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AGREEMENT BETWEEN Retail Store Employees Union Local 1262, UFCW, AFL-CIO, and SHOP RITE SUPERMARKETS

This Union contract has been negotiated for you by Local 1262, and it carefully explains in detail all of the terms and conditions of your employment and many rights and benefits as a Union member.

You should read this agreement carefully because it is important for you to be fully aware of all of these protections and benefits and to understand how they help you on the job.

When all of the provisions of this contract are observed, you receive the full measure of benefit you are entitled to in return for your hours of labor. If you find that this contract is not being followed to the fullest, notify your Shop Steward or Union Business Representative immediately.

In addition to providing job security, this contract has an efficient grievance procedure for the orderly and fair settlement of any problem you may encounter in the course of your employment.

If you have any questions regarding your rights or benefits under this agreement, please ask your Shop Steward or Union Business Representative for assistance.

Also feel free to call or visit the Union Office. Remember, help is always as close to you as your telephone.

Sincerely and Fraternally,

Sam Kinsora
Sam Kinsora, President



FOR ASSISTANCE
WITH
HEALTH AND WELFARE
OR PENSION
CALL
N.J. 800/522-4161
Other States 1-800/526-7447

FOR ASSISTANCE
WITH
ON-OR-OFF-THE-JOB
PROBLEMS
CALL
N.J. 201/777-3700
N.Y. 212/964-6052

THIS AGREEMENT made and entered into as of the sixth day of April, 1981, by and between those Employers trading under the name of **SHOP RITE SUPERMARKETS**, their successors and assigns (hereinafter referred to as "Employer"), and the **RETAIL STORE EMPLOYEES UNION, LOCAL 1262**, chartered by the **UNITED FOOD AND COMMERCIAL WORKERS UNION (UFCW), AFL-CIO** (hereinafter referred to as "Union").

WITNESSETH:

In consideration of the mutual covenants hereinafter contained, the parties hereto agree as follows:

ARTICLE 1 - RECOGNITION

The Union is hereby recognized as the exclusive bargaining representative of all employees in the Employers' present and future stores located in the following counties in the State of New Jersey: Sussex, Bergen, Passaic, Warren, Morris, Essex, Hudson, Hunterdon, Somerset, Middlesex, Monmouth, Ocean and Union and in those portions of the following listed counties in the State of New York which are on the western side of the Hudson River: Warren, Washington, Saratoga, Fulton, Montgomery, Schoharie, Greene, Columbia, Albany, Rensselaer, Schenectady, Rockland, Orange and Ulster, excluding store managers, assistant store managers, an owner and his wife, and other members of the owner's immediate family, meat department employees and other employees who are presently covered by other collective bargaining agreements, porters who perform cleaning work exclusively, pharmacists, cart persons, receivers who perform security work exclusively, and supervisors

within the meaning of the National Labor Relations Act, as amended.

There are recognized only four (4) job classifications in this contract.

1. Department managers and classified employees.
2. Full-time employees.
3. Part-time employees.
4. Service clerks.

Store managers, assistant store managers and other persons excluded from the bargaining unit shall not perform work customarily performed by the Employer's employees covered by this Agreement except in the absence of a scheduled employee, to perform prompt customer service, or in the event of an emergency not attributable to the Employer.

All work and services, other than that of managerial or supervisory employees connected with or incidental to the handling or selling of all merchandise except meat, seafood, delicatessen and other work and services performed by employees covered by other collective bargaining agreements, offered for sale to the public in the Employer's establishment covered by this Agreement shall be performed only by employees within the unit referred to above for which the Union is recognized as the collective bargaining agency by the Employer and except that this provision shall not apply to such work when performed in connection with the initial building of special displays, promotions or rotation of merchandise, nor shall this provision apply to bread and bakery products (such as cupcakes; that is, any and all products or items of merchandise which are the end result of the baking process), ice cream, drugs, perishable

and semi-perishable items kept under refrigeration (except frozen foods), hospitality and gourmet items, pet foods and supplies, salted nuts, cigarettes, spices, produce department specialty items such as potted plants, etc. and non-food items other than old line household items such as brooms, waxes, etc. The provisions of this paragraph shall not be applicable until sixty (60) days following a new store opening, re-opening, remodeling or acquisition.

For the purpose of established eligibility for full-time benefits set forth in this Agreement, a full-time employee is one who is hired to work thirty (30) hours or more per week, a part-time employee who is reclassified to full-time, or a part-time employee who is scheduled to work thirty (30) hours or more per week in excess of six (6) consecutive weeks, excluding hours worked on Sundays, during vacation periods, or in the temporary relief of an employee on authorized leave.

All other bargaining unit employees shall be classified as part-time employees or service clerks and are to receive those benefits specifically provided for them in this Agreement.

Employees enrolled in a bona-fide training program may be excluded from the bargaining unit, but the number of trainees is limited to one (1) per store. In the event a trainee fails to complete the program and remains with the Employer, the employee shall be placed in a non-bargaining unit job or is to be placed into the bargaining unit and covered by the terms and conditions of this Agreement. The Union has the right to verify the bona-fides of a training program.

ARTICLE 2 - UNION SHOP

All present employees who are members of

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the Union on the effective date of this Agreement or the date of execution, whichever is later, shall remain members in good standing of the Union as a condition of employment. All present employees who are not members of the Union and all employees, who are hired hereafter shall become and remain members in good standing of the Union on and after the thirty-first (31st) day following the beginning of their employment, or on and after the thirty-first (31st) day following the effective date of this Agreement or the date of execution of this Agreement, whichever is later. An employee who is not a member in good standing of the Union because of failure to tender initiation fees and dues shall be discharged within seven (7) working days after notification in writing to the Employer by the Union.

The foregoing provisions, as well as, the enforcement thereof, are operative when and to the extent permitted by the Labor Management Relations Act, as amended.

ARTICLE 3 - CHECKOFF

The Employer shall weekly deduct dues and initiation fees from the wages of all employees who have filed with the Employer a proper deduction card to the extent authorized by the Labor Management Relations Act of 1947, as amended, or other applicable law, and to remit the amounts with the listing of names to the Union Office on or before the fifth (5th) day of each month. The Union will give the Employer signed dues and deduction cards from the employees authorization the deduction of dues and initiation fees. The Employer's obligation to remit to the Union shall be limited to the amounts which it actually does deduct from the employees' wages.

The Employer shall furnish the Union a list, quarterly, of all new hires in the bargaining unit. The list shall include the employee's name, address, social security number, store employed at and classification of full-time or part-time.

Those Employers who agree, shall, on a once a year basis deduct from pay and remit to the Local Union's Active Ballot Club an authorized amount from employees who are union members and who have signed deduction authorization cards.

The Union agrees to hold the Employer harmless from all legal claims or liabilities that may arise out of any erroneous deductions as a result of above check-off provision.

ARTICLE 4 - MANAGEMENT CLAUSE

Subject to the provisions of this Agreement, the Employer has the exclusive right and authority to establish policies and manage stores covered by this Agreement and to direct the working forces employed therein including, but not limited to, the rights of hiring, suspending and discharging for proper cause, promoting, transferring and releasing employees from duties because of lack of work.

The Employer will notify the Union when it places a cashier on an individual cash control program.

There shall be no suspension because of work performance, absenteeism and/or tardiness, without prior written notice having been given to the Union and the employee involved.

The trial period for newly engaged employees shall be the first thirty (30) days of employment and may be extended to sixty (60) days at the request of the Employer to the Union. When new stores are opened by the Employer, the trial period shall be sixty (60) days for all employees newly employed at such time. After the first sixty (60) days from the opening date of the store, the trial period shall be thirty (30) days.

ARTICLE 5 - REGULAR WORK WEEK AND MAXIMUM HOURS

(a) The work week for all full-time employees including department managers shall consist of five (5) eight (8) hour days (Monday

through Saturday) forty (40) hours per week. All time worked before or after the aforementioned tour of duty or after eight (8) hours in any day or after forty (40) hours in any week shall be considered overtime and paid at the rate of time and one-half (1½) the employee's regular hourly rate, but not both.

(b) (1) In addition to the provisions of Section (i) of this Article, the Employer shall have the right to schedule its full-time employees one (1) hour before and one (1) hour after the normal opening time of the store. Any work performed by an employee prior to the one (1) hour before the normal store opening shall be considered premium time and paid at the rate of time and one-half (1½). Under no circumstances may the Employer schedule any full-time employees later than 10:00 a.m. except those assigned to a second shift in accordance with Section (i) of this Article.

