

**AGREEMENT**

By and Between

Price Low Foods

and

UFCW Local 428

**March 5, 2006 TO AND INCLUDING March 7, 2009**

**COLLECTIVE BARGAINING AGREEMENT BETWEEN  
PRICE LOW FOODS  
AND UFCW LOCAL 428**

This Agreement, by and between PRICE LOW FOODS (the "Employer") and UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL 428, AFL-CIO, CLC, (the "Union") is the sole contract between the parties and no oral understanding shall serve to amend the Agreement unless incorporated herein.

**SECTION 1. RECOGNITION, HIRING AND UNION SECURITY.**

**1.A Recognition:** The Employer recognizes the above Union as the exclusive representative for collective bargaining purposes of all full-time and part-time employees, employed by the Employer at Price Low store #711, at 14406 Union Ave., San Jose, CA 95124, excluding the Store Manager, Assistant Manager, Bookkeeper, Confidential Employees, Guards and Supervisors as defined in the National Labor Relations Act, as amended.

**1.B** For the purposes of the Collective Bargaining Agreement a Price Low Store is defined as follows:

Physical Standards:

25,000 square feet maximum

- Cement/ bare floor only.

-Separate name from the conventional store.

Racking:

Warehouse racking must be utilized throughout at least 80% of the store.

Merchandise:

- All bulk merchandising, including end displays, to be done on pallets.

Weekly Sales:

- Average weekly sales of less than \$125,000. (based on yearly totals)

If there are modifications to the Price Low store that conflicts with the definitions as stated in Section 1.B above, either party can choose to reopen the contract with at least sixty (60) days notice.

**1.C** Whenever the words “employee or employees” are used in this Agreement, they designate only such employees as are covered in this Agreement. Whenever in this Agreement employees or jobs are referred to in the male gender, it will be recognized as referring to both male and female employees.

**1.D** Hiring new or Additional Employees: When new or additional employees are required, the Employer shall notify the Union of the number and classification of employees needed and the Union shall have twenty-four (24) hours to refer qualified applicants for the vacancies to be filled. Selection by the Union of applicants for referral to jobs shall be on a non-discriminatory basis and shall not be based on, or in any way affected by non-membership in the Union, union membership, bylaws, rules, regulations, constitutional provisions or any other aspect of obligation of union membership, policies or rules. The Employer reserves the right to reject any job applicant referred by the Union and said rejection shall not be subject to the grievance and arbitration provisions provided for herein. If the Union is unable to refer applicants satisfactory to the Employer within the time limits specified above, the Employer may hire from any and all outside sources.

**1.E Union Security:** It shall be a condition of employment that all employees shall become and remain members of the Union and all new employees shall become members of the Union on the thirty-first (31<sup>st</sup>) day following commencement of their employment, or the effective date of this Agreement, whichever is later. Tender of the Union’s periodic dues and the initiation fees uniformly required as a condition of acquiring or retaining such membership shall, for the purposes of this section, be considered membership in the Union. In the event that an employee has failed to meet or maintain these membership requirements, the Union shall certify to both the Employer and to the said employee in writing, of the employees’ failure to meet said obligations. If the employee has not tendered the dues or initiation fees owed on the seventh (7<sup>th</sup>) calendar day after such certification, the employee shall be terminated.

Following a termination under this provision, there shall be a grace period of thirty (30) days during which time, if the Union presents the Employer with a bona fide evidence that the termination demand was improper, the employee shall be reinstated within seven (7) days from such notice. In the event reinstatement occurs, the employee shall be made whole by the Union.

**1.F** The Union agrees to indemnify and hold the Employer harmless in any and all claims and/or causes of action, which arise out of or are in any way connected with the Employer’s compliance with the provision.

**1.G Dues Checkoff:** 1) The Employer agrees to deduct uniform monthly dues, political contributions, and initiation fees as determined by the Union on a regular basis from the wages of employees in the bargaining unit who provide the Employer with a voluntary written authorization for such deductions. Such deductions, when authorized, will be transmitted to the office of the Union no later than the 15<sup>th</sup> day of the month following the month in which deductions are made. No deduction will be made from the wages of any employee until the Employer has received a signed copy of voluntary written authorization for such deductions.

