

AGREEMENT

Between

ASSOCIATED GROCERS OF THE SOUTH, INC.

And

UNITED WHOLESALE AND WAREHOUSE EMPLOYEES,  
LOCAL UNION NO. 261

Affiliated with the Retail, Wholesale and  
Department Store Union of AFL-CIO

Effective May 10, 2024  
Through May 11, 2029

Spanish Disclaimer

(If there is any controversy or disagreement regarding  
the language translation, the English version will be in force.)

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I	RECOGNITION ..... 3
ARTICLE II	MANAGEMENT ..... 4
ARTICLE III	NON-DISCRIMINATION ..... 4
ARTICLE IV	RESPONSIBILITY OF THE PARTIES..... 5
ARTICLE V	WAGES ..... 5
ARTICLE VI	HOURS OF WORK..... 6
ARTICLE VII	HOLIDAYS ..... 11
ARTICLE VIII	VACATIONS..... 14
ARTICLE IX	SENIORITY..... 18
ARTICLE X	CHECK OFF ..... 21
ARTICLE XI	SETTLEMENT OF DISPUTES ..... 21
ARTICLE XII	401k RETIREMENT PLAN ..... 24
ARTICLE XIII	FUNERAL LEAVE ..... 25
ARTICLE XIV	JURY PAY..... 26
ARTICLE XV	HEALTH AND PROPERTY PROTECTION..... 26
ARTICLE XVI	MISCELLANEOUS ..... 27
ARTICLE XVII	HEALTH AND WELFARE ..... 29
ARTICLE XVIII	CENTS PER MILE TRUCK DRIVERS ..... 31
ARTICLE XIX	VOLUNTARY POLITICAL CONTRIBUTION ..... 35
ARTICLE XX	DURATION..... 36
EXHIBIT A	PAY RATES ..... 38

**AGREEMENT**

THIS AGREEMENT made and entered into this 10th day of May, 2024, by and between ASSOCIATED GROCERS OF THE SOUTH, INC. (hereinafter called "Company"), and the UNITED WHOLESALE AND WAREHOUSE EMPLOYEES, LOCAL UNION NO. 261, affiliated with the Retail, Wholesale and Department Store Union (hereinafter called "Union").

**WITNESSETH:**

**ARTICLE I**

**RECOGNITION**

A. The Union having been designated as the exclusive bargaining representative of the employees of the Company as defined in Section B of this article, the Company recognizes the Union as such exclusive representative in all matters concerning wages, hours and working conditions for such employees.

B. Every reference to the words "he, she, his, her, him, himself, man and men" in this agreement is gender neutral, and applies equally to both male and female employees. The word "employee" as used in this agreement applies to all warehousemen and delivery employees at the Company's warehouse, excluding office and clerical employees, the bargaining unit shall exclude shipping checkers in the Meat Department and front dock receiving checkers (except produce, frozen food and dairy, who shall be included), professional employees, watchmen, guards, the shipping clerk foremen and all other supervisors as defined in the National Labor Relations Act and casual, temporary and probationary employees and part-time employees who do not perform work for the Company for as much as forty percent (40%) of the normally scheduled days of work during any particular three (3) months period beginning with the date of this contract. It is expressly understood and agreed that the Company may utilize non-bargaining unit employees, including supervisory personnel as shipping checkers in the Meat Department and as receiving checkers and tape men on the front dock, provided; however, that such employees shall not perform bargaining unit work.

C. During the term of this agreement, the Company will not enter into any employment contract with any employees or group, or organization of employees, which conflicts with the provisions of this agreement, except when required to do so by law.

D. If, during the term of this agreement, the Company relocates its facility within fifty (50) miles of its present location, it shall continue to recognize the Union and this contract shall not be affected by such relocation.

## **ARTICLE II**

### **MANAGEMENT**

A. The Company retains the exclusive rights to manage the business and to direct the working forces, including, but without limiting the generality of the foregoing: the right to hire, suspend or discharge, promote or transfer or relieve employees from duty because of lack of work or for other legitimate reasons; to maintain discipline; to increase or decrease operations; to increase or change production equipment methods and facilities; to regulate the quality and quantity of production and to, otherwise, manage the business.

B. The Company, in the exercise of its rights as set out in Section A of this article, shall observe the provisions of this agreement but, except as otherwise in this agreement expressly provided, nothing in this agreement shall be construed or deemed to limit the Company in any way in the exercise of the regular and customary functions of management.