(b) (2) Where it is mutually agreed between the employee and Employer, the Employer may schedule employees to start at 6:00 a.m. at their regular straight time rate of pay in the Produce, Dairy, and Bakery Departments and shall also include the Bookkeeper. Such hours will be rotated among full-time first shift employees. Classified employees may be scheduled without regard to such rotation.

(b) (3) Where Saturday is available as a day off, it shall be made available to full-time employees, by seniority, on a rotating basis, excluding Department Managers and other classified employees.

(b) (4) Full-time employees, by seniority, have preference to select the schedule within their shift, department and job classification so long as they have the ability and are available.

(c) Any full-time employee called into work on the employee's regularly scheduled day off shall be paid at the rate of time and one-half (1½) and guaranteed a full day's work.

(d) (1) Full-time employee required to work on Sunday shall be paid at the rate of time and one-half (1½) for the hours worked plus pay for Sunday (total of two and one-half (2½) times)

Any full-time employees reporting to work as scheduled on a Sunday shall be guaranteed a minimum of four (4) hours' work.

(d) (2) Full-time employees, excluding the night crew, shall be offered work on one (1) Sunday per month within the existing schedules provided they are capable of performing the work. Such employee shall be offered the number of hours, less lunch period, the employee's department is to be manned on that Sunday; however, not exceeding eight (8) hours provided the employee remains available for said hours. Any employee not available for the above hours must be available for a minimum of four (4) hours and shall be offered four (4) hours' work.

When night crew work is performed on Sunday (Saturday night, Sunday a.m.) on a regular basis, such work shall be offered to each full-time member of the regular night crew on the basis of one (1) Sunday per month in accordance with the terms set forth in this paragraph.

(e) Overtime shall be worked as required unless excused for good cause. Whenever full-time overtime work is made available by the Employer in a department, such full-time overtime work will be offered to the full-time employees who work in that department on a rotating basis, excluding the department manager.

(f) The Employer agrees to post work schedules and days off in each store for full-time and part-time employees by the end of the first shift on Friday of each week for the following week except in the case of the night crew where their schedule will be posted before their shift ends on Friday morning. In case of emergency or any condition beyond the control of the Employer, these schedules may

be subject to change, but no schedule may be changed in order to deprive an employee of a holiday. There shall be no split shifts. Those full-time employees who regularly have the same day off shall be given a week's notice before it is changed.

(g) (1) The Employer shall not be restricted in using part-time employees in its stores as to their starting time or the number of hours they work within the provisions of this Agreement. However, part-time employees shall be paid at the rate of time and one-half (1½) the employee's regular hourly rate for all hours in excess of eight (8) hours in any one (1) day.

(g) (2) Part-time employees are guaranteed a minimum of four (4) hours' work each day they report to work as scheduled.

(g) (3) If any part-time employee is called into work on a day for which the employee is not scheduled, the Employer guarantees to offer any such employee a minimum of four (4) hours' work and the employee's schedule for the remainder of the week shall not be changed or reduced because of this.

(g) (4) Part-time employees who are scheduled for five (5) days in one (1) week, and who are called into work on their scheduled day off shall receive time and one-half (1½) for all hours worked on said scheduled day off, provided said employee works the remainder of the schedule for that week.

(g) (5) Sunday work that is made available for part-time employees shall be rotated among all such employees who are capable of performing the work. Part-time employees working on Sunday shall receive one and one-half (1½) times their straight time hourly rate for all time worked. Part-time employees reporting to work on Sunday shall be offered a minimum of four (4) hours work.

(g) (6) Part-time employees on the payroll prior to the vacation period are to receive initial preference for vacation period work over new hires and secondary preference for such work shall be given to former part-time employees over new hires provided the former part-time employees make written application to the Employer within one (1) week following Easter Sunday.

(h) (1) The Employer shall endeavor to combine existing part-time assignments on a seniority basis, providing they can do the work so as to provide the maximum part-time employment per individual within the definition of part-time employment providing the employee is available to work such hours on a regular and continuing basis. A part-time employee may claim the daily schedule of hours of a less senior part-time employee in order to maximize his/her schedule within the definition of straight time employment for part-time employees. The Employer shall endeavor to create full-time positions providing such positions can be assigned to employees who are available to work such hours on a regular and continuous basis.

(h) (2) Part-time employees may claim hours that may become available to maximize their work hours as provided in (h) (1) above.

(h) (3) The Employer shall endeavor to provide that part-time employees by seniority shall have the preference to select the work schedule within their department provided they have the ability and are available on a continuing basis.

(i) The Employer shall have the right to establish a second shift under the same rates and conditions as those employees who work under the provisions of Sections (a) and (b) of this Article. Employees working on the second shift will have a starting time between the hours of 12:00 noon and 4:00 p.m.

Employees hired prior to October 1, 1963, will not be obligated to work on the second shift unless they so choose. Employees hired after October 1, 1963, can exercise their seniority to avoid a transfer to the second shift. The Employer must transfer from day to

second shift in inverse order of seniority, except for employees with less than one (1) year of service.

Those employees working on the second shift shall be entitled to a meal period of thirty (30) minutes to one (1) hour between 5:00 p.m. and 7:00 p.m. and shall be entitled to two (2) fifteen (15) minute rest periods within the eight (8) hour day.

All full-time employees employed on the second shift shall be offered, in accordance with seniority, opportunities to be scheduled to work the first shift before any new hires are scheduled to work that shift. Full-time employees on the night crew shall be offered opportunities to fill second shift openings or to fill first shift openings not filled from the second shift as above, provided they are capable and are continuously available before new hires are scheduled to work that shift.

ARTICLE 6 - GOVERNMENT ENACTMENT OF MAXIMUM HOURS AND MINIMUM WAGE

Should any law be enacted by the United States Government or State Government which will fix a maximum hour work week for retail clerks in retail stores at a point lower than specified herein, then such work week shall become the maximum work week for the employees covered by this Agreement for the unexpired term of this Agreement.

It is further understood and agreed by the Employer that the employees so affected by the work week law shall not suffer a reduction in their present gross earnings even though their work may be reduced other than specified herein.

The Employer and the Union shall meet for the purpose of amending the schedule of wage rates in order that the minimum rates conform with the minimum wage law in the event of any statutory change in the law during the term of this Agreement.

ARTICLE 7 - WAGE CLAUSE

(a) (1) The scale of wages shall be as appears in Schedule "A" attached and made part of this Agreement.

(a) (2) Any premium paid to a classified or night crew employee under the terms of this Agreement is to be included as part of the employee's regular hourly wage rate for all purposes.

(a) (3) When a full-time employee, who has been classified as such for six (6) months, is involuntarily reduced to part-time status, the employee shall not suffer a reduction in the employee's straight time hourly rate.

(a) (4) Should the Employer establish new classifications within the bargaining unit, the job content of which is substantially different from those then existing and for which rates of pay are not provided in this Agreement, the Employer and the Union shall negotiate rates of pay for such new classifications.

(b) The rates of pay specified in this Agreement and presently paid to employees shall not be reduced during the period of this Agreement.

(c) Any full-time employee hired or presently employed at a rate in excess of the minimum rate to which that employee would be entitled pursuant to Schedule "A" shall be given credit for the continuous full-time service required for the progression rate equal to or next below the employee's actual rate.

(d) Part-time employees hired at a wage rate in excess of the minimum rate to which they would be entitled pursuant to the wage progression scale of Schedule "A" will be given credit for the continuous part-time service required for the progression rate equal to or next below their actual rate and shall advance thereafter in accordance with the terms of said wage progression scale.

(e) Part-time employees who receive advances in progression equal to a particular

progression rate shall six (6) months thereafter progress to the next higher rate.

(f) Part-time employees who receive advances in progressions in an amount less than the next progression wage level shall six (6) months from the date of the last progression wage increase, preceding the advances in progressions, receive only the difference necessary to bring them up to the next progression wage level.

(g) No part-time employee shall receive more than the maximum of the progression wage scale as a result of the operation of (d), (e) or (f) above.

(h) Part-time employees who are on the part-time wage progression and who are converted to full-time shall be given credit for their service on a one (1) month for two (2) month basis to establish their beginning wage rate and vacation entitlement as full-time employees. This provision shall not apply to those part-time employees who are already on the full-time wage progression for the purpose of establishing their wage rate, but shall be applicable for the purpose of establishing their vacation entitlement.