1. Authorizations for deductions are to be entirely voluntary upon the part of each such individual employee. Authorizations shall be irrevocable for a period of one (1) year or until the termination of this Agreement, whichever occurs sooner. The authorization shall be automatically renewed or be irrevocable for successive periods of one (1) year each or for the period of each succeeding applicable Bargaining Agreement, whichever shall be shorter, unless written notice is given by the employee to the Employer and the Union not more than twenty (20) days and not less than ten (10) days prior to the expiration of each period of one (1) year or of each applicable Collective Bargaining Agreement.
2. The Union shall indemnify and hold the Employer harmless from any and all actions resulting from the implementation of this provision. However, mistakes by the Employer shall be immediately corrected by the Employer upon notification from the Union.

## **SECTION 2. MANAGEMENT RIGHTS**

**2.A** The Employer retains and shall have full and exclusive right and power to manage its operations and direct its working force, except as limited by the obligations of the Employer expressly set forth in Section 3 through 18 of this Agreement.

**2.B** The Union recognizes the unilateral right of the Employer to establish working rules as the Employer deems necessary, provided that such rules are not in direct conflict with the terms and conditions of the Agreement. Said rules shall be in writing, made available to the employees or conspicuously posted and a copy sent to the Union.

**2.C Returned Checks:** Where the Employer has a posted or published Check Cashing policy, the employees shall conduct themselves accordingly, and when an employee follows such policy, he/she shall not be held financially responsible for Returned Checks other than a Personal Check, nor shall the employee be expected or required to locate the check-cashing customer.

## **SECTION 3. SENIORITY**

**3.A Definition:** Seniority is defined as length of service with the Employer and shall be computed from the initial date of employment, or re-employment in the case of a break in service, in the bargaining unit covered by this Agreement.

**3.B Probationary Employees:** An employee shall not acquire seniority rights until he/she has been employed by the Employer for a period of sixty (60) days on a regular and continuous basis. An employee shall, for this sixty (60) day period, be considered as a probationary at will employee and may be terminated by the Employer without recourse by such employee or the Union to the grievance procedure. Successful completion of the sixty (60) day probationary period will result in the employee's seniority date being considered his/her initial date of employment and all hours worked during the probationary period shall be credited to the length of service computations required for various fringe benefits provided for herein.

**3.C Previous Experience:** New employees with previous experience will be given full consideration into the existing wage scale. The Employer shall have the right to determine the appropriate wage scale for new employees with previous experience. If a dispute arises regarding credit given for prior experience, the matter may be referred to the Grievance Procedure.

**3.D Application:** In the reduction of forces or hours due to lack of work, the employee in the classification in which the Employer is reducing the work force or hours who has the least length of total continuous service with the Employer shall be the first reduced in hours or laid off and in recall or restoring hours, the last employee reduced in hours or laid off in the classification in which the Employer is restoring hours or recall shall be the first restored or recalled until the list of current employees is exhausted. For the purpose of this Section, classifications shall include Head Clerk and Clerk.

The Employer reserves the right to assign schedules and hours of work in accordance with its operational needs.

**3.E Request for Additional Hours:** Part-time employees may request additional available hours within their classification on a store-by-store basis, provided they are available for the hours and have notified their Store Director, in writing. The request may be submitted throughout the year by way of Price Low's computer terminal (ie currently known as WorkChoice). Distribution of the additional available hours where there are written requests will be by seniority.

**3.F Seniority Breaks:** Seniority shall be broken or terminated by (1) voluntary termination, (2) discharge for cause, (3) layoff in excess of (6) months, (4) non-occupational disability in excess of six (6) months, (5) failure to report to work at the expiration of authorized leave of absence or vacation, unless an extension in writing is authorized in advance, (6) failure to report to work within three (3) working days after being notified to report, except in cases of bona fide illness or other extenuating circumstances which may be honored at the discretion of the Employer, or (7) an occupational disability in excess of twelve (12) months, or eighteen (18) months with three (3) or more years of service. The parties recognize that absences in excess of the time limits as specified above, would disrupt the Employer's operation and there is no guarantee the former position would be available.

