

Zup's Silver Bay

Grocery Contract

Effective
06/06/2021 – 06/08/2024



United Food and Commercial Workers Union Local 1189

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Duluth MN 55812

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Know Your Rights

Request that your Union Representative be present!

U.S. Supreme Court ruled in 1975 “Weingarten” that an employee has certain rights when questioned by their employer. The following are rights that were granted under this case. It applies only when your employer is interviewing you for the purposes of determining whether discipline is warranted. It does not apply when the discipline is already decided.

1. You have a right to Union representation, but you must ask for that representation.
2. You must ask for Union representation from the person doing the questioning. The questioner must be told that you do not want to proceed without Union representation.
3. If the discipline has already been decided upon by the Employer, your right to representation is not there; however, you only need to listen – you do NOT have to answer any further questions.
4. This rule does NOT apply to everyday conversations between a supervisor and an employee regarding performance of job duties and normal work performance.
5. After you have requested Union representation, the Employer rights are:
 - a. They can grant your request and bring in a Union Representative.
 - b. They can discontinue the interview and proceed with the investigation without your participation.
 - c. The Employer can offer you the choice of proceeding without Union representation.

Remember:

What you say can be used against you. Know your rights!
Demand Union representation when you are facing discipline.

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June 6th, 2021 - June 8th, 2024

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THIS AGREEMENT is entered into and is effective on the 6th day of June, 2021, between ZUP'S of SILVER BAY, hereinafter referred to as the Employer, and the United Food and Commercial Workers Union Local #1189, chartered by the United Food and Commercial Workers International Union, AFL-CIO, and hereinafter referred to as the Union.

**ARTICLE 1
INTENT AND PURPOSE**

1.1 The Employer and the Union in recognition of the need of continuous service through cooperation, mutually agree to cooperate fully for harmonious relationship, efficient store operation, and maximum service.

1.2 All Employer rights, functions, responsibilities and authority, not specifically limited by the express terms of this Agreement, are retained by the Employer and remain exclusively within the rights of the Employer. These include but are not limited to the right to plan, determine, direct and control store operations and hours, the right to study and introduce new methods, facilities and products, the right to direct and control the work force including the determination of its size and composition, scheduling and assignment of work, and also including the right to hire, assign, demote, promote and transfer, to lay off or reduce the hours of work because of lack of work, to discipline, suspend or discharge for just cause, and to establish and maintain reasonable rules and regulations covering the operation of the store.

1.3 The Employer recognizes the established rights, responsibilities and values of the Union and has no objection to its employees becoming members of the Union, responsible in conjunction with the Employer and for making and keeping this Agreement.

1.4 In consideration of the mutual promises herein contained and for the purposes of creating a working agreement by and between the Employer and its employees and the Union, the parties hereto mutually covenant and agree to and with each other as follows:

**ARTICLE 2
RECOGNITION**

2.1 The Employer recognizes said Union as the sole representative of the employees in the classifications set forth in this Agreement for the purpose of collective bargaining with respect to the hours of labor, rates of pay, and working conditions hereinafter specified, excluding the store manager, watchmen, guards and supervisors as defined in the National Labor Relations Act as amended.

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

2.3 Any department or space leased out, or a new department operated by the Employer shall be covered by an appropriate collective bargaining agreement negotiated between the Employer and United Food and Commercial Workers Union Local #1189. The parties understand and agree that the jurisdiction of the Union includes the work and services connected with the handling or selling of merchandise to the public, with those limitations as set forth in the exclusions of the unit descriptions in Section 2.1 of this Article.

2.4 This Agreement shall be binding upon the parties hereto, their successors, administrators, executors and assigns. The Employer shall give the Union and the employee affected one week's (7 calendar days) notice of termination of employment

where the Employer is terminating or selling the business. Where the employee works less than his/her normal schedule after the notice he/she shall receive his/her normal pay. The Employer shall give notice of his/her intent to sell not later than seven (7) days prior to the close of the sale.

2.5 This Agreement shall apply to the Employer's operations as performed on the effective date of this Agreement and this contract and Union representation there under shall also extend to any extension, expansion, or relocation of such present operations now represented by this Local Union in the geographical area of jurisdiction that is covered under the charter of this Local Union.

ARTICLE 3 UNION SECURITY

3.1 It shall be a condition of employment that all employees of the Employer covered by this Agreement who are members of the Union and in good standing on the date of execution of this Agreement shall remain members in good standing, and those who are not members on the date of the execution of this Agreement shall, on or after the thirty-first (31st) day following the execution of this Agreement, become and remain members in good standing in the Union. It shall also be a condition of employment that all employees covered by this Agreement and hired on or after its date of execution shall on the thirty-first (31st) day following the beginning of such employment become and remain members in good standing in the Union.

3.2 The Employer agrees to deduct Union dues and initiation fees and/or reinstatement fees and uniform assessments from the wages of the employees in the bargaining unit who provide the Employer with a voluntary written authorization which shall not be revocable for a period of more than one year or beyond the termination date of this Agreement, whichever occurs sooner.

3.3 The deduction of the Union dues shall be made on a weekly basis and shall be deducted from the employee's paycheck each pay period. Dues shall be forwarded to the union office within fourteen (14) days after the last deduction of each month. In the event no wages are due the employee, or if there are insufficient funds to cover the required deduction, the Employer will deduct whatever portion of the required amount that can be deducted. The Employer and the Union during the interim period of this contract shall by mutual agreement to be authorized to alter or amend the functional procedures of this section only if necessary. (The intent of this change is to allow dues to be taken out of the employee's paycheck each pay period. The Union will work with each Employer's payroll personnel to set up a uniform system of dues deduction and remittance.)

3.4 The Employer agrees, under the contract requirements of paragraphs 3.1 and 3.2 above, to have a new employee complete a union membership card and dues authorization at the time of hiring. The Union agrees that should the Employer take an initial deduction prior to the completion of the employee's probationary period, such amount shall be promptly refunded by the Union to the employee. This provision shall be subject to the letter of interpretation attached hereto and made a part hereof.

ARTICLE 4 HOURS OF LABOR

4.1 All work performed in excess of eight (8) hours in any one day or forty (40) hours in any one week Sunday through Saturday, shall be paid at time and one half (1½) the regular hourly rate. In weeks wherein a holiday is celebrated, the workweek shall be thirty-two (32) hours, four (4) days of eight (8) hours each.

4.2 All employees shall be paid time and one-half (1½) for all work performed on the seventh (7th) day of a regular workweek and on the sixth (6th) day of a holiday week. Store operating hours shall be set by each Employer on Sunday through Saturday, inclusive. In order to preserve bargaining unit work, no store shall be open for service of customers on Easter Sunday or the specific holidays or hours referred to in the article covering holidays. For purposes of payroll only, may be the first day of the week.

4.3 All time worked shall be consecutive, except up to one (1) hour by mutual agreement shall be allowed for lunch each day if the employee works more than four (4) hours. Lunch is to be scheduled as near as possible to mid-shift. No employee shall be scheduled to work in excess of five (5) hours without a meal period. Any employee who has worked a regular full day shift and is required to work after 6:00 p.m. in night operations shall receive a twenty (20) minute supper period with pay. If said employee takes in excess of twenty (20) minutes, the Employer is not required to pay for the supper period.

4.4 When scheduled or called to work, employees, if available, shall receive a minimum of four (4) hours work or pay; except in case of emergency, when call in shall be two (2) hours for all employees. There shall be no pyramiding or duplicating of daily, weekly overtime or premium pay.

4.5 All employees shall be guaranteed a minimum of twenty (20) hours per week, Sunday through Saturday.

4.6 It is expressly understood and agreed that the Employer shall establish a regular starting time for each employee. A record of such starting time shall be furnished to Local Union #1189 upon request. It is further agreed that each Employer shall keep a record of time showing the hours per day and the days per week worked, and the wages paid each employee. The payroll record for an individual employee shall be available to that employee or a representative of Local Union #1189. The Employer shall furnish the Union with copies of the requested payroll records. All such requests shall be reasonable and limited to one (1) request per year for each employee. The payroll records will be available for a maximum period of five (5) years.

