

**LETTER OF UNDERSTANDING BETWEEN
LEAFLINE LABS, LLC
AND
UFCW 1189**



The Employer and Union are parties to a Collective Bargaining Agreement (CBA) in effect from May 8, 2024, through May 7, 2027. The parties have agreed to amend Article 18- Leaves of Absence to include the following:

18.7 Paid Family and Medical Leave:

1. Effective January 1, 2026, the Employer will pay fifty percent (50%) and the employee will pay fifty percent (50%) of the Family and Medical Leave premiums assessed pursuant to Minnesota Statute Section 268B.14.
2. Employees may elect to supplement PFML benefits with accrued PTO, provided total compensation does not exceed 100% of regular wages and supplementation is subject to Employer approval and payroll coordination. The use of PTO to supplement PFML will not extend the total paid time away from work beyond the maximum permitted by applicable law or Company policy.

The Employer will not require employees to exhaust accumulated PTO while receiving PFML benefits under Chapter 268B. Employees may elect to use such benefits voluntarily, subject to coordination to ensure total compensation does not exceed 100% of regular wages and to ensure that PTO use does not extend the total duration of paid time away from work beyond what is allowed by law or Company policy.

Employees who are eligible for Employer-sponsored benefits such as short-term disability or paid parental leave must apply for PFML, and those benefits will run concurrently with PFML to the maximum extent permitted by law. All other applicable leave entitlements, including FMLA, will also run concurrently with PFML where permitted by law. Employer-sponsored disability and paid parental leave benefits are intended to supplement state benefits, not extend the total duration of paid leave. The Employer retains the right to coordinate and offset all leave and wage-replacement programs, including PFML, PTO, disability insurance, paid parental leave, and FMLA, to avoid duplication and ensure compliance with applicable law. Employees must cooperate in the coordination process, including providing PFML and carrier determinations needed for proper offsets.

	9/12/25		9/12/25
_____ Employer	_____ Date	_____ Union	_____ Date