**3.G Promotion and Transfers:** All full-time Clerk vacancies are to be filled by offering the vacancy to the senior part-time Clerk in the store. Head Clerk positions will be full-time.

The Employer agrees to provide a seniority list of employees semiannually. Such list shall be by seniority, listing the employee's date of hire, name, last four digits of their social security number, work location, classification, current rate of pay, and indicate if they are part-time or full-time.

## **SECTION 4. HOURS OF WORK AND OVERTIME**

**4.A Work Week:** The regular workweek shall commence on Sunday and run through Saturday. Forty (40) hours shall constitute a normal workweek to be performed within a five (5) day period. This Section is intended to define the normal hours of work and shall not be construed as a guarantee of hours of work per week or days of work per week. Part-time employees will be guaranteed twenty-four (24) hours of work per week. Any such employee scheduled shall be guaranteed four (4) hours work per day.

If the Employer were to hire a Meat Cutter, Meat Cutters would be guaranteed eight (8) hours per day.

**4.B Starting Times and Schedules:** The parties expressly recognize that starting times must be staggered for various shifts due to the demands of business. The Employer retains discretion to set such starting times and to schedule employees so as to fit its staffing requirements. The Employer will make every effort to work around legitimate school schedules. Work schedules shall be posted by the Employer by 3:00 P.M. on Thursday of each week. Such schedules shall not be changed once posted for the purpose of reducing scheduled hours except for emergencies.

**4.C Rates of Pay:** See Appendix "A".

**4.D Overtime:** Overtime shall be paid at the rate of one and one-half (1-1/2) times the regular hourly rate for all work (a) performed in excess of forty (40) hours in any calendar week, (b) in excess of eight (8) hours in any one (1) day, (c) work on the sixth (6<sup>th</sup>) day worked in a calendar week, or (d) work performed within ten (10) hours from the time the last shift ended. There shall be no pyramiding of overtime. For purposes of calculating overtime, recognized holidays shall be treated as hours worked within the applicable calendar week.

**4.E Breaks and Meal Period:** A meal period of one (1) uninterrupted hour will be granted for each eight (8) hour shift, but will not be considered part of the regular work day for compensation purposes. Each employee shall be released from work for his/her meal period within five (5) hours, but no sooner than three (3) hours after scheduling starting time. Any employee who works in excess of five (5) hours during an eight (8) hour shift without a meal period shall receive overtime compensation for all such work performed in excess of five (5) hours until a meal break is taken. Two (2) unscheduled ten (10) minute breaks will also be granted within a regular eight (8) hour shift.

In accordance with State Law, the Employer may schedule up to a six (6) hour shift without a lunch period. Any shift that is longer than five (5) hours but less than six (6) hour shall not be subject to the overtime rate and shall include two (2) unscheduled ten (10) minute breaks.

**4.F Pay Day:** Employees shall receive their paychecks on a weekly basis by the end of their shifts on Thursday.

## **SECTION 5. BARGAINING UNIT WORK**

**5.A** The parties expressly recognize that the efficient utilization of the warehouse concept in food and related product merchandising requires the coordination of outside suppliers, merchandisers, salesmen and in-store employees. No restrictions shall be placed on outside service merchandisers, service drivers, driver salesmen, salesmen or merchandisers who represent or otherwise handle products to be sold by the Employer. No bargaining unit employee shall be laid off or reduced in hours as a result of work being performed by any outside service merchandisers, service drivers, driver salesmen, salesmen or merchandisers. Demonstration work may, at the discretion of the Employer, be assigned to employees or subcontracted. During the term of this agreement, the Employer agrees that no currently recognized major department or portion thereof shall be subcontracted or leased to others. Major departments shall be identified as grocery, produce, front end, meat and seafood.

**5.B** Price Low sells prepackaged meat. If Price Low were to reinstate meat cutting on the premises, the Employer agrees to employ Meat Cutters in that capacity.