4.7 Work schedules for all employees shall be made up for a two-week period. The schedule shall be posted for any two-week period no later than Friday at 2:00 p.m. preceding the first week of the two-week period. When posting the schedules, the Employer shall show the employee's first and last name on the schedule in ink. All employees shall have the opportunity prior to the posting of the schedule to request of the Company, in writing, a particular day or days off. If the requested day or days off are for a justifiable reason, the Employer will make every effort to schedule the employee so he/she receives his/her requested day or days off without loss of hours, based on seniority. Once the schedule for any period is posted, there shall be no change in the schedule for that period, except for emergencies.

Where the Employer knows in advance that the scheduled hours will not be available, the store manager will make every effort to notify the employee. Employees will make every effort to notify the Employer in advance when they will not be available for work.

4.8 Employees, if absent, shall call in daily, and shall report the length of time that they expect to be absent from work. If absent for more than three (3) days, the employee shall report his/her availability for work at least twenty-four (24) hours prior to the time that he/she expects to report for work or prior to the time the Employer makes up his/her schedule for the next week.

4.9 Each employee who works more than (4) hours shall receive a fifteen (15) minute paid rest period. Employees who work seven (7) hours per day or more shall receive two fifteen (15) minute paid rest periods, one before lunch and one after lunch.

4.10 Employees shall be paid in full for all time spent in the service of the Employer. All employees currently being paid on a weekly payroll basis shall continue to be paid on a weekly payroll basis.

4.11 Required attendance at company meetings shall be paid at the employee's regular wage rate for the time actually spent at the meeting. Any meetings in excess of four per calendar year shall entitle the employee to no less than the guaranteed call in time at the proper hourly wage rate, inclusive of premium rates and overtime if applicable.

ARTICLE 5 MISCELLANEOUS PROVISIONS

5.1 The temperature of the store shall be maintained at a level to insure the comfort of the employee and the efficient and proper operation of the business, with exceptions made for emergencies and acts of God.

5.2 A duly authorized representative of the Union shall be admitted to the Employer's premises during the hours employees covered by this Agreement are at work, for the purpose of ascertaining whether or not this Agreement is being observed and for collection of dues. Such activities shall be conducted in such manner as not to interfere with the orderly operation of the Employer's business.

5.3 The Employer shall have the right to adjust wages of its employees provided such adjustments are made over the contract wage rate range, and provided further that such adjustments are made within the contract period. When an adjustment is made, an employee shall be given credit for the hours and/or years of service and progress from that point.

5.4 Tools shall be furnished by the Employer and maintenance of tools shall be on the Employer's time. All tools and equipment shall be maintained in an operable condition.

5.5 All employees shall present themselves on time, ready for work, clean and neat in appearance, in accordance with written company policies, and shall not at any time conduct themselves in a way that will reflect unfavorable upon the Shop, the Employer and the Union.

5.6 No employee shall make any written or verbal agreement that will conflict with this Agreement.

- 5.7 Any employee, at the date of entering into this Agreement, receiving a higher rate of pay or enjoying better working conditions than those herein specified, shall suffer no loss as a result of this Agreement.
- 5.8 Customers in the store at closing time shall be waited upon by the employees, provided the doors were closed at the store's regular closing time.
- 5.9 The Union shall have the right to appoint a steward. In no instance shall the steward be discriminated against for discharging his/her duties, provided such duties do not interfere with the regular performance of his/her work for the Employer or in any way interfere with the operation of the business. It is agreed and recognized, however, that the Employer shall give reasonable consideration to mutually agreed to and adequate time to allow a steward to perform the functional responsibilities of the appointment, without compensation from the Employer.
- 5.10 The Company shall provide a bulletin board on which the Union may post notices pertaining to Union business.
- 5.11 The Union shall use its best efforts as a labor organization to enhance the interests of the company as an employer of Union labor.
- 5.12 Members of the Union may wear a Union button when on duty.
- 5.13 Where time clocks are not provided, the Employer shall institute adequate payroll procedures to insure that all hours worked are properly recorded.
- 5.14 The Employer will comply with all legal requirements for the safety and health of their employees during the hours of employment, and shall provide a first aid kit containing bandages, etc. Employees will comply with all safety rules including the Employer's policy on drug testing.
- 5.15 If a physical examination or health permit is required by the Employer, the medical fee for such examination shall be borne by the Employer.
- 5.16 Any employee who serves in the National Guard military reserve units which require annual training shall be granted the necessary leave without pay to fulfill the annual training requirements of the unit which they serve. Such employee shall give the Employer two (2) weeks' prior notice. An employee shall not be required to take military training duties as earned vacation.
- 5.17 The Employer will comply with the applicable laws of the United States concerning the re-employment of persons leaving the military service of the United States.
- 5.18 The Employer shall not request the employee to take a lie detector test not in conformance with the law.
- 5.19 Non-Discrimination Clause. The Employer and the Union agree not to discriminate against any individual with respect to his/her hiring, compensation, terms or conditions of employment, nor will they limit, segregate or classify employees in any way to deprive any individual employee or employment opportunities because of his/her race, color, religion, sex, national origin, age or physical handicap.

5.20 Active Ballot Club Checkoff. The Company agrees to deduct amounts designated by employees for the UFCW Active Ballot Club (ABC) when the Company has been furnished an individual written authorization for making such deductions. It is agreed that the ABC authorization is to be voluntary. The Company agrees to remit the ABC contributions to Local #1189 in the same manner as the Union dues.

5.21 Employees shall not have cell phones in the store during working hours. Cell phones may be used when on break, but returned to the Employee's vehicle when the break is over.

ARTICLE 6 LAUNDRY-UNIFORMS

6.1 In the event the Employer requires its employees to wear smocks, aprons, jackets, caps, uniforms, or insignia, the Employer shall furnish and maintain same. In the event the Employer furnishes to the employees drip-dry uniforms, and the employees accept the same, the employees shall launder the uniforms. Jackets or rain gear for employees working outside will be available for inclement weather. Jackets for unloading trucks will be available. Where the Employer is presently furnishing and maintaining uniforms, it shall continue to do so.

ARTICLE 7 NO STRIKE NO LOCKOUT

7.1 The Employer agrees not to engage in any lockout of employees and the Union agrees that it will not engage in any strikes during the life of this Agreement. Participation in any strike, slowdown, sit-down or stoppage of work brought about either by action of the Union in violation of this Agreement, or by action of an individual or individual groups without Union authority, shall be just cause for dismissal or discipline by the Employer of any and all employees participating therein.

7.2 Except as provided above, nothing herein shall affect the right of the Union to call, assist or support a strike officially authorized by the Union. It shall not be a violation of this Agreement, and it shall not be cause for discharge or disciplinary action in the event an employee refuses to enter upon any property involved in a primary legal picket line, including the primary legal picket line of Unions party to this Agreement, and including primary legal lines at the Employer's places of business.

ARTICLE 8 VACATIONS

8.1 Employees who have been employed by the Employer for a period of one (1) year or more shall receive one (1) weeks' vacation with pay. Employees who have been employed by the Employer for three (3) years or more shall receive two (2) weeks' vacation with pay. Employees who have been employed by the Employer for a period of **seven (7) years or more shall receive three (3) weeks of vacation with pay. Employees who have been employed for a period of twenty (20) years or more shall receive four (4) weeks' vacation with pay. Employees with twenty-five (25) years or more will receive five (5) weeks of vacation with pay.**

8.2 Employees with six (6) months or more of continuous service with an Employer who quit, are laid off or dismissed, except dismissed for cause, shall be entitled to pro-rated vacation. Such pro-rated vacation to be based on the length of time an employee

served from the date of employment during the first year and thereafter the length of time an employee served since his/her last anniversary date of employment, pro-rated.

8.3 An employee who at the date selected for their vacation has less than one (1) year, but six (6) months or more of continuous service with the same employer, shall be entitled to a part of one (1) weeks' vacation pay equivalent to the part of the preceding twelve (12) months that such employee has been employed.

8.4 Employees taking their vacation during a holiday week shall be given a pro-rated vacation or pay in lieu thereof.

8.5 Vacation pay for shall be at the employee's straight time rate and shall be based upon the average number of hours worked for each week in the preceding year for each week of vacation to which the employee is entitled, inclusive of overtime.

