

(5)

DEC 15 1987

~~# 6865~~

Prew 4/87

2,150 us

AGREEMENT

BETWEEN

THE GRAND UNION COMPANY
D/B/A BIG STAR

PLEASE
CHANGE
NAME

AND

UNITED FOOD & COMMERCIAL WORKERS
LOCAL 204

SEPTEMBER 24, 1986 - JULY 29, 1989

TABLE OF CONTENTS

| ARTICLE | PAGE |
|--------------|--------------------------------------|
| 1. | Intent & Purpose.....1 |
| 2. | Coverage.....1 |
| 3. | Shop Conditions.....1 |
| 4. | Management Rights.....2 |
| 5. | Union Cooperation.....2 |
| 6. | Dispute Procedure.....3 |
| 7. | No Strike, No Lockout.....4 |
| 8. | Seniority.....5 |
| 9. | Leave of Absence.....6 |
| 10. | Working Conditions.....7 |
| 11. | Holiday Plan.....9 |
| 12. | Vacation Plan.....12 |
| 13. | Employee Group Insurance Plan.....14 |
| 14. | Pension Plan.....14 |
| 15. | Wages and Hours.....15 |
| 16. | Government Regulations.....18 |
| 17. | Equal Opportunity.....18 |
| 18. | Expiration.....18 |
| | |
| Appendix "A" | (Employer Districts).....20 |
| Appendix "B" | (Insurance-Retail).....22 |
| Appendix "C" | (Insurance-Meat Cutters).....26 |
| Appendix "D" | (Lay-Off Procedure).....28 |
| Appendix "E" | (Wage Schedule).....30 |
| Appendix "F" | (Worker's Compensation Supplement)39 |

AGREEMENT

This Agreement entered into between the Carolina Region stores, of the Grand Union Company, d/b/a BIG STAR, hereinafter designated as the Employer, and UNITED FOOD AND COMMERCIAL WORKERS LOCAL 204, AFL-CIO, hereinafter designated as the Union.

ARTICLE 1. INTENT AND PURPOSE

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

ARTICLE 2. COVERAGE

The Union shall be the sole and exclusive bargaining agent for all employees in the classifications listed in Appendix "E" of this Agreement in the retail food stores of the Employer in the counties listed in Appendix "A."

ARTICLE 3. SHOP CONDITIONS

(a) A new employee shall be on a trial basis. This trial period shall be thirty-one (31) days for full-time employees and sixty (60) days for part-time employees. The Employer may discharge any new employee during said trial period for any reason whatsoever, and there shall be no right to appeal to the grievance and arbitration procedure by either the employee or the Union. However, after thirty-one (31) or sixty (60) days of employment the employee's seniority date shall revert back to the beginning date of his last employment.

(b) No employee shall participate in or carry on Union duties or activities during working hours except as provided for in this Agreement; however, no employee shall be discriminated against by the Employer for upholding Union principles or engaging in activities of the Union as provided for in this Agreement.

(c) The Employer will deduct Union initiation fees, dues, and A.B.C. contributions not more often than once each week from the pay of employees who are members of the Union, and who individually and voluntarily certify in writing, an authorization for such amounts certified by the Union. The Union will indemnify the Employer for all claims arising out of the Employer's compliance with the check-off procedure. The Employer will not remit to the Union more often than once per month. The Union will provide the Employer once a year on October 1 authorization for A.B.C. deductions.

(d) In the interest of promoting cooperative relations, the Store Manager will introduce each new employee in his store to the Union Shop Steward within one (1) week after the new employee reports to work. At this meeting, which shall take place during working hours, the Shop Steward shall give the new employee a copy of the contract and shall explain its operation. The Shop Steward may answer any questions the new employee asks him, may request the new employee to join the Union and may make arrangements for the new employee to become a member.

Within one (1) week of transfer, the Store Manager will advise the Steward of any employee transferred into the store.

(e) In the event that Section 14 (b) of the Taft-Hartley Act is repealed, the Employer agrees to meet with the Union within thirty (30) days to negotiate on the issue of Union Security. In the event that no agreement on Union Security has been reached by sixty (60) days following the repeal of Section 14 (b), the No Strike, No Lockout clause shall be waived.

ARTICLE 4. MANAGEMENT RIGHTS

The management of the business and the direction of the employees including the right to plan, direct, and control store operations, hire, suspend or discharge for proper cause, transfer or relieve employees from duty because of lack of work or for other legitimate reasons, the right to introduce new or improved methods or facilities and the right to establish and maintain reasonable rules and regulations covering the operations of the stores, a violation of which shall be among the causes for discharge, are vested in the Employer, provided that this right shall be exercised with due regard for the rights of the employee and that it shall not be used for discriminating against any employee. Grievances arising in connection herewith shall be adjusted in accordance with the pertinent provision of this Agreement.

ARTICLE 5. UNION COOPERATION

(a) The Union agrees to uphold the rules and regulations of the Employer in regard to punctual and steady attendance, proper and sufficient notification in case of necessary absence, conduct on the job and all other reasonable rules and regulations established by the Employer.

(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 employees 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 6. DISPUTE PROCEDURE

(a) The Union shall have the right to appoint a Steward for each store. The Shop Steward shall be the last employee to be transferred or laid off in the store when reducing the work force, providing such employee can perform the available work. The Union shall submit to the Employer in writing the names of all such Stewards. The authority of the Stewards shall be limited to and shall not exceed the investigation and presentation of grievances in accordance with the provisions of this collective bargaining agreement, and the handling of such Union business as may be delegated to them from time to time by the Union. A Steward does not have the authority to call a strike, work stoppage, slow down, refusal to handle goods, or any other interference with the Employer's business. The Steward shall obtain permission before leaving his work to investigate or present grievances. Permission will be granted except when it would interfere with customer service or the efficient operation of the Employer's business. The Steward is not to use his position as Shop Steward to avoid performing his duties to his Employer.

(b) The Employer and the Union shall make a sincere effort to promptly settle any differences, disputes or complaints arising over the interpretation or application of the contents of this Agreement through the following steps:

- Step 1. By conference between the aggrieved employee, the Steward, or Union Representative, and the Store Manager, within three (3) weeks after the happening of the event causing the grievance. If the grievance is not settled within three (3) days, it shall be processed in Step 2. The Store Manager shall write his position on the grievance when requested to do so.
- Step 2. The Union shall submit in writing all known facts pertaining to the grievance and a conference shall be held between the Steward and/or the Union Representative along with the employee if he so desires, and the Store Manager, District Manager and/or Associate Relations Specialist. If the grievance is not settled within five (5) working days it shall be processed in Step 3. The Employer representative shall write his position on the grievance when requested to do so.
- Step 3. By conference between the Union Representative, the Region Personnel Manager and/or the Vice President of Store Operations. If the grievance is not settled within five (5) working days, it shall be processed in Step 4.

Step 4. By a conference between representatives of the Union and the Vice President, Labor Relations, or other representatives of the Employer so delegated by the Employer. If the grievance is not settled within five (5) working days it may, upon the request of the Union or the Employer, be referred to arbitration.

(c) The Board of Arbitration shall consist of one person appointed by the Union and one person appointed by the Employer. If the representative of the Union and the representative of the Employer fail to satisfactorily settle the complaint within forty-eight (48) hours, those two persons shall then request the Federal Mediation and Conciliation Service to provide a panel of five (5) persons from which an Arbitrator shall be selected by alternate striking by the two representatives. This Arbitrator so selected, shall then constitute the Board of Arbitration and his decision shall be binding on the employee and both parties. The expense incurred in the arbitration proceedings such as hearing room, stenographer, transcript for each party and the Arbitrator's fees shall be divided equally between the Union and the Employer.

(d) The Employer may at any time discharge any employee for proper cause. The Employer shall immediately notify the Union in writing of the discharge. If the Union concludes after investigation that the discharge was improper, the Union must file a written complaint with the Employer within five (5) days of the receipt of the written notice of the discharge. Any such written complaint must be discussed within forty-eight (48) hours and if the Employer and the Union fail to settle the complaint within forty-eight (48) hours, it shall be referred within twenty-four (24) hours to the Board of Arbitration as provided in paragraph (c) above. Should the Board of Arbitration find that the discharge was improper, the Employer shall reinstate the employee in accordance with the finding of the Board.

(e) No grievance will be recognized unless the procedure outlined above has been followed; however, the time limits set forth in Steps 2, 3 and 4 may be extended for a period of one (1) week by the express written consent of the other party.

(f) The Store Manager will grant to any accredited Union Representative of UFCW Union Local 204 the right to communicate with the employees of the store. Said Union Representative will not interfere with the normal operations of the Employer's business.

(g) The Employer will recognize a grievance for a rate change error retroactive to a maximum of nine (9) months from the date the grievance is filed.

