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1980 - 1983 AGREEMENT

of



**RETAIL STORE EMPLOYEES UNION
LOCAL No. 876**

Chartered by

**UNITED FOOD AND COMMERCIAL
WORKERS INTERNATIONAL UNION,
AFL-CIO & CLC**

with

**CUNNINGHAM DRUG STORES,
INCORPORATED**

MAY 1, 1980 — MAY 31, 1983

RETAIL STORE EMPLOYEE'S UNION LOCAL NO. 876

876 HORACE BROWN DRIVE
MADISON HEIGHTS, MICHIGAN 48071
PHONE 313/585-9671



UNITED FOOD & COMMERCIAL WORKERS INTERNATIONAL UNION, AFL-CIO & CLC
AFFILIATED WITH MICHIGAN STATE FEDERATION OF LABOR — METRO-DETROIT AFL-CIO COUNCIL — AFL-CIO



Dear Members:

Following is the Agreement as negotiated with Cunningham Drug Stores, Inc. for the period commencing May 1, 1980 and expiring May 31, 1983.

I urge each and every member to fully acquaint themselves with the terms and provisions of the Agreement.

If you have any questions concerning the Agreement, please contact Local 876's office.

With best wishes and kindest regards.

Fraternally yours,

A handwritten signature in cursive script that reads "Horace Brown". The signature is written in dark ink and is positioned above the printed name and title.

Horace Brown
President

HB:bb
opeiu-10
afl-cio

HORACE BROWN
PRESIDENT

THOMAS LODICO
SECRETARY-TREASURER

PAUL SLIVER
SR. VICE-PRESIDENT

AGREEMENT

THIS AGREEMENT entered into this 6th day of October, 1980, effective May 1, 1980, between CUNNINGHAM DRUG STORES, INCORPORATED, its successors and assigns, hereinafter designated as the "Employer," and the RETAIL STORE EMPLOYEES UNION LOCAL NO. 876, its successors and assigns, chartered by UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION, A.F.L.-C.I.O. & C.L.C., hereinafter designated as the "Union."

ARTICLE 1

Intent and Purpose

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

ARTICLE 2

Coverage

This Agreement shall apply to all employees presently or hereafter employed in stores now or hereafter owned and/or operated by the Employer, doing business as Cunningham Drug Stores, Inc., or otherwise, and whether by the same or other persons, partnerships, associations or corporations, and whether by concessionaires, licensees, or lessees, in the counties of Wayne, Macomb, St. Clair, Oakland, Livingston, Washtenaw, Lenawee and Monroe, Michigan, except only Store Managers and Assistant Store Managers, Supervisors and Administrative Employees, Pharmacy Interns (as defined by the Michigan State Board of Pharmacy), nor any employees of the Employer covered by or in respect to whom the Employer has presently entered into a collective bargaining agreement. Provided, however, that this Agreement shall not apply to any department operated by Employer in a store in which Employer's license agreement relating thereto requires the employees of such department to be covered by the terms and conditions of any valid collective bargaining agreement applicable to the other employees of said store.

ARTICLE 3

Recognition, Union Shop, Check-Off, Dues

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

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

C. New employees, pending their application for, and membership in, the Union, as aforesaid, shall with all other employees be uniformly subject to the provisions of this Agreement, including those pertaining to wages, hours and working conditions; except new employees within thirty (30) days of hire may be discharged or disciplined without recourse for any reason whatsoever. When the Employer opens a new store the thirty (30) days shall begin from the date that the store is opened for business.

D. When the Employer needs additional employees, it shall afford the Union equal opportunity with others to nominate or refer suitable applicants, provided that the Employer shall not be

required to hire those nominated or referred by the Union.

E. Check-Off

The Employer agrees to deduct weekly Union dues and initiation fees uniformly required as a condition of acquiring or retaining membership in the Union from the wages of each employee, present and future, to the extent permissible by law as the same shall be due, provided each such employee executes written authorization therefor, in a form authorized by law, and such authorization is turned over to the Employer. The Employer agrees to remit such dues and initiation fees as deducted to the Union.

The Union shall, on or before the 25th day of each month, furnish to the Employer, a list of member-employees and the amounts due therefor, including dues owing for the succeeding month. The Employer shall, on or before the 10th day of the following month, deduct and remit such dues, as authorized, to the Union.

At the time of such remittance of check-off sums, the Employer shall also furnish the Union a list of all persons hired within the previous thirty (30) days (or since the last such list was furnished, whichever is later), including name, address, classification, assigned store, and date of hire. The Employer shall also furnish from time to time, upon the Union's request and within two (2) weeks of such request, a seniority list of all employees covered by this Agreement.

ARTICLE 4

Management Rights

The management of the business and the direction of the working forces, including the right to plan and direct store operations, hire, suspend, or discharge for proper cause, transfer or relieve employees from duty because of lack of work or other legitimate reasons only, the right to study or introduce new or improved production methods or facilities, and the right to establish and maintain reasonable rules and regulations covering the operation of the stores, a violation of which reasonable rules and regulations shall be among the causes for discipline or discharge are vested in the Employer, provided, however, that such rights shall be exercised with due regard for the rights of the employees and subject to the provisions of this Agreement, and without discrimination against any employees. The Union shall be advised regarding changes in store hours.

ARTICLE 5

Dispute Procedure

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

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

Step 1. By conference between the Union's steward and/or the business representative and/or aggrieved employee, or any of them, and the manager of the store.