(i) Further, no employee shall suffer a reduction in the employee's earnings as a result of any of the provisions of this Agreement, nor shall present part-time employees' hours of work be reduced as a result of this contract except for economic reasons such as a reduction of business.

(j) All new full-time employees hired by the Employer who have had verified similar supermarket industry experience in the classification for which they were hired within three (3) years preceding their date of hire by the Employer, who claim such experience on the job application, shall be given credit for such experience after thirty (30) days' employment, and their rate of pay thenceforth shall be based on their so verified full-time experience within the preceding three (3) years according to the rate schedule of this contract.

(k) Rehired part-time employees shall be given credit for up to one (1) year's experience with the same Employer, preceding their new date of hire by the Employer, to determine their rate of pay according to the part-time rate schedule of this contract.

ARTICLE 8 - HOLIDAYS

(a) The following days shall be recognized as paid holidays. When a holiday falls on Sunday, the following Monday shall be observed:

| | |
|-----------------------|---------------------------|
| New Year's Day | Presidential Election |
| Washington's Birthday | Day (if registered voter) |
| Memorial Day | Thanksgiving Day |
| Independence Day | Christmas Day |
| Labor Day | |

Work may be performed on any of the holidays, but said work shall be compensated at the rate of time and one-half (1½) the employee's regular hourly rate plus pay for the holiday as set forth below.

(b) (1) The work week during which one of the holidays occurs is a four (4) day week consisting of thirty-two (32) hours. Hours worked in excess of thirty-two are overtime and compensated at the rate of time and one-half (1½).

(b) (2) However, part-time employees may be scheduled to work a fifth day in a holiday week at their straight time rate by mutual agreement.

(c) The Employer shall have full discretion in determining the number of employees who shall work on a given holiday but shall draw said employees from the normal complement of employees who would work in the store on that particular day of the week.

(d) An employee shall be required to work the scheduled day before and after a holiday to be eligible for holiday pay unless excused for good and just cause. The part-time employees must also work all the hours scheduled for the week unless excused in advance for cause.

(e) Full-time employees shall receive eight (8) hours' pay for the holiday at their straight time hourly rate, after thirty (30) days of service.

(f) After six (6) months' service, the part-time employee hired after April 6, 1981 shall be paid for the holidays and receive four (4) hours' pay unless the day falls on a day he or she would normally be scheduled to work. The employee will receive up to six (6) hours' pay for the holiday if he or she was scheduled to normally work more than four (4) hours on that day.

(g) Night crew employees shall not be required to work on the eve of Thanksgiving, Christmas, and New Year's. However, they will work the following night at their regular straight time rate.

(h) No employee's schedule shall be changed during a holiday week to avoid granting an entitled holiday.

(i) Personal Days

(1) Effective April 6, 1981, full-time employees on the payroll as of April 6, 1981 with one (1) year or more of service shall receive five (5) personal days off with pay per year. Full-time employees with less than one (1) year of service shall receive four (4) personal days off with pay during the year.

(2) Full-time employees hired after April 6, 1981 shall receive one (1) personal day off with pay for each three (3) months of service, up to a maximum of four (4) days per year. After completing one (1) year of service, these employees shall receive five (5) personal days off with pay in each ensuing year.

(3) Effective April 6, 1981, part-time employees on the payroll as of April 6, 1981 with six (6) months or more of service shall receive three (3) personal days off with pay per year.

(4) Part-time employees hired after April 6, 1981, shall, after six (6) months of service, receive one (1) personal day off with pay during each ensuing three (3) month period during their first year of employment. After completing one (1) year of service, these employees shall receive three (3) personal days off with pay in each ensuing year.

(5) Personal days may be used for the purpose of mini-vacations, that is, consecutive work days off. Employees with two (2) or more years of service shall be entitled to such days off at a time of their choice, subject to department seniority in the event of conflict of employee choice. An employee shall notify the store manager at least two (2) weeks in advance of his or her intention to use personal days for a mini-vacation, which shall be taken with due regard to business needs and not in conjunction with a regular vacation.

(6) Employees shall notify the store manager at least two (2) weeks in advance of schedule posting of intention to take a personal day off and the employee shall receive such day or a mutually agreed upon day off. In the event of a conflict of employee choice, department seniority shall prevail.

(7) Full-time employees shall be paid eight (8) hours pay at their straight time hourly rate for each personal day. Part-time employees shall be paid up to six (6) hours (but not less, than four (4) hours) pay at their straight time hourly rate for each personal day if said employee normally would have been scheduled to work more than four (4) hours on that day.

ARTICLE 9 - SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon the successors, assignees, heirs, purchasers or lessees of these Employers or of any store or part thereof of the Employers.

ARTICLE 10 - SAFETY AND SANITARY CONDITIONS

The Employer shall comply with all applicable laws concerning safety and sanitary con-

ditions.

The Employer and the Union shall make every effort to see that the safety rules are obeyed.

ARTICLE 11 - VACATION

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

One (1) week's vacation after six (6) months' service prior to April 1.

Two (2) weeks' vacation after two (2) years' service.

Three (3) weeks' vacation after six (6) years' service.

Four (4) weeks' vacation after twelve (12) years' service.

Five (5) weeks' vacation after twenty (20) years' service.

The vacation period is May 1 through September 30, except that those employees who are entitled to more than three (3) weeks' vacation may be required to take the additional vacation week outside the vacation period. Eligibility for full-time employees shall be determined as of their anniversary date and the length of service which falls prior to or within the vacation period. Those employees who desire to take their vacation at a time other than the vacation period (May 1 through September 30) or to split their vacation period between that time and another time may do so provided it is not taken during a peak business week period.

(b) By mutual consent, full-time employees' vacations may be taken in two (2) separate periods or by consecutive periods in accordance with seniority on a store-wide basis.

(c) Full-time night crew employees shall receive their night pay differential in their vacation pay.

(d) Full-time employees who work forty-five (45) or more hours per week for a period of twenty-six (26) weeks or more during a year shall receive forty-five (45) hours' straight time pay for each week of vacation to which they are entitled.

(e) Part-time employees with one or more years of service as of June 30 in any year shall be granted vacation with pay prorated on the basis of average weekly straight time hours worked (for 1981 for the period December 28, 1980 through April 25, 1981). In 1982 and thereafter, proration shall be based upon average straight time hours worked in the preceding calendar year as follows:

One (1) week for one (1) year continuous service prior to June 30.

Two (2) weeks for two (2) years continuous service prior to June 30.

Three (3) weeks for six (6) years continuous service prior to June 30.

Four (4) weeks for twelve (12) years continuous service prior to June 30.

Five (5) weeks for twenty (20) years continuous service prior to June 30.

(f) Employees joining the Armed Forces shall receive one-twelfth (1/12) of the vacation pay to which they are entitled for each month of employment during the employee's anniversary year.

(g) In the event a holiday occurs during a full-time employee's vacation, said employee shall receive an additional day's paid vacation at the end of the scheduled vacation period.

No employee shall be required to work beyond 6:00 p.m. the evening prior to the commencement of the employee's vacation.

(h) Full-time employees with more than one (1) year's service, who are laid off or who voluntarily terminate their employment shall receive a pro-rata vacation and payment for fifty (50%) percent of unused sick leave. In the case of voluntary termination, the employees must give two (2) weeks' advance written notice to Employer. Pro-rata vacation is vaca-

tion time earned since last anniversary date and not already taken.

(i) Payment for amounts due an employee under (h) above shall be in a separate check or by separate computation not included with other numeration.

ARTICLE 12 - STORE LINEN

The Employer agrees to furnish and launder the customary store coats, aprons and gowns required by the Employer to be worn by the employee. Employees who normally, during their working day, are not required to work in the sales area, will not be required to wear white shirts, but will, nevertheless, be expected at all times to be neat and tidy in their dress and appearance.

ARTICLE 13 - SENIORITY

(a) Seniority shall be defined as continuous length of service within the bargaining unit of this Agreement.

(b) (1) The Employer shall maintain four (4) separate seniority lists for these groups of employees:

(i) Department managers and other classified employees

(ii) Full-time employees other than the above

(iii) Part-time employees

(iv) Service clerks

(2) Part-time employees shall not accumulate seniority over full-time employees. Service clerks will have and accumulate seniority only in their classification and only in their own store.