ARTICLE 7. NO STRIKE, NO LOCKOUT

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. However, no employee shall be required to cross a lawful primary picket line which is directed against

the Employer as an employer and which has been officially recognized by the Union and which has been established by a labor union affiliated with a recognized Central Labor Council Body chartered by the AFL-CIO in the area covered by this Agreement. In the event the Union should give official recognition to any picket line affecting the Employer, the Union will notify the Employer at least seven (7) days in advance of any participation by the Union. The Union agrees that, in the event a picket line is officially recognized by them, the employees shall not leave their jobs before completing the work at hand and properly accounting for all money, merchandise, and other property in their custody belonging to the Employer.

ARTICLE 8. SENIORITY

(a) In layoffs and recalls seniority shall apply. Seniority shall be defined as the length of last continuous employment. There shall be one (1) seniority list for full-time employees and a separate seniority list for part-time employees. Seniority for layoffs shall be administered in accordance with the provisions of Appendix "D" attached. An employee with one (1) year or more of continuous full-time service who is involuntarily reduced to part-time will have seniority over all other part-time employees. However, if such an employee refuses available full-time work in his city he will revert to the part-time seniority list.

(b) In the matter of permanent transfers, length of service shall be the controlling factor where experience and ability to perform the work are equal.

(c) In the matter of promotions within the bargaining unit, where experience and ability are equal, the employee having the greatest seniority shall receive preference. The employee shall be given a fair trial period of up to ninety (90) days.

(d) Employees who are promoted to a supervisory position with the Employer can, upon written request, return to their former position within six (6) months. Seniority shall not accumulate during the period the employee is in a supervisory position; however, he shall retain seniority already earned for the six (6) month period.

(e) Part-time employees will receive preference for full-time work based upon their length of service provided they are available and qualified to perform the work. A part-time employee (except students) who works four (4) consecutive weeks of forty (40) straight time hours per week will be reclassified to full-time as of the Monday following the fourth week.

(f) Seniority shall be considered broken if an employee is duly discharged by the Employer, if an employee voluntarily quits, if an employee has been laid off continuously for a period of more than twelve (12) months, or if an employee is called back to work after a layoff and does not indicate his intent to return to work within forty-eight (48) hours after notification and does not report for work within one (1) week after notification of the call back to work. Such call back and notification shall be by certified mail sent to the employee's last known address on file with the Region Personnel Department with a copy to the Union.

(g) An employee who is absent from work for three (3) consecutive working days without notifying his Store Manager and having a bona fide excuse will be considered to have voluntarily quit.

ARTICLE 9. LEAVE OF ABSENCE

(a) The Employer will permit not more than four (4) employees a leave of absence without pay in order to attend a Union conference or convention to which said employee has been selected or appointed. The Union will notify the Employer of the name of the delegate two (2) weeks in advance so that the employee's job may be adequately covered during such leave of absence. The leave of absence shall not exceed four (4) weeks and shall be limited to two (2) such leaves per year.

(b) Any two (2) members of the Union employed by the Employer during the period of this Agreement who are elected to permanent office in the Union or are assigned by the Union to any Union activity necessitating leave of absence shall be granted such leave of absence without pay for a maximum of one (1) year. Seniority shall not accumulate during the period the employee is on such a leave of absence; however, he shall retain seniority already earned for the one (1) year period. The leave may be renewed each year in writing.

(c) Personal Leave:

Upon proper written request to the Region Personnel Manager, the Employer may grant an employee's request for a personal leave of absence for a period of up to thirty (30) days, and may grant an extension of such leave for a similar period. Permission for such extension must be secured from the Employer, and any failure to comply with this provision shall result in the complete loss of seniority rights of the employee involved. During such temporary leave, the Employer may designate any employee to fill the vacancy. The employee's length of service at the time such leave is granted shall govern his job assignment upon his return to work. The employee must give the Employer suitable advance notice of his return to work.

The employee must make suitable arrangements for the continuation of Group Insurance payments. Leave of absence will not be granted for the purpose of accepting other employment.

(d) Sick Leave:

A leave of absence because of sickness or injury, not to exceed ninety (90) days, will be granted to an employee upon written request supported by medical evidence. Extensions will be granted up to ninety (90) days at a time for an accumulative total of one (1) year, if requested and granted in writing supported by proper medical evidence prior to each expiration.

(e) Military Service:

An employee who enters military service and returns for his job will be given full job reinstatement rights in accordance with the applicable Federal laws.

(f) Time spent on leave of absence will not be counted as time worked for the purpose of wage computation and will not result in loss of seniority. Seniority shall be retained but shall not accrue during leave of absence. Failure to report back to work at the end of a leave of absence shall result in the employee being considered a voluntary quit. Any employee accepting employment elsewhere while on leave of absence shall be considered a voluntary quit, except in a case where such employee works for the Union. It is understood that no service credit toward earned vacation will accrue during such leave.

In returning to work, employees shall return to the store from which they left, provided their length of service is greater than employees in similar job classifications at work in the store.

When returning from leave, employees must give the Store Manager one (1) week's notice of their desire to return to work prior to the posting of the work schedule.

ARTICLE 10. WORKING CONDITIONS

(a) The hours for each employee shall be scheduled by the Employer.

(b) The Employer agrees to post a work schedule in ink not later than noon Friday for the following week. The schedule for full-time employees shall not be changed during the workweek except in the case of emergencies beyond the control of the Employer such as fire, flood, wind storm, or other acts of nature. A part-time employee who is scheduled for work on a particular day shall receive his scheduled hours for that day provided he reports to work and works as scheduled. If it is necessary to change a part-time employee's work schedule, he shall be notified prior to store closing the previous day. A copy of the work schedule shall be available for the Shop Steward. Employees shall be listed on the schedule by their names as they appear on the store payroll.

If a part-time employee's scheduled hours are to be lengthened by additional hours prior to or after the scheduled hours posted for the day, the Store Manager shall notify the Steward prior to such action so the Steward can ascertain whether the additional hours were properly scheduled on the basis of part-time seniority.

If a full-time employee is required to work outside of his regular schedule, he shall not be required to take time off from his schedule that week in order to avoid the payment of overtime.

(c) Employees shall be allowed, on their own time, one (1) hour for lunch and one-half (1/2) hour for supper as scheduled by the Store Manager. Lunch hours are to be scheduled no earlier than three (3) hours and no later than five (5) hours after the beginning of the day's work.

(d) There shall be no split shifts. Employees assigned to night stocking shall be allowed ten (10) hours between work shifts.

(e) The Employer agrees not to enter into any agreement or contract with the employees individually or collectively, which in any way conflicts with the terms and provisions of this Agreement.

(f) Employees shall perform any work which the Store Manager may direct. When an employee is assigned to a job with a lesser rate of pay, he will be entitled to his regular rate of pay, unless due to a decrease of work he has been regularly assigned to a lower rated job and desires to retain such job rather than be laid off.

(g) Full-time employees shall be entitled to two (2) fifteen (15) minute rest periods per work day, one to be taken approximately in the middle of the first half of their shift. Part-time employees working four (4) hours or more shall receive one (1) rest period for each four (4) hours work. Part-time employees scheduled to work seven (7) hours or more will receive two (2) rest periods.

(h) The Employer agrees to display the Union Store Card in a prominent place in the store. The Union Store Card is and shall remain the property of the Union.

(i) Uniforms which the Employer requires the employee to wear (three [3] for full-time and two [2] for part-time) shall be furnished and laundered by the Employer. However, where dacron or similar type uniforms are furnished to employees, such uniforms shall be laundered by the employee. The Employer will provide rain gear and replace it as it is worn out. Employees must turn in old uniforms before receiving new uniforms and before receiving their final paycheck upon termination.

(j) An employee who serves on jury duty shall be paid for time necessarily lost from work provided, however, that the employee makes every reasonable effort to complete his work week as scheduled. An employee called to serve on jury duty for a week shall have Saturday scheduled as his day off. Employees scheduled to work night shifts will be re-scheduled to day shifts for the week of jury duty. A day shift employee may be re-scheduled to the night shift for that week as a replacement.

(k) In the case of a death in the immediate family (namely wife, husband, child, parent, foster parent, step-parent, brother, sister, mother-in-law, father-in-law, grandparent, grandchild, brother-in-law, sister-in-law, son-in-law, or daughter-in-law) of any employee requiring the employee's absence from his regularly scheduled assignments, the employee shall be a granted leave of absence with pay up to three (3) consecutive days. When an employee's normal time off falls within the three day period, he shall be reimbursed for the portion of time normally scheduled for work. The last day of the leave will not exceed the day after the funeral. If the employee is notified of the death while at work, he shall be excused from work that day without loss of pay. Employees may request additional time off from work without pay from the Store Manager, provided this is done in advance of the first day of funeral leave.

(l) Any employee who is registered to vote will be allowed time off to vote in any regularly scheduled election in the event the polling places are not open at least two (2) hours before the start or after the end of the day's schedule.

(m) The Employer will provide time cards on which each employee will record the time he starts work and stops work. The Employer and the

Union agree that a proven violation of time card rules, including working before signing in or after signing out, will subject an employee to disciplinary action up to and including discharge. Employee shall be paid for all time worked.

(n) The Employer will make available a bulletin board or an appropriate space for the Union to post notices concerning the administrative affairs of the Union.

