provisions shall not be compensated except for actual costs incurred. The moving Party shall notify the Arbitrator of this provision during the selection process. If the assignment is refused, the last Arbitrator struck from the list shall be selected as an alternate. By mutual agreement between the Parties, the Arbitrator may also be requested in advance to be prepared to render a bench decision at the close of the arbitration hearing.

19.5 Transcripts. Either Party may obtain a transcript of the arbitration at that Party's expense and for that Party's sole use, unless the other Party wishes a copy, in which case the expense of the transcript shall be shared equally.

19.6 Time Limitations - Waiver. If any of the time limits referenced in this Article are not met, the grievance shall be considered as having been waived. However, any time limits established in this Article may be extended by mutual agreement of the Parties in writing.

ARTICLE 20 — AMICABLE RELATIONS

20.1 Both Parties agree not to use strikes, lockouts, or other economic weapons to settle any grievances or disputes concerning the application or interpretation of this Agreement but to settle them in the manner provided above. It is further understood that the duly authorized representatives of UFCW Local 555 shall have the authority on behalf of the Union to enforce the terms of this Agreement.

20.2 The phrase "other economic weapons" as used above shall be interpreted to include informational picketing, citations to a Central Labor Council, unfair listings, do not patronize listings, or any other economic weapons or threats thereof.

ARTICLE 21 — MANAGEMENT RIGHTS

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

ARTICLE 22 — TRANSFER OF OWNERSHIP

22.1 In the event any Employer signatory hereto sells his business, he agrees to pay employees any vacation due up to the date of sale as provided in Article 8 - Vacations of this Agreement. The new owner shall be advised that the seller has operated the store under this Agreement.

22.2 Any Employer signatory to this Agreement who purchases a store which is a Party to this Agreement, will thereafter, as to employees remaining with the new owner at least sixty (60) days, give credit for length of service accumulated with the prior owner in calculating future vacation rights, seniority rights, and accumulated sick leave benefits.

22.3 Nothing in this Article shall require a purchaser to recognize length of service accumulated with a prior owner in calculating any benefits for seniority rights under this Agreement, if the purchaser and the seller agree as a condition of the sale that the seller shall terminate from employment all of his employees as of the close of business on the date the sale is consummated. Under those circumstances, any person hired by the purchaser shall be deemed a new employee for all purposes under this Agreement, except as noted in Paragraph 22.4 below.

22.4 Notwithstanding the provisions of Paragraph 22.3 above, employees who are hired to work at the purchased location by the buyer shall be considered eligible for holiday pay, leaves of absence, and funeral leave after obtaining seniority with the new Employer. A former employee who had qualified for three or more weeks of vacation with the seller, who is hired by the purchaser shall re-establish vacation up to the amount he/she would have been eligible to receive with full length of service recognition, in accordance with the following schedule: three weeks after four years with the new Employer; four weeks after six years with the new Employer.

22.5 In cases of dissolution of a partnership, the remaining partner shall be expressly obligated to carry out the terms of this Agreement, regardless of whether or not he was signatory to the original Agreement.

ARTICLE 23 — EXEMPT MANAGEMENT TRAINEES

23.1 Exempt Management Trainees:

- a) One (1) exempt Trainee per 150 bargaining unit employees, with a minimum of three (3) and maximum of ten (10);
- b) A description of the bona fide program will be on file with the Union;
- c) Letter to Union designating participant;
- d) There shall be no more than one (1) Trainee per store at any one time;
- e) The absolute maximum length of time a Trainee can be exempt is one (1) year, with option for another year.

ARTICLE 24 — MOST FAVORED EMPLOYER

24.1 Should the Union at any time after the date of this Agreement enter into an agreement, or any extension thereof covering any retail department similar to the departments covered by this Agreement, within the geographic area covered by the Agreement, based upon a settlement with new terms and conditions negotiated after the date of this Agreement which are more advantageous to such retail department(s), the Employer signatory to this Agreement shall be privileged to adopt such advantageous terms and conditions, provided the Employer has sent written notice to the Union of its desire to do so. Upon written request, the Union will provide the Employer with its Agreements, Letters of Understanding, and Letters of Agreement or other similar memorandum with other retailers in the geographic area.