## **ARTICLE III**

### **NON-DISCRIMINATION**

A. The Company agrees not to discriminate against, interfere with, restrain or coerce any employee in the right to form, organize, join, or work for the Union. The Union and its members agree not to coerce or intimidate any employee and not to solicit employees for membership in the Union on Company time or in a manner that would interfere with the work of others.

B. No employee shall be disciplined because of absence from work caused by an Act of God.

C. The Company and the Union agree that no applicant or employee shall be discriminated against in hiring, promoting or continued employment because of race, color, religion, sex, age or national origin.

D. No employee shall be disciplined because of unavoidable absence or tardiness from work. Unavoidable occurrences may require timely documentation.

**ARTICLE IV**  
**RESPONSIBILITY OF THE PARTIES**

A. The Company agrees that while this agreement is in effect, it will not engage in any lockout of its employees.

B. The Union agrees that while this agreement is in effect, neither it nor its members will engage in or, in any way, encourage or sanction any strike, sit-down, stay-in, slow-down, boycott, secondary boycott, picketing, or any other action which would interrupt or interfere with any of the operations of the Company, provided, however, that no employee shall be required to take any action or nonaction at any place other than the Company's plant which might reasonably and immediately result in violence to his person.

**ARTICLE V**  
**WAGES**

A. All employees shall be paid at the close of the week no later than noon Thursday for their earnings made during the previous workweek. Any permanent wage rate changes will be instituted on the closest Friday to the contract calendar date.

B. The job titles and rates are attached and marked Exhibit A.

C. Wages for any new job classifications created by the Company during the course of this agreement will be negotiated with the Union. As of May 14, 1999, any employees currently working in a sanitation job classification will be "grandfathered in" and will maintain their existing hourly rate as long as they remain in this job classification. Any employees subsequently bidding to or hired into the sanitation classification will be subject to the new hourly wage rates effective May 15, 1999.

**ARTICLE VI**  
**HOURS OF WORK**

A. The "Regular Workweek for the Company" shall mean seven (7) consecutive workdays beginning with 12:01 a.m. Friday and ending at 12:00 midnight Thursday. The regular workweek for employees shall mean either four (4) or five (5) days to be worked within the above referred to "Company workweek." It is recognized that the Company may, after reasonable notice to the Union, institute and discontinue work schedules consisting of four (4), ten (10) hour days.

At its option, upon one (1) month's notice to the Union, the Company may convert this workweek to one (1) beginning at 12:01 a.m. Sunday and ending at 12:00 midnight Saturday.

B. One and one-half (1 1/2) the straight-time rate shall be paid for hours worked in excess of forty (40) hours in a regular workweek or eight (8) hours in a regular workday for those employees on a five (5) day workweek and after ten (10) hours in a four (4) day workweek, provided, however, that daily overtime will not be paid to any employee hired on or after May 12, 1990. No premium pay will be pyramided.

C. A thirty (30) minute lunch period shall be given at approximately half-way of each work shift and such lunch period shall not be considered as time worked; employees on a four (4) day workweek shall have such lunch after four (4) hours and shall be given "breaks" at two (2), six (6) and eight (8) hours and if their supervisor anticipates the need for at least one and one-half (1 1/2) hours overtime, they shall be given breaks at the tenth (10th) hour and each two (2) hours thereafter. All warehouse employees working eight (8) hour and ten (10) hour shifts will receive a fifteen (15) minute break at the midpoint between their

starting time and lunch and a fifteen (15) minute break at the midpoint between lunch and quitting time and an additional fifteen (15) minute break if anticipated overtime is for as long as one and one-half (1 1/2) hours. If such overtime does, in fact, last for the anticipated one and one-half (1 1/2) hours, then at the end of two (2) hours from the start of the overtime and each two (2) hours thereafter, the employee(s) shall get an additional fifteen (15) minute break. In the event that a scheduled shift does not start on time and employees are temporarily assigned less strenuous duties than their regular production assignments, supervisors will meet with respective union stewards to discuss the need for rescheduling employee breaks and/or lunches to insure that resulting production deadlines are maintained.

In the event a warehouse employee is required to work two (2) or more consecutive shifts (16 hours), he will be given another lunch break. He will not be required to clock out for this second lunch break as this will be a paid lunch.

D. Any provision of this agreement, in regard to hours of work, is subject to rules and regulations propounded by the federal government or any authorized agency thereof and should there be any conflict between the terms of this contract and such rules and regulations, then the rules and regulations of such agency shall take precedence over the terms of this contract.