(o) Outside salesmen shall not be permitted to bag groceries, unload freight, or to stock merchandise other than their own; however, this shall not apply in the case of a new store opening or a store remodeling, or where such salesmen are building a store promotion display with related merchandise. Further, this provision shall not apply to the existing practice of a tobacco salesman stocking carton cigarettes only, nor shall it apply to merchandising tests or surveys conducted by outside companies.

(p) Part-time employees will be scheduled on the basis of seniority within their classifications. The most senior part-time employee will receive the schedule with the most hours, provided the employee is capable of performing the work and available on a regular and continuing basis.

The Union and the Employer recognize the need for part-time employees and mutually agree to investigate improper scheduling. Such mutual investigations shall take place on request by the Union. A part-time employee who feels his or her schedule is discriminatory may request a meeting with the Store Manager, District Manager, Union representative and a representative of the Region Personnel Department.

(q) In the event the Employer introduces major technological changes affecting bargaining unit work, advance notice of such changes shall be given to the Union. If requested to do so, the Employer will meet with the Union to discuss the implementation of such changes before placing such changes into effect.

(r) Meat Managers shall be considered journeymen for purposes of Saturday night rotation.

ARTICLE 11. HOLIDAY PLAN

The following conditions shall be applicable between September 28, 1986 and December 31, 1986:

(a) The following shall be recognized as holidays: New Year's Day, Fourth of July, Labor Day, Thanksgiving Day, and Christmas Day, or days legally celebrated in lieu thereof. A regular full-time employee shall receive eight (8) hours holiday pay at his regular straight-time hourly rate. A part-time employee with two (2) months of continuous service who is scheduled to work during a holiday week and who reports for work and works as scheduled shall be paid holiday pay as follows: employees averaging more than thirty (30) hours for the four (4) weeks immediately preceding the holiday week shall receive six (6) hours holiday pay; employees averaging thirty (30) hours or less shall receive four (4) hours holiday pay.

(b) Additional holidays shall be granted to employees with one (1) year or more of continuous service, hired prior to August 29, 1982 as follows:

1. A day of the employee's choice in the week of his birthday, provided the employee notifies the Store Manager of the day chosen by the first scheduled work day in the work week preceding his birthday. Should the employee fail to make his selection as prescribed above, the Store Manager shall designate the Saturday or Monday following the employee's birthday as the holiday.
2. A day within thirty (30) days following the anniversary date of employment by mutual agreement of the Store Manager and the employee.
3. Easter Monday where the Employer, at its option, closes the department. In the event that the Employer does not exercise this option, the employee will receive another day within ninety (90) days by mutual agreement with the Store Manager.
4. A personal holiday to be taken by mutual agreement with the Store Manager.
5. An additional personal holiday to be taken by mutual agreement with the Store Manager.
6. Pay for the holidays in this section shall be governed by the terms and conditions set forth in Section (a) of this Article.

(c) Employees hired on or after August 29, 1982 shall be entitled to only the five (5) holidays as set forth in this Article 11 (a) above.

(d) Part-time employees hired on or after August 29, 1982 (December 20, 1982 in the case of those employees covered by the former Local 525 Agreement) after sixty (60) days employment will receive four (4) hours holiday pay if they averaged twelve (12) hours or more per week for the previous four (4) weeks.

The following conditions shall be applicable to all employees effective January 1, 1987:

(a) The following shall be considered legal holidays:

| | |
|----------------|------------------|
| New Year's Day | Thanksgiving Day |
| Fourth of July | Christmas Day |
| Labor Day | |

(b) Eligible regular full-time employees shall receive pay for legal and personal holidays at their regular straight-time hourly rates based on length of service as follows:

Ten (10) years service and over -- five (5) legal holidays and three (3) personal holidays

Five (5) years but less than ten (10) years -- five (5) legal holidays and two (2) personal holidays

Three (3) years but less than five (5) years -- five (5) legal holidays

One (1) year but less than three (3) years -- one (1) legal holiday per year of service

Less than one (1) year of service -- not eligible

(c) Part-time employees shall receive four (4) hours holiday pay at their regular straight-time hourly rates as follows:

Ten (10) years service and over -- five (5) legal holidays and one (1) personal holiday

Five (5) years but less than ten (10) years -- five (5) legal holidays

One (1) year but less than five (5) years -- one (1) legal holiday per year of service

Less than one (1) year of service -- not eligible

(d) An employee who is earning one (1) legal holiday per year of service shall be eligible for the first legal holiday listed in paragraph (a) above which occurs after his first anniversary of employment; after his second anniversary of employment he shall be eligible for the first and second legal holidays listed in paragraph (a) above which occur after his second anniversary date; etc. Once earned, the employee may, with the mutual agreement of the Store Manager, select in lieu of his earned legal holiday, one of the other legal holidays listed in paragraph (a).

(e) Personal holidays shall be taken by mutual agreement between the employee and the Store Manager.

The following conditions shall be applicable during the term of this Agreement:

(a) Overtime pay at time and one-half (1-1/2) on the week will not be paid during a holiday week until the hours actually worked exceed thirty-two (32) hours, excluding holiday hours worked. Full-time and part-time employees in the former Local 204 bargaining unit hired after August 29, 1982 will not be paid time and one-half (1-1/2) during a holiday week until the hours actually worked exceed forty (40) hours per week, excluding holiday hours worked.

(b) Employees who are absent during a holiday week or first scheduled work day following a holiday shall not be paid holiday pay unless such absence is due to proven illness or is approved in advance by the

Store Manager. However, no employee shall receive holiday pay in any week in which he does not perform any work.

(c) Work performed on holidays shall be paid for as follows, except Courtesy Clerks who shall continue to be paid straight-time:

Twenty-five (25) years service and over -- time and one-half

Twenty (20) years but less than twenty-five (25) years -- time and one-quarter

Ten (10) years but less than twenty (20) years -- straight-time plus \$2.00 per hour

Five (5) years but less than ten (10) years -- straight-time plus \$1.00 per hour

Two (2) years but less than five (5) years -- straight-time plus \$.50 per hour

Less than two (2) years service -- straight time

(d) Holidays shall be considered as starting at midnight and ending at midnight. Holiday work for full-time employees shall be in addition to the holiday work week of thirty-two (32) hours (forty [40] hours, where applicable).

(e) In the event of illness or injury, personal holidays may be used as sick days if the employee so elects.

(f) Legal holidays that fall on Sunday shall be celebrated on Monday.

(g) The Employer agrees to close by 6:00 P.M. on Christmas Eve in any location where a majority of the competition also closes by 6:00 P.M.

(h) An employee with one (1) or more years continuous full-time service who is involuntarily reduced to part-time will receive full-time holiday pay if he averages thirty-two (32) hours per week for the twelve (12) weeks preceding the holiday week.

ARTICLE 12. VACATION PLAN

The following conditions shall be applicable between September 28, 1986, and December 31, 1986:

(a) Regular full-time employees shall receive paid vacations as follows:

One (1) to three (3) years continuous full-time employment -- one (1) week (40 hours pay)

Three (3) to seven (7) years continuous full-time employment -- two (2) weeks (80 hours pay)

Seven (7) to fourteen (14) years continuous full-time employment -- three (3) weeks (120 hours pay)

Fourteen (14) to twenty (20) years continuous full-time employment -- four (4) weeks (160 hours pay)

Twenty (20) years or more continuous full-time employment -- five (5) weeks (200 hours pay)

(b) Part-time employees with one (1) year or more of continuous service shall receive pro rata vacation with pay equal to the number of hours worked in the qualifying year divided by fifty-two (52). Part-time vacations shall be administered in accordance with the provisions set forth in paragraph (a) above.

The following conditions shall be applicable effective January 1, 1987:

(a) Regular full-time and part-time employees shall receive paid vacations as follows:

| | <u>Full-time</u> | <u>Part-time</u> |
|----------------------------------|--------------------|------------------|
| After 1 yr. continuous service | 1 week (40 hrs.) | -- |
| After 3 yrs. continuous service | -- | 1 week |
| After 5 yrs. continuous service | 2 weeks (80 hrs.) | 2 weeks |
| After 10 yrs. continuous service | 3 weeks (120 hrs.) | 3 weeks |
| After 20 yrs. continuous service | 4 weeks (160 hrs.) | 4 weeks |

(b) Part-time employees with three (3) years or more of continuous service shall receive pro rata vacation with pay equal to the number of hours worked in the qualifying year divided by fifty-two (52). Part-time vacations shall be administered in accordance with the provisions set forth in paragraph (a) above.

The following conditions shall be applicable during the term of this Agreement:

(a) An employee qualifies for his first vacation or an increased vacation on his anniversary date of latest full-time employment. After this, he qualifies once as of December 28 of each succeeding year.

(b) If an employee who has not received his earned vacation is separated from the Employer, he will receive pay in lieu of his vacation in accordance with the above amounts, except for a discharge for dishonesty.