Step 2. If the grievance is not satisfactorily adjusted in Step 1, by conference conducted with reasonable promptness between the Union's business representative, and the territory store supervisor or personnel department representative of the Employer.

Step 3. If the grievance is not satisfactorily adjusted in Step 2, by grievance reduced to writing and signed by the employee or employees involved with concurrence of a Union representative, or signed by a Union representative in their behalf, presented to the Employer and discussed with reasonable promptness by an officer or officers of the Union, and a representative, or representatives of the Employer.

Step 4. If the grievance is not satisfactorily adjusted in Step 3, either party may, with reasonable promptness, in writing, request arbitration, and the other party shall be obliged to proceed with

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

C. The arbitrator shall have authority and jurisdiction to determine the propriety of the interpretation and/or application of the Agreement respecting the grievance in question, but shall not have the power to alter or modify the terms of the Agreement. With respect to arbitration involving discipline or discharge of employees, the arbitrator shall determine if the discharge or discipline was for just cause; and he shall review the penalty imposed, and if he shall determine the Employer's action to be improper, inappropriate and/or unduly severe, he may vacate it or modify it accordingly. He shall have the authority and jurisdiction in cases concerning discharge, discipline, or other matters, if he shall so determine, to order the payment of back wages and compensation for an employee which the employee would otherwise have received, and/or enter such other and/or further Award as may be appropriate and just.

D. There shall be no time limit to wage claims due to incorrect hiring rates, overdue progression rates, mathematical calculation of wages or wage rates or failure to pay for holidays, vacations or sick days.

Any grievance for wage claims other than the above shall commence with the date of the employee's grievance to the Union and Employer but in no event more than thirty (30) days prior to date of the grievance. Upon presentation of the grievance to the Employer, the employee shall have a claim for hours lost until the claim is resolved. No grievance shall be considered or discussed if presented later than thirty (30) calendar days after such has happened.

E. No employee shall be discharged or disciplined except for just cause. Grievances respecting the discharge of an employee shall be presented within fourteen (14) calendar days and processed in accordance with the grievance procedures hereinabove set forth.

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

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

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

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

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

ARTICLE 6 No Strike, No Lockout

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

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

ARTICLE 7 Other Agreements

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

B. The Employer agrees not to enter into any other agreements with any other labor organization during the life of this Agreement with respect to employees covered by this Agreement.

ARTICLE 8 Work by Others

A. It is understood that in our larger stores we expect our store management to spend the majority of their time on supervision, but recognize that they may be required to do work of the type ordinarily performed by other employees. In the smaller stores there will necessarily be more work of this type performed by managers.

B. The Employer may designate persons of its choice as managers in training. Such persons shall within a period of sixty (60) days thereafter be promoted to store managers or assistant store managers or be placed in the bargaining unit of this Agreement.

C. To preserve and protect bargaining unit work, the Employer agrees that—except as provided otherwise in Section A and B of this Article—no supervisor, store manager, assistant store manager or any other person not covered by this Agreement shall perform any work customarily performed by employees covered by this Agreement, except only in the event of an emergency not attributable to the Employer, and except only with respect to rack jobbers as to initial set-ups of new products or as to incidental straightening of products, but in no event as to shelf stocking or replenishment of merchandise.

D. The Employer agrees that they shall schedule not more than one (1) non-registered Assistant Manager to each shift in any store.

ARTICLE 9 Maintenance of Standards

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

ARTICLE 10 Wages and Working Conditions

A. Pay for All Time

The hours of each employee shall be scheduled by the Employer in conformity with this Agreement.

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

B. Work Week

1. The basic work week shall be forty (40) hours, which shall be worked in five (5) eight (8) hour days, not necessarily consecutive.

2. For purposes of this Agreement, the work week shall be the calendar week, from Sunday to Saturday, inclusive.

C. Work Schedules

1. Each full-time employee shall be scheduled work for the number of hours in the basic work week, as above set forth, if he is available to work his schedule; provided only that the Employer may reduce, as necessary, in accordance with the seniority provisions of this Agreement, the number of hours, and accordingly of pay, of the employee(s) with the least seniority.

2. The Employer shall every two (2) weeks, in each store by 12 o'clock noon on Thursday post a work schedule for such store for the following two (2) weeks, conforming to employee's seniority. Each employee, whether full-time or part-time, shall be guaranteed work or pay for the number of hours so posted. This guarantee shall be inapplicable in the event of curfew pursuant to State or municipal order or request, fire, flood, or acts of God.

3. In the event the manager fails to post a work schedule as required by the preceding section, the schedule last posted shall prevail. The foregoing sentence shall not apply to the week preceding nor to the week including a holiday, as to each of which weeks a new schedule shall be posted.

4. All night work no later than 10:00 p.m. will be rotated among full-time employees on an equitable basis, including Saturday nights. Work commencing between 10:00 p.m. and 6:00 a.m. shall be a bid shift in accordance with seniority. Once the choice is made, neither the Employer nor the employee will arbitrarily change the shift.

Employees who bid for a shift between the hours of 10:00 p.m. and 6:00 a.m. may not claim a day or afternoon shift until a vacancy occurs and, at that time, may exercise their seniority.

5. It is the intention of the parties that, subject to other provisions of this Agreement, the work hours and pay of senior full-time employees shall be maximized, up to the basic work week, over junior full-time employees and over all part-time employees; and of senior part-time employees, up to eight (8) hours per day or forty (40) hours per week, over junior part-time employees.