8.6 Vacation shall, as far as possible, be granted for the period preferred by the employee, but should the granted time requested by the employee interfere with the operation of the business, the Employer and employee will mutually arrange a vacation time as near as possible to the time desired by the employee that will not interfere with the operation of the business. A vacation sign up schedule shall be posted the first banking day following January 1st of each year. Vacations shall be scheduled on a calendar year basis and shall be scheduled on the basis of seniority provided the more senior employee notified the employer of their requested vacation dates in writing prior to March 1st of each year. After March 1st, vacation dates shall be scheduled on a first come-first served basis without regard to seniority (weeks or days). Each employee will be notified of his or her vacation period as far in advance as practicable. The Employer reserves the right to make changes in vacation periods when considered advisable for efficient operation. **Vacations may be carried over up to two (2) weeks per year or the employee shall have the option of being paid out for up to ten (10) vacation days per year.** Vacation pay will be paid at the beginning of the vacation period, if requested. In those stores whose problems arise and/or in those stores where mutual agreement can be achieved, a procedure for vacation selection shall be adopted as a matter of company policy. A maximum of one (1) employee may be on vacation at the same time.

The employer may block out three (3) weeks during the year. During these three (3) weeks, no Vacation shall be scheduled. The three (3) weeks the Employer chooses to block out will be indicated prior to the January 1st Vacation selection date and may not be modified once it is set.

8.7 An employee absent from work because of workman's compensation, injury, accident, or illness verified by a doctor's certificate, if requested, will have the time absent from work for any one of those reasons counted as time worked for a period of up to two (2) months.

8.8 Employees with three (3) or more weeks of vacation may take one (1) week of vacation in single day increments.

Single vacation days will be scheduled on a mutually agreeable basis with a minimum notice of the week before the schedule is posted. Full weeks shall take precedence over single vacation days prior to March 1st. Single days will be selected following full week vacation sign up and will be granted on a first come, first serve basis, based on the criteria set forth in Section 8.8 of this Agreement.

**ARTICLE 9
HOLIDAYS**

9.1 For purposes of this contract, the following days are holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. Employees shall not work on Easter Sunday, nor the following days: Christmas Day and after 4:00 p.m. Christmas Eve. Effective April 15, 2002, new employees shall be entitled to holiday pay after the employee has completed one (1) year of service.

Effective April 15, 2002, new employees will be entitled to the one (1) additional day off with pay after the employee has completed one (1) year of service. Employees shall be granted an additional holiday with pay to be taken on the employee's birthday after the employee has completed three (3) years of service.

Employees can volunteer to work on holidays and such opportunities will be assigned by seniority consistent with efficient operation of the store. If there are insufficient volunteers in a seniority category, the Employer may schedule employees to work on holidays by inverse seniority.

9.2 It is agreed that no employee shall work after 4:00 p.m., December 24th, Christmas Eve. No deduction shall be made for time not worked after 4:00 p.m., December 24th, Christmas Eve.

9.3 Employees shall receive their holiday pay for the above mentioned days provided the employee has worked their scheduled day before and their scheduled day after the holiday, except for a bonafide illness.

9.4 In the event any of the above mentioned Holidays falls on a Sunday, the Employee will be allowed to take another day of Vacation.

9.5 When a holiday occurs within a workweek, the regular hours for that week shall be thirty-two (32). All time worked in excess of thirty-two (32) hours in a work in which a holiday occurs shall be paid for at one and one-half (1½) times the employee's regular rate of pay.

9.6 Holiday Pay will be based upon the following schedule for part-time employees:

YEARS OF SERVICE

0 – 3 Years	4 Hours of Holiday Pay
4 – 7 Years	5 Hours of Holiday Pay
8 + Years	6 Hours of Holiday Pay

**ARTICLE 10
SENIORITY**

10.1 Definition. Seniority shall be defined as the length of continuous service with the Employer while working under the jurisdiction of this Agreement.

10.2 Seniority shall prevail in regard to laying off, reduction in hours, and rehiring, provided the employee is qualified to do the work available and works at the contract rate.

Seniority may be exercised for layoff and rehire against the most junior employees in Section A and B below in the following order:

- A. Among all of the employees within each store;
- B. Among all of the employees employed by a company in each individual town.

10.3 No less senior employee will be scheduled for more hours than a more senior employee except that night stockers may be scheduled on a weekly basis for more or less hours than other employees. The employer can schedule employees up to thirty nine (39) hours a week.

10.4 New employees or employees whose seniority has been terminated in accordance with Section 10.2 shall obtain seniority after sixty (60) days from the date of employment, at which time their seniority shall take effect and date back to their last date of hire.

10.5 An employee shall cease to have seniority if the employee:

- A. Quits;
- B. Is discharged for cause;
- C. Fails to return to employment after layoff, and reasonable notice of recall;
- D. Is absent for any reason except military service for a period of one (1) year or more;
- E. No employee shall lose seniority because of sickness or accident or for any reason beyond the control of the employee subject to this one (1) year limitation, except as provided for in Article 20.1B as long as the employee complies with all medical restrictions and requirements; or
- F. After six (6) months as a supervisory employee.

10.6 Seniority listings of all employees employed by the Company in each individual town shall be posted in a conspicuous place in each store and kept current.

10.7 An employee's seniority shall be given reasonable consideration with respect to shift preference and day off preference, as long as it is reasonably consistent with the needs of the business.

ARTICLE 11 UNION LABEL CARDS

11.1 The Union label, card or decal is the property of the Local Union No. 1116 at all times and is loaned to the Employer while this contract is in effect and is to be displayed in a conspicuous place.

ARTICLE 12 EMPLOYMENT TERMINATION

12.1 The Employer shall be entitled to one (1) weeks' notice of an employee's intention to quit. Failure to give such notice shall result in a forfeiture of vacation pay for a period equal to the time deficiency in giving notice.

12.2 Any new employee shall be subject to discharge at the option of the Employer during the first sixty (60) days of employment after the last date of hire. The probationary period may be extended an additional thirty (30) days upon written notice to the Employee affected and the Union.

12.2A The parties understand that a large number of employees will be hired for the opening of a new store. For this reason, any employee who is hired before and within seven (7) days after the official opening of the store shall have a probationary period of ninety (90) days instead of the probationary period of thirty (30) days which would normally apply under the terms of this agreement.

12.3 The Employer shall not discharge nor suspend any employee without just cause. In respect to discharge, the Employer shall give at least **two (2) warning notices** of the complaint against such employee to the employee in writing and a copy of the same to the Union. No warning notice need be given to an employee where he is discharged if the cause for such discharge is dishonesty, drunkenness or drinking on the job, willful insubordination, violation of an established written work rule or willful destruction of property. In addition, no warning notice need be given in the instance of a suspension which is defined as a removal from the payroll for a period of time with the right to be reinstated without loss of seniority at the end of said period of time. A warning notice as herein provided shall not remain in effect for a period of more than twelve (12) months from the date of the warning notice. However, all warning notices and other notification of discipline will remain in an employee's file even if no longer in effect. All discharges must be by proper written notice to the employee and the Union affected. Any employee may request an investigation as to his/her discharge or suspension. Should such investigation prove that an injustice has been done an employee, he/she shall be reinstated and compensated at his/her usual rate of pay while he/she has been out of work. Appeal from discharge or suspension must be taken within ten (10) days by written notice. It shall comply with the grievance machinery set forth herein.

ARTICLE 13 AGREEMENT VIOLATIONS

13.1 All claims for back pay for loss of wages arising under this Agreement on account of any violations of the terms hereof must be made in writing within thirty (30) days from the pay day following the accrual of the claim, and if not made within such period a claim will be barred. The Employer shall not be required to pay back pay on grievance for more than a ninety (90) day period prior to the filing of the grievance.

ARTICLE 14 GRIEVANCE AND ARBITRATION PROCEDURE

14.1 Should a difference arise between the Employer and the Union or employees, as to the meaning and application of the provisions of this Agreement or as to the compliance of either party with any of its obligations under this Agreement, an earnest effort shall be made to settle such differences immediately under the following procedure by negotiations:

- A. Between the employee affected and his/her employer.
- B. By a representative of the Union and an executive of the Employer, at which time either party may call in an outside representative.
- C. Any dispute, difference, or grievance relative to the interpretation of, or adherence to the terms of the Agreement which has not been resolved in Steps A or B above, will be reduced to writing within ten (10) days of the meeting in Steps A or B above. Once reduced to writing, representatives of the Union and the Company will meet in an effort to resolve the grievance.