(c) Eligible employees returning from absence from work will have vacation pay reduced as follows:

1. Eligible employees who are paid for 1560 hours or more will not have vacation pay reduced.
2. Eligible employees who are paid for 1040 hours or more but less than 1560 hours will have vacation pay reduced by one-fourth (1/4).
3. Eligible employees who are paid for 520 hours or more but less than 1040 hours will have vacation pay reduced by one-half (1/2).
4. Eligible employees who are paid for less than 520 hours will be disqualified for vacation pay for that year.

(d) If a holiday listed in Article 11 falls within an employee's vacation time, he will be allowed an additional day's vacation with pay.

(e) All 52 weeks shall be available for vacation.

(f) An employee will receive his vacation pay before he leaves for his vacation.

(g) Former employees returning from a Military Leave of Absence who have worked three (3) months before October 15, will be allowed vacation with pay in accordance with the above provisions. Time spent on Military Leave of Absence will count as service with the Employer in qualifying for the above vacation benefits.

(h) Employees who are called to duty to attend National Guard or established Reserve Unit training may elect to take their vacation in addition to such leave of absence without pay from work for such training.

(i) Wherever possible, vacations may be scheduled based on length of service providing this does not interfere with the efficient operation of the Employer's stores.

(j) Part-time employees receiving vacation pay set forth above shall be scheduled off work one (1) full week for each week for which they receive vacation pay.

ARTICLE 13. EMPLOYEE GROUP INSURANCE PLAN

See Appendix "B" and Appendix "C" attached.

ARTICLE 14. PENSION PLAN

The "Colonial Stores Incorporated Employees' Pension Plan" shall remain in effect during the life of this Agreement including any improvements or changes that are made by the Employer during the life of this Agreement.

ARTICLE 15. WAGES AND HOURS

(a) Rates of pay and job classifications set forth in Wage Schedule "E," attached hereto, shall remain in effect for the life of this Agreement and shall constitute the basis for determination of wages for time worked.

(b) The normal work week for all full-time employees shall consist of not more than forty (40) hours to be worked in five (5) days or less. This shall not apply in the case of partial or complete interference with the normal operation of the Employer's business by fire, flood, strike, lack of materials or supplies caused by failure of delivery by outside persons or agencies or circumstances beyond the control of the Employer, or tardiness, violation of rules and regulations or other fault of the employee.

All work performed by an employee in excess of eight (8) hours per day shall be paid at time and one-half (1-1/2) except that employees who sign a "waiver" with a copy to the Union may work in excess of eight (8) hours at their regular straight-time hourly rate of pay. All work in excess of forty (40) hours per week shall be paid at time and one-half (1-1/2) times the employee's regular straight-time hourly rate of pay.

(c) Sunday shall be part of the regular work week; however, pay for work performed on Sundays, except Courtesy Clerks who shall continue to be paid straight-time, shall be as follows:

Twenty-five (25) years service and over -- time and one-half

Twenty (20) years but less than twenty-five (25) years --
time and one-quarter

Ten (10) years but less than twenty (20) years -- straight-
time plus \$2.00 per hour

Five (5) years but less than ten (10) years -- straight-time
plus \$1.00 per hour

Two (2) years but less than five (5) years -- straight-time
plus \$.50 per hour

Less than two (2) years service -- straight-time

(d) Sunday work, insofar as practical, shall be rotated equitably among all employees. Full-time employees shall not be scheduled to work consecutive Sundays on a normal basis, except during periods of vacation or illness, or where the needs of the business otherwise require, or where the employee volunteers to work.

Those employees, who for religious or other personal reasons have not worked on Sunday heretofore, shall not be required to work on Sunday in the future.

In the event the Employer cannot adequately staff the stores on Sunday, employees will be scheduled in inverse seniority order.

The Employer will identify those employees, who for religious or other personal reasons have not worked on Sunday heretofore, and provide a written list of said employees to the Union.

(e) Any employee covered by this Agreement, except students working after school hours, who reports for work as scheduled on any day shall be guaranteed not less than four (4) hours work for that day at his regular straight-time hourly rate providing such employee performs whatever work he is assigned. This guarantee shall not apply in case of partial or complete interference with the normal operation of the Employer's business by fire, flood, strike, lack of materials or supplies caused by failure of delivery by outside persons or agencies, or circumstances beyond the control of the Employer; or tardiness, violation of rules and regulations or other fault of the employee. Students working after school hours shall be guaranteed not less than two (2) hours in any day. When school is not in session, they shall be guaranteed four (4) hours. After the completion of the probationary period, a part-time employee shall be guaranteed at least twelve (12) hours of work in the normal work week provided the employee is available to work the hours scheduled by the Store Manager. Employees scheduled for Saturday only may be scheduled less than twelve (12) hours.

(f) An employee who is qualified and who relieves a Front-End or Deli Manager, Head Stock Clerk, Produce Manager or Meat Manager for three (3) days or more in any one (1) week (Sunday-Saturday) not consecutive, shall receive the minimum contract rate for such time spent on relief.

(g) A full-time employee, who is laid off due to discontinuance of the job, store closing, or reduction in force, shall be entitled to one (1) week's notice or one (1) week's pay in lieu of notice. Such notice or pay in lieu of notice shall not apply to an employee who is discharged for proper cause.

(h) Previous comparable experience during the past three (3) years in the industry shall be considered for purposes of rate bracket determination subject to the following provision:

Proven experience shown on the application for employment shall be the basis for determination of the employee's rate of pay.

(i) The schedule of progressive wage rates provided for in this Article depends on actual on-the-job experience and the development of skill and ability through work performance with the Employer during the monthly intervals specified. Therefore, an employee shall be credited only with full months of actual payroll service in making the determination of the effective date of increase to the next higher rate progression step. An employee returning to work following any leave of absence provided for in this Agreement shall be paid at the current contract rate for the appropriate job classification based on his actual job experience with the Employer. However, an employee's absence from work not in excess of thirty (30) days due to proven illness or injury which occurs within the qualifying period between rate progression steps shall be counted as time worked for the purpose of qualifying for the next rate progression step.

(j) Thirty-five cents (35¢) per hour premium in addition to the regular straight-time rate of pay will be paid for all work performed on a regularly scheduled night stocking operation for such work performed between the hours of 10:00 p.m. and 7:00 a.m. Employees who work three (3) or more nights shall be designated as a member of the night crew and shall receive the night premium for all hours worked that week. All employees in 24 hour stores who are scheduled to begin work at 10:00 p.m. or later will receive night premium for hours worked before 7:00 a.m.

The Employer may, at its discretion, establish traveling night crews to work in more than one store.

(k) A full-time employee who desires to transfer from one shift to another must make this request in writing to the Personnel Department. Requests will be considered in the order they are received for openings in the city, provided the employee is qualified to perform the work.

(l) No employee shall receive a reduction in hourly rate as a result of the signing of this Agreement.

(m) When an employee is temporarily transferred to a store more distant than fifteen (15) miles, the Employer shall bear the travel expense involved. Mileage allowance shall be in accordance with Company policy. If the transfer is of a permanent nature, all expenses shall be borne by the employee. If an overnight stay is required, arrangements will be made in advance between the Employer and the employee.

(n) There shall be no pyramiding of premium pay and/or overtime hours throughout this Agreement.

(o) No full-time employee shall be required to work more than two (2) nights in one week after 7:00 p.m.

(p) The Employer shall determine qualifications of employees for assignment to the position of Head Meat Cutter for each of its markets.

(q) The apprentice program shall be thirty-six (36) months. Apprentices are employees whose duty shall be to cut meat at least 25% of the time, among other duties, in servicing the meat departments. At the completion of thirty (30) months of full-time service, an apprentice may, if he feels he is qualified, request a meat cutting test, subject to the approval of the Employer and the Union. If he qualifies, he shall be classified as Journeyman Meat Cutter. Should he fail to qualify, he may request that he be given another examination at the end of six (6) months from the first examination date.

ARTICLE 16. GOVERNMENT REGULATIONS

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

ARTICLE 17. EQUAL OPPORTUNITY

The Union and the Employer each agree separately and collectively that the referral and employment practices, including recruiting, hiring, promoting, training, and job opportunities shall be without regard to race, color, religion, sex, age, or national origin, and that equal opportunity shall be assured each individual.

ARTICLE 18. EXPIRATION

This Agreement shall become effective on September 24, 1986, and continue in effect through July 29, 1989, and shall continue in effect thereafter from year to year unless either party serves notice in writing sixty (60) days prior to July 29, 1989, of a desire to terminate or to change this Agreement.

In the event either party serves such notice in respect to changes in this Agreement, the Union and the Employer shall begin negotiations as soon as practical, and during the negotiations, the Agreement shall continue in effect.

REOPENER: The parties agree to reopen the Agreement on April 30, 1988, for purpose of discussing wages, vacations, holidays and Health and Welfare co-payment. In the event the parties are unable to reach agreement, the terms of Article 7, No Strike, No Lockout shall be deemed inoperable.