## **SECTION 6. HOLIDAYS**

**6.A** The following days are recognized as paid holidays: Employee's Birthday, New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, and two (2) floating holidays; one an anniversary date of employment and the other a floating holiday.

If the Employer elects to open on Thanksgiving Day or Christmas Day, the store shall be staffed with volunteers. If not enough employees volunteer then inverse seniority will apply. If more employees than are needed volunteer, assignment shall be by seniority. No employee will be required to work on Christmas Day.

Worked performed on Thanksgiving Day or Christmas Day will be compensated at the rate of one and one-half (1-1/2) times the regular hourly rate, in addition to holiday pay. Worked performed on any other holiday mentioned in Section 6A will be compensated at the straight-time rate of pay, in addition to holiday pay.

**6.B** Employee's Birthday, Anniversary Date of Employment, and Floating Holiday:  
For employees hired after the date of ratification, who have completed three (3) years of employment shall receive pay for said holidays as if worked. Each employee shall give the Employer notice of their choice of day off at least two (2) weeks prior to the week in which his/her Birthday or Anniversary occur. The Floating Holiday day off shall be mutually agreeable (within one (1) year after eligibility) with the employee and the Employer.

Such Birthday or Anniversary holiday shall be enjoyed by this employee on the actual day or another day mutually agreeable to the employee and the Employer.

If an employee's Birthday or Anniversary falls on a day which is otherwise considered a holiday, the employee shall receive an additional day off for the Birthday or Anniversary in addition to the holiday on which it falls.

All earned holidays not taken within a calendar year will be paid at termination or at the end of each calendar year, whichever occurs first.

**6.C** After entitlement, holiday pay will be pro-rated based on the average number of hours worked for the six (6) weeks preceding each such holiday. The same requirements for working the last scheduled day prior to and the first schedule day after each such holiday also applies to part-time employees unless such absence is expressly permitted by the Employer.

## **SECTION 7. VACATIONS**

**7.A** For Employees hired prior to ratification, shall be entitled to annual vacation periods as follows:

After one (1) year of continuous employment, one (1) week paid vacation;

After two (2) years of continuous employment, two (2) weeks paid vacation;

After five (5) years of continuous employment, three (3) weeks paid vacation;

After fifteen (15) years of continuous employment, four (4) weeks paid vacation.

And after twenty (20) years of continuous employment, five (5) weeks paid vacation.

Employees hired after ratification will be entitled to annual vacation period as follows:

After one (1) year of continuous employment, one (1) week paid vacation;

After three (3) years of continuous employment, two (2) weeks paid vacation;

After seven (7) years of continuous employment, three (3) weeks paid vacation;

The parties agree that vacation pay shall be paid as the vacation is taken. Furthermore, all earned and unused vacation shall be paid out on the anniversary date of employment following the year it is earned.

**7.B** Eligibility for vacation shall be computed from the original date of employment of the employee, unless in the interim, as specified in Section 3, the continuity of service has been broken, in which case eligibility shall date from the time of re-employment. In determining whether an employee qualifies for the full vacation benefit, holidays, vacation time and used sick leave shall be credited as hours worked.

**7.C** Employees shall have their vacation paid on the basis of the average number of hours worked per week during the previous calendar year, except for the first year where it will be calculated based on the average number of hours worked from anniversary date to anniversary date. Vacation pay for employees who are on an approved leave of absence for more than three (3) months shall also be on a pro rata basis. Those employees who are terminated after completion of a year of continuous service shall likewise be entitled to a pro rata vacation entitlement.

**7.D** Vacations will normally be scheduled in minimum units of one (1) week. Vacations shall be taken during a time mutually agreed upon by the employee and the Employer after the annual anniversary date entitling an employee to such vacation. There shall be no accumulation of vacation time or pay from one (1) year to the next. By mutual agreement, vacation may be used in single day increments.

**7.E** Seniority is to be considered in the choice of vacation periods by employees within various classifications. Vacations will be scheduled to be taken between February 1 and November 1 of each calendar year or at a mutually agreed upon time by the employee and the Employer. The Employer may block out the full week of the week in which President's Day falls.