- D. Should the dispute, difference or grievance not be resolved in Step C, by mutual agreement either party may submit the matter to non-binding mediation. The services of the Federal Mediation and Conciliation Services (FMCS) will be used for this mediation. Mediation must be requested within ten (10) days of the Step C meeting.
- E. If the dispute, difference or grievance is not settled in Step D (or Step C, if mediation is not mutually agreed upon) the matter may be referred to binding arbitration. Such request for arbitration must be with ten (10) days of the Step D meeting (or Step C meeting if Step D is not used).
- F. If a dispute, difference or grievance is arbitrated, the moving party will submit a request for an arbitration panel to the Federal Mediation and Conciliation Services. The list will consist of seven (7) names. The arbitrators will be selected by the parties alternately striking names until one (1) arbitrator is left. The order of strikes will be determined by lot.
- G. The decision of the arbitrator shall be final and binding upon all parties. However, the arbitrator shall not have the power to add to, subtract from, or modify the terms or conditions of the agreement. Either party may request a review of an arbitrator's decision, if either party believes the arbitrator exceeded their authority, made a mistake of law, or otherwise disregarded the clear and unambiguous language of the Agreement.
- H. The expense of the arbitrator, transcription, and hearing room shall be the responsibility of the party not prevailing in arbitration.
- I. At any step in this grievance procedure the Executive Committee of the Local Union shall have the final authority, in respect to any aggrieved employee covered by this Agreement, to decline to process a grievance, complaint, difficulty or dispute further if in the judgment of the Executive Committee such grievance or dispute lacks merit or lacks justification under the terms of this Agreement, or has been adjusted or justified under the terms of this Agreement, to the satisfaction of the Union Executive Committee.
- J. Except in cases of termination, all disputes, differences, or grievances must be brought to Steps A and/or B in 13.1 within thirty (30) days of the alleged violation. In cases of wage disputes in which sixty (60) days will be the time limit. These time limits, and the time limits in 14.1, C, D, & E are binding and all disputes, differences, or grievances will be barred if not adhered to. Time limits may be extended by mutual agreement of the parties.

14.2 In the event either party refuses to arbitrate on demand of the other party, and an order compelling arbitration is obtained in Federal Court on the basis contended by the moving party, the refusing party will pay to the moving party reasonable attorneys' fees as awarded by the court. Similarly, if the moving party fails to prevail in such an issue, the moving party will pay reasonable legal fees as awarded by the court to the refusing party.

**ARTICLE 15
HEALTH AND WELFARE AND PENSION**

15.1 All Employers who are or become signatory or bound by this Agreement agree to be bound by the Agreements and Declarations of Trust, as amended, establishing the Northern Minnesota-Wisconsin Area Retail Food Health and Welfare Fund and the Northern Minnesota-Wisconsin Retail Clerks Pension Fund, copies of which all parties agree have been furnished to and read by all Employers bound hereby prior to the execution of this Agreement. It is mutually agreed that the provisions of said Agreements and Declarations of Trust and any rules, regulations, or plans adopted by the Trustees pursuant thereto shall become a part of this Agreement as though fully written herein. All Employers bound hereby irrevocably designate the employer Trustees of said Funds and their successors as their representatives for the purposes set forth in said Agreements and Declarations of Trust.

15.2 Effective July 1, 2015, all current Employees who are eligible for health care coverage will be grandfathered in at current hours to maintain health coverage eligibility.

Effective July 1, 2015, Employees hired on or after July 1, 2015, the Employer will pay the single contribution rate on behalf of the Employees who work thirty (30) or more hours per week to be eligible.

15.3. FULL-TIME & PART TIME HEALTH & WELFARE CONTRIBUTION RATES:

A. Effective June 3rd, 2018, the Employer agrees to pay ninety percent (90%) per month of the cost of Plan A of Health & Welfare for Family and Single coverage. Effective June 3rd, 2018, the Employee agrees to pay ten percent (10%) of the cost of Plan A as determined by the Board of Trustees.

B. Full-time Employees who do not need Family Coverage may elect to receive Single Coverage. If a Full-Time Employee who has elected to have Single Coverage wishes to switch to family coverage, assuming there is a qualifying event, they may do so with a written request to the Employer. The Employer will agree to provide Family Coverage to Full-Time Employees when a written request for Family Coverage is received. **A copy of the Employee's request to opt out of family coverage and into single coverage shall be kept in the employee's file and sent to both the Union and Wilson McShane with the monthly billing.**

Employer agrees to maintain the schedule of benefits established by the Trustees.

15.4. The Employer agrees to pay the full-time contribution rate for each employee working an average of over forty (40) hours per week or more, and who is on the payroll on the first day of any month, in accordance with the following rules: (1) Full-Time Employees shall receive benefits the first of the month following thirty (30) days of Employment. (2) Payment to the Fund on behalf of the employees who are terminated due to discharge or voluntary termination of employment shall not be required commencing with the first of the month following the date of their termination.

The Employer agrees to make Health Fund contributions at the Single contribution rate on behalf of each Part-time Employee, **working 30 hours or more**, on the 1st of the month following sixty days of active employment. Employees returning to work or reinstated following an absence from work where their seniority has not been interrupted shall have payments made on their behalf on the first of the month following their return to work, provided the employee has worked one or more weeks in excess of thirty (30) hours or more per week average prior to the first of said month.

15.5. In the event of absence of an employee from work because of injury, illness or sickness, the Employer shall continue to make the required contributions for a period of three (3) months from the date on which the employee leaves active employment due to injury, illness, or sickness. In the event of leave of absence or military leave or in the event of employees who are laid off or are off because of illness, sickness, or injury beyond the said three (3) month period they shall be permitted to continue coverage as a member of the group by paying in advance the regular monthly premium as paid by their Employer after the respective date that contributions by the Employers ceases pursuant to the provisions hereof, provided that such coverage may be continued only to the maximum period allowed under the rules established by the Trustees.

15.6. During the times that the employees covered hereunder are on vacation, the Employer shall continue to pay the necessary contributions to secure coverage for the employees.

- A. Effective the date of this Agreement, the Employer agrees to contribute the following rates to said Pension Fund for each hour worked by each employee, exclusive of Utility employees.

Employees hired after 5-01-05 the new rate will be sixty cents (\$.60) per hour.

Employees that are hired on or after 5-01-05 who reach five (5) years of service will receive the applicable contribution set forth.

Employees with more than five (5) years:

Effective January 1st, 2011: One dollar twenty five cents (\$1.25) per hour.

- B. The Bargaining Parties have adopted into the Collective Bargaining Agreement, the Rehabilitation Plan of the Northern Minnesota-Wisconsin Area Retail Clerks Pension Fund.

The Preferred Schedule will be adopted as of June 5th, 2011. The Employer will pay an additional sixteen cents (\$.16) per hour into the Pension Plan.

- C. For the purpose of this section, "hours worked" shall mean all hours worked not in excess of forty (40) hours in any one week by any employee, and shall include, pursuant to said 40 hour limitation, any holiday or vacation time for which any said employee of the Employer is entitled to straight time pay under the terms of this Agreement. It is understood and agreed that the said Pension Trust and benefits to be provided from the Pension Trust shall conform in all respects to the requirements of the Treasury Department, Bureau of Internal Revenue, and to any other applicable state and federal laws and regulations.

15.7 Contributions to the Trust Fund shall be due and payable fifteen (15) days following the end of the preceding month for all employees covered under the collective bargaining agreement, or for whom contributions are required. The failure of an employer

to pay all amounts due within thirty (30) days following the due date, whether willful or otherwise, shall subject the delinquent employer to a payment of liquidated damages of an additional ten percent (10%) of the amount due plus all costs and reasonable attorneys' fees incurred in connection therewith. Payments and liquidated damages unpaid by the first day of the following month shall be subject to an interest charge on the payments and liquidated damages equal to the interest as provided by law to be charged by the IRS on delinquent or deficient tax returns.