(3) Full-time employees involuntarily reduced to part-time shall have their full-time seniority frozen and shall pick it up when returned to full-time employment. Seniority as part-time employees shall be measured from original dates of hire and shall include all service with the Employer.

(4) When full-time employees voluntarily reduce themselves to part-time employment, their original date of hire shall be their seniority dates.

(b) (5) When part-time employees are reclassified to full-time, their seniority as full-time employees shall begin with the date of reclassification to full-time. Their service as part-time employees shall be frozen for them.

(c) No employee can exercise seniority to claim a classified job.

(d) All employees working less than forty (40) hours per week who are interested in obtaining full-time positions shall place their names on a bid sheet. When a full-time job opportunity becomes available within the bargaining unit, the most senior capable employee on the bid sheet shall be assigned to the job, provided the employee is available to work such hours on a continuing basis. Bid sheets shall be posted for six (6) month periods. Employees may place their names on them in the months of March and September of each year on a form approved by and made available to the Union.

(e) All employees interested in promotion to department manager and other classified positions shall place their names upon a classified job opportunity sheet. The Employer shall make promotions from such sheet provided the employees on such sheet are capable to perform the work. Classified job opportunity sheets shall be posted for six (6) month periods. Employees may place their names on them in the months of March and September of each year on a form approved by and made available to the Union.

(f) Employees promoted to classified jobs shall retain previously acquired seniority, and new seniority in the classified job shall commence as of the time of promotion. In the event of layoff or the reduction of hours or replacement of classified employees, such employees shall be permitted to reclaim posi-

tions they previously held, or whatever equivalent jobs the employees are entitled to by the combined seniority in the employees' classified and unclassified jobs.

(g) When there is a reduction of hours or layoff, employees shall be treated in the following manner:

(1) No employee shall have hours reduced until there has been a reduction of hours among less senior employees as long as customer service is maintained.

(2) Full-time employees who have worked for the Employer for six (6) consecutive months or more, and are laid off due to a reduction in the work force, shall be given five (5) days written notice or forty (40) hours pay in lieu of such notice of layoff by the Employer.

(3) Part-time employees who have worked for the Employer for twelve (12) consecutive months or more, and are laid off due to a reduction in the work force, shall be given one (1) week's written notice or one (1) week's pay (normal scheduled hours) in lieu of such notice of layoff by the Employer.

(4) Layoffs shall be in reverse order of seniority, first in the store of employment, then by bumping the least senior employee in another store of the Employer on a district-wide basis or in a mutually agreed upon geographical area, and finally on a bargaining-unit-wide basis, provided the employee is capable to perform the work of the displaced employee and is available for the hours required to be worked.

(5) In the event of a layoff or reduction of hours among part-time employees, they will have the right to be reclassified as service clerks in order to claim the hours of service clerks who have less seniority.

(6) In the event of a store closing or a major layoff, the Employee and the Union shall meet two weeks prior to the layoff to resolve the bumping rights of all the affected employees.

(h) Recall of employees from layoff shall be made in order of seniority so long as the most senior employee is capable and available to perform the work.

(i) An employee on layoff shall retain seniority for a period of six (6) months provided the employee has been employed in the bargaining unit for six (6) months or more prior to the date of layoff.

(j) An employee on a leave of absence shall retain seniority accumulated prior to the leave for the period of the leave of absence, in accordance with the terms of Article 40.

(k) The shop steward or stewards shall, in any event, have top seniority in the stores for purpose of layoff.

(l) Seniority shall be terminated for any one or more of the following reasons:

(1) Any employee recalled after layoff who fails to report for work within a period of forty-eight (48) hours, not including Saturday or Sunday, after the required date to report shall forfeit the right to re-employment.

(2) Seniority may be broken only by quit, justifiable discharge or failure to return to work in accordance with the terms of Leaves of Absence.

(m) It is expressly understood that this Article shall be applied in accordance with Article 21 of this Agreement.

ARTICLE 14 - GRIEVANCE PROCEDURE AND ARBITRATION

(a) All disputes, differences or grievances as to the interpretation or application of the provisions of this Agreement shall be settled in the following manner:

The Union shall give written notice of the nature of the dispute, difference or grievance to the duly designated representative of the Employer.

After receipt of such notice by the Em-

ployer, the duly authorized officials of the Union and a duly designated representative of the Employer shall confer to adjust such dispute, difference or grievance.

In the event such dispute, difference or grievance shall not have been satisfactorily adjusted between the parties in the manner provided above, then such dispute, difference or grievance shall be referred to arbitration by either party by notice in writing. Upon the giving of such notice in writing by one party to the other, the parties shall mutually agree upon an impartial arbitrator who, in cases involving discharge will hold hearings within approximately thirty (30) days after accepting appointment. If this does not occur in such cases, the expedited arbitration procedure of the American Arbitration Association may be utilized by the submitting party. If no agreement upon an impartial arbitrator is reached within five (5) days after the giving of such notice of intention to arbitrate, either party may apply to the American Arbitration Association for the appointment of such impartial arbitrator.

(b) The decision of said arbitrator shall be final and binding upon the parties. The parties further agree that there shall be no suspension of work when any such dispute, difference or grievance arises and while it is in the process of adjustment or arbitration. The parties agree that the expenses of arbitration shall be borne equally between them.

(c) Any member of the Union who shall, at the direction of the arbitrator, be required to testify at any arbitration procedure shall not suffer any loss in wages by reason thereof.

(d) A dispute, difference or grievance concerning the discharge of an employee shall be deemed waived unless, within ten (10) calendar days after the date of discharge, the Union gives written notice of such dispute, difference or grievance to the duly designated representative of the Employer.

(e) Neither party shall utilize any coercive or retaliatory measure to compel the other party to accede to its demands.

(f) The arbitrator shall not have the power to arbitrate provisions of a new agreement, to arbitrate away, in whole or in part any provision of this Agreement, and shall not have the power to add to, delete from or modify the provisions of this Agreement.

(g) The shop steward or Union representative has the right to be present during any corrective interview between an official of the Employer and a member of the bargaining unit concerning discipline or the application of the interpretation of this Agreement.

An employee has the right to request the presence of a Union representative or shop steward at any investigatory interview which the employee reasonably believes might result in disciplinary action.

ARTICLE 15 - NO STRIKE CLAUSE

There shall be no strikes, sitdowns, slow-downs or stoppages of work authorized or sanctioned by the Union, nor shall there be any lockout on the part of the Employer during the term of this Agreement. This clause shall not bind a party to this Agreement if the other refuses to arbitrate or abide by the arbitrator's award.

ARTICLE 16 - SUBSTITUTE DEPARTMENT MANAGER

An employee designated by the Employer to substitute for a department manager shall be paid the premium of the job for which the employee is substituting.

ARTICLE 17 - LUNCH PERIOD

Full-time employees shall receive from thirty (30) minutes to one (1) hour for lunch as close to noon as possible between the hours of 11:30 a.m. and 2:00 p.m. When an employee works in excess of five (5) hours or more, the

employee shall be entitled to a lunch period during the shift. If employees are required to work overtime, one-half (1/2) hour for supper shall be granted which shall not be deemed hours worked providing the overtime shall be of at least two (2) hours' duration.

ARTICLE 18 - REST PERIODS

All full-time employees shall be granted a fifteen (15) minute rest period twice a day, which must be punched in and out on the time card, once in the morning and once in the afternoon, and shall be at their work station immediately after the rest period ends. Employees on a second shift shall be granted rest periods as set forth in Article 5, Section (i). Time off for rest periods shall be included as time worked.

Part-time employees shall be entitled to a rest period when they work a four (4) hour shift during the middle two (2) hours of such shift.

ARTICLE 19 - REPLACEMENT OF FULL-TIME EMPLOYEES

(a) The Employer agrees that whenever a full-time job becomes vacant, the Employer will replace the full-time employee with a new full-time employee taken from the bid sheet, unless the vacancy occurs because of a reduction or transfer under Article 13.

(b) Any full-time employee with one (1) or more years of continuous service, who is discharged or laid off, providing such discharge was not for dishonesty, shall be paid a pro-rata vacation and the pay for fifty (50%) percent of unused sick days. Pro-rata vacation is vacation time earned since the employee's last anniversary date and not already taken.