ARTICLE 25 — SEPARABILITY

25.1 Should any portion of the Agreement be adjudged by the court having ultimate jurisdiction to be in violation of any state or federal law, then such portions shall become null and void and the balance of this Agreement remain in effect. Both Parties agree to immediately renegotiate any part of this Agreement found to be in violation by the court and to bring it into conformance therewith within sixty (60) days after notification, unless the time limit is extended by mutual agreement.

ARTICLE 26 — EXPIRATION AND RENEWAL

26.1 This Agreement shall be in effect from July 29, 2003 through July 26, 2008, except as hereinafter provided, and shall continue from year to year thereafter unless either Party shall give written notice to the other at least sixty (60) days prior to the expiration date of July 26, 2008, or at least sixty (60) days prior to the nearest Sunday to any subsequent July 26th of any succeeding year of its desire to negotiate the terms of a successor Agreement.

SIGNED ORIGINALS ON FILE AT THE TIGARD UNION HALL.

EMPLOYERS PARTY TO THE AGREEMENT:

Albertson's, Inc.
Bales-Farmington Thriftways
Dan Inc. Oregon
Fred Meyer, Inc.
Hank's Thriftways
Molalla Thriftway
Safeway Inc.

**PORTLAND & VICINITY
GROCERY, PRODUCE AND DELICATESSEN AGREEMENT
WITH
UNITED FOOD & COMMERCIAL WORKERS UNION LOCAL 555**

**LETTER OF UNDERSTANDING
CONCERNING VARIOUS SUBJECTS**

1. Employer Rules and Policies. It is agreed that the Union will continue its current practice of not challenging or demanding the right to bargain over Employer policies and work rules at the time of issue based on the following understandings:

- (a) In the event an employee is suspended or discharged as the result of the application of an Employer policy or work rule not agreed to in the course of collective bargaining, the Union shall have the right to challenge the reasonableness of the policy or work rule during the course of the grievance process, and the Employer will not raise timeliness as a defense to the issue of the reasonableness of the policy rule or rule at issue.
- (b) It is further agreed that the Employer will provide the Union with a copy of any specific new or updated policies or work rules upon request.

These understandings apply to both policies and work rules, and regardless of whether the policy or work rule is new or simply revised or updated.

2. Resolution of Grievances – Employee Must Be Present at Grievance Steps. The Parties agree that when an employee grieves a disciplinary action of the Employer, the affected employee must be present at all fact-finding and arbitration steps of the dispute's resolution procedure, unless the Parties mutually agree otherwise in writing. Failure of an employee to appear as required shall result in the grievance being withdrawn. Such grievances may not thereafter be refiled.

3. Seniority and the Assignment of Hours. The Employers and the Union agree to meet not less than four (4) times a year as needed to discuss assignments of hours problems within the various stores. Though this Letter is not a part of the Labor Agreement, it represents the spirit and intent of the final settlement agreement reached

4. Child Care. The Employers and the Union agree to establish a child care task force made up of UFCW Local 555 representatives and interested retail food industry representatives to act as a steering committee to study child care needs of industry employees and to make recommendations to the Union and interested Employers concerning child care.

5. Sympathy Strikes. Notwithstanding the provisions of Paragraph 13.10 (Picket Lines – Notice of Intent to Observe) of this Agreement, the Parties hereby agree as follows:

Due to the need of the Parties to provide for labor peace during the term of this Agreement, the Parties agree that for the period of this Agreement, there will be no sympathy strikes or honoring of picket lines of any Union by unit employees.

6. No Corporate Campaigns. This Letter reiterates and confirms the Agreement reached by Northwest Food Employers, Inc. and UFCW Local 555 during the negotiations for these Clerk and Meat Agreements with regard to Local 555 and the Employers which Northwest Food Employers, Inc. represents in Portland. Local 555 believes it has a good faith working relationship with all of these Employers and during the term of this Agreement will not take any action to depart from that relationship or take any action in Portland inconsistent with maintaining that relationship. Consistent with its duty of fair representation under said Agreements and their grievance procedures, during the term of this Agreement Local 555 will not be a party to, instigate, or support harassment of any Employer covered by this Agreement through any type of corporate campaign. This shall not include charges before the National Labor Relations Board.