All employees will be given an opportunity to state their preferences for vacation time in January and February.

During the month of January, employees may select from available weeks by seniority within classifications. At the end of January, those weeks selected will be considered awarded to those employees.

During the month of February, employees may still select vacations from available time periods by seniority within classifications, but may not bump any vacations fixed in January.

If an employee fails to select their vacation time by March 1<sup>st</sup>, that employee's vacation time may be assigned by the Employer. The Employer shall have sole discretion to limit, on a week by week basis, the number of employees by classification who will be able to take vacation time.

## **SECTION 8. LEAVES OF ABSENCE**

**8.A** The Employer may, at its discretion, grant a personal leave of absence in writing to an employee after one year of employment. This leave of absence shall not exceed thirty (30) days. The Employer will exercise its discretion reasonably and fairly, however its decision not to grant a leave of absence shall not be the subject of a grievance pursuant to the procedures provided herein. Any employee requesting such a leave shall do so in writing with a copy to the Union. If a leave of absence is granted, the employee and the Union shall be given written notice of the terms and conditions thereof and the employee shall execute a copy of said notice, thereby acknowledging said terms and conditions. The Employer shall not be required to maintain the employee's health and welfare benefits during the leave of absence described herein.

**8.B** Any employee who undertakes other employment of any nature during any leave of absence, without first securing written permission from the Employer and the Union, automatically cancels such leave of absence and will be treated as a voluntary quit. All fringe benefits are suspended during any such leave and the time off shall not be considered as time worked for the calculation of such benefits.

**8.C** The Employer shall grant non-industrial accident or sickness leave of a period not to exceed six (6) months and industrial leave of absence up to twelve (12) months or eighteen (18) months with three or more years of service.

**8.D** An employee must work twelve (12) months before being eligible for a leave in excess of fifteen (15) days.

## **SECTION 9. JURY DUTY AND ELECTIONS**

**9.A** Any employee who is called for jury service, except for grand jury service, shall be excused from work for the days on which he/she serves and shall receive, for each such day of jury service on which the employee would otherwise have worked, the difference in pay between the scheduled work lost and the payment the employee receives for jury services. The employee shall present a record of service and the amount of pay received therefore to the Employer.

**9.B** An employee called for jury service on any regular scheduled work day shall report for work during all periods of time he/she may be available prior to the hour he/she is required to be in court and thereafter shall report back to work in the event two (2) hours of the regular scheduled shift is left to be worked upon being excused from court. Any employee who so fails to report for work shall not be eligible for the time lost as hereinabove provided.

**9.C** If an employee does not have sufficient time outside of working hours with the Employer to vote in a state-wide election (federal or state primary or general election) he/she shall be given time off with pay not to exceed two (2) hours to vote.

The Employer must be given two (2) days notice in writing if any employee has reason to believe time off scheduled work is necessary to vote; however, if the employee has three (3) hours outside of the work shift while the polls are open, it is agreed the employee is not eligible for this time off.

## **SECTION 10. FUNERAL LEAVE**

**10.A** In the event of a death in the immediate family of an employee he/she shall, upon written request, be granted such time off with pay as is necessary to make arrangements for the funeral or memorial service and attend same, not to exceed three (3) regularly scheduled working days. This provision does not apply if the death occurs during the employee's paid vacation, or while the employee is on leave of absence, layoff or sick leave. Said leave shall be paid on the basis of the then-applicable straight time hourly rate.

**10.B** For the purpose of this provision, the immediate family shall be defined as father, mother, brother, sister, spouse, child, grandmother, grandfather, stepparents and stepchildren. At the request of the Employer, the employee shall furnish a death certificate, proof of relationship to the deceased, proof of attendance and proof of arrangements.

**10.C** Funeral leave or Memorial service applies only in instances in which the employee attends the funeral or memorial service arrangements, but this benefit is not applicable for other purposes such as settling the estate of the deceased.