ARTICLE 20 - ENFORCEABILITY OF ANY PART OF AGREEMENT

The parties hereto agree that should any section, part or paragraph of this Agreement be or become unlawful, invalid, ineffective or unenforceable by virtue of the National Labor Relations Act, as amended, any other act, law or decision of any established administrative agency or court, then said section, part or paragraph so declared shall not affect the validity and enforceability of any other section, part or paragraph thereof, and the remainder of this Agreement shall continue to remain in full force and effect.

ARTICLE 21 - NO DISCRIMINATION

There shall be no discrimination against any employee concerning any condition of employment because of the employee's race, color, sex, religion, creed or national origin.

ARTICLE 22 - EFFECT OF STRIKE AND PICKETS

The Union agrees that it will not refuse to cross a picket line unless such picket line is directed against the Employer in its capacity as and Employer and unless such picket line is authorized by the International Union of the picketing Union, and unless the Employer has been notified by the Union by registered mail at least three (3) working days in advance of its intention to honor the picketing Union's line.

ARTICLE 23 - JURY DUTY

(a) Any full-time employee who has worked for the Employer for ninety (90) days or more and who is called to jury duty shall be paid by the Employer the difference in pay between the employee's base wages and the amount received for the jury service, limited to not more than fourteen (14) days' pay in any one (1) year. Employees on jury duty shall report to work on Saturday, if not serving on the jury unless they have served on the jury five (5) days during the week, in which event they will not be required to work on Saturday and shall be paid the differential on a five (5) day basis as if the employee had been scheduled Monday through Friday. An employee who is dismissed from jury service sufficiently early to

enable the employee to work four (4) hours or more of a scheduled shift shall report to the store to complete the employee's shift.

(b) Any part-time employee who has worked for the Employer six (6) months or more and who is called to jury duty will be paid for scheduled hours by the Employer the difference in pay between the employee's base wages and the amount received for jury service limited to not more than fourteen (14) scheduled days' adjusted pay in any one (1) year. Part-time employees shall receive such differential only for those hours they are normally scheduled and unable to work because of serving on the jury. However, there will be no coverage for part-time employees who receive jury duty pay from another Employer. An employee who is dismissed from jury service sufficiently early to enable the employee to work four (4) hours or more of a scheduled shift shall report to the store to complete the employee's shift.

(c) Night crew employees called and serving on jury duty, will be excused from their work schedules without any loss of base wages.

ARTICLE 24 - FUNERAL LEAVE

(a) All full-time employees will be entitled up to five (5) days' pay for a funeral leave in the event of death of a spouse or a child. For all other deaths in the immediate family, all full-time employees will be entitled up to three (3) days' pay for a funeral leave. Payment shall be for the scheduled days missed as a result of funeral leave in the amount of wages normally paid for said days. Immediate family is defined to mean: parent, sister, brother, mother-in-law and father-in-law. One (1) day's paid leave will be granted in the event of the death of a grandparent of said employee.

(b) All part-time employees with sixty (60) days or more service will be entitled up to five (5) days' paid funeral leave in the event of death of a spouse or a child. In the event of death in the immediate family of someone other than spouse or child, up to three (3) days' leave shall be granted. Payments shall be for the scheduled days missed as a result of funeral leave in the amount of the wages normally paid for the number of hours scheduled on said days. Immediate family is defined to mean: parent, sister, brother, mother-in-law and father-in-law. One (1) day's paid leave at the rate of pay indicated herein for other funeral leave will be granted in the event of the death of a grandparent of said employee for the employee's scheduled day only.

ARTICLE 25 - UNION VISITATION

Representatives of the Union shall have the right to visit any of the Employer's places of business at any reasonable time during normal working hours for the purpose of ascertaining whether this Agreement is being properly observed provided that there shall be no interruption of or interference with the Employer's business. In the event of a dispute involving a checker, the Union shall have the right to have said employee relieved of duty, provided a suitable substitute is available, to converse with the Union Representative.

ARTICLE 26 - TRANSFERS

(a) The Union recognizes the Employer's right to make permanent transfers for business reasons. Such transfers shall be made from the bargaining unit seniority list in reverse order of seniority, and with employees who are able and available to work, to stores within a reasonable distance.

(b) The Union, at the request of the full-time employee, shall have the right to petition the Employer for reimbursement of the added expense to such transferred employee in the event such transfer causes the employee to expend an excessive amount of carfare in reporting to the new location. The Employer agrees, to the best of its ability, to limit per-

manent transfers within a reasonable radius of the employee's home. The Employer agrees to notify the Union one (1) week in advance of the contemplated permanent transfer.

(c) In a case of temporary transfer, notification to the Union is not required. Further, the Employer agrees that temporary transfers of full-time employees shall not exceed three (3) times a year. Temporary transfer shall not exceed three (3) weeks, except by mutual consent between the Employer and the Union.

(d) Should the Union consider any transfer to be an abuse of this transfer clause, it shall have the right to raise such transfer as a grievance to be handled in accordance with the grievance procedure contained within this contract.

(e) An employee transferred from one store to another shall have in the store to which the employee is transferred the seniority which the employee accumulated up to the time of transfer.

ARTICLE 27 - WAGE INFORMATION

In the event of a dispute between the parties to this Agreement as to whether an employee is being paid the wages under this Agreement, the Employer shall, at the request of the Union, furnish the Union information regarding the wages paid to and hours worked by the particular employee involved.

ARTICLE 28 - INDIVIDUAL AGREEMENT

No agreement between the Employer and any employee which is in conflict with the terms of this Agreement shall be entered into nor shall any such agreement be binding upon the parties hereto or the employee involved.

ARTICLE 29 - DISCRIMINATION ON DISCHARGE OF EMPLOYEES

No employee shall be discharged or discriminated against because of Union activities nor shall any such activity by an employee be considered a violation of this Agreement. It is agreed that employees shall not engage in Union activities during working hours.

ARTICLE 30 - SHOP STEWARDS

The Employer agrees that Union Shop Stewards shall have top seniority and shall be the last person to be transferred in the event of a layoff.

One (1) Shop Steward per store is to receive one (1) personal day with pay a year to be used for attending a Local 1262 Shop Steward Seminar.

ARTICLE 31 - COMPENSATION INSURANCE

The Employer agrees to cover employees under Worker's Compensation Insurance in accordance with the state laws.

ARTICLE 32 - MILITARY SERVICE

It is agreed that the Employer shall adhere to the reemployment provisions of the Military Selective Service Act and any amendments thereto.

ARTICLE 33 - SICK LEAVE

(a) Full-time employees are eligible for ten (10) sick leave days with pay at the beginning of each sick leave year, after completing one (1) sick leave year of service.

New full-time employees are eligible for sick leave on the basis of one (1) day for each month of service, after their first three (3) months of employment up to a maximum of nine (9) days, for the first sick leave year.

(b) Sick leave for full-time employees with less than one (1) year of service shall not be paid for the first day of sick leave. Full-time employees with more than one (1) year of service are paid for first day and for each day of sick leave.

(c) Full-time employees eligible for sick leave will receive a bonus of all unused sick leave at the end of the year provided they have one (1) or more years of service. Such

bonus is to be paid in a separate check or by separate computation not included with other remuneration.

(d) The Employer may require a doctor's certificate after two (2) consecutive days of absence. Sick leave pay is to be paid promptly.

(e) Part-time employees shall be entitled to the following sick leave benefits:

| Length of Service | Sick Leave |
|--------------------|--------------------------------|
| After six (6) mos. | Up to three (3) scheduled days |
| After one (1) year | Up to four (4) scheduled days |
| After two (2) yrs. | Up to five (5) scheduled days |

Sick leave pay shall be for the hours scheduled to a maximum of six (6) hours' pay per day. Part-time employees, after one (1) year of service, shall be paid for unused sick days at the end of each sick leave year, on the basis of four (4) hours straight time pay for each unused day. Such bonus is to be paid in a separate check or by separate computation not included with other remuneration. There shall be no sick leave pay for the first scheduled day not worked because of illness during the first year of employment.

(f) Employees injured on the job and unable to complete his/her day's work shall be paid for all hours scheduled for that day.

(g) The Employer will pay full-time employees with two (2) or more years of service, who are out of work because of illness or injury, a payment of fifty (\$50.00) dollars per week after the fourth (4th) full week of absence up to a maximum of thirteen (13) weeks. This payment shall be in addition to any state disability or Worker's Compensation benefit the employee may receive.