6. A part-time employee shall be used for part-time, supplementary, or fill-in purposes only and shall not, alone or with other part-time employees, be used in substitution for or to displace full-time employees for any part of the basic eight (8) hour day or basic forty (40) hour week. No junior part-time employee shall be used in substitution for or to displace any senior part-time employee for any part of an eight (8) hour day or forty (40) hour week.

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

8. The Employer agrees that during the hours that any store covered hereunder shall be open for business, employees covered by this Agreement will be scheduled for all such hours.

9. In scheduling part-time employees, an effort will be made to schedule them for a minimum of twelve (12) hours per week in the store in which they work, it being understood that this does not apply to an employee called in for replacement of another employee, or to an employee whose available hours are beyond the Employer's control, or to an employee called in to work when fewer than twelve (12) available hours remain in a week.

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

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

12. No employee covered by this Agreement shall be required to work at the soda fountain.

13. Work on Sundays and holidays shall be scheduled on a calendar month basis. Assignment of such work schedules shall be fairly rotated among store employees who volunteer for such work. Employees must volunteer prior to the last full week of the month for all Sundays and/or holidays in the next month. In the event there are not sufficient volunteers, the remaining Sunday and/or holiday schedules shall be assigned in inverse order of seniority among the employees capable of performing the work. No employee who does not volunteer shall be required to work consecutive Sundays and holidays. When an employee scheduled for a Sunday or holiday does not report, or becomes unavailable after the week's schedule is finalized, store management will obtain coverage from among the non-scheduled employees. In the event the Sunday and holiday scheduling procedure proves difficult to administer, the parties shall promptly meet and agree upon changes which will ease the difficulty.

ARTICLE 11 Wages

A. The schedule of wage payments shall be as follows:

CLERKS—(Drug, Cosmetics, Cigars, Candy, Stock, Porters, etc.)

	Effective 5/1/80	Effective 5/2/81	Effective 5/3/82
Starting Rate per hour from date of employment to the first of the calendar month following thirty (30) days of employment	\$3.50	\$3.70	\$3.90
Next six months	\$3.80	\$4.05	\$4.30
Next six months	\$4.30	\$4.55	\$4.80
Next six months	\$4.80	\$5.05	\$5.30
Next six months	\$5.20	\$5.45	\$5.70
Thereafter	\$5.57	\$5.82	\$6.17

B. For the purpose of wage progression time off of more than one (1) month shall be made up.

C. All employees covered by this Agreement shall receive an increase above their basic hourly rate of pay or the above minimum wage rates applicable for their respective experience, whichever is the greater wage rate, as follows:

Effective May 1, 1980—fifty cents (\$.50) per hour
Effective May 3, 1981—thirty cents (\$.30) per hour
Effective May 2, 1982—thirty cents (\$.30) per hour

D. **Cost-of-Living:** An adjustment effective the first pay period in November, 1981, shall be made, based upon the difference between the index of August, 1980, and August, 1981.

An adjustment effective the first pay period in November, 1982, shall be made, based upon the difference between the index of August, 1981, and August, 1982.

The adjustments, if any, shall each be in the amount of 1¢ for each 1/2% increase in the cost-of-living during the twelve month period in question, with a maximum of a 10¢ per hour increase for each adjustment.

The index to be used for the foregoing adjustment computations shall be the "Consumers Price Index for Moderate Income Families in Large Cities—New Series (All Items)" (1967 = 100).

E. Employees transferred to a store not paying P.M.'s shall be paid at the same hourly rate which they were receiving prior to the transfer. At the end of six (6) months, the employee's earnings will be readjusted to their rate at P.M. earnings in the store in which they previously worked, but in no event shall their earnings be reduced. The six (6) months adjustment will be retroactive to the date of transfer.

F. The Employer may designate which store shall employ Department Heads. Such Department Heads shall receive a minimum of ten (\$.10) cents per hour over the contract rate.

G. All new hires with prior comparable drug store experience (within the prior three (3) years) in a Retail Drug Store shall be placed in the proper progression rate for the classification commensurate with prior experience.

H. If new job classifications not presently in existence are established, the Employer will negotiate wage rates with the Union.

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

J. The Employer will pay employees weekly and shall post all hours paid for on pay check stubs.

ARTICLE 12

Overtime and Premium Pay

A. Overtime

1. All work in excess of eight (8) hours in any one day, forty (40) hours in any one (1) week or thirty-two (32) hours and/or four (4) days in a holiday week, shall be paid at the rate of time and one-half (1½) the straight-time hourly rate. All work performed on a sixth day of work of any employee shall be paid for at the rate of time and one-half (1½) the straight-time hourly rate.

2. In any payroll week, any absence of an employee from work during the basic work week for which the Employer compensates the employee shall be considered as time worked for the purpose of computing weekly overtime pay in that payroll week.

3. Scheduled overtime shall be offered by seniority within each classification in each store. Daily overtime not previously scheduled shall be first offered by seniority within each classification in the store among employees present when the need for overtime arises. Employees shall not be required or compelled to accept overtime as above defined, and in such cases, the Employer can require employees to work overtime in the reverse order of seniority.

