

## TRANSITION AGREEMENT - OAKDALE

This Transition Agreement ("Agreement") is made by and between Cub Foods (the "Company") and United Food & Commercial Workers Local 1189, including its affiliate the United Food & Commercial Workers International Union (the "Union"), collectively the "Parties".

WHEREAS, the Company has discussed with the Union its interest in acquiring the assets of a certain Diamond Lake 1994 L.L.C. store ("Jerry's Store");

WHEREAS, the employees working at the Jerry's Store are employed by Jerry's Enterprises, Inc. ("Jerry's Store Employees") and are represented by the Union pursuant to a collective bargaining agreement ("Jerry's CBA");

WHEREAS, employees of the Company's Cub Foods banner are also represented by the Union pursuant to one or more collective bargaining agreements including a collective bargaining agreement covering the Cub Foods Arcade store ("Cub Foods Arcade CBA");

WHEREAS, following the asset purchase, the Company will operate the former Jerry's Store as a Cub Foods store (the "Cub Foods Oakdale Store").

WHEREAS, the Parties have a mutual interest in ensuring a smooth transition and labor peace following the acquisition, including minimizing the risk of any grievances, litigation or other disputes regarding their contractual or other legal rights and obligations in connection with the acquisition;

NOW THEREFORE, the Parties agree as follows:

1. Following the execution of an Asset Purchase Agreement ("APA"), the Company will begin the hiring process for the Cub Foods Oakdale Store.
2. All applicants will be subject to the Company's normal screening procedures for applicants, including but not limited to post-offer, pre-employment drug tests. Any offer of employment made will be contingent on passing the drug test.
3. The Company will not assume the Jerry's CBA. Instead, the Company will unilaterally set the initial terms and conditions of employment. The initial terms and conditions of employment will include, but not be limited to, the following:
  - a. Jerry's Store Employees, who are employed at the Jerry's Store immediately prior to the closing of the transaction ("Current Jerry's Store Employees"), will be offered employment at the Cub Foods Oakdale Store (except for Mary Towner, FT Deli who will remain with Jerry's) prior to or within thirty (30) days following the date on which the transaction is closed and will be offered the same job classification (i.e., full-time or part-time) and rate of pay the individual had immediately prior to the closing of the transaction. Other job classification designations, however, such as Department Head or Assistant Manager, may or may not be offered or maintained.
  - b. All applicants who are hired will be required to pass a probationary period that will run from the date the person is hired to the later of thirty (30) days following the date on which the transaction is closed or thirty (30) days after the date the person is hired. The Company may extend the probationary period an additional 30 days if it deems necessary. If the Union is entitled to recognition as set forth in Paragraph 5 below, the 30-day probationary period extension shall be upon mutual agreement only.

- c. All applicants hired will be treated as new hires. Current Jerry's Store Employees hired prior to or within thirty (30) days following the date on which the transaction is closed and who pass their probationary period shall have as their Cub Foods seniority date the date of May 6, 2014 (the date a prior Asset Purchase Agreement was signed with Rainbow Foods) in order that their seniority date will be the same as other employees formerly hired from Rainbow Foods. For purposes of determining the bargaining unit seniority, Current Jerry's Store Employees who are former Rainbow employees and are hired at the Cub Foods Oakdale Store will be slotted amongst themselves and along with former other Rainbow employees currently employed at the Cub Arcade store using their previous Rainbow seniority.
  - d. During their first year of employment, Jerry's Store Employees hired at the Cub Foods Oakdale Store may take unpaid vacations and personal/floating holidays but will not have any paid vacation or personal/floating holidays. Credit for prior service with Rainbow and Jerry's Foods will be granted for purposes of determining eligibility for unpaid vacation during the first year of employment and for paid vacation in subsequent years.
4. If the Union is entitled to recognition as the collective bargaining representative of the employees at the Store pursuant to the National Labor Relations Act ("NLRA"), the terms of the Cub Foods Arcade CBA will apply to such Store except as follows:
- a. The Cub Foods Arcade CBA will be amended and modified wherever and to the extent necessary to continue in full force and effect the initial terms set forth in Paragraph 4 above.
  - b. For Current Jerry's Store Employees hired at the Cub Foods Oakdale Store prior to or within thirty (30) days following the date on which the transaction is closed, the Company will make contributions to the health plan starting with the employee's first week of employment if such contributions were made on the person's behalf by Jerry's immediately prior to the transaction closing and provided the person works sufficient hours for the Company to be required to make contributions on their behalf.
  - c. The inside/outside hiring provisions of the Cub Foods Arcade CBA will be waived by the Union prior to and for the first thirty (30) days following the date on which the transaction is closed.
5. This is a complete statement of the Parties' Agreement.

[COMPANY]  
 Signed: William R. Seehafer

Date: 8-7-15

Name: William R. Seehafer  
 Title: Vice President Labor Relations and Benefits

**UNITED FOOD AND COMMERCIAL WORKERS  
 LOCAL 1189**  
Don Sequist  
 Don Sequist, President

Date: [Signature]