ARTICLE 34 - HEALTH AND WELFARE

1. HOSPITALIZATION INSURANCE, MEDICAL, SURGICAL

Eligibility

All regular full-time employees on the first (1st) of the month following three (3) months' full-time employment and their eligible dependents shall be eligible for health and welfare benefits. Hospitalization coverage shall be provided for dependents of the age of nineteen (19) or over for full dependency coverage if such dependents are full-time college students up to the age of twenty-three (23).

2. HOSPITALIZATION, MEDICAL AND SURGICAL BENEFITS

Blue Cross and Blue Shield "750" Plan; similar coverage, or comparable agreed upon carrier.

Blue Cross -

| | |
|-------------------|-------------------------|
| Hospital expenses | 120 days' full coverage |
| Hospital Extras | 120 days' full coverage |

Blue Shield -

| | |
|--------------------------|----------|
| In Hospital Medical Care | |
| Visits | 120 days |

Out of Hospital

| | |
|---------|-------------------|
| Surgery | Covered any place |
|---------|-------------------|

Non-member Hospital

| | |
|-----------------------------|---|
| Coverage | Full service coverage |
| Diagnostic X-ray | Physicians and hospital |
| Laboratory (non-accidental) | services when performed in the hospital |

3. JOINTLY ADMINISTERED PLAN

(a) Effective May 1, 1981, the Employer shall contribute to a jointly administered Health and Welfare Fund with the Union the sum of forty-two dollars and ninety-five cents (\$42.95) per month for each full-time employee on the first (1st) of the month following three (3) months' service to provide a benefit program for such employees as shall be determined by the Trustees of the Fund.

(b) Effective May 1, 1982, the Employer shall increase its contribution to the sum of forty-five dollars and sixty-three cents (\$45.63) per month.

(c) Effective May 1, 1983, the Employer shall increase its contribution to the sum of forty-nine dollars and twenty-eight cents

(\$49.28) per month.

(d) Effective May 1, 1981, the Employer shall contribute to a jointly administered Health and Welfare Fund with the Union the sum of thirty-one dollars and seventy cents (\$31.70) per month for each part-time employee on the first (1st) of the month following six (6) months' service to provide a benefit program for such employees as shall be determined by the Trustees of the Fund.

(e) Effective May 1, 1982, the Employer shall increase its contribution to the sum of thirty-four dollars and thirty-eight cents (\$34.38) per month.

(f) Effective May 1, 1983, the Employer shall increase its contribution to the sum of thirty-seven dollars and twenty-eight cents (\$37.28) per month.

(g) If the monthly contribution shall be insufficient to provide the benefits established as of this Agreement, then the Employer's monthly contribution shall be increased so that the established level of benefits will be maintained for the duration of this Agreement.

(h) The following should be observed when remitting contributions:

(i) The Employer shall make monthly contributions for all eligible employees who are on the Employer's active payroll as of the first (1st) day of each month.

(ii) The Employer shall continue contributions for any said employees up to three (3) months during absence from work due to compensable or non-compensable injury or illness.

(iii) The Employer agrees that the waiting period shall be waived when hiring employees currently eligible and covered by another contributing Employer under contract with Local 1262, and shall make contributions from the first (1st) of the month following hire.

(iv) Employer contributions shall be discontinued the month following:

- Leave of Absence
- Voluntary Quit
- Termination for Cause
- Layoff, except for full-time employees with five (5) or more years of service as set forth below.

(v) Employer contributions shall be resumed on the first (1st) of the month following the return to work on Employer's active payroll after illness, injury, leave of absence or recall from layoff providing the Employer contribution had been previously discontinued.

(vi) If an eligible part-time employee is reclassified to full-time, the Employer shall begin making full-time contributions for said employee the first (1st) of the month following reclassification. If an employee is reclassified to full-time and was not eligible for part-time participation, fifty (50%) percent credit will be given for the employee's part-time service toward the waiting period for full-time participation. Full credit shall be given for an employee who converts from full-time to part-time and who had not reached eligibility.

(vii) The Employer shall continue to make full-time contributions for an employee who is involuntarily reduced to part-time for three (3) months next following the reclassification.

The Employer shall make part-time contributions the first (1st) of the month following the month in which

an employee voluntarily changes to part-time status if an employee was eligible as a full-time employee.

(viii) Contributions shall begin the first (1st) of the month following re-employment of an eligible employee who leaves employment to enter the military service of the United States and who is entitled to re-employment under the applicable laws of the United States.

4. Full-time employees with five (5) or more years of service who are laid-off continue to be covered for Health and Welfare for three (3) calendar months following the date of layoff, unless they are otherwise employed and eligible for benefits.

5. Retiree Benefits:

The Employer shall provide for full-time employees who have retired or hereafter retire with at least 15 years of "credited benefit service" as defined in the Local 1262 Pension Plan and who are otherwise eligible; Blue Cross and Blue Shield "750" coverage for the retired employees between the ages of 62 and 65 and their eligible spouses, a medicare supplement after age 65; and a contribution to the Health and Welfare Fund to cover the costs of certain other benefits as determined by the Trustees of the Fund.

ARTICLE 35 - PENSION

(a) The Employer agrees, effective May 1, 1981, to make contributions for each eligible full-time employee at the rate of forty-three (\$43.00) dollars per month, for each eligible employee on the first (1st) day of each month, to the Retail Store Employees Union, Local 1262 Pension Fund.

(b) The Employer agrees to make contributions for each eligible part-time employee at the rate of fourteen dollars and thirty three cents (\$14.33) per month, for each eligible employee on the first (1st) day of each month, to the Retail Store Employees Union, Local 1262 Pension Fund.

(c) The monthly contribution by the Employer for full-time employees will commence with the first (1st) full payroll month following the completion of the employee's probationary period with the Employer. The monthly contribution by the Employer for part-time employees will commence the first (1st) full payroll month following six (6) months of continuous part-time employment with the Employer.

(d) The Pension Fund is administered jointly by the Union and various Employers under agreement with the Union and is governed by an Agreement and Declaration of Trust and a Pension Plan adopted thereunder. The Employer agrees to be bound by the terms of the Agreement and Declaration of Trust and the rules established by the Trustees governing contributions and delinquencies.

(e) The Pension Plan, as adopted, must have a continuing approval of the IRS as an exempt plan and shall be in compliance with the Employees' Retirement Income Security Act (ERISA) and any amendments thereto.

(f) The Employer further agrees to grant to eligible employees time off with pay up to a maximum of twenty (20) hours for the purpose of attending a pre-retirement counselling program.

ARTICLE 36 - PRE-PAID LEGAL BENEFIT

(a) The Employer shall make a contribution of five (\$5.00) dollars per month for every full-time employee to Retail Store Employees Union Local 1262 and Subscribing Employers Legal Services Fund for the purpose of providing a pre-paid legal benefit for such employees and their dependents.

(b) The Employer shall make a contribution of two (\$2.00) dollars per month for every part-

time employee to provide them with a pre-paid legal benefit.

(c) The monthly contribution by the Employer for new employees will commence on the first (1st) of the month following three (3) months' service for full-time employees and on the first (1st) of the month following six (6) months' service for part-time employees.

(d) If the monthly contribution shall be insufficient to provide the benefits established as of this Agreement, then the Employer's monthly contribution shall be increased so that the established level of benefits will be maintained for the duration of this Agreement.

ARTICLE 37 - EXAMINATION OF PAYROLL RECORDS

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 to the examination of those payroll records deemed necessary by a certified public accountant or by an authorized representative of the Funds.

ARTICLE 38 - RESPONSIBILITY FOR CASH

Where the Employer does not have a cash control system, the cashiers will not be financially responsible for shortages.

ARTICLE 39 - REPRIMANDS

The Employer agrees that no employee will be reprimanded in public. Company policy manuals shall be furnished to the Union upon request.

ARTICLE 40 - LEAVE OF ABSENCE

The Employer agrees to grant a leave of absence without pay to those employees with one (1) or more years of continuous service for the following reasons and periods of time:

(a) Recuperation from illness or injury of the employee which requires absence from work for a period up to one (1) year.

(b) Maternity shall be treated as an illness or injury for the purpose of this Article.

(c) Serious illness, injury or death in the employee's immediate family for a period up to thirty (30) days.

(d) Military service, as required.

(e) Other reasons acceptable to Employer for a period up to thirty (30) days.

During any leave of absence granted for the reasons as above described, seniority shall be restored upon employee's return to work, giving credit up to the date on which said leave of absence commenced and excluding only the period of such leave of absence.