**SECTION 11. HEALTH AND WELFARE AND SICK LEAVE**

**11.A** The Employer agrees to provide and maintain the following health benefits for eligible employees and their eligible dependents:

- (1) Medical
- (2) Dental
- (3) Vision
- (4) Prescription
- (5) Life Insurance

**11.B ELIGIBILITY:** After a new employee has been employed for four (4) months (ninety-two [92] hours per month, the employee thereafter becomes eligible for benefits on the first day of the first month following any month in which the employee has worked ninety-two (92) hours or more. Upon eligibility, employees will have employee-only coverage. Employees classified as Head Clerks will receive family coverage upon eligibility.

**11.C BENEFITS:**

<u>Medical:</u>	<u>Blue ShieldPPO</u> <u>In-network</u>	<u>Blue ShieldPPO</u> <u>Non-Network</u>	<u>Kaiser</u>
Hours per Month Requirement:	92		92
Initial Eligibility Requirement:	4 months		4 months
Annual Deductible:	\$250	\$500	N/A
Annual Out-of-Pocket Max:	\$1,500	\$3,000	\$1,500
Lifetime Maximum:	\$1,500,000		N/A
Coinsurance % Payable by Insurance Company:	80%	50%	\$10 co-pays
Emergency Room Co-Payment	\$75 + 20%		\$75
Hospital In-Patient Admission	\$100 co-pay + coinsurance		\$100
Chiropractic/ Acupuncture	20 Chiro./12 Accup.		N/A
Preventive	Date of ben. Eligibility		Date of ben. Eligibility

<u>Prescriptions:</u>	<u>CA Rx Plan</u>		<u>Kaiser Rx</u>
	<u>In-network</u>	<u>Non-Network</u>	<u>Kaiser Only</u>
Annual Deductible (applies only to Non Formulary Brand drugs):	N/A		N/A



- (3) Upon maximum accumulation, on the employee's anniversary date of employment, the Employer will make a one-half (1/2) cash payout to the employee for all unused sick leave in excess of the maximum thirty-two (32) days.

## **SECTION 12. PENSION PLAN**

**12.A Head Clerk Employees (Hired prior to ratification):** The Employer agrees to make contributions in accordance and under the same terms and rates as those in the "Nob Hill/Local 428 Agreement." These terms and rates will only apply to employees classified as Head Clerks or Produce Managers on the date of ratification

**12.B 401(k):** All other employees will be eligible for the 401(k) Plan as described in Appendix "B" of this Agreement.

## **SECTION 13. NO STRIKE OR LOCKOUT**

**13.A** During the life of this Agreement, the parties agree there shall be no strike, slowdown, stoppage of work, picketing, boycotts or lockouts for any cause whatsoever.

**13.B** The no-strike, no-lockout pledges set forth in Section 13.A above are enforceable, irrespective of whether there exists an underlying dispute, if any which may be processed through the grievance procedure set forth in Section 15 below. The no-strike pledge also prohibits alleged sympathy strikes; however, it shall not be a violation of this Agreement and it shall not be the cause for discharge or disciplinary action in the event an employee refused to go through or work behind any lawful, sanctioned, established primary picket line existing at the facility or facilities covered by this Agreement, including the lawful, sanctioned, primary picket line of the Union. A sanctioned picket line is defined as one which is sanctioned by the United Food and Commercial Workers International Union.

**13.C** The Union agrees not to strike or to engage in a work stoppage or slowdown affecting the Employer and no employee shall encourage other employees to take part in any work stoppage during the life of this Agreement.

## **SECTION 14. DISCHARGE AND SUSPENSION**

**14.A** The Employer may discharge or suspend an employee for just cause, and just cause shall include but not be limited to unlawful harassment or discrimination, misconduct, fighting, intentional destruction of equipment and/or property, dishonesty, theft, "grazing" (failure to pay for merchandise as specified in the Employer's rules), or use of or being under the influence of alcohol or unlawful narcotics while at work or on the premises. If an employee has been issued a written warning, said warning(s) will remain in effect for a period of six (6) months from the date of issuance, at which time said warning(s) shall be treated as null and void. The Employer also retains the right to suspend and discharge any employee for violating the Employer's reasonable rules, which must be provided to each employee, Union or posted conspicuously. The Employer will forward copy of warning notice(s) to the Union.