This contract represents complete collective bargaining and full agreement by the parties in respect to rates of pay, wages, hours of employment, other conditions of employment which shall prevail during the term hereof, and any matters or subjects not herein covered have been satisfactorily adjusted, compromised or waived by the parties for the life of this Agreement.

IN WITNESS WHEREOF, the said parties have caused duplicate copies hereof to be executed by their fully authorized offices the 24TH day of DECEMBER, 1986.

UNITED FOOD AND COMMERCIAL
WORKERS UNION LOCAL 204:

THE GRAND UNION COMPANY:

By: B. Ray Hale

A. Carlton Brooks

By: Charles J. Smith

APPENDIX "A"

1. The Employer's retail food stores in the following counties in North Carolina are covered by this Agreement as provided in Article 2. Wage Schedule No. 1 of Appendix "E" applies to stores in these counties:

| | | |
|------------|-------------|------------|
| Alamance | Granville | Pitt |
| Beaufort | Guilford | Randolph |
| Bertie | Halifax | Robeson |
| Carteret | Iredell | Rockingham |
| Chatham | Lee | Rowan |
| Columbus | Lenior | Sampson |
| Craven | Martin | Scotland |
| Cumberland | Moore | Vance |
| Davidson | Nash | Wake |
| Davie | New Hanover | Warren |
| Durham | Onslow | Washington |
| Edgecombe | Orange | Wayne |
| Forsyth | | Wilson |

2. The Employer's retail food stores in North Carolina, Georgia and South Carolina are covered by this Agreement as provided in Article 2. Wage Schedule No. 2 of Appendix "E" applies to stores in these counties:

| | |
|-------------------------|-------------------------------|
| Richmond County, NC | Dillon County, SC |
| Anson County, NC | Marlboro County, SC |
| Monroe County, NC | Oconee County, SC |
| Shelby County, NC | York County, SC |
| Rutherford County, NC | (excluding City of Rock Hill) |
| Polk County, NC | Pickens County, SC |
| Henderson County, NC | Greenville County, SC |
| Bullock County, GA | Spartanburg County, SC |
| Effingham County, GA | Union County, SC |
| Jasper County, SC | Chester County, SC |
| Hampton County, SC | Lancaster County, SC |
| Allendale County, SC | Chesterfield County, SC |
| Barnwell County, SC | Darlington County, SC |
| Bamberg County, SC | Lee County, SC |
| Berkeley County, SC | Richland County, SC |
| Aiken County, SC | Lexington County, SC |
| Calhoun County, SC | Saluda County, SC |
| Clarendon County, SC | Edgefield County, SC |
| Williamsburg County, SC | McCormick County, SC |
| Horry County, SC | Greenwood County, SC |
| Marion County, SC | Abbeville County, SC |
| Florence County, SC | Newberry, SC |
| City of Rockingham, NC | Laurence County, SC |
| Georgetown County, SC | Anderson County, S.C. |
| Fairfield County S.C. | Cherokee County, SC |
| Kershaw County, SC | Sumter County, SC |

3. The Employer's retail food stores in the following counties in South Carolina are covered by this Agreement as provided in Article 2, but excluding Meat Department employees. Wage Schedule No. 2 of Appendix "E" applies to stores in these counties:

Dorchester County, SC
Colleton County, SC
Beaufort County, SC

INSURANCE

UFCW OF THE CAROLINAS AND EMPLOYERS HEALTH BENEFIT PLAN

(a) The term "eligible employee" shall mean an employee who has worked an average of thirty-two (32) hours per week for a period of four (4) consecutive calendar weeks (128 hours). Such an employee becomes eligible for Health and Welfare benefits on the first day of the second calendar month immediately following completion of the four (4) consecutive calendar weeks (128 hours) and such date shall hereinafter be referred to as his eligibility date.

In the case of part-time employees, the term "eligible employee" shall mean an employee who has worked an average of ten (10) hours or more per week for the twelve (12) consecutive weeks immediately preceding the first of any month. Such an employee becomes eligible for Health and Welfare benefits on the first day of the second calendar month immediately following twelve (12) consecutive weeks and such date shall hereinafter be referred to as his eligibility date.

(b) Effective on the first date of the calendar month immediately following completion of the four (4) consecutive calendar weeks (128 hours) the Employer shall continue to contribute the sum of one hundred twenty-six dollars (\$126.00) per month for each eligible employee to the UFCW of the Carolinas and Employers Health and Welfare Trust Fund established pursuant to a Health and Welfare Trust Agreement entered into by the parties hereto for the purpose of providing Health and Welfare benefits. Such Health and Welfare Trust Fund shall continue to be jointly administered Employer and Union Trust Fund.

The Employer shall contribute thirty-five dollars (\$35.00) per month for each eligible part-time employee.

(c) Contributions to the Trust Fund shall be discontinued as of the first of the month immediately following:

(1) A layoff or leave of absence of ninety (90) calendar days or more except as otherwise provided below.

(2) The employee's ceasing to be an eligible employee due to his failure to work an average of thirty-two (32) hours or more per week for four (4) consecutive calendar weeks (128 hours) except as defined in (3) below, or in the case of a part-time employee, due to his failure to work an average of ten (10) hours or more per week for the twelve (12) consecutive weeks immediately preceding the first of any month. For the purpose of this paragraph, an eligible employee who is on an approved leave of absence of two (2) weeks or less, or on military leave of absence of two (2) weeks or less, shall be credited with hours he would normally have worked on such week or weeks.

(3) Part-time employees for whom full-time contributions were made for six (6) consecutive months beginning March 1, 1986, and who have

eligible dependents as determined by the rules of the Health and Welfare Fund, shall continue to be treated as full-time employees for Health and Welfare Fund purposes even through they work less than the minimum number of hours required for full-time contributions as described in the Agreement.

(d) Contributions to the Trust Fund shall be continued under the following conditions:

(1) In case of a non-work accident, six (6) months' contribution following the month in which the employee incurred the accident.

(2) In case of pregnancy, six (6) months' contribution after the month in which the employee begins her pregnancy leave of absence.

(3) In case of illness, six (6) months' contribution following the month in which the illness occurs.

(4) In case of compensable injury, contribution shall be continued until the North Carolina, South Carolina or Georgia Industrial Commission makes its determination.

(e) The Employer will resume the monthly Health and Welfare contribution the month following that month in which an employee returns to work following an absence due to illness, injury, pregnancy, or any authorized leave of absence provided for in this Agreement, when contributions have been suspended as provided for under paragraphs (c) or (d) above, provided that the employee had been qualified for Health and Welfare contributions at the time the absence commenced.

(f) Full-time and part-time employees hired on or after August 29, 1982 shall be eligible for Health and Welfare contributions and benefits as set forth below:

(1) Health and Welfare -- Employees (other than Courtesy Clerks and students) will receive Health and Welfare benefits provided they have been employed at least six (6) months. Eligibility for benefits shall be determined as follows:

a. The term "eligible employee" shall mean an employee who has worked an average of forty (40) hours per week for a period of twelve (12) consecutive calendar weeks (480) hours. Such an employee becomes eligible for health and welfare benefits on the first day of the second calendar month immediately following completion of the twelve (12) consecutive calendar weeks (480 hours) and such date shall hereinafter be referred to as his eligibility date.

b. In the case of part-time employees, the term "eligible" shall mean an employee who has worked an average of fifteen (15) hours or more per week for the twelve (12) consecutive weeks immediately preceding the first of any month. Such an employee becomes eligible for health and welfare benefits on the first day of the second calendar month immediately following twelve (12) consecutive weeks and such date shall hereinafter be referred to as his eligibility date.

c. Contributions based on the eligibility of an employee will be as follows:

1) Effective on the first day of the calendar month immediately following completion of the twelve (12) consecutive calendar weeks (480 hours) the Employer shall contribute the required contribution per month for each eligible employee to the Health and Welfare Trust Fund.

2) The Employer shall contribute the required contribution per month for each eligible part-time employee.

d. Contributions to the Trust Fund shall be discontinued as of the first of the month immediately following:

1) Layoff or leave of absence of ninety (90) calendar days or more except as otherwise provided below.

2) The employee's ceasing to be an eligible employee due to his failure to work an average of forty (40) hours or more per week for twelve (12) consecutive calendar weeks (480 hours), or in the case of a part-time employee, due to his failure to work an average of fifteen (15) hours or more per week for the twelve (12) consecutive weeks immediately preceding the first of any month. For the purpose of this paragraph an eligible employee who is on an approved leave of absence of two (2) weeks or less or on military leave of absence of two (2) weeks or less shall be credited with hours he would normally have worked on such week or weeks.

(g) Notwithstanding the provisions of paragraphs (a) and (b) hereinabove, it is agreed that the Employer and the Union will investigate a new level of benefits, with appropriate contribution rates to be determined by the Fund consultant, for eligible employees hired on or after September 28, 1986.

(h) Insurance coverage for retirees between the ages of 55 and 65:

Insurance coverage for retirees, and its benefits, are guaranteed only so long as this Agreement remains in effect and may be terminated, reduced, or modified at any time after this Agreement expires, or if a majority of the stores covered by this Agreement are either closed or sold.