Leaves of absence of sixty (60) days or less shall not adversely affect wage progressions.

Leaves of absence of ninety (90) days or less shall not adversely affect vacation entitlement.

ARTICLE 41 - JOB PROTECTION

The Employer reserves its rights to study and introduce new and improved methods of production and facilities. By this, it is not the intention of the Employer to replace or displace employees on the payroll as of April 5, 1981, and the Employer agrees to retrain or place any such affected employees in new jobs.

ARTICLE 42 - AFFIRMATIVE ACTION PROGRAM FOR EQUALIZATION OF EMPLOYMENT OPPORTUNITY

The Employer and Union agree to encourage women and minority employees, irrespective of race, religion, or natural origin, in their advancement to higher rated positions covered

by this Agreement, including department managers.

ARTICLE 43 - COST OF LIVING ADJUSTMENT

To determine any Cost of Living Adjustment, the following provisions only shall apply during the term of this Agreement.

(a) During the period of this Agreement, the Cost of Living Adjustment, if applicable, shall be effective the first full payroll week of December, 1982 and December, 1983 and shall be applicable to all full-time and part-time employees who have completed thirty (30) consecutive days of service as of the C.O.L.A. effective date excluding all service clerks who will not be paid any Cost of Living Adjustments.

(b) Such adjustment shall be made based on changes, if any, in the first published Consumer Price Index (New Series - for Urban Wage Earners and Clerical Workers) of the Bureau of Labor Statistics, U.S. Department of Labor (1957-1959 = 100) "All Cities" (hereinafter referred to as the CPI), as of the prior May and October respectively.

(c) To determine the adjustment, if any, to be made under this paragraph, the change in the CPI level between May, 1982 and October, 1982 shall be used and a one (\$.01) cent charge will be made for each full four (.4) tenths point increase in the CPI. The same procedure shall be applied for the December, 1983 adjustment, if any, using May, 1983 and October, 1983.

(d) If after an adjustment has been in effect, pursuant to the foregoing paragraph, the CPI shall decrease, one (\$.01) cent shall be deducted from the adjustment for each four (.4) tenths point decrease in the CPI below the level which the CPI was required to reach in order to earn the last previous amount of adjustment provided that no deduction shall be made from the authorized wage rate.

(e) In the event that the CPI for May through October has not been issued by the following December, then any adjustments that are required will be made at the beginning of the first pay period after receipt of the CPI.

(f) The amount of any adjustment in effect shall be included in computing any payments under this Agreement which are based on the regular hourly rate.

(g) The Cost of Living Adjustment shall not become a fixed part of any base wage rate.

ARTICLE 44 - POLYGRAPH TEST

No employee will be required to take a polygraph test.

ARTICLE 45 - SERVICE CLERKS

(a) Employees Covered - Employees classified as Service Clerks who have been employed for sixty (60) days or more shall be eligible to receive only those benefits and working conditions as herein set forth or which are specifically incorporated herein by reference.

(b) Trial Period - The trial period for Service Clerks shall be the first sixty (60) days of employment.

(c) Union Shop - The Union Shop provisions of Article 2 shall apply after a Service Clerks' sixtieth (60th) day of employment, or sixty (60) days after the execution date of this agreement, whichever is later.

(d) Hours

(1) Service Clerks shall be offered no less than three (3) hours work each day they are scheduled to report.

(2) Service Clerks shall receive one and one-half (1½) times their straight time hourly rate of pay for all hours worked on Sunday.

(e) Holidays

(1) Service Clerks with at least six (6) months but less than one (1) year of service shall receive the following holidays with three (3) hours straight time per pay holiday provided that the holiday occurs on the day the employee is normally scheduled to work:

| | |
|------------------|------------------|
| New Year's Day | Labor Day |
| Memorial Day | Thanksgiving Day |
| Independence Day | Christmas Day |

(2) Service Clerks with more than one (1) year of service shall receive the above holidays, with three (3) hours straight time pay per holiday, regardless of the day of the week on which the holiday occurs.

(3) To be eligible for holiday pay, Service Clerks must work all scheduled hours in the holiday week.

(4) Service Clerks shall receive one and one-half (1½) times their straight time hourly rate of pay for all hours worked on the above holidays if otherwise eligible.

(f) Vacations - Service Clerks who on June 30th have completed one (1) or more years of service shall be eligible to receive vacation with pay, at straight time, based upon their average hours worked in the preceding fifty-two (52) weeks, but in any event they shall receive at least ten (10) hours' vacation with pay at their straight time rate.

(g) A service clerk on layoff shall retain seniority for a period of three (3) months provided the employee has been employed in the bargaining unit for one (1) year or more prior to the date of layoff.

(h) Health and Welfare - The Employer

shall contribute a sum per month to the Health and Welfare Fund on behalf of Service Clerks with twelve (12) or more months service to provide individual Dental and Optical coverage.

(i) Pension - Effective January 1, 1982, 1983 and 1984, the Employer shall make the following contributions retroactively to January 1, 1981, 1982 and 1983 respectively, to the Retail Store Employees Union, Local 1262 Pension Fund on behalf of those Service Clerks with one (1) or more year's of service who have attained age 25 and who have worked 1,000 or more hours during the prior year.

Full-Time - \$43.00 per month
Part-Time - \$14.33 per month

(j) Duties - The duties of Service Clerks are limited to bagging, carrying out orders, shop backs, handling empty bottles and bottle refunds, picking up carts, cleaning store, side-walks and parking lots, replenishing front-end supplies, performing parcel pickups and other work historically performed by Service Clerks in a particular store.

(k) Additional Terms and Conditions Included by Reference - The following Articles of this Agreement are hereby incorporated by reference:

Recognition, Union Shop, modified by (c) above, Checkoff, Management, modified by (b) above, Government Enactment of Maximum Hours and Minimum Wages, Successors and Assigns, Safety & Sanitary Conditions, Store Linen, Grievance Procedure and Arbitration, No Strike, Lunch Period, Rest Period,

Enforceability, No Discrimination, Effect of Strike and Pickets, Union Visitation, Wage Information, Individual Agreement, Discrimination on Discharge, Shop Stewards, Compensation Insurance, Military Service, Examination of Payroll Records, Reprimands, Leaves of Absence, Polygraph Tests, Schedule "A", Wages Section V.

(l) Excluded Terms and Conditions - All of the other Articles of this Agreement, which are not specifically mentioned hereinabove, shall not apply to Service Clerks.

ARTICLE 46 - TERMINATION CLAUSE

This Agreement shall take effect April 6, 1981, and shall remain in full force and effect until midnight, April 8, 1984, and thereafter from year to year unless either party, at least sixty (60) days prior to expiration date, shall service upon the other written notice of any changes or demands to be made.

IN WITNESS WHEREOF, the undersigned have affixed their signatures as the duly authorized legal representatives of the Employer and the Union.

**RETAIL STORE EMPLOYEES UNION,
LOCAL 1262**

**SAM KINSORA, President
JOSEPH RIZZO, Secretary-Treasurer**

**FOR THOSE EMPLOYERS TRADING
UNDER THE NAME OF SHOP-RITE
SUPERMARKETS**

**DOMINICK V. ROMANO, Chairman
Labor Relations Committee**

SCHEDULE "A"

WAGES

SECTION I

FULL-TIME EMPLOYEES

A. ACROSS-THE-BOARD INCREASES

1. All full-time employees on the Employer's payroll prior to April 6, 1981, and who are continuously employed, shall receive the following increases in their base rate of pay for a forty (40) hour week:

| Beginning on or nearest to 4/6/81 payroll week | Beginning on or nearest to 4/5/82 payroll week | Beginning on or nearest to 4/4/83 payroll week |
|---|---|---|
| \$30.00 per week | \$25.00 per week | \$25.00 per week |

2. No employee shall be deprived of the wage rate for length of service due to any increase granted under the terms of this contract.

3. Any employee receiving wages above the rates specified herein shall, nevertheless, receive the increase as granted under the terms of this contract.