It is also recognized that various monies from Local 555 are paid to UFCW International Union funds. The Local does not control such funds. Consequently, the UFCW International Union's use of those funds for purposes contrary to this Agreement will not be a violation of this Agreement.

7. Retail Grocery Operations in the McMinnville Area.

- (a) The Parties agree that during the term of the Portland & Vicinity Grocery, Produce and Delicatessen Agreement in effect from July 29, 2003 through July 26, 2008, that in lieu of the wages provided in this Agreement, the wage scales provided in the Clatsop-Tillamook Counties Grocery Agreement and the Sunday premiums specified in that Agreement with UFCW Local 555 shall apply in stores covered by the Portland & Vicinity Grocery, Produce and Delicatessen Agreement operated in McMinnville, Oregon by any member of the Employer Multi-Employer Group.
- (b) Notwithstanding Paragraph 7(a) above, if UFCW Local 555 organizes any other substantially similar retail grocery competitor in McMinnville, Oregon, during the term of the Portland & Vicinity Grocery, Produce and Delicatessen Agreement, and in the event that the wage rates and Sunday premium rates for that competitor are greater than the wage rates and Sunday premium rates of the Clatsop-Tillamook Counties Grocery Agreement, the Employers covered by this Letter will immediately adopt the wage rates and Sunday premium rates of the competitor's agreement with UFCW Local 555. In no event will the Employers covered by this Letter be required to pay wage rates or Sunday premium rates greater than those provided in the Portland & Vicinity Grocery, Produce and Delicatessen Agreement.

8. Red-Circled Rates – Safeway Inc. In the event the Union organizes a department which will be covered by Schedule “B,” and the wage rate of any employee in that newly organized department is higher than the applicable wage rate of Schedule “B,” the employee’s wage rate shall remain the same (red-circled) until the applicable wage rate in Schedule “B” exceeds the employee’s red-circled wage rate.

9. Bargaining Note – 2000 Negotiations. In the application of this Agreement, Article 5 - Seniority - Transfer, Paragraph 5.6(b) (Scheduling Practices), the Union and Employer agree:

- (a) The Employer retains the sole and exclusive right to determine the needs of the business and to establish weekly work schedules in accordance with said needs. Nothing in this Agreement shall restrict these rights.
- (b) In addition, it is understood that nothing in these Paragraphs shall be construed as a guarantee of daily or weekly hours of work.

SIGNED ORIGINALS ON FILE AT THE TIGARD UNION HALL.

EMPLOYERS PARTY TO THE AGREEMENT:

Albertson’s, Inc.
Bales-Farmington Thriftways
Dan Inc. Oregon
Fred Meyer, Inc.
Hank’s Thriftways
Molalla Thriftway
Safeway Inc.

**PORTLAND & VICINITY
GROCERY, PRODUCE AND DELICATESSEN AGREEMENT
WITH
UNITED FOOD & COMMERCIAL WORKERS UNION LOCAL 555
SCHEDULE "A"**

A.1 Hourly Rates of Pay. The following are the minimum hourly rates of pay for all indicated classifications of employees in the Grocery and Produce Departments:

Employees Hired Before August 3, 2003

	<u>7/28/02</u>	<u>7/29/03</u>	<u>11/2/03</u>	<u>1/1/04</u>	<u>5/2/04</u>	<u>5/7/06</u>
Head Clerk/Head Produce Clerk*	\$15.55	\$15.55	\$15.55	\$15.55	\$15.80	\$16.05
Journey person Clerk	15.20	15.20	15.20	15.20	15.45	15.70
Apprentices:						
0-1040 hours	7.45	7.45	7.45	7.45	7.45	7.45
1041-2080 hours	8.45	8.45	8.45	8.45	8.45	8.45
2081-3120 hours	10.13	10.13	10.13	10.13	10.13	10.13
3121-4160 hours	10.83	10.83	10.83	10.83	10.83	10.83
4161-5200 hours	11.96	11.96	11.96	11.96	11.96	11.96
Courtesy Clerks:						
0-1040 hours	6.80	6.90	6.90	7.05	7.05	7.05
Thereafter	7.10	7.10	7.25	7.25	7.25	7.25
Demonstrators	7.10	7.10	7.25	7.25	7.25	7.25
Container Clerks	6.75	6.90	6.90	7.05	7.05	7.05

*Employees in the Head Clerk or Head Produce Clerk classifications shall be designated solely at the discretion of the Employer, and this discretion includes whether there shall be any employee in the classification, in accordance with Paragraphs A.3 (Head Clerk) and A.4 (Head Produce Clerk) below.