**14.B** Any employee so disciplined may request an investigation of this discharge or suspension and the Union shall have the right to protest any such discharge or suspension. Such protest shall be presented in writing to the Employer within ten (10) days after the discharge or suspension occurs. If such a protest is not so filed the right of appeal and access to the grievance procedure as set forth below is lost. Upon the filing of a timely protest, the matter shall be handled in accordance with the provisions set forth in Section 15 below.

**14.C** The Employer shall give a discharged or suspended employee a written notice of such action and submit a copy to the Union.

**14.D** If an employee is notified by a representative of management that he or she will be subject to an investigative interview conducted by a Loss Prevention Agent and/or a Human Resources Manager, which may lead to the employee being disciplined, the Employer will advise the employee that he or she has the right to union representation.

## **SECTION 15. GRIEVANCE PROCEDURE**

**15.A** The parties expressly agree that the following grievance procedure is provided for the purpose of resolving any and all claims arising out of or relating to working conditions provided in this Agreement. Further, the parties agree that this procedure is the exclusive remedy for the employees covered by the Agreement to resolve any and all claims which may arise out of their employment by the Employer, excepting those remedies created by statute or agency regulation.

**15.B** A grievance is defined as a dispute regarding the discharge or suspension of an employee, the application or interpretation of any portion or this Agreement, which dispute arises and is submitted during the term of this Agreement. Disputes shall proceed to arbitration unless the issue raised is not of "interest" and involves a subject not addressed in negotiation.

**15.C** A grievance, other than employee discipline, shall be initiated in writing within ten (10) days after the occurrence of the event giving rise to the grievance or otherwise the claim shall be waived.

**15.D** The Employer may not be required to pay any wage claims retroactively for a period of more than six (6) months prior to the date upon which the Employer has received notice of such claims from either an employee or the Union.

**15.E** In case a grievance arises, it shall be first taken up between designated Union representative(s) and similarly designated Employer agent(s). The resolution of a grievance between the parties at this stage shall not be binding or precedent setting to determine the resolution of similar cases.

**15.F** In the event that a satisfactory settlement is not effected, and these informal efforts at adjustment fail, the matter may be referred to a Board of Adjustment comprised of two (2) persons designated by the Employer and two (2) persons designated by the Union. Said Board shall meet with the complaint or his/her Union representative within five (5) weekdays after

submission and shall render its decision or impose a settlement within forty-eight (48) hours after termination of such hearing. If the Board of Adjustment decides or settles the dispute, said resolution shall be final and binding on the parties and any affected employee or employees.

**15.G** If the Board of Adjustment fails to settle or decide the dispute and the matter is deadlocked, the case may be referred to an impartial arbitrator by either the Employer or the Union and the decision does not violate Section 1286.2 of the California Code of Civil Procedure. Notice by either party to the other of its desire to place the matter before an impartial arbitrator shall be submitted to the other party in writing within five (5) calendar days of notification of the Board of Adjustment of its inability to decide the matter. In the event neither party notifies the other of a desire to proceed to arbitration within the five (5) day period specified herein, then and in that case, the grievance shall be considered closed.

**15.H** The arbitrator shall be selected from a panel provided by the Federal Mediation and Conciliation Service or upon mutual agreement.

**15.I** The expense of the arbitrator (including reporter expenses, if necessary) shall be shared equally by the Employer and the Union; provided, however, that each party shall bear the costs of its own presentation.

**15.J** The decision of the arbitrator shall be within the scope and terms of this Agreement and shall not change any of its terms and conditions, and said arbitrator has no power to add to, alter or amend this Agreement.

**15.K** Each case will be argued orally unless either party requests to file post-hearing briefs. In all cases, a court reporter shall be present and record the proceedings unless mutually waived by the parties. If either party requests a transcript, the requesting party shall be solely obligated to pay for such transcript. Briefs are to be prepared and mailed within fifteen (15) business days from receipt of transcript with leave to extend by mutual agreement.