4. There shall be no pyramiding of overtime or premium pay. Hours paid for at an overtime or premium rate shall not be used again in the computation of other overtime premium compensation. When two (2) or more types of overtime or premium compensation are applicable to the same hours of work, the higher rate of compensation, only, shall apply.

B. Work on Sundays and Holidays

1. No employee shall be required to work consecutive Sundays or holidays, unless he volunteers.

2. All work performed by any employee covered by this Agreement on Sunday, shall be paid for at double (2) the employee's straight-time hourly rate.

3. All work performed by any employee covered by this Agreement on any of the paid holidays as listed under Article 13, shall be paid for at double (2) the employee's straight-time hourly rate. Such payment shall be in addition to the holiday pay provided in Article 13, hereof.

4. Sunday and holiday work shall be defined as work performed from 12:01 a.m. on Sundays

and/or holidays, to midnight Sundays and/or holidays, except in 24-hour stores, Sundays and/or holidays shall be considered to commence with the first shift, the majority of which falls within the Sunday and/or holiday and shall not include the shift, the majority of which falls outside the Sunday and/or holiday, provided that 24 hours shall be paid at the premium rate.

C. Company Meetings

No employee shall be required to attend Employer meetings during the employee's day off without the payment of overtime pay, and no employee shall be required to change his day off in order to attend Employer meetings.

ARTICLE 13

Legal Holidays and Pay

A. The following shall be considered as legal holidays:

New Year's Day	Three (3) personal holidays per contract year.
Memorial Day	Effective 5/1/81 four (4) personal holidays per contract year.
Fourth of July	
Labor Day	
Thanksgiving Day	
Christmas Day	

or days customarily celebrated in lieu thereof. Employees who have completed their thirty (30) day probationary period and who work the scheduled day before and the scheduled day after each holiday, excepting absence for proven illness, shall receive holiday pay based on the average number of hours normally worked (but not to exceed forty (40) hours, divided by five (5)). No employee shall receive less than four (4) hours holiday pay.

B. An employee shall notify the store manager at least two (2) weeks in advance of his intention to take a personal holiday and the employee shall have the day off with pay. In the event the employee does not receive the day off as provided above, the personal day will be treated as any other holiday. In the event there are more requests in a store for a particular day off than store operations can accommodate, seniority shall govern.

ARTICLE 14

Lunch Periods and Rest Periods

All employees shall be guaranteed without pay a thirty (30) minute to one (1) hour uninterrupted lunch period, to be scheduled not earlier than the beginning of the fourth (4th) hour and not later than the end of the fifth (5th) hour after starting work.

In the event an employee is required to work overtime in excess of one and one-half (1½) hours, he may receive a second lunch period not to exceed thirty (30) minutes.

C. Rest Periods

All employees, including (by way of illustration and not limitation, here or elsewhere in this Agreement) full- and part-time, male and female, shall receive a fifteen (15) minute rest period in each one-half (½) shift on Employer time.

Rest periods are as nearly as possible to be assigned to the middle of each shift, and to be adequately spaced away from employee lunch periods. A half shift shall be deemed to be three (3) hours.

ARTICLE 15

Call-In Pay

Any employee who reports for work upon request shall be guaranteed for that day not less than four (4) hours of work or the pay to which he would have been entitled for such hours if worked (at his applicable straight time, overtime or premium rate for such hours) provided that any such employee who reports for work upon request in an emergency substitution for another employee shall be additionally guaranteed the hours of work in excess of four (4), if any, or the pay to which he would have been entitled for such hours if worked (at his applicable straight time, overtime or premium rate for such hours) theretofore scheduled in excess of four (4) for such other employees.

ARTICLE 16

Uniforms and Tools

Any uniforms or tools deemed necessary by the Employer shall be furnished by the Employer at the Employer's expense. Uniforms shall be laundered by the Employer at the Employer's expense. Employees shall be permitted to wear sweaters of a conservative color and of a cardigan type approved by the Employer, outside their uniforms and shall also be permitted to wear slacks of a conservative color approved by the Employer. Employer furnished drip and dry uniforms shall be laundered by the employee, but shall remain the property of the Employer.

ARTICLE 17

Vacations

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

Less than one (1) year of service—no vacation pay.

After one (1) year of service—one (1) week's vacation.

After two (2) years of service—two (2) consecutive weeks' vacation.

After seven (7) years of service—three (3) consecutive weeks' vacation.

After fourteen (14) years of service—four (4) consecutive weeks' vacation.

After twenty (20) years of service—five (5) consecutive weeks' vacation.

Service shall mean total time employed since the employee's latest hiring date, whether full-time or part-time and/or a combination of both full-time and part-time employment.

B. Vacation pay shall be deemed earned as of the employee's anniversary date of employment and shall be taken consecutively except by mutual agreement between the Employer and the employee.

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

D. Vacation pay shall be computed by multiplying the number of hours in the employee's average work week (but not to exceed his basic work week) by his then prevailing straight-time hourly rate at time of vacation, (or separation, if applicable under the terms of the preceding section).

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

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

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

Time off work—181 days through 270 days—vacation pay shall be reduced by one-half (1/2).

Time off work in excess of 270 days makes the employee ineligible for any vacation pay.

F. Employees who qualify for same, as hereinabove provided, shall be entitled to their vacations at a time of their choice, subject to personnel needs of the Employer, subject to store seniority preferential in the event of conflict of employee choice, and within the period January 15th to September 15th,

inclusive, except by agreement otherwise between the Union and the Employer.