If legal action is taken to recover the amount due the Trust Fund, the delinquent employer shall also be required to pay all court costs including reasonable attorney fees. In addition to the other provisions as herein set forth, any employer who is delinquent in its payments to the Trust Fund shall make such employer primarily liable and responsible to its employees or employees' estates for any claim for benefits accruing to such employees or employees' estates which would otherwise be due such employees or employees' estates under the administration of this Trust Fund. The payment of any and all claims shall not operate to relieve such employer from its liability to make the payments due the Trust Fund, including the liquidated damage payment.

Any Employer who on more than one occasion during any one year becomes delinquent in its payment to the Trust Fund shall be required to post a bond with the Trustees in an amount equivalent to the total contributions that it was obligated to make during the preceding calendar year.

Non-payment, by any Employer, of any contribution or other monies owed to the Fund shall not relieve any other Employer from its obligation to make required payments to the Trust Fund.

15.8 In no event shall the provisions relating to Health and Welfare and Pension set forth herein be subject to or suitable for grievance and arbitration under the terms of this Agreement.

The above paragraphs shall not be applicable when, in the judgment of the Trustees, the delinquency results from a clerical error or a bona fide difference or dispute concerning eligibility.

The Employer agrees that applicable payroll records shall be made available for audit to employees of the Health and Welfare Fund and/or Pension Fund as directed by action of the Board of Trustees of these funds.

15.9 If the Employer fails to make prompt and timely payments of monthly contributions required by this Article and such delinquency results in an employee or beneficiary or dependent being denied or being rendered ineligible for benefits otherwise payable under the plans provided by the Trustees, then in such event, the Employer shall be fully and personally responsible to (and hereby agrees to pay) such employee or beneficiary or dependent for all such losses of benefits.

15.10 If the Employer is required by federal or state law to make any payment for health care costs other than those specified here, the Employer may reopen Article 15 insofar as it pertains to Health and Welfare for modification. As long as the Employer on the date of the Reopening Notice to the Union also notifies the Federal Mediation and Conciliation Service in accordance with 29 U.S. Code (d)(3) and 158(d) it shall have all rights afforded by the NLRA.

In the event of such a reopening and the parties fail to reach agreement, the provisions of Article 7, No Strike, No Lockout, shall be inapplicable until agreement is reached on these issues.

ARTICLE 16 JURY DUTY

16.1 Employees who are called to serve on jury duty shall be paid for actual hours worked for the company. If this pay together with his/her jury duty pay does not equal his/her regular weekly pay, the Employer will make up the difference, provided the employee works such hours as he/she is available during the hours when court is not in session. The above shall apply to petit jury duty only. An employee receiving full pay from his/her Employer while serving on jury will be required to turn in to his/her Employer the jury duty pay for the period he/she served on the jury.

ARTICLE 17 FUNERAL LEAVE

17.1 The Employer agrees to pay employees, for necessary absence on account of death in the immediate family up to and including a maximum of three (3) scheduled work days at straight time not to exceed eight (8) hours per day, provided the employee attends the funeral, and provided the compensable day or days off fall on the employee's normally scheduled work days. The term "immediate family" shall mean, parents, child, brother, sister, father-in-law, mother-in-law, grandparents, legal guardian or any relative residing with the employee or with whom the employee is residing. A maximum of four (4) days funeral leave shall be granted in the event of the death of a spouse.

The last day of the leave shall be the day of the funeral, except if the funeral is more than 200 miles from the employee's place of residence. In the event an employee would be entitled to funeral leave during the period they are on vacation one (1) day of funeral leave shall be allowed.

ARTICLE 18 LEAVES OF ABSENCE

18.1 Employees shall be entitled to written leaves of absence, for the following reasons:

- A. Illness or injury of the employee, which requires absence from work. Such absence shall be for a period of up to six (6) months, renewable upon request for a maximum of one (1) year, provided that once each month after six (6) months the employee notifies the Union and the Employer of his whereabouts and status.
- B. In cases of compensable injury, employees shall be granted a leave of absence for a period of one (1) year. Where required, two (2) six (6) month extensions shall be granted provided the employee notifies the Personnel Department in writing that such an extension is needed. In no event shall such a compensable leave of absence exceed a total of two (2) years.

18.2 Employees injured on the job shall not be docked for any part of the day in which the injury occurs, providing a call to the Employer is made from the doctor's office, by doctor's personnel, notifying them of the extent of the injury. If the injury is not serious, the employee must return to work at once upon leaving the doctor's office. In no instance will the Employer be obligated to pay an employee for more than eight (8) hours.

18.3 Maternity leave shall be granted in accordance with applicable laws and regulations.

18.4 A leave of absence for military service by the employee shall be granted as required by the provisions of the Veterans Re-employment Act.

18.5 Election or appointment to office in/or as a delegate representing the Union requiring either temporary or full time leave shall be granted by the Employer. Such leave shall not exceed the term of office to which he is elected.

18.6 Leaves of absence may be granted for any other reason acceptable to the Employer. The Employer will use reasonable and fair judgment in determining whether or not an employee shall be granted a leave of absence. Such leave will not exceed one (1) year and can be renewed by the employer for one (1) additional year. If a leave of absence shall exceed three (3) months, the Employer shall provide written notice of such leave of absence, and any extensions thereof, to the Union. The Employer is not required to grant leaves in excess of three (3) months.

18.7 Other leaves as per item 18.6 above shall run to a maximum of three (3) months for employees, to be renewed for such length of time as the employer and the employee may agree.

18.8 Any employee who is granted a leave of absence and while on such leave of absence accepts employment with another employer, or who goes into business for themselves, is subject to discharge.

18.9 Upon return to work from a leave of absence, the employee will be restored to the job previously held, or to a job comparable with regard to work and rate of pay. Upon notice of the Employer of availability for work prior to Thursday noon of any week, the Employer shall be restored to work to begin no later than Monday following the giving of such notice.

If the notice of availability for work is given after Thursday noon of any week, the Employer is required to schedule the employee on the schedule prepared for the following week, and the employee will begin the Monday thereafter.

18.10 Employees on leave of absence shall not be entitled to holiday pay or any other benefits of this contract unless specifically provided for herein.

ARTICLE 19 NIGHT STOCKERS

19.1 The employer may use a night stock crew to stock the store.

"Night stockers" are employees whose duties are limited to filling store displays and shelves and operations related thereto. Night stockers are generally scheduled to work between the hours of 6:00 p.m. and 9:00 a.m. and generally do not operate cash registers nor normally service store customers.

"Night stock crew" is an organized group of stockers generally scheduled to work between the hours of 6:00 p.m. and 9:00 a.m. The primary purpose of a night stock crew is to stock the store with merchandise for retail sale and prepare the store for retail operations.

ARTICLE 20 RATE OF PAY

20.1 Previous comparable experience shall be considered for the purposes of wage rate determination. All claims by employees for prior food handling experience must be disclosed during the application process. Employers that employ employees with previous comparable experience shall negotiate a wage rate that is mutually agreeable with the Employee(s) affected and the Union.

20.2 All employees doing night work shall receive a \$.35 per hour premium over and above the regular hourly rate. The night premium of \$.35 per hour will be paid to all employees working between the hours of 10:00 p.m. and 8:00 a.m., provided such employees are scheduled to start work prior to 5:00 a.m. The night premium of \$.35 per hour also will be paid to any employee who has the majority of his/her scheduled work hours between 10:00 p.m. and 6:00 a.m.

20.3 All employees shall be scheduled to work the following minimum number of hours in any seven (7) consecutive days and shall be paid for the minimum number of hours per week as to hours of work hereinafter provided for in any week in which they are not scheduled to work the minimum number of hours hereinafter provided for: All employees, shall be scheduled for not less than twenty (20) hours per week.

20.4 Time for progression to be computed by counting each week in which an employee works. Employees shall be paid in full for all time spent in the service of the Employer.

20.5 A transfer from one store from another by the same Employer covered by this bargaining unit within the same town shall not be made on a discriminatory basis.

20.6 If an employee is required to work in more than one store during his/her regular eight (8) hour shift, he/she will be paid his/her regular straight time rate of pay for time spent in transit, one way.