## **SECTION 16. STORE VISITS**

**16.A** It is agreed by both parties hereto that the business representative of the Union shall have the right and shall be allowed by the Employer to visit any and all stores and shall have free access to the employees during such visits for the purpose of making inquiries from the employees relative to information concerning working conditions, complaints of members of the Union, and other matters pertaining to the enforcement of this Agreement, provided said investigation may be accomplished without interfering with the duties of the employees and that the representatives notify the store management of the type of visit upon arrival at the store.

**16.B** The Employer recognizes the right of the Union to appoint store representatives. The Employer agrees to schedule one (1) store representatives a day off, at the employee's daily straight-time rate based on the average daily hours worked in the pay period preceding, not to exceed eight (8) hours, to attend an annual education meeting. The parties agree that such

time shall not be considered time worked for purposes of overtime, benefit contributions, or other incidents of time worked.\_\_\_\_\_

**SECTION 17. SEVERABILITY**

It is not the intent of the parties to violate any laws, rulings or regulations of any governmental authority or agency having jurisdiction over them. Accordingly, in the event that any provision of this Agreement is finally held and determined to be illegal by a court of last resort, such decision shall not affect the validity of the remaining provisions of this Agreement, but rather such remaining provisions shall continue in full force and effect. Additionally, in the event that any provision or provisions are so declared to be in conflict with a law or rule or regulation, the parties shall immediately meet for the purpose of renegotiation and agreement on provisions so invalidated.

**SECTION 18. NO REOPENING DURING CONTRACT TERM**

The Employer and the Union hereby acknowledge that during the negotiations, which resulted in this Agreement, each party had the unlimited right and opportunity to make demands and proposals with respect to any subject not removed by law from the area of collective bargaining. This Agreement constitutes the entire agreement of the parties and concludes collective bargaining for the term unless specifically provided for elsewhere herein. The parties, for the life of this Agreement, voluntarily and unqualifiedly waive the right to require the other to bargain collectively with respect to any subject or item no specifically referred to or covered by this Agreement.

**SECTION 19. TERM OF AGREEMENT**

This Agreement shall be in full force and effect from March 5, 2006 up to and including March 7, 2009. This Agreement shall continue from year to year unless either party hereto gives written notice to the other party of a desire to alter, modify or terminate this Agreement, which notice must be given at least sixty (60) days prior to the expiration date hereof. Failure to give such notice shall be regarded as a renewal thereof forth following contract year.

In the witness hereof, the parties hereto have executed this Agreement this \_\_\_\_\_ day of \_\_\_\_\_.

PRICE LOW FOODS

UNITED FOOD AND COMMERCIAL  
WORKERS UNION, LOCAL 428

BY \_\_\_\_\_

BY \_\_\_\_\_



**APPENDIX "B" Employer 401(k)**

**RETAIL FOOD and RETAIL MEAT:**

- D.1 401(k):** Effective April 1, 2006, the Employer will introduce a 401(k) Plan for all eligible employees at Price Low. An Employee is eligible to participate in the 401(k) Plan on the first month after two full months of employment.
- D.2 Employer Contributions:** The Employer will match the employee's contribution to the 401(k) Plan at the rate of \$.50 for every \$1.00 contributed by the employee up to a maximum of one thousand dollars (\$1,000.00) per year.
- D.3 Vesting:** Effective January 1, 2006, the vesting period for the 401(k) match will be as follows:

At two (2) years:	20%
At three (3) years:	40%
At four (4) years:	60%
At five (5) years:	80%
At six (6) years:	100%

A year of Credited Service for vesting under the 401(k) Plan is one thousand (1,000) hours of Credited Service during the 401(k) Plan Year (January 1<sup>st</sup> through December 31<sup>st</sup>).

An employee is 100% vested in their Employee Elective Deferral account at all times.

- D.3 Contributions:** All contributions heretofore mentioned above shall be subject to the Plan limitations as otherwise provided under the Internal Revenue Service Code.

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