G. If a holiday falls during an employee's vacation, he shall receive an additional day's vacation or an additional day's pay.

H. Vacations will be granted according to seniority and as business needs permit. A vacation schedule will be posted in each store by January 1st and prior to May 31st employees are to indicate on the schedule their desired vacation period(s). If no vacation date has been chosen by May 31st, then management will assign vacations based on unassigned dates and the needs of the store. After May 31st senior employees will not be permitted to bump junior employees for vacation periods except by mutual consent. All changes must be cleared through the store manager.

ARTICLE 18

Severance Notice or Pay

All employees who have been in the employ of the Employer for a period of six (6) months or more shall be given one (1) week's notice or one (1) week's pay in lieu thereof (employees working less than forty (40) hours shall receive average pay) if laid off from employment due to lack of work. Dismissal notice or dismissal wages shall not apply to any employee who is discharged for just cause. Dismissal wages shall not apply to any employee who is temporarily laid off in an emergency which is no fault of the Employer, and in no case shall any employee receive dismissal wages more than once in any twelve (12) month period.

ARTICLE 19

Good Friday

All employees shall be guaranteed time off during the hours of 12:00 noon to 3:00 p.m. on Good Friday for the purpose of attending church services. There shall be no reduction in wages for such time off.

ARTICLE 20

Leaves

A. Jury Leaves and Pay

If an employee is required to serve on a jury, he shall be paid the difference between his pay for such jury services and his normally scheduled hours, for a period not to exceed thirty (30) calendar days; provided that any such employee, if excused from jury service for one (1) full day or more shall be obligated to report for regular work on the first available full day so excused and for subsequent full days so excused.

B. Death Leave and Pay

Up to five (5) days leave of absence with pay shall be granted to an employee in the event of death of his spouse or child and up to three (3) days in the event of death in his immediate family with no loss in pay. "Immediate family" is deemed to include parent, step-parents, mother-in-law, father-in-law, grandparents, brother and sister, whether or not any of said persons resides with the employee, and any other relative that resides with the employee. The Employer shall grant such employee up to an additional three (3) days leave of absence without pay if such additional leave shall be necessary or reasonable with respect to the employee's responsibilities arising out of the death and/or funeral of such relative.

In the event of a death of a brother-in-law or sister-in-law one (1) day leave of absence with pay shall be granted to all employees.

C. Personal and Illness Leaves

Employees may be granted a leave of absence for personal reasons, not exceeding ninety (90) days upon the Employer's permission, and shall be granted a leave of absence not exceeding one (1) year for his certified illness (including, but not limited to, pregnancy, miscarriage, childbirth, and recovery therefrom). Seniority shall accrue during such personal and illness leave. The Company shall not be required to re-employ any person who is not physically

or emotionally capable of performing the duties applicable to his position, and to that end, the Company shall have the right to request and to receive a certificate executed by the attending physician of the employee certifying to the fact that the employee is emotionally and physically able to resume his employment duties. The Company may, if it desires, require the employee, prior to the resumption of his employment duties, to be examined by a physician designated by the Company, at the Company's expense. Leaves of absence in excess of the foregoing periods may be granted by the Employer, but retention of seniority in such event shall require agreement by the Union and the Employer. During a leave of absence, no employee shall engage in any gainful employment.

Employees desiring a leave of absence other than for illness or injury must do so in writing. Employees returning from illness, injury and/or approved leave of absence shall notify the manager by Thursday noon of his availability for work the following week.

An employee taking a leave of absence shall be returned to the store from which the employee took the leave, provided his seniority is sufficient.

D. Sick Leave and Pay

All employees who shall become ill shall be entitled to pay for absence occasioned by such illness on the following basis:

1. First of the month after sixty (60) days of employment, an employee will be eligible for one (1) day sick leave for each two (2) months of employment. Thereafter, up to a maximum of six (6) days with pay for scheduled time lost per contract year.

2. After one (1) year's service, each employee shall be eligible for six (6) days sick leave with pay for scheduled time lost per contract year.

Sick leave with pay shall be allowed starting with the first day of illness, provided that the Employer is notified within an hour after the store opens, if the employee is scheduled for the opening shift, or at least one (1) hour prior to the commencement of the employee's shift if the employee is scheduled for a shift other than the opening shift. Sick pay will be computed and paid on an hourly basis, eight (8) hours for each sick day for full-time employees and five (5) hours for each sick day for part-time employees.

Each employee, full-time or part-time, shall be paid for any unused sick days or hours no later than sixty (60) days following each contract year. Payments are to be made on the basis of eight (8) hours for each unused day for full-time employees, and five (5) hours for each unused day for part-time employees.

3. An employee who has been out ill for three (3) days or more shall, if requested, furnish a doctor's certificate or other evidence of illness. The annual sick leave herein granted shall not be cumulative from year to year.

E. Military Service

Any employee who enlists or is inducted into Military Service shall retain job rights and seniority in accordance with the provisions of applicable federal and state laws. Female employees wishing to accompany their husbands on a military assignment shall be granted a leave of absence not to exceed six (6) months. Seniority shall accrue during such leave.