20.7 Attached to and made a part of this contract, wage rates appear under Appendix "A".

20.8 Relief Grocery Manager or relief classified employee relieving a Grocery Manager or classified employee on sick relief or vacation for one full week or more, shall receive one dollar (\$1.00) per hour more than their regular rate of pay.

20.9 It shall not be a violation of this agreement for the Employer to enlist employees hired on and after the date of ratification of this agreement to enroll in direct deposit if such benefit is available to the employee.

20.10 It is understood that the Company may promote part-time employees to temporary full time status for the summer on the following basis:

- A. Any employee moved from part-time to full-time during the summer months, shall receive the beginning full time rate or their existing rate, whichever is higher and no other full time benefits. **Current employees that are qualified for health insurance prior to May 1st will continue to be eligible for health insurance. Current employees that are not qualified for health insurance prior to May 1st will not be eligible for health insurance during this time.** However, at the end of summer when his/her

hours are reduced, his/her wages shall be readjusted back to that rate being paid at the time of his/her temporary advancement to full time status. Such employee shall, however, receive credit for the purpose of wage progression for all hours worked from date of hire, including "summer time" hours.

- B. The "summer period" shall extend from May 1 until September 30.
- C. Employees hired for summer months shall not receive the following benefits under the terms of the contract: pension payments, holidays, vacations, **health insurance** or seniority.
- D. The Employer shall notify the Union, in writing, of any employee placed on summer waiver and any additional part time employees hired during the summer period. The employer will notify the union within one week after an employee has been hired as a summer part time employee.
- E. There shall be no reduction in the hours of work available to other employees in the store as a result of the hiring of summer part time employees because of the increase in the number of summer full time employees during the summer months.
- F. Employees hired during the summer months shall be required to belong to the Union on the same basis as other part time employees and shall receive the regular part time beginning rate.
- G. If a summer part time employee is retained beyond the summer waiver period, that employee shall be treated as a regular part time employee for all purposes and that employee's seniority shall date back to the date of original hire with the Employer.
- H. Utility employee may be moved from utility to part-time during the summer months, and may perform all of the functions of regular part-time employees. Those employees so moved shall be paid the next higher part-time rate; and receive only benefits as specified for utility employees.
- I. This provision shall also apply to the weeks of and the weeks prior to holidays listed in this agreement. Easter Sunday shall also be included in this wavier period even though it's not considered a holiday.

ARTICLE 21 COLLECTIVE BARGAINING

21.1 This Agreement is executed in full satisfaction of each and every demand of each party against the other for the duration of this Agreement. For the duration only of this Agreement, each party waives its right to require the other to bargain collectively within the meaning of the National Labor Relations Act as amended, or the Minnesota Labor Relations Act, as amended, with respect to any matter whatsoever, except:

- 1. As to grievances;
- 2. If any new classifications or jobs are created, the Employer shall negotiate a new wage schedule to apply, if requested to do so by the Union;
- 3. If the Union becomes a representative of a new unit of employees of the Employer, the Employer shall bargain with the Union on such new unit.
- 4. As expressly provided for herein.

**ARTICLE 22
SEPARABILITY**

22.1 It is hereby declared to be the intention of the parties to this Agreement that the sections, paragraphs, sentences, clauses and phrases of this Agreement are separable, and if any phrase, clause, sentence, paragraph or section of this Agreement shall be declared invalid by the valid judgment or decree of a court of competent jurisdiction because of any conflict with any federal or Minnesota or Wisconsin state law, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this agreement.

22.2 The Employer and the Union agree that they will meet within a thirty (30) day period following the declaration of invalidity to begin negotiations upon a substitute clause to replace the provisions found to be invalid. This places no time limitations on the parties during which they may negotiate.

**ARTICLE 23
PART-TIME PROMOTION TO FULL-TIME**

When an opening occurs for Full-Time Employees, Part-Time Employees shall be given the first opportunity to fill such openings provided they have the ability and are available to perform the work. All Full-Time openings shall be posted for a period of not less than one week. Interested and available Employees shall acknowledge their interest in filling the position by signing the posting. Part-Time Employees within the seniority category who have signed the posting and have qualifying abilities and are available will receive seventy-five percent (75%) of all Full-Time job openings in the store based on seniority. If no such Part-Time Employees in the category apply who are qualified and available, the Employer is free to pick whomever it chooses to fill the vacancy.

**ARTICLE 24
UNION ORIENTATION**

A representative of the Union will be allowed to have a fifteen (15) minute session with newly hired Employees immediately following any new hire orientation; when this is not possible, the Union representative will be allowed to schedule a visit when the new hire (or rehire) is on the schedule if they have not yet met with a Union representative.

**ARTICLE 25
TERM OF AGREEMENT**

This Agreement shall take effect the 6th day of **June, 2021**, and continue to the 8th day of **June, 2024**, and thereafter from year to year unless written notice of desire to change, modify or terminate the Agreement is given by either party to the other party sixty (60) days prior to the annual date of expiration.


Dated this 28 day of May, 2021.

FOR THE EMPLOYER:



5-28-21
_____ **Date**

FOR THE UNION:


_____ **Bruce Bergh - Union Representative**

5-28-21
_____ **Date**

Appendix A Store Closing

Exclusive of single store operations (one store only of a company or owner within geographical boundaries of this area agreement), this memorandum will be considered effective the first day of the month following the ratification of the collective bargaining agreement.

The Employer and the Union agree as follows:

1. In the event the Employer permanently discontinues operations at a store, whose employees are covered by a collective bargaining agreement with the Union, a severance pay shall be paid to eligible employees in the manner and to the extent set forth in this Agreement. Discontinuance of operations due to fire, flood, or other acts of God shall not be deemed discontinuance of operations by the Employer for any purpose of this Agreement.
2. A regular full time employee having four (4) or more years of continuous full time employment whose employment is terminated on or before the date of the Employer's permanent discontinuance of operations at a store and by reasons of such discontinuance of operations shall be eligible for severance pay except in the following situations:
 - (a) The employee voluntarily terminates his/her employment or is discharged for just cause prior to the date operations are discontinued;
 - (b) The employee is offered employment at the same location by a successor employer or is offered employment at another location by the Employer or any other Company having this collective bargaining agreement with this Union;
 - (c) The employee is eligible for and actually receives benefits under any retirement plan to which the Employer makes contributions on the employee's behalf; or
 - (d) The employee engages in any conduct which has the effect or is intended to disrupt or otherwise interfere in any way with the Employer's discontinuance of operations.
3. For all purposes of this Agreement, a regular employee is any employee who averaged eighteen (18) or more hours during his/her basic work week for the fifty-two (52) week period immediately preceding his/her termination of employment and continuous employment shall mean one (1) week's pay at the employee's straight time hourly rate based on his/her average weekly hours worked during such fifty-two (52) week period.
4. The amount of severance pay for any employee eligible therefore shall be one (1) week's average pay with a maximum of forty (40) hours' pay for each completed year of continuous employment in excess of four (4) but not to exceed a maximum of six (6) week's pay. Payment of severance pay shall be subject to any federal or state withholding requirements.

5. Severance pay shall be paid at the rate of one (1) week's pay per week commencing with the second week following the number of weeks or parts thereof for which vacation pay is paid; provided, that any severance pay shall cease in the event the employee is recalled or offered employment by any Employer who is covered by this collective bargaining agreement with this Union.

6. Upon acceptance of his/her last payment of severance pay the employee shall lose any and all seniority or recall rights under the collective bargaining agreement with the Union.

7. The Employer shall continue contributions to the Health and Welfare Plan for one month following the employee's termination of employment pursuant to Article 16 of the contract.

8. Except for unemployment compensation and vacation payments due under the collective bargaining agreement, any payment received other than payments provided pursuant to this Agreement because of the employee's termination of employment shall be deducted from any severance pay made hereunder.

9. The Employer shall give two (2) weeks' notice in advance of a discontinuance of operations at a store to the Union and the employees employed at such store except when such notice is impossible due to circumstances beyond the Employer's control.

10. In consideration of the benefits provided by this agreement, the Union agrees to cooperate fully in the Employer's discontinuance of operations and agrees not to engage in any strike, slowdown, or other concerted activity or to commence any legal action or to in any other way disrupt or otherwise interfere with the Employer's discontinuance of operations.