The Employer will make the following contribution for employees between the ages of 55 and 65 who retire on or after October 1, 1986:

Full-time -- \$126.00 per month
Part-time -- \$65.00 per month

This coverage shall not apply to individuals who become employed and receive benefits from another employer or who are eligible for Medicare benefits.

(i) In the event that the contribution rate specified in the Agreement is insufficient to maintain the present level of benefits in the future, it is agreed that contributions will be increased to the level necessary to maintain the present benefit level.

The increased amount necessary to maintain benefits must be agreed upon by the Trustees and the Consultant of the Fund. Any increase in contribution rate necessary to maintain benefit levels as outlined above must be communicated to the Employer at least ninety (90) days prior to implementation. Such notice shall be by certified mail.

INSURANCE
CAROLINA-VIRGINIA MEAT CUTTERS' UNION AND EMPLOYERS'
HEALTH AND WELFARE PLAN

(a) The term "eligible employee" shall mean an employee who has worked an average of thirty-two (32) hours per week for a period of four (4) consecutive calendar weeks (128 hours). Such an employee becomes eligible for Health and Welfare benefits on the first day of the second calendar month immediately following completion of the four (4) consecutive calendar weeks (128 hours) and such date shall hereinafter be referred to as his eligibility date.

(b) Effective on the first day of the calendar month immediately following completion of the four (4) consecutive calendar weeks (128 hours) the Employer shall contribute the sum of one hundred eight (\$108.00) dollars; effective August 1, 1988, one hundred twelve (\$112.00) dollars per month for each eligible employee to the Carolina-Virginia Meat Cutters' Union and Employers' Health and Welfare Trust Fund established pursuant to the Health and Welfare Trust Agreement entered into by the parties hereto for the purpose of providing Health and Welfare benefits. The Health and Welfare Trust Fund shall continue to be a jointly administered Employer and Union Trust Fund.

(c) Contributions to the Trust Fund shall be discontinued as of the first of the month immediately following:

(1) A layoff or leave of absence of ninety (90) calendar days or more except as otherwise provided below.

(2) The employee's ceasing to be an eligible employee due to his failure to work an average of thirty-two (32) hours or more per week for four (4) consecutive calendar weeks (128 hours), except that, part-time employees for whom full-time contributions were made for six (6) consecutive months beginning March 1, 1986, and who have eligible dependents as determined by the rules of the Health and Welfare Fund, shall continue to be treated as full-time employees for Health and Welfare Fund purposes even though they work less than the minimum number of hours required for full-time contribution as described in the Agreement.

(d) Contributions to the Trust Fund shall be continued under the following conditions:

(1) In case of a non-work accident, six (6) months' contribution following the month in which the employee incurred the accident.

(2) In case of pregnancy, six (6) months' contribution after the month in which the employee begins her pregnancy leave of absence.

(3) In case of illness, six (6) months' contribution following the month in which the illness occurs.

(4) In case of compensable injury, contribution shall be continued until the North Carolina or South Carolina Industrial Commission makes its determination.

(e) Part-time contributions of thirty cents (30¢) per hour for each hour actually worked will be paid from the first of the month after twelve (12) weeks of employment in which the employee works some hours.

(f) Full-time and part-time employees hired on or after December 20, 1982 shall be eligible for Health and Welfare contributions and benefits as set forth below.

(1) Employees (other than students) will receive Health and Welfare benefits provided they have been employed at least six (6) months.

(2) Upon completion of six (6) months employment employees shall qualify for contribution by the Employer on their behalf and eligibility for benefits and continued Employer contribution as set forth above.

(g) Notwithstanding the provisions of paragraphs (a), (b) and (e) hereinabove, it is agreed that the Employer and the Union will investigate a new level of benefits, with appropriate contribution rates to be determined by the Fund Consultant, for eligible employees hired on or after September 28, 1986.

(h) Insurance coverage for retirees between the ages of 55 and 65:

This coverage for retirees, and its benefits, are guaranteed only so long as this Agreement remains in effect and may be terminated, reduced, or modified at any time after this Agreement expires, or if a majority of the stores covered by this Agreement are either closed or sold.

The Employer will make the following contributions for employees between the ages of 55 and 65 who retire on or after October 1, 1986:

Full-time -- \$108.00 per month
(\$112.00 effective August 1, 1988)

Part-time -- \$65.00 per month

This coverage shall not apply to individuals who become employed and receive benefits from another employer or who are eligible for Medicare benefits.

(i) In the event that the contribution rate specified in the Agreement is insufficient to maintain the present level of benefits in the future, it is agreed that contributions will be increased to the level necessary to maintain the present benefit level.

The increased amount necessary to maintain benefits must be agreed upon by the Trustees and the Consultant of the Fund. Any increase in contribution rate necessary to maintain benefit levels as outlined above must be communicated to the Employer at least ninety (90) days prior to implementation. Such notice shall be by certified mail.

LAYOFF PROCEDURE

1. On layoff, the least senior full-time employee in his classification in his store, who would otherwise be reduced to part-time status, has the options shown below:

(a) He may displace the least senior full-time employee in his classification in his city and then in his county. If he is the least senior employee in his classification in his city and in his county, he may:

(b) Displace the least senior full-time employee in his classification in his District Manager's District. If he is the least senior full-time employee in his classification in his District, he may:

(c) Displace the least senior full-time employee in his classification in the bargaining unit. If he is the least senior full-time employee in the bargaining unit, he may:

(1) Accept part-time work in his store by claiming the part-time schedule calling for the least reduction in the number of hours worked. Full-time journeymen meatcutters, wrappers, and bakers who are involuntarily reduced to part-time work will, when additional hours are available and regularly scheduled in another store in the city on a workday when the employee is not regularly scheduled to work in his home store, be scheduled for such available hours in accordance with seniority within their classifications.

(2) Go on layoff status.

(d) The bargaining unit referred to in 1.c above is as set forth in Appendix "A" paragraphs 1 and 2 which provides for separate bargaining units for seniority purposes.'

2. Any employee who waives his option under paragraphs a, b, or c above may exercise only the options under sub-paragraphs (1), (2) or (3) above.

3. Part-time employees may be laid off on a store basis. If they wish to exercise their seniority in the city or in the county or in the District Manager's District, they must advise their Store Manager or District Manager at the time of layoff.

4. Once an employee accepts one of the options above he has no right to any additional option.

5. In the case of a store closing, the Produce Manager, Head Stock Clerk, Front-End Manager, Deli Manager, Bakery Manager or Meat Manager may elect to revert to their basic classification and exercise their rights in that classification in accordance with seniority and the layoff provisions of this Agreement.

6. If hours are available in an employee's home town the employee shall have the right to return to the town, in accordance with seniority, before the Employer can hire or fill the position with someone else, provided this option is exercised at the time the hours become available.

7. In the event of layoff, a senior journeyman may displace a less senior apprentice.

8. Severance Pay - Upon permanent closing of a store, employees actively on the payroll as of the date notification is made of closing will be entitled to severance pay as follows:

(a) Full-time

- | | |
|------------------------------------|---|
| Up to 1 year | - One (1) week severance |
| Over 1 year to 26 years maximum | - One quarter (1/4) of a week for each additional year of service over one one (1) year |

(b) Part-time

- | | |
|--------------------------------|---|
| 2 years to 26 years maximum | - One quarter (1/4) of a week for each year of service |
|--------------------------------|---|

Definition of a week shall be total hours worked during the preceding twelve (12) months divided by fifty-two (52).

- (c) Severance pay will be computed on the average hours worked per week for the fifty-two (52) weeks preceding termination date; not to exceed 40 hours per week.
- (d) Such severance pay hours shall not be used for the purpose of computing payments and/or credit for Health and Welfare and Pension.
- (e) Employees eligible for severance pay as described above shall be required to perform work according to their schedule to date of termination and failing to do so shall forfeit any and all entitlement to such severance pay.
- (f) All employees accepting severance pay shall forfeit any seniority rights and will be considered terminated from employment with the Employer.

WAGE SCHEDULE

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

1. Employees whose classification is changed from part-time to full-time shall receive the next higher progression rate on the applicable full-time wage scale over the part-time rate the employee is receiving at that time, and increases every six (6) months thereafter according to the progression rates which follow.

2. Volume bracket rates as of the effective date of this Agreement shall be established by applying the average weekly store or department sales volume for the thirteen (13) company accounting periods prior to April 3, 1986. Rates to be effective in the following years shall be established by applying the average weekly store or department sales volume for the thirteen (13) company accounting periods in the previous fiscal year.

3. In the case of new stores or stores which may be remodeled, the Produce Manager, Head Stock Clerk and Meat Manager shall be paid their previous rate for fourteen (14) weeks. At the end of fourteen (14) weeks, the store will be reclassified based on the average weekly sales for the twelve (12) weeks immediately following the first two (2) weeks after opening or remodeling, and the Produce Manager's, Head Stock Clerk's and Meat Manager's rate will then be adjusted to the new classification with retroactive adjustment to the opening of the store.