ARTICLE 21

Health and Welfare

A. The Employer agrees to contribute to the Retail Store Employees Unions Drug and Mercantile Welfare Fund, for the purposes of health and welfare, including dental and optical purposes, and/or other insurance or similar benefit in amount, extent and for the purposes and persons determined by the Trustees of said Fund under said Agreement, in accordance with the Trust Agreement pertaining thereto up to the following maximum sums:

(1) Effective May 1, 1980, ninety-four dollars and sixty cents (\$94.60) per month for employees working thirty (30) hours or more per week, and

fifty-five dollars (\$55.00) per month for employees working less than thirty (30) hours per week.

(2) Effective May 1, 1981, one hundred and eight dollars and eighty cents (\$108.80) per month for employees working thirty (30) hours or more per week, and sixty-three dollars and twenty-five cents (\$63.25) per month for employees working less than thirty (30) hours per week.

(3) Effective May 1, 1982, one hundred and twenty-five dollars and twelve cents (\$125.12) per month for employees working thirty (30) hours or more per week, and seventy-two dollars and seventy-four cents (\$72.74) per month for employees working less than thirty (30) hours per week.

B. The Fund shall be jointly administered by representatives of the participating Employers and of the Union, as provided in the current Trust Agreement and any amendments thereto. Employee claims under the Fund shall be handled by the Union through its representatives, subject to applicable State or Federal laws.

C. The Employer shall commence making the monthly contributions above provided on the first (1st) of the month following the employee's date of hire.

D. The Employer shall make contributions on all eligible employees on the Employer's active payroll as of the first (1st) day of each month, payments to be made by the fifteenth (15th) of each month.

E. Once an employee is covered by the Health and Welfare program he shall remain eligible and the Employer shall continue to pay such contribution as long as he is employed. In cases where an eligible employee voluntarily reduces himself to less than thirty (30) hour status, the Employer will pay the lesser contribution until the employee returns to an eligible thirty (30) hour or more status.

F. Illness. In the event a participating employee is unable to work due to a protracted illness, the Employer shall continue to make contributions to the Retail Store Employees Unions Drug and Mercantile Welfare Fund for such an employee during the period of the illness up to a maximum of six (6) months. The Employer shall not be obligated to make the above-mentioned contributions unless a leave of absence is approved by the Employer and the Union with respect to such period of illness.

G. Layoff. In the event of a layoff, the Employer agrees to pay the monthly contribution of a laid-off employee for the next month in which the employee was laid off.

H. Employer contribution shall be resumed on the first (1st) of the month immediately following the return to work on Employer's active payroll after illness, injury, leave of absence, lay-off, and/or reinstatement to full-time or part-time status, providing Employer contributions had been previously discontinued.

I. The foregoing provisions are intended to establish the basis and amount of Employer contributions to the Retail Store Employees Unions Drug and Mercantile Welfare Fund and nothing therein contained shall be deemed to establish the benefits or beneficiaries of the Fund, which shall be determined by the Trustees thereof, pursuant to the Trust Agreement, as from time to time amended, and shall be dependent upon the Insurance agreements applicable thereto, as from time to time amended.

J. The Employer will execute an instrument agreeing to abide by the provisions of said Trust.

K. The provisions of this Article shall be applicable to the successors and assigns of the Retail Store Employees Unions Drug and Mercantile Welfare Fund. Upon the request of the Union, the Employer shall agree to become a party to an alternative fund, subject to the same provisions above provided.

L. Notwithstanding the provisions of Article 6 of this Agreement, the Union reserves the right to exercise all lawful economic recourse, including

strikes or other concerted activities in support of demands for delinquent contributions, if any, owed by the Employer to the Retail Store Employees Unions Drug and Mercantile Welfare Fund. Provided, however, such action shall not take place until the Manager of the Fund notifies the Employer, in writing, of the delinquency.

ARTICLE 22 Pension Plan

A. The Employer agrees to participate in and contribute to the Retail Store Employees Unions, A.F.L.-C.I.O. and Drug and Mercantile Employers Joint Pension Fund and the Pension Plan thereunder. The Employer will execute an instrument agreeing to abide by the provisions of said Trust and Plan.

1. Effective May 1, 1980, the Employer shall make contributions in the sum of forty-two cents (\$.42) per hour for all straight-time hours worked up to forty (40) hours per calendar week by members of the bargaining unit, including hours of holiday and vacation pay. Contributions will be made after the employee has completed thirty (30) days of service on the Employer's active payroll. No contributions will be made by the Employer for employees off work for any reason.

2. Effective May 3, 1981, the Employer's contribution required by 1, above, shall be increased to forty-seven cents (\$.47) per hour.

B. The foregoing provisions respecting the Pension Plan are intended to establish the basis and amounts of Employer contributions; and nothing herein contained shall be deemed to establish the benefits or beneficiaries of the Plan, as from time to time amended, which shall be determined by the Trustees thereof pursuant to the Trust Agreement, and the Plan, as from time to time amended.

C. Notwithstanding the provisions of Article 6 of this Agreement, the Union reserves the right to exercise all lawful economic recourse, including strikes or other concerted activities in support of demands for delinquent contributions, if any, owed by the Employer to the Retail Store Employees Unions A.F.L.-C.I.O. and Drug and Mercantile Employers Joint Pension Fund. Provided, however, such action shall not take place until the Manager of the Fund notifies the Employer, in writing, of the delinquency.

ARTICLE 23 Seniority

A. Seniority is the length of continuous employment with the Employer. Seniority shall be dated from the date employee actually reports for work. Under this definition, the last employee hired shall be the first to be laid off. Recall to work shall be governed by the same principle of seniority.