11. The Employer shall have no further obligations or liabilities arising from discontinuance of operations at any store other than as provided under this Agreement or under any other collective bargaining agreement with the Union.

In the event the provisions of any other collective bargaining agreement are inconsistent with the provisions of this Agreement, the provisions of this Agreement shall prevail.

12. This Agreement shall expire one (1) year following the expiration date of the current collective bargaining agreement.

Appendix B Wage Rates

The Wage increases agreed to are 50 cents on 6/5/2021, 50 cents on 6/5/2022 and 50 cents on 6/5/2023. These increases are intended to be across the board inclusive of employees on scale, off scale or above scale. The following is how the scales will be adjusted beginning at ratification.

Part-time Scale

	5/31/2020	6/5/2021	6/5/2022	6/5/2023
Start	10.50	11.00	11.50	12.00
1	10.75	11.25	11.75	12.25
2	11.00	11.50	12.00	12.50
3	11.25	11.75	12.25	12.75
4	11.50	12.00	12.50	13.00
5	11.75	12.25	12.75	13.25
6	12.00	12.50	13.00	13.50
7	12.25	12.75	13.25	13.75
8	12.50	13.00	13.50	14.00
9	12.75	13.25	13.75	14.25

Full-time Scale

	5/31/2020	6/5/2021	6/5/2022	6/5/2023
Start	13.73	14.23	14.73	15.23
1	14.43	14.93	15.43	15.93
2	15.05	15.55	16.05	16.55
3	15.77	16.27	16.77	17.27
4	16.33	16.83	17.33	17.83
5	18.49	18.99	19.49	19.99

Bake Off Manager and Deli Manager

	5/31/2020	6/5/2021	6/5/2022	6/5/2023
Start	15.45	15.95	16.45	16.95
1	16.16	16.66	17.16	17.66
2	16.89	17.39	17.89	18.39
3	18.65	19.15	19.65	20.15
Assistant Manager/Head Stocker	20.38	20.88	21.38	21.88
Produce Manger	20.38	20.88	21.38	21.88
Head Checkout/Bookkeeper	19.50	20.00	20.50	21.00
Frozen/Dairy Manager	19.82	20.32	20.82	21.32

If the Federal or State Minimum Wage Laws exceed any of the negotiated Wage Rates, the Wage Rates shall be re-negotiated.

Appendix C

The following Articles and Sections will apply to all employees hired prior to May 29th, 2005:

Article 4, Hours of Labor:

4.1 All work performed in excess of eight (8) hours in any one day or forty (40) hours in any one week, Monday through Saturday, shall be compensated for at one and one-half (1½) time the regular hourly rate. In weeks wherein a holiday is celebrated, the work week shall be thirty-two (32) hours, four (4) days of eight (8) hours each.

4.2 All full-time employees shall be paid time and one half (1½) for all work performed on the sixth (6th) day of a regular work week and on the fifth (5th) day of a holiday week. Store operating hours shall be set by each Employer on Monday through Sunday, inclusive. In order to preserve bargaining unit work, no store shall be open for service of customers on Easter Sunday or the specific holidays or hours referred to in the article covering holidays. For purposes of payroll only, Sunday may be the first day of the week.

4.7 Full time employees shall be scheduled so as many full time employees as possible, based on seniority and consistent with the needs of the business, receive either a Saturday or a Monday off every weekend, so that as many full time employees as possible, based on seniority, and consistent with the needs of the business, will receive two consecutive days off, including Sunday, every week. The scheduling of full time employees shall be on the basis of seniority with regard to the efficient operation of the store.

4.12 Sunday Operations: Sunday retail operations, except Easter Sunday, shall be permitted subject to the following provisions:

A. Employer may set the hours of Sunday operations.

B. Regular union employees shall be given the first opportunity to volunteer for Sunday work. No regular union employee, however, shall be required to work on Sundays except as provided herein.

C. A separate schedule shall be posted, for qualified full-time employees who have volunteered to work Sundays, at least two (2) weeks in advance of the Sunday to be worked. Sunday full-time work shall be rotated among qualified full-time employees who volunteer so as to distribute the Sunday work equally to full-time volunteer employees. No employer is required to use full-time employees on Sunday.

D. A separate schedule shall be posted for qualified part-time employees who have volunteered to work Sundays, at least two (2) weeks in advance of the Sunday to be worked. If the list of volunteers exceeds the number of hours of work that are available, Sunday part-time work shall be scheduled by seniority among qualified part-time employees who volunteer.

E. A separate schedule shall be posted, for qualified utility employees who have volunteered to work Sundays, at least two (2) weeks in advance of the Sunday to be worked. If the list of volunteers exceeds the number of hours of work that is available, Sunday utility work shall be scheduled by seniority among qualified utility employees who volunteer.

F. If the number of volunteer employees is insufficient to adequately staff the store for Sunday operations, Employer may hire new employees to work only on Sundays.

G. Sunday work shall be voluntary and shall be scheduled by seniority among those who volunteer for Sunday work depending upon the needs of the employer. Volunteers shall timely indicate their availability to be scheduled for Sunday work at least two weeks in advance of the Sunday to be worked.

H. If the number of volunteer part-time employees is insufficient to adequately staff the store for Sunday operations, the employer shall first schedule, by inverse seniority, part-time employees hired after November 30, 1987. If additional part-time employees are required, the employer may schedule, by inverse seniority, up to fifty percent (50%) of the part-time employees hired prior to November 30, 1987, to achieve a sufficient number of employees to adequately staff the store on Sunday. The employer may use utility employees for Sunday part-time work but the employer shall not be required to train such employees.

I. If the number of volunteer bakery/deli employees is insufficient to adequately staff the store for Sunday operations, the employer shall first schedule, by inverse seniority, bakery/deli employees hired after November 30, 1987. If additional bakery/deli employees are required, the employer may schedule, by inverse seniority, up to fifty percent (50%) of the bakery/deli employees hired prior to November 30, 1987, to achieve a sufficient number of employees to adequately staff the store on Sunday.

J. If the number of volunteer utility employees is insufficient to adequately staff the store for Sunday operations, the employer shall first schedule, by inverse seniority, utility employees hired after November 30, 1987. If additional employees are required, the employer may schedule, by inverse seniority, up to fifty percent (50%) of the utility employees hired prior to November 30, 1987, to achieve a sufficient number of employees to adequately staff the store on Sunday.

K. If the number of volunteer service counter employees is insufficient to adequately staff the store for Sunday operations, the employer shall first schedule, by inverse seniority, service counter employees hired after November 30, 1987. If additional employees are required, the employer may schedule, by inverse seniority, up to fifty (50%) of the service counter employees hired prior to November 30, 1987, has worked voluntarily shall be counted as one of the Sundays in the two month period.

No employee hired prior to November 30, 1987, however, shall be required to work more than three (3) Sundays in any two (2) month period. Any Sunday which an employee hired prior to November 30, 1987, has worked voluntarily shall be counted as one of the Sundays in the two month period.

Full-time employees shall receive a premium of one dollar (\$1.00) for all hours worked on Sunday.

L. Sunday operations shall be outside the regular work week for purposes of Health and Welfare contributions. Sunday hours of employment shall not be subject to the minimum scheduled hours requirements nor shall Sunday hours be counted to determine full or part-time employee status. Sunday hours worked shall be included in all other appropriate employee benefit computations including wage progression, minimum call-in hours, vacations, holiday pay, and pension.

If the Employer schedules any 8 hour shift(s) on Sunday, an employee desiring to work that shift may select it based on seniority if available and qualified to do the work.

In the event new hires must be used because of the lack of volunteer employees, the new hires shall be paid at the union scale wage rate for Sunday work. No employee benefits shall accrue to any new hire working Sundays only. Employer shall certify in writing to the union

within 30 days of date of hire, the name of any Sunday only employee. Employer may revoke Sunday only status by providing written notice to the union.

If any new hire who is on the Sunday only schedule works any other day in addition to Sundays, the new hire shall be paid at the rate of one and one-half (1½) times the union scale wage rate for all hours, including the Sunday hours, worked that week.