4. Part-time apprentices shall receive increases based on the rate progression schedule set forth in the wage schedule, except that the time element shall be determined at nine (9) months intervals instead of six (6) months as applicable to Full-time Apprentices.

5. It is agreed that no employee shall be red-circled for wage rate purposes.

WAGE SCHEDULE - #1I. ON PAYROLL AS OF RATIFICATION:

Clerk/Cashier Full-time on
payroll as of 12/14/79 \$9.05

Clerk/Cashier on payroll as of
11/24/76 -- Part-time \$8.55

Clerk/Cashier hired after
11/24/76 -- Part-time

| | |
|-----------|--------|
| Start | \$3.45 |
| 6 months | 3.70 |
| 12 months | 3.90 |
| 18 months | 4.00 |
| 24 months | 4.15 |
| 30 months | |

Progress into the 12 months' bracket of the full-time scale below (hired after 12/14/79) and further progress for each nine (9) months of work.

Clerk/Cashier hired or promoted
after 12/14/79 -- Full-time

| | |
|-----------|--------|
| Start | \$3.60 |
| 6 months | 4.05 |
| 12 months | 4.37 |
| 18 months | 4.87 |
| 24 months | 5.25 |
| 30 months | 5.75 |
| 36 months | 6.25 |
| 42 months | 6.75 |

Front End Manager \$9.95

Head Stock Clerk

| | |
|---------------------------|----------|
| Store Sales: 0 - \$65,000 | \$ 9.945 |
| \$65,001 - up | 10.095 |

Produce Manager

| | |
|---------------------------|----------|
| Store Sales: 0 - \$65,000 | \$10.115 |
| \$65,001 - up | 10.265 |

Courtesy Clerks

| | |
|---------------|--------|
| Start | \$3.35 |
| After 60 days | 3.40 |

The duties of the Courtesy Clerks will be limited to unloading bascarts, bagging, carryout, handling bascarts, handling bottles, checking prices for cashiers, stocking checkstand supplies and general clean-up and sweeping of the store. Courtesy Clerks will be given preference for part-time openings prior to hiring new part-time employees provided they are available and have demonstrated their ability.

Weigher/Wrapper, Deli, Bakery, Seafood & Cheese Shop Clerks
(hired or promoted after 12/16/79)

| | |
|-----------|--------|
| Start | \$3.60 |
| 6 months | 4.05 |
| 12 months | 4.37 |
| 18 months | 4.87 |
| 24 months | 5.25 |
| 30 months | 5.75 |
| 36 months | 6.25 |
| 42 months | 6.75 |

All Meat Utility Clerks, Weigher/Wrapper, Deli, Bakery, Seafood & Cheese Shop Clerks (hired after 12/16/79) Part-time

| | |
|-----------|--------|
| Start | \$3.45 |
| 6 months | 3.70 |
| 12 months | 3.90 |
| 18 months | 4.00 |
| 24 months | 4.15 |
| 30 months | |

Progress into full-time scale above (hired or promoted after 12/16/79) and further progress for each nine (9) months of work.

Weigher/Wrapper Full-time (on payroll as of 12/16/79)

\$9.05

Apprentice Meat Cutters

| | |
|-----------|--------|
| Start | \$5.81 |
| 6 months | 6.37 |
| 12 months | 6.69 |
| 18 months | 6.89 |
| 24 months | 7.33 |
| 30 months | 7.74 |

Journeyman Meat Cutter

\$10.25

Meat Manager

| | |
|-------------------|---------|
| 0 - \$11,000 | \$10.85 |
| \$11,001 - 15,000 | 10.925 |
| 15,001 - 20,000 | 11.075 |
| 20,001 - 35,000 | 11.225 |
| 35,001 - 50,000 | 11.375 |
| 50,001 - Up | 11.525 |

Deli Manager and Seafood Market Head Clerk

| | | |
|-----------|--------|------------------------------|
| Start | \$7.50 | Anyone at \$9.05 promoted to |
| 6 months | 7.75 | the position of Deli Manager |
| 12 months | 8.00 | would go to \$9.30. |

Bakery Manager (Scratch)

| | |
|-----------|--------|
| Start | \$8.75 |
| 6 months | 9.00 |
| 12 months | 9.30 |

| | | |
|--------------------------|--------|--|
| <u>Baker (Full-time)</u> | \$7.25 | |
| <u>Apprentice Bakers</u> | | |
| Start | \$4.87 | |
| 6 months | 5.25 | |
| 12 months | 6.00 | |
| 18 months | | Reclassify to part-time or full-time Baker |

II. HIRED/PROMOTED AFTER RATIFICATION

| <u>Clerk/Cashier</u> | <u>Full-time</u> | <u>Part-time</u> |
|----------------------|------------------|------------------|
| Start | \$4.00 | \$3.45 |
| 6 months | 4.15 | 3.60 |
| 12 months | 4.35 | 3.75 |
| 18 months | 4.60 | 3.90 |
| 24 months | 4.85 | 4.15 |
| 30 months | 5.10 | 4.35 |
| 36 months | 5.50 | 4.60 |
| 42 months | 6.00 | 4.85 |
| 48 months | 6.75 | 5.10 |

Front-End Manager

| <u>Total Store Sales</u> | | |
|--------------------------|--------|---|
| 0 - \$ 90,000 | \$7.75 | |
| \$ 90,001 - \$175,000 | 8.25 | Anyone at \$8.55 or \$9.05 promoted to the position of Front-End Manager would go to \$9.55 regardless of store sales volume. |
| \$175,001 - \$275,000 | 8.90 | |
| \$275,001 - Up | 9.55 | |

Head Stock Clerk

| <u>Grocery/General Mdse. Sales</u> | | |
|------------------------------------|--------|---|
| 0 - \$ 50,000 | \$7.75 | |
| \$ 50,001 - \$ 80,000 | 8.00 | Anyone at \$8.55 or \$9.05 promoted to the position of Head Stock Clerk would go to \$9.55 regardless of department sales volume. |
| \$ 80,001 - \$115,000 | 8.50 | |
| \$115,001 - \$155,000 | 9.00 | |
| \$155,001 - Up | 9.55 | |

Produce Manager

| <u>Produce Dept. Sales</u> | | |
|----------------------------|--------|---|
| 0 - \$ 5,000 | \$7.75 | |
| \$ 5,001 - \$ 7,500 | 8.25 | Anyone at \$8.55 or \$9.05 promoted to the position of Head Produce Clerk would go to \$9.55 regardless of department sales volume. |
| \$ 7,501 - \$10,000 | 8.50 | |
| \$10,001 - \$20,000 | 9.00 | |
| \$20,001 - Up | 9.55 | |

Courtesy Clerks

| | |
|---------|--------|
| Start | \$3.35 |
| 60 days | 3.40 |

Weigher/Wrapper, Deli, Bakery, Seafood & Cheese Shop Clerks

| | <u>Full-time</u> | <u>Part-time</u> |
|-----------|------------------|------------------|
| Start | \$4.00 | \$3.45 |
| 6 months | 4.15 | 3.60 |
| 12 months | 4.35 | 3.75 |
| 18 months | 4.60 | 3.90 |
| 24 months | 4.85 | 4.15 |
| 30 months | 5.10 | 4.35 |
| 36 months | 5.50 | 4.60 |
| 42 months | 6.00 | 4.85 |
| 48 months | 6.75 | 5 10 |

Apprentice Meat Cutter

| | |
|-----------|--------|
| Start | \$5.25 |
| 6 months | 5.50 |
| 12 months | 5.75 |
| 18 months | 6.00 |
| 24 months | 6.50 |
| 30 months | 7.00 |
| 36 months | 7.50 |

Journeyman Meat Cutter

| | |
|----------|--------|
| Start | \$8.00 |
| 6 months | 8.75 |

Meat Manager

| | | |
|---------------------|---------|------------------------------|
| Under \$10,000 | \$ 9.05 | |
| \$10,001 - \$20,000 | 10.00 | Any Journeyman at \$10.25 |
| \$20,001 - \$30,000 | 10.50 | promoted into the three (3) |
| \$30,001 - \$40,000 | 11.00 | lower volume classifications |
| Over \$40,000 | 11.25 | will receive \$10.75. |

Deli Manager and Seafood Market Head Clerk

| | | |
|-----------|--------|------------------------------|
| Start | \$7.50 | Anyone at \$9.05 promoted to |
| 6 months | 7.75 | position of Deli Manager |
| 12 months | 8.00 | would go to \$9.30. |

Bakery Manager (Scratch)

| | |
|-----------|--------|
| Start | \$8.00 |
| 6 months | 8.25 |
| 12 months | 8.50 |

Baker (Full and Part-time) \$7.25

Apprentice Baker

| | | |
|-----------|--------|---------------------|
| Start | \$5.25 | |
| 6 months | 5.50 | |
| 12 months | 6.00 | |
| 18 months | 6.50 | |
| 24 months | | Reclassify to Baker |