B. WAGE PROGRESSION SCALES AND MINIMUM RATES OF PAY

1. The following wage progression scales for a forty (40) hour work week shall apply to all full-time food employees:

| After consecutive service of: | Beginning on or nearest to 4/6/81 payroll week | Beginning on or nearest to 4/5/82 payroll week | Beginning on or nearest to 4/4/83 payroll week |
|----------------------------------|---|---|---|
| Start | \$210.00 | \$220.00 | \$230.00 |
| 6 Months | 230.00 | 240.00 | 250.00 |
| 12 Months | 260.00 | 270.00 | 290.00 |
| 18 Months | 290.00 | 310.00 | 335.00 |
| 24 Months | 330.00 | 355.00 | 380.00 |

2. Any employee hired at a rate in excess of the starting rate shall progress successively to the next higher rate after six (6) months in any given bracket, but no employee shall receive more than the maximum of the progression rate as a result of the operation of this clause.

3. Full-time employees, who as a result of the April, 1981 across-the-board increase receive a wage rate in excess of the rate to which they would be entitled for consecutive service pursuant to the progression scale of this Schedule, will in the first full payroll week in October, 1981, advance to the next higher progression rate above their actual rate and shall, so long as continuously employed in the first full payroll week in

each succeeding April, receive the applicable across-the-board increase or the new next higher progression level rate, whichever is greater, and in the first full payroll week in each succeeding October, advance to the next higher progression level rate above their actual rate until they receive the maximum progression rate for their classification.

SECTION II

PART-TIME EMPLOYEES

A. ACROSS-THE-BOARD INCREASES

1. Effective the payroll week of April 6, 1981, all part-time employees on the Employer's payroll shall receive an across-the-board increase of fifty (\$.50) cents per hour.

2. Part-time employees on payroll prior to April 6, 1981, who had completed thirty (30) months or more of continuous part-time service, in lieu of subsequent across-the-board increases in 1982 and 1983, shall, as of the first full payroll week in October, 1981, be paid the next higher full-time wage rate on an hourly basis above their rate in effect the prior week. Said employees shall thereafter be paid the next higher full-time wage rate on an hourly basis on the payroll week in April of each year set forth for across-the-board increases and on the first full payroll week in each succeeding October.

3. Part-time employees on the payroll as of April 6, 1981, who complete thirty (30) months' continuous part-time service, in lieu of subsequent across-the-board increases in this Agreement, shall, after acquiring said thirty (30) months' service, be placed on the full-time wage scale on an hourly basis the following October or April at the next higher full-time hourly wage rate above their part-time rate. Said employees shall thereafter be paid the next higher full-time wage on an hourly basis the first full payroll week beginning in October of each year and on the first full payroll week in April of each year set forth for across-the-board increases.

4. All part-time employees on the payroll prior to April 6, 1981, who have less than thirty (30) months' of continuous part-time service prior to the payroll weeks set forth below, shall receive in addition to the increase in paragraph 1 above, the following across-the-board increases, or the new applicable wage progression, whichever is greater.

| Beginning on or nearest to 4/5/82 payroll week | Beginning on or nearest to 4/4/83 payroll week |
|---|---|
| \$.50 per hour | \$.50 per hour |

5. Part-time employees, who as a result of the April 1981 across-the-board increase receive a wage rate in excess of the rate to which they would be entitled for consecutive service pursuant to the progression

scale of this Schedule, will in the first full payroll week in October, 1981, advance to the next higher progression rate above their actual rate and shall, so long as continuously employed in the first full payroll week in each succeeding April, receive the applicable across-the-board increase or the new next higher progression level rate, whichever is greater, and in the first full payroll week in each succeeding October advance to the next higher progression level rate above their actual rate until they receive the maximum progression rate for their classification.

B. WAGE PROGRESSION SCALES AND MINIMUM RATES OF PAY

1. The following hourly wage progression scales shall apply to all part-time food employees:

| After consecutive service of: | Beginning on or nearest to 4/6/81 payroll week | Beginning on or nearest to 4/5/82 payroll week | Beginning on or nearest to 4/4/83 payroll week |
|-------------------------------|--|--|--|
| 30 Days | \$4.00 | \$4.25 | \$4.50 |
| 6 Months | 4.25 | 4.50 | 4.75 |
| 12 Months | 4.50 | 4.75 | 5.00 |
| 18 Months | 4.75 | 5.00 | 5.50 |
| 24 Months | 5.25 | 5.50 | 6.00 |

2. Newly hired part-time employees will after thirty (30) days consecutive service be paid the applicable rate for such service. Thereafter, provided they have at least four (4) months consecutive service, said employees will advance to the next higher progression rate above, their actual rate the first full payroll week in October or April as before set forth as the case may be, until they reach the maximum progression rate. Said employees who have less than four (4) months consecutive service as of the appropriate payroll week in October or April shall be advanced the next following October or April, and thereafter shall advance in accordance with the procedure set forth in the preceding sentence.

SECTION III

DEPARTMENT MANAGERS AND CLASSIFIED EMPLOYEES

At each step in the wage progression scale, the Department Managers shall receive thirty-five (\$35.00) dollars per forty (40) hour week above the progression rate applicable.

It is hereby agreed that the Employer shall have complete discretion to reclassify Department Managers and classified employees to clerk status, and in such case, the employee shall receive the rate of a clerk based on length of service and any step-up or general increases which would have been received had the employee been a clerk during the period and retain any increases received while a clerk.

Where designated, full-time head bookkeepers shall receive a premium of fifteen (\$15.00) dollars per week for a forty (40) hour week.

Where designated, full-time head cashiers shall receive a premium of ten (\$10.00) dollars per week for a forty (40) hour week.

Where designated, full-time front end managers shall receive a premium of fifteen (\$15.00) dollars per week for a forty (40) hour week.

Where designated, full-time head courtesy clerks shall receive a premium of ten (\$10.00) dollars per week for a forty (40) hour week.

Where designated, full-time scanner coordinators shall receive a premium of ten (\$10.00) dollars per week for a forty (40) hour week.

Where designated, full-time third man shall receive a premium of fifteen (\$15.00) dollars per week for a forty (40) hour week.

The above premium shall not be duplicated.

Those Customer Service and Front End Managers receiving thirty (\$30.00) dollars per forty (40) hour week premium above the progression rate applicable prior to April 10, 1978 shall receive an additional five (\$5.00) dollars per week, making their premium a total of thirty-five (\$35.00) dollars per week.

SECTION IV

A. NIGHT SHIFT PREMIUM

Night crew employees who have been employed as such on or before April 9, 1978 shall receive a premium of ten (10%) percent. Employees newly assigned to the night crew on or after April 10, 1978 shall receive a premium of sixty-five (\$.65) cents per hour.

B. NIGHT CREW MANAGER

When a night crew consists of three (3) or more employees, one (1) said employee shall be classified as Night Crew Manager and will receive a premium of twenty (\$20.00) dollars per week over and above the employee's rate and night premium.

In stores open twenty-four (24) hours, when the Night Crew Chief also is designated Night Store Manager, said employee shall be paid a Department Manager premium of thirty-five (\$35.00) dollars per week.

SECTION V

SERVICE CLERKS

A. ACROSS-THE-BOARD INCREASES

All Service Clerks on Employer's payroll prior to April 6, 1981, and who are continuously employed shall receive the following increases in their base hourly rate of pay:

| Beginning on or nearest to 4/6/81 payroll week | Beginning on or nearest to 4/5/82 payroll week | Beginning on or nearest to 4/4/83 payroll week |
|--|--|--|
| \$.25 per hour | \$.25 per hour | \$.25 per hour |

B. WAGE PROGRESSION SCALES

- 60 Days - 15¢ per hour above applicable minimum wage
- 6 Months - 15¢ additional
- 12 Months - 15¢ additional
- 18 Months - 15¢ additional
- 24 Months - 15¢ additional
- 30 Months - 15¢ additional
- 36 Months - 15¢ additional

These lengths for service increases are in addition to any entitled across-the-board increases.

SECTION VI

NON-FOOD PROGRESSION WAGE SCALE

| After consecutive service of: | Beginning on or nearest to 4/6/81 payroll week | Beginning on or nearest to 4/5/82 payroll week | Beginning on or nearest to 4/4/83 payroll week |
|-------------------------------|--|--|--|
| 30 Days | \$3.45 | \$3.50 | \$3.55 |
| 6 Months | 3.60 | 3.65 | 3.75 |
| 12 Months | 3.80 | 4.00 | 4.20 |
| 18 Months | 4.05 | 4.25 | 4.45 |
| 24 Months | 4.30 | 4.50 | 4.70 |

A non-food employee is one who works in non-food departments of the Employer's supermarkets. This wage scale shall not apply to those employees who handle drug items in the Employer's supermarkets, which employees shall receive the applicable food clerk rate.