Article 8, Vacation:

8.1 Employees who have been employed by the Employer for a period of one (1) year or more shall receive one (1) weeks' vacation with pay. Employees who have been employed by the Employer for three (3) years or more shall receive two (2) weeks' vacation with pay. Employees who have been employed by the Employer for a period of **seven (7) years or more shall receive three (3) weeks of vacation with pay. Employees who have been employed for a period of twenty (20) years or more shall receive four (4) weeks' vacation with pay. Employees with twenty-five (25) years or more will receive five (5) weeks of vacation with pay..**

8.3 Part time employees working under thirty (30) hours per week shall be entitled to vacation of one (1) week with pay after the first year, two (2) weeks after the second year, three (3) weeks after the seventh year, and four (4) weeks after the twentieth (20th) year, with their pay to be based on the average number of hours worked on a weekly basis during the year.

Article 9, Holidays:

9.1 For purposes of this contract, the following days are holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. Employees shall not work on Easter Sunday, nor the following days: Christmas Day, and after 4:00 p.m. on Christmas Eve. In addition to these holidays, one additional day off with pay shall be granted to individual employees by mutual agreement between the Employer and the employee so that employees on an individual basis will have a three-day weekend counting their regular day off. Part time employees shall be entitled to receive a personal holiday after 520 hours of employment. Employees shall also be granted an additional holiday with pay to be taken on the employee's birthday. Effective April 15th, 1983, new employees after completing one (1) year of employment shall receive the birthday holiday and personal holiday provided they meet the other qualifications.

9.2 It is agreed that no employee shall work after 4:00 p.m., December 24th, Christmas Eve. No deduction shall be made for time not worked after 4:00 p.m., December 24th, Christmas Eve. All part time employees normally scheduled to work after 2:00 p.m. on the day on which Christmas Eve falls, will receive three (3) hours of Christmas Eve pay.

9.3 Full time employees shall receive eight (8) hours straight time pay for any of the above mentioned days, if the employees have worked during the holiday week their scheduled day before and their scheduled day after the holiday, except for bona fide illness.

9.5 In the event any of the above mentioned holidays fall on Sunday, the following Monday shall be observed as a holiday for the purposes of this Article. During the week in which Christmas Eve occurs, the basic work week shall be twenty nine (29) hours. When Christmas Eve falls on Sunday, the preceding basic work week will be forty (40) hours, and the following basic work week will be thirty two (32) hours.

9.6 When a holiday occurs within a work week, the regular hours for that week shall be thirty-two (32). All time worked in excess of thirty-two (32) hours in a work in which a holiday occurs shall be paid for at one and one half (1½) times the employee's regular rate of pay.

During the week in which Christmas Eve falls on Sunday, the preceding basic work week will be forty (40) hours, and the following basic work week will be thirty-two (32) hours.

Article 10, Seniority

10.4 A full-time employee reduced in hours to below forty (40) hours per week may elect to (1) displace a less senior full-time employee's hours in the same seniority category on a weekly basis within his store; or (2) displace a less senior full-time employee's hours in the same seniority category within the city on a weekly basis; or (3) displace the most senior part-time employee within the store in the same seniority category on a weekly basis. Such full-time employee must be qualified and available to perform such work in each instance.

Separate seniority lists shall be established for the following seniority groups:

1. Full-time Grocery Employees;
2. Part-time Grocery Employees
3. Deli/Bakery

Appendix D Holiday Operations

Effective April 15, 1995, the Employer shall be permitted to be open for retail operations on certain holidays as provided herein:

1. The Employer may, at its option, be open for retail operations on Memorial Day, Independence Day, and/or Labor Day (hereinafter "option days"). Hours worked on these days shall be outside the regular work week.
2. Store operations on these option days shall be staffed only with volunteers. A volunteer sign up list shall be posted by the Employer not less than 21 days prior to each option day the Employer plans on being open for business.
3. All employees who volunteer to work on the option days shall be paid at time and one half their regular hourly wage rate. This wage shall be in addition to any other holiday benefits which accrue to these employees under the collective bargaining agreement.
4. All volunteer employees who work on the option days shall accrue the same benefits under the collective bargaining agreement as employees working on Sunday, except that no pension payment shall be made for the holiday hours actually worked.

Appendix E

Letters of Interpretation

Letter No. 1: It is understood and agreed that under the Article entitled Union Security, Section 3.4, that no penalty or violation of the contract shall arise unless the Employer has failed to report one or more persons as a new union member on three reporting periods in any six (6) months reporting sequence. To be considered a violation and subject to any action by the Union under the terms of this collective bargaining agreement which has been executed by the parties, there must be at least three (3) reporting periods in which there is a failure to report during this six months period.

Letter No. 2: It is understood and agreed that Confidential and Office Employees as defined in the National Labor Relations Act are not included as a part of the bargaining unit covered in this Agreement. Office employees are those employees whose primary functions relate to confidential and office duties.

Letter No. 3, Weekly Minimum: As a part of the contract settlement, it is understood and agreed that, whereas the contract provides for an 18 hour weekly minimum for all employees, if the Employer establishes that an employee was not available for work, the Employer will not be required to provide such employee with the 18 hour weekly minimum. In each instance, the Employer must confirm that an employee was not available for work, in writing, with a copy to the Union.

MEMORANDUM OF UNDERSTANDING BETWEEN
ZUP's of Silver Bay EMPLOYER
 AND

**LOCAL NO. 1189 WITH UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL
 UNION, AFL-CIO (f/k/a LOCAL NO. 1116)**

ZUP's the Employer, and Local No. 1189 with United Food and Commercial Workers International Union, AFL-CIO (formerly, Local No. 1116), the Union, are parties to a collective bargaining agreement which requires contributions to the Northern Minnesota-Wisconsin Area Retail Clerks Pension Plan (the "Plan").

The Plan has been classified as being in critical status as of January 1, 2019. The Trustees of the Plan have adopted a Rehabilitation Plan pursuant to the terms of the Internal Revenue Code. **The Rehabilitation Plan will impose certain statutory surcharges (see page 3), unless the Employer and the Union affirmatively adopt the Rehabilitation Plan with this MOU and agree to one of the prescribed Schedules described below. The Employer and the Union must either:**

- (1) adopt the Rehabilitation Plan along with one of the Schedules by executing this MOU on or before May 30, 2019, or
- (2) not adopt the Rehabilitation Plan and be subject to contribution surcharges, and also further be subject to the Default Schedule if Employer and the Union do not agree to one of the prescribed Schedules below within 180 days of the expiration of its collective bargaining agreement.

In light of this information, and as more fully set forth below, Employer and Union, by signing this Memorandum of Understanding, adopt the Rehabilitation Plan. In addition, Employer and the Union further elect the following contributory schedule, which is described more specifically after the chart on the next page:

Election - Select one of the Schedules	Schedule	Contribution Change	Effective Date of Contribution Changes
<input type="checkbox"/>	Alternative One - Benefiting	Increase contribution rate by \$0.29 per hour	January 1, 2020
<input type="checkbox"/>	Alternative Two - Benefiting	Increase contribution rates for 3 years cumulatively by: \$0.10 per hour; \$0.12 per hour; \$0.14 per hour	January 1 of 2020, 2021 and 2022 for each successive, cumulative rate increase ✓
<input checked="" type="checkbox"/>	Alternative Three - Limited Benefiting	Increase contribution rate by \$0.20 per hour	January 1, 2020 ✓
<input type="checkbox"/>	Default Schedule* - Non-Benefiting	Increase contribution rate by \$0.20 per hour	January 1, 2020

***If Employer and Union sign this MOU, but do not check any of the above boxes, Employer and Union are deemed to have selected the Default Schedule.**

EMPLOYER'S AND UNION'S RECOGNITION THAT REHABILITATION PLAN MAY BE AMENDED

The Employer recognizes that the Trustees of the Plan may need to amend the Rehabilitation Plan, and that the Rehabilitation Plan is monitored and reviewed by the Trustees and their service providers each year.

Dated: 5-22-19

[Insert Employer Name] Zup's of Silver Bay
Box 158
Silver Bay, MN 55214

[Signature]
By: BRIAN'S ZUPANICH
Its: OWNER/MANAGER

Dated: 5/27/2019

Local No. 1189 with United Food and Commercial Workers International Union, AFL-CIO

By: [Signature]
Its: Union Rep