Absence from work, as set forth in this Agreement, shall not break seniority. Seniority may be broken only by the following:

1. Voluntary quit.
2. Justifiable discharge.
3. Continuously laid off for a period of more than one (1) year (for employees with less than one (1) year of service, not less than six (6) months or their length of service up to one (1) year).
4. Failure to return to work in accordance with the terms of leave of absence.
5. Failure to return to work after a layoff within one (1) week after receipt of notice from the Employer.
6. Failure to report for work for three (3) consecutive days without reporting the absence to store management.

B. For the purpose of this Article, a full-time employee is one who is hired as such or a part-time employee who averages thirty (30) hours or more per week (including the actual hours of work on Sundays, holidays and all compensable absence pay) for twelve (12) consecutive calendar weeks, except where

such hours are due to circumstance known to be temporary (e.g., coverage for absence of a senior employee due to vacation or illness). Seniority shall revert to the first day worked of the twelve (12) weeks qualifying period. A part-time employee is an employee who does not meet the full-time standard. A full-time employee involuntarily reduced to part-time shall continue to be classified and treated as full-time until he has averaged less than thirty (30) hours per week (including the hours of work on Sundays, holidays and all compensable absence pay) for twelve (12) consecutive calendar weeks.

The Employer shall maintain separate full-time and part-time seniority lists and shall furnish from time to time, upon the Union's request (but no more often than every six months), a seniority list of all employees covered by this Agreement as follows:

1. Name.
2. Social security number.
3. Date of hire—full-time or part-time.
4. Full-time seniority date.
5. Number of store employee is working at.

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

Within each seniority list, seniority shall be applied in the following precedence:

1. Store-wide.
2. Supervisor's territory.
3. Employer-wide within the geographical jurisdiction of the local union.

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

D. Full-time employees may in writing request a reduction of hours indicating their unavailability for continued full-time work and once agreed to by the Employer, the employee shall have no further claim to additional available hours. At a later date the employee may request in writing full-time work and may claim by seniority additional available hours created by a vacancy or additional hours become available on a regular basis. The employee may not claim those hours previously given up and which have been assigned to another employee.

Once the employee goes back to the schedule his seniority entitled him to, reductions will be made in accordance with seniority.

The Employer shall post and maintain in each store a current seniority list of employees employed in the store.

E. Promotions

Seniority shall prevail in promotions as follows:

1. Permanent full-time vacancies shall be posted within the affected supervisor's stores for a period of three (3) days and the most senior part-time employee bidding shall be reclassified to full-time.
2. Senior part-time employees shall be promoted to full-time employees over new hires.
3. Seniority shall prevail in promotions to any higher paid job within the bargaining unit, except where a senior employee is not qualified to perform such work.

Copies of the job postings shall be signed and dated by the store manager or his representative and notice of each posting be sent to the Union by the Personnel Office.

F. Transfers

1. When the transfer of an employee to a different store becomes necessary for justifiable reasons, such transfer shall be made in the reverse order of seniority or on a voluntary basis. The Employer shall make every effort to assign employees to a store where such transfers shall re-

quire the lesser travel time from his home. Such transfer will not be applied in an arbitrary, capricious or discriminatory manner, nor shall it be utilized as a device for creating hardship to the employee in order to provoke his resignation.

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

ARTICLE 24 Union Cooperation

A. The Union agrees to the reasonable rules and regulations of the Employer in regard to punctual and steady attendance, conduct on the job, and all other reasonable rules and regulations established by the Employer.

B. The Union agrees to cooperate with the Employer in maintaining and improving safe working conditions and practices, in improving the cleanliness and good housekeeping of the stores; and in caring for equipment and machinery.

C. The Union agrees to cooperate in correcting inefficiencies of members which might otherwise necessitate discharge.

D. The Union recognizes the need for improved methods and output in the interest of the employees and the business and agrees to cooperate with the Employer in the installation of such methods, in suggesting improved methods, and in the education of its members in the necessity for such changes and improvements.

E. The Union recognizes the need for conservation and the elimination of waste and agrees to cooperate with the Employer in suggesting and practicing methods in the interest of conservation and waste elimination.

ARTICLE 25 General

A. Notwithstanding anything herein to the contrary, the past practice as to coverage of employees shall prevail, and the Employer shall take no action that shall circumvent or attempt to circumvent the Union representation of the employees who have been represented, and are presently represented by the Union.

B. It is agreed that in the event any article, section or clause hereof shall be deemed invalid under applicable law or regulations that the various remaining articles, sections and clauses of this Agreement shall be deemed to be severable and of continuing effect insofar as they shall not be affected thereby.

C. Use of the male gender herein shall, except as context required otherwise, be deemed to include the female gender.

D. The Employer shall provide a bulletin board or other space in each store, satisfactory to the Employer, for the posting of copies of this Agreement, Union Rules and such other approved notices.

E. Employee Discounts

Employees covered under this Agreement shall be entitled, during the term of this Agreement, to purchase merchandise at the then prevailing employee's discounts, provided that such purchases are made from the Store Manager or Assistant Store Manager at the store in which such employee is employed, provided further that the merchandise is purchased exclusively for the employee and the immediate family of such employee.

F. The Union shall supply the Employer with one Union Store Card which may be displayed on the premises, at the option of the Employer. Such card shall remain the property of the Union and shall be surrendered to the Union upon demand.