Employees Hired On or After August 3, 2003:

	<u>8/3/03</u>	<u>1/1/04</u>	<u>5/2/04</u>	<u>5/7/06</u>
Head Clerk/Head Produce Clerk*	\$15.55	\$15.55	\$15.80	\$16.05
Journeyman Clerk	15.20	15.20	15.45	15.70
Apprentices:				
0-1040 hours	7.45	7.45	7.45	7.45
1041-2080 hours	8.45	8.45	8.45	8.45
2081-3120 hours	10.13	10.13	10.13	10.13
3121-3640 hours	10.83	10.83	10.83	10.83
3641-4160 hours	11.08	11.08	11.08	11.08
4161-4680 hours	11.33	11.33	11.33	11.33
4681-5200 hours	11.58	11.58	11.58	11.58
5201-5720 hours	12.08	12.08	12.08	12.08
5721-6240 hours	12.58	12.58	12.58	12.58
6241-6760 hours	13.08	13.08	13.08	13.08
6761-7280 hours	13.58	13.58	13.58	13.58
7281-7800 hours	14.08	14.08	14.08	14.08
Courtesy Clerks hired on or after 8/3/03:				
0-1040 hours	6.90	7.05	7.05	7.05
1041-2080 hours	7.10	7.10	7.10	7.10
Thereafter	7.25	7.25	7.25	7.25
Container Clerks	6.90	7.05	7.05	7.05

*Employees in the Head Clerk or Head Produce Clerk classifications shall be designated solely at the discretion of the Employer, and this discretion includes whether there shall be any employee in the classification, in accordance with Paragraphs A.3 (Head Clerk) and A.4 (Head Produce Clerk) below.

Retroactivity shall be paid only to employees still on the payroll as of November 2, 2003.

A.2 Lump Sum Payments. All Journeymen employed on the last day of each of the following time periods will receive lump sum payments for all hours compensated as a Journeyman during those time periods at the rates per hour specified. The payments will be made no later than the third pay period after each of the following time periods:

1. 8/03/03 – 5/01/04 at \$0.25 per hour
2. 5/02/04 – 4/30/05 at \$0.25 per hour
3. 5/01/05 – 11/12/05 at \$.15 per hour
4. 11/12/06 – 5/05/07 at \$.20 per hour
5. 5/06/07 – 11/03/07 at \$.15 per hour

All apprentices hired prior to November 2, 2003 and still employed on May 1, 2004 shall be eligible for the first payment of twenty-five cents (25¢) based on hours compensated during the previous 39 weeks (8/03/03 – 5/01/04).

All courtesy clerks hired prior to November 2, 2003 and still employed on May 1, 2004 shall be eligible for the first payment at the rate of twenty cents (20¢) per hour for hours compensated during the previous 39 weeks (8/03/03 – 5/01/04).

A.3 Head Clerks. Head Clerks are employees assigned the duties of directing the operation of the store and exercising supervision over the store employees for an entire shift. The creation of the above position and the designation of employees who shall fill this position shall be at the sole and exclusive discretion of management; however, any employee who performs these duties for an entire shift shall receive the Head Clerk rate of pay for that shift.

A.4 Head Produce Clerks. Head Produce Clerks are employees responsible for the general management and successful operation of a Produce Department. Designation of employees who shall fill this position shall be at the sole and exclusive discretion of management.

**PORTLAND & VICINITY
GROCERY, PRODUCE AND DELICATESSEN AGREEMENT
WITH
UNITED FOOD & COMMERCIAL WORKERS UNION LOCAL 555**

SCHEDULE "B"

B.1 This Schedule applies to all departments for which Local 555 has obtained bargaining authorization (other than the Grocery Department covered by Schedule "A") in the retail stores operated by the Employer. This language does not change any application or practice existing as of August 15, 1990.

B.2 All language, conditions and benefits of the Portland & Vicinity Grocery, Produce and Delicatessen Agreement shall apply unless modified herein.