WAGE SCHEDULE - #2

I. ON PAYROLL AS OF RATIFICATION:

Clerk/Cashier on payroll as of
12/14/79 -- Full-time \$8.00

Clerk/Cashier hired after
12/14/79 - Full-time

| | |
|-----------|--------|
| Start | \$3.60 |
| 6 months | 4.05 |
| 12 months | 4.37 |
| 18 months | 4.87 |
| 24 months | 5.25 |
| 30 months | 5.75 |
| 36 months | 6.25 |
| 42 months | 6.75 |

Clerk/Cashier hired after
12/14/79 -- Part-time

| | |
|------------------|---|
| Start | \$3.45 |
| 6 months | 3.50 |
| 12 months | 3.60 |
| 18 months | 3.75 |
| 24 months | 3.90 |
| 30 months & over | Progress into new full-time scale (hired after 12/14/79) above and progress each nine (9) months. |

Front-End Manager \$8.35

Head Stock Clerk
Store Sales: 0 - \$55,000 \$8.55
\$55,001 - Up 8.65

Produce Manager
Store Sales: 0 - \$55,000 \$8.65
\$55,001 - Up 8.80

Courtesy Clerk

| | |
|---------|--------|
| Start | \$3.35 |
| 60 days | 3.40 |

Weighter/Wrapper, Deli, Bakery, Seafood & Cheese Shop Clerks
(Hired or promoted after 12/16/79)

| | |
|-----------|--------|
| Start | \$3.60 |
| 6 months | 4.05 |
| 12 months | 4.37 |
| 18 months | 4.87 |
| 24 months | 5.25 |
| 30 months | 5.75 |
| 36 months | 6.25 |
| 42 months | 6.75 |

All Meat Utility Clerks, Weigher/Wrapper, Deli, Bakery, Seafood & Cheese Shop Clerks (Hired after 12/16/79) Part-time

| | |
|-----------|--------|
| Start | \$3.45 |
| 6 months | 3.70 |
| 12 months | 3.90 |
| 18 months | 4.00 |
| 24 months | 4.15 |
| 30 months | |

Progress into full-time scale above (hired or promoted after 12/16/79) and further progress for each nine (9) months of work.

Weigher/Wrapper Full-time
(On payroll as of 12/16/79) \$9.05

Apprentice Meat Cutters

| | |
|-----------|--------|
| Start | \$5.81 |
| 6 months | 6.37 |
| 12 months | 6.69 |
| 18 months | 6.89 |
| 24 months | 7.33 |
| 30 months | 7.74 |

Journeyman Meat Cutter \$10.25

Meat Manager

| | |
|---------------------|---------|
| 0 - \$11,000 | \$10.85 |
| \$11,001 - \$15,000 | 10.925 |
| \$15,001 - \$20,000 | 11.075 |
| \$20,001 - \$35,000 | 11.225 |
| \$35,001 - \$50,000 | 11.375 |
| \$50,001 - Up | 11.525 |

Deli Manager and Seafood Market Head Clerk

| | |
|-----------|--------|
| Start | \$7.50 |
| 6 months | 7.75 |
| 12 months | 8.00 |

Bakery Manager (Scratch)

| | |
|-----------|--------|
| Start | \$8.75 |
| 6 months | 9.00 |
| 12 months | 9.30 |

Baker (Full-time) \$7.25

Apprentice Bakers

| | |
|-----------|--------|
| Start | \$4.87 |
| 6 months | 5.25 |
| 12 months | 6.00 |
| 18 months | |

Reclassify to part-time or full-time Baker

II. HIRED/PROMOTED AFTER RATIFICATION

| <u>Clerk/Cashier</u> | <u>Full-time</u> | <u>Part-time</u> |
|----------------------|------------------|------------------|
| Start | \$4.00 | \$3.45 |
| 6 months | 4.15 | 3.50 |
| 12 months | 4.35 | 3.60 |
| 18 months | 4.60 | 3.75 |
| 24 months | 4.85 | 3.90 |
| 30 months | 5.10 | 4.15 |
| 36 months | 5.50 | 4.40 |
| 42 months | 6.00 | 4.70 |
| 48 months | 6.75 | 5.00 |

Front-End Manager

Total Stores Sales

| | |
|-----------------------|--------|
| 0 - \$ 90,000 | \$7.75 |
| \$ 90,001 - \$175,000 | 8.25 |
| \$175,001 - \$275,000 | 8.90 |
| \$275,001 - Up | 9.55 |

Anyone at \$8.00 promoted to the position of Front-End Manager would go to a minimum of \$8.25 if in lowest volume bracket.

Head Stock Clerk

Grocery/General Mdse. Sales

| | |
|-----------------------|--------|
| 0 - \$ 50,000 | \$7.75 |
| \$ 50,001 - \$ 80,000 | 8.00 |
| \$ 80,001 - \$115,000 | 8.50 |
| \$115,001 - \$155,000 | 9.00 |
| \$155,001 - Up | 9.55 |

Anyone at \$8.00 promoted to the position of Head Stock Clerk would go to \$8.50 minimum if in two lowest volume brackets.

Produce Manager

Produce Dept. Sales

| | |
|---------------------|--------|
| 0 - \$ 5,000 | \$7.75 |
| \$ 5,001 - \$ 7,500 | 8.25 |
| \$ 7,501 - \$10,000 | 8.50 |
| \$10,001 - \$20,000 | 9.00 |
| \$20,001 - Up | 9.55 |

Anyone at \$8.00 promoted to the position of Head Produce Clerk would go to a minimum of \$8.50 if in two lowest volume brackets.

Meat Manager

| | |
|---------------------|---------|
| Under \$10,000 | \$ 9.05 |
| \$10,001 - \$20,000 | 10.00 |
| \$20,001 - \$30,000 | 10.50 |
| \$30,001 - \$40,000 | 11.00 |
| Over \$40,000 | 11.25 |

Any Journeyman at \$10.25 promoted into the three (3) lower volume classifications will receive \$10.75.

Apprentice Meat Cutter

| | |
|-----------|--------|
| Start | \$5.25 |
| 6 months | 5.50 |
| 12 months | 5.75 |
| 18 months | 6.00 |
| 24 months | 6.50 |
| 30 months | 7.00 |
| 36 months | 7.50 |

Journeyman Meat Cutter

| | |
|----------|--------|
| Start | \$8.00 |
| 6 months | 8.75 |

Deli Manager & Seafood Head Clerk

| | |
|-----------|--------|
| Start | \$7.50 |
| 6 months | 7.75 |
| 12 months | 8.00 |

Weigher/Wrapper, Deli, Bakery, Seafood & Cheese Shop Clerks

| | <u>Full-time</u> | <u>Part-time</u> |
|-----------|------------------|------------------|
| Start | \$4.00 | \$3.45 |
| 6 months | 4.15 | 3.60 |
| 12 months | 4.35 | 3.75 |
| 18 months | 4.60 | 3.90 |
| 24 months | 4.85 | 4.15 |
| 30 months | 5.10 | 4.35 |
| 36 months | 5.50 | 4.60 |
| 42 months | 6.00 | 4.85 |
| 48 months | 6.75 | 5.10 |

Bakery Manager (Scratch)

| | |
|-----------|--------|
| Start | \$8.00 |
| 6 months | 8.25 |
| 12 months | 8.50 |

Baker (Full & Part-time) \$7.25

Apprentice Baker

| | |
|-----------|---------------------|
| Start | \$5.25 |
| 6 months | 5.50 |
| 12 months | 6.00 |
| 18 months | 6.50 |
| 24 months | Reclassify to Baker |

WORKER'S COMPENSATION SUPPLEMENT

A full-time employee who is unable to perform his normal job duties as a result of an accident or injury arising out of and in the course of his employment shall receive a wage supplement during the seven (7) day worker's compensation waiting period. This supplement shall be equal to 1/5 of the health and welfare weekly indemnity payment for each work day the employee is absent from his regular schedule.

6178-0086173f007-02



006865

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. 1220-0001
Approval Expires 1/31/90

NOVEMBER 16, 1987

DEC 15 1987-R

RECEIVED
U. F. C. W., Local 204
To: Ray Hoke Date 12-11-87

NOV 27 1987

To: _____ Date _____
To: _____ Date _____
Copy: _____ Date _____

Executive Assistant To The President
Retail Clerks Int'l Union Local 204
208 Hoover Road
Durham, NC. 27703

PREVIOUS AGREEMENT EXPIRED
APRIL 25, 1987

Respondent:

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

~~GRAND UNION CO - BIG STAR CAROLINA REGION LV 204~~
~~Colonial Stores Incorporated Atlanta Div Ga~~ WITH Food and Commercial Workers; U
INTERSTATE

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 2150
2. Number and location of establishments covered by agreement 58 RETAIL STORES IN N.C. & S.C.
3. Product, service, or type of business RETAIL Food
4. If your agreement has been extended, indicate new expiration date _____

B. Ray Hoke, BUSINESS AGENT

Your Name and Position

(919) 598-1921

Area Code/Telephone Number

208 HOOPER RD. DURHAM, N.C. 27703

Address

City/State/ZIP Code