G. In the event the Employer introduces a new or changed technology which affects the work of employees covered by this Agreement and which re-

quires additional knowledge and skill, such employees will be given a fair opportunity for training so as to acquire such knowledge and skill. The Employer will furnish the instruction, material and equipment necessary for any such re-training free of charge to such employee and they shall be paid at their prevailing rate of pay during such training period. The seniority provisions of this Agreement shall apply in the event of layoff or reduction of hours caused by technological change.

In the event the Employer establishes new job classifications as a result of technological change, it shall advise the Union and negotiate with the Union regarding rates of pay for such classifications. Job postings for such classifications shall set forth the special qualifications for the new classifications.

H. In order to facilitate the proper functioning of any employee benefit plan, and to insure that contributions are being made for all employees covered by this Agreement in accordance with the provisions of the Bargaining Agreement, the Employer hereby agrees in accordance with the provisions of the Trust Agreements (Retail Store Employees Unions Drug and Mercantile Welfare Fund, Retail Store Employees Unions A.F.L.-C.I.O. and Drug and Mercantile Employers Joint Pension Fund) to the examination of those records deemed necessary by a certified public accountant, or by any other representative of the Funds or Union, which such examination shall include upon request the tax returns and reports of the Employer which are pertinent to the examination.

I. In the event the Employer sells or transfers to another Employer any store or stores, the Employer shall notify the Union as soon as the sale or transfer

has been finalized and the confidentiality of it is not being maintained. The Employer shall notify the buyer or transferor of the existence of this Agreement.

J. No employee or applicant for employment covered by this Agreement shall be requested or required by any representative of the Employer to be the subject of Polygraph (lie detector) test for any reason whatsoever, nor shall the results of any Polygraph test or opinion based thereon be relied upon by the Employer or be admissible in any arbitration or judicial proceeding for any purpose whatsoever.

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

L. The Employer agrees that those employees designated as stewards (no more than one (1) per store) shall be entitled to one (1) day off with pay per year for the purpose of attending the Union's Annual Steward Seminar.

M. Employees shall be allowed to wear blue jeans only when unloading trucks; they shall at all times be allowed to wear "levi"-style pants other than blue jeans.

ARTICLE 26 **Expiration**

This Agreement shall be effective the 1st day of May, 1980, and shall continue in full force and effect to and including May 31, 1983, and thereafter from year to year unless either party serves notice in writing upon the other at least sixty (60) days prior

to said expiration date or any anniversary thereof that such party desires to terminate this Agreement. It is agreed, however, that where no such termination notice is served and the parties desire to continue this Agreement, but desire also to negotiate any changes or revisions in this Agreement, each party may serve upon the other a notice, at least sixty (60) days prior to said expiration date or any anniversary thereof, advising that such party desires that the parties change or revise designated provisions of this Agreement.

Pending negotiations on such proposed changes or revisions, or pending effectuation of changes or revisions which may in fact be negotiated, this Agreement shall continue in full force and effect, provided that the parties reserve the right without further notice, and notwithstanding the provisions of Article 6 hereof, to exercise all lawful economic recourse, including strikes or other concerted activities, in support of demands for change or revision, and to thereupon, by notice to such effect, forthwith terminate this Agreement.

FOR THE EMPLOYER:
CUNNINGHAM DRUG STORES, INC.

/s/ Michael Fredericks
Director of Personnel

FOR THE UNION:
RETAIL STORE EMPLOYEES UNION
LOCAL NO. 876

/s/ Horace Brown, President
/s/ Thomas L. Lodico, Secretary-Treasurer

DEC 1 1980



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*This report is authorized by law 29 U.S.C. 2.
Your voluntary cooperation is needed to make
the results of this survey comprehensive,
accurate, and timely.*

Form Approved
O.M.B. No. 044-R0003

NOVEMBER 24 1980

JAN 16 1981-R

ASSISTANT TO THE PRESIDENT
RETAIL CLERKS INTERNATIONAL UNION
ASSOCIATION
876 HORACE BROWN DRIVE
MADISON HEIGHT, MI. 48043

PREVIOUS AGREEMENT EXPIRED
APRIL 30, 1980

Respondent:

We have in our file of collective bargaining agreements a copy of your agreement(s):

CUNNINGHAM DRUG STORES INC 8 CNTYS WIS LU 876 WITH RETAIL CLERKS MICHIGAN

Would you please send us a copy of your current agreement—with any supplements (e.g., employee-benefit plans) and wage schedules—negotiated to replace or to supplement the expired agreement. If your old agreement has been continued without change or if it is to remain in force until negotiations are concluded, a notation to this effect on this letter will be appreciated.

I should like to remind you that our agreement file is open for your use, except for material submitted with a restriction on public inspection. You may return this form and your agreement in the enclosed envelope which requires no postage.

Sincerely yours,

Janet L. Norwood

JANET L. NORWOOD
Commissioner

PLEASE RETURN THIS LETTER WITH
YOUR RESPONSE OR AGREEMENT(S).

If more than one agreement, use back of form for each document. (Please Print)

1. Approximate number of employees involved 856
2. Number and location of establishments covered by agreement 66
3. Product, service, or type of business Drugstore
4. If your agreement has been extended, indicate new expiration date May 31, 1983

Ronald Brown, Administrative Assistant
Your Name and Position

313-585-9671

876 Horace Brown Drive
Address

Madison Heights, MI 48071
City/State/ZIP Code