B.3 All employees who are employed to work in a department covered by this Schedule shall devote their time exclusively to their respective department. Employees who do any work in the Grocery Department shall receive the rate of pay listed in Schedule "A" for time actually worked in that department. The rate of pay paid under such circumstances shall be the rate corresponding to the step for the employee's experience. No non-Grocery employee shall be utilized in the Grocery Department if employees normally scheduled to work in that department and accruing seniority in that department are laid off in accordance with Article 5 – Seniority - Transfer.

B.4 It is understood and agreed that the employees working in a Service Delicatessen Department shall not be restricted in the type of work they may perform in the Service Delicatessen Department (including the handling of and preparation of poultry, beef, pork, and seafood) so long as that work is directly related to the preparation and sale of product normally sold in the Service Delicatessen Department.

B.5 Seniority in each department covered by this Schedule shall be separate from that in all other departments. Seniority shall be applied on an individual department basis by classification. For purposes of this Paragraph, the classifications shall be: (a) Head Clerks, and (b) Clerks (including both Apprentices and Journeypersons).

B.6 Managerial Employees. Notwithstanding the provisions of Paragraph 1.3 (Bargaining Unit Exemptions – Rights To Perform Work) of this Agreement, where the Employer designates a managerial employee to be in charge of a department covered by this Agreement, and where the managerial employee spends substantially all his or her time in that department, the Employer shall be entitled to an additional exemption for that managerial employee. While the primary duties of these managerial employees shall be to supervise, they shall not be restricted in the amount of bargaining unit work which they may perform.

B.7 Hourly Wage Rates. The following are the minimum hourly wage rates for employees covered by this Schedule:

Employees Hired Before August 3, 2003:

	<u>7/28/02</u>	<u>5/2/04</u>	<u>5/7/06</u>
Head Clerk*	\$11.75	\$12.00	\$12.25
Journeyman Clerk	11.50	11.75	12.00
Apprentices:			
0-1040 hours	7.10	7.10	7.10
1041-2080 hours	7.40	7.40	7.40
2081-3120 hours	7.60	7.60	7.60
3121-4160 hours	7.89	7.89	7.89
4161-5200 hours	8.45	8.45	8.45

*Employees in the Head Clerk classification shall be designated solely at the discretion of the Employer, and this discretion includes whether there shall be any employee in the classification.

Employees Hired After August 3, 2003:

	<u>8/3/03</u>	<u>5/2/04</u>	<u>5/7/06</u>
Head Clerk*	\$11.75	\$12.00	\$12.25
Journeyman Clerk	11.50	11.75	12.00
Apprentices:			
0-1040 hours	7.10	7.10	7.10
1041-2080 hours	7.25	7.25	7.25
2081-3120 hours	7.40	7.40	7.40
3121-3640 hours	7.55	7.55	7.55
3641-4160 hours	7.70	7.70	7.70
4161-4680 hours	7.90	7.90	7.90
4681-5200 hours	8.10	8.10	8.10
5201-5720 hours	8.30	8.30	8.30
5721-6240 hours	8.50	8.50	8.50
6241-6760 hours	8.70	8.70	8.70
6761-7280 hours	8.95	8.95	8.95
7281-7800 hours	9.55	9.55	9.55

*Employees in the Head Clerk classification shall be designated solely at the discretion of the Employer, and this discretion includes whether there shall be any employee in the classification.

Retroactivity shall be paid only to employees still on the payroll as of November 2, 2003.

B.8 Lump Sum Payments. All Journeypersons employed on the last day of each of the following time periods will receive lump sum payments for all hours compensated as a Journeyperson during those time periods at the rates per hour specified. The payments will be made no later than the third pay period after each of the following time periods:

1. 8/03/03 – 5/01/04 at \$0.25 per hour
2. 5/02/04 – 4/30/05 at \$0.25 per hour
3. 5/01/05 – 11/12/05 at \$.15 per hour
4. 11/12/06 – 5/05/07 at \$.20 per hour
5. 5/06/07 – 11/03/07 at \$.15 per hour

All apprentices hired prior to November 2, 2003 and still employed on May 1, 2004 shall be eligible for the first payment of twenty-five cents (25¢) based on hours compensated during the previous 39 weeks (8/03/03 – 5/01/04).