

**TRANSITION AGREEMENT – HAR MAR**  
**UFCW LOCAL 1189**

This Transition Agreement (“Agreement”) is made by and between Cub Stores Holdings, LLC (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 located at 2100 Snelling Avenue North, Roseville, MN (“Store”);

WHEREAS, the employees working at the 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 certain Cub Foods’ employees known as the “Cub CBA”;

WHEREAS, following the asset purchase, the Company will own and operate the Store as a wholly owned Cub Foods store; and

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. Immediately following the acquisition, Cub Foods has or will offer employment to all of the former Jerry’s Store Employees employed at the Store in a similar position and department as the person was employed by Jerry’s immediately prior to the acquisition.
2. The Company will not conduct background checks, post-offer pre-employment drug tests or other similar screening procedures regarding the former Jerry’s Store Employees and will not impose a probationary period on the former Jerry’s Store Employees.
3. The Company will not assume the Jerry’s CBA, nor any part thereof.
4. Instead, the Company will, except as set forth below in this Paragraph 4, set the initial terms and conditions of employment equal to the terms and conditions of employment set forth in the Cub CBA, as amended in 2021, which term as amended runs from April 1, 2019, through April 6, 2024. Notwithstanding the above in this Paragraph 4, employees in progression will be mapped into the Cub CBA progression schedule as set forth in the attached Appendix A.
5. 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, the terms of the Cub CBA will apply to the Store except as follows:

- a. The Cub Foods 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 Jerry's Foods Store employees who accept employment by Cub Foods and are hired into the Store:
  - i. 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. For purposes of any look-back periods, the Jerry's regular part-time date will be used.
  - ii. During the first year of employment, may take unpaid vacations and personal/floating holidays but will not have any paid vacation or personal/floating holidays. However, if needed to maintain health care coverage during the unpaid vacation periods following April 3, 2022, the Company will make up the difference between the Jerry's contribution and the post-April 3, 2022, contribution rate up to the limits set forth in Section 19.2 of the Cub CBA.
  - iii. Will receive credit for prior service with Jerry's for purposes of determining eligibility both (a) for unpaid vacation under Paragraph 5(b)(ii) and (b) for paid vacation beyond the first year of employment. For these purposes, the anniversary day will be February 20<sup>th</sup> and the anniversary year will be the year of hire for the employee as was recognized by Jerry's immediately prior to the transaction as the employee's "time off service date."
- c. Will have a seniority date with the Company of February 20, 2022. However, for purposes of determining bargaining unit seniority amongst the former Jerry's Foods Store Employees who have the February 20, 2022, seniority date, employees will be slotted amongst themselves based on their Jerry's Foods seniority date.
- d. Will be credited with the minimum number of hours for the respective wage classification into which they are initially hired pursuant to Appendix A and will progress for wage purposes according to the applicable wage schedule of the Cub CBA except that those within 260 hours of moving to the next progression level based on Jerry's hours worked through February 19, 2022, will be slotted into the next progression level on February 20, 2022.
- e. Will, for those at top of scale or overscale receive future wage increases under the Cub CBA corresponding to the top of scale and overscale for their respective positions.
- f. Any person who was in the "grandfathered" "Opted in" group pursuant to Section 19.1(B)(2) for the week ending February 19, 2022, will continue in the "grandfathered" group to the extent permitted by the rules of the UFCW Local 1189 and St. Paul Food Employers Health Care Plan.
- g. Any person for whom Jerry's made contributions to the UFCW National Pension Plan for the week ending February 19, 2022, and who is not vested in the UFCW National Pension Plan on that date will have a lump sum contribution made on their behalf to the

Local 1189 Defined Contribution Fund in an amount set forth in Section 20.3(E) of the Cub CBA.

- h. During the first thirty (30) days following the date on which the transaction is closed prohibitions on non-bargaining unit people performing bargaining unit work will be waived by the Union for purposes of transitioning the store to the Company format.

6. This is a complete statement of the Parties' Agreement.

CUB STORES HOLDINGS, LLC.

Signed: Valerie Marsh

Name: Valerie Marsh

Title: VP & DGC, Labor Relations

Date: 02/18/22

UFCW LOCAL 1189

Signed: Jim Gleb

Name: Jim Gleb

Title: President

Date: 22/18/2022