E. If an employee hired prior to May 12, 1990 is scheduled to report for duty and no work is available for the employee, or if he is given less than eight (8) hours of work (ten (10) hours for four (4) day employees), he shall receive pay for not less than eight (8) hours (ten hours for four (4) day employees) at his established hourly rate. In the event the employee's regular work is not available, an employee may be assigned or reassigned to another job for which he is qualified. Employees hired on or after May 12, 1990, shall be entitled to five (5) hours reporting pay rather than eight (8) hours reporting pay.

Whenever an employee is scheduled to work an extra shift on one of his normal off days, it is understood that this means the employee is both required and entitled to work the entire shift, regardless of the actual length of the shift. However, if an employee informs his supervisor in advance that he can only work a limited number of hours on his off day and the supervisor agrees with this limitation, the employee will only be required to work the number of hours previously agreed upon. Likewise, if a supervisor schedules an employee to only work a limited number of hours on his off day and the

employee agrees to this limitation in advance, the employee is not entitled to work beyond the time previously agreed upon.

The foregoing reporting pay provisions (8, 10, or 5 as the case may be) shall not apply in the event that one (1) of the following occurs:

1. Anything beyond the control of management which interferes with the work being provided (this does not include a lack of business), or

2. An employee is not put to work or is laid off after having been put to work either at his own request or due to his own fault, or

3. An employee refuses to accept assignment or reassignment when tendered; provided, that if it is necessary to assign or reassign an employee or employees to a department other than his or their own, such transfers will be made in inverse order of seniority; in the event of such a transfer, the employee(s) involved may, with the consent of the Company, forfeit his eight (8) (or 10) hours and clock out; or

4. An employee is notified not to come to work at least one and one-half (1 1/2) hours before the beginning of his shift. Notice shall be considered made when telephoned or delivered to the last known address listed with the Company Human Resources Office. It shall be the responsibility of each employee to furnish the Human Resources Office with a location and telephone number at which he may be notified.

F. Supervisors will not perform work normally done by the bargaining unit except as listed below:

1. Emergencies: An emergency is an unforeseen circumstance or combination of circumstances which calls for immediate action; in this case, the supervisor will work where the emergency exists except in cases where it is necessary to maintain supervisory or management control to do otherwise. Heavy work loads do not constitute an "emergency" within the meaning of this subsection.

2. When bargaining unit employees are not available or cannot be obtained; supervisors may work while a "call-in" is on his way to work, provided; however, that if a "call-in" is not instructed to report immediately, the supervisor may not perform bargaining unit work. In the event of a dispute as to the instructions given a "call-in", the Union steward may verify those instructions by calling such "call-in", which call may be made on Company time.

3. Instructing employees.

4. When checking workmanship or quality.
5. When running equipment to check on operating problems or maintenance.
6. In the event the Company is found to have violated the provisions of this article, the employee deprived of work by such violation shall receive a minimum of one (1) hour straight-time pay.

G. Overtime will be offered on a seniority basis. If compulsory overtime is required, it will be assigned in inverse order of seniority, provided, that an employee doing a piece of work will complete that work. Subject to the foregoing, all call-in and scheduled overtime will be by classification and department according to the following procedures:

First, the work will be offered in order of seniority; if declined by all, the work will be offered to employees who have signed the call-in board and have the qualifications to do the work in order of seniority; if declined by all, then the junior available person in the classification and department will work the overtime.

An employee on the call-in board who refuses on two (2) separate occasions within six (6) months, an overtime assignment in a job for which he has signed the board, will have his name removed from the call-in board.

1. For the purposes of assigning "call-in" work, there shall be established a "call-in board" which shall be divided into "divisions" for "call-in" purposes. For the purpose of "call-in" work only, the recognized divisions are:

Non-Perishables Department:

Grocery First Shift Division  
Grocery Second Shift Division

Perishables Department:

Perishables First Shift Division  
Perishables Second Shift Division

Maintenance Department:

Maintenance First Shift Division  
Maintenance Second Shift Division

Transportation Department

Employees may sign the call-in board for jobs they are qualified to do.

The call-in board will be open for signing at six (6) month intervals. In the event an employee removes his/her name from the call-in board, he/she may not sign until the next signing period. If an employee has not signed the call-in board, he/she may not grieve over any matter covered by this section.

The call-in board will be divided by classifications within each department and qualified employees on such department/classification board will be listed by seniority. [An employee may sign multiple division call-in boards. In the event of "call-in" work within a division, employees shall be called from the division call-in board in order of seniority.]

To be eligible for "call-in" from the "call-in board", an employee must have available hours that will not interfere with his/her regular shift.

This provision does not apply to regularly scheduled overtime (such as a "sixth day") nor to overtime required to finish the work load in a division, in which cases the employees in that division will, by seniority, finish the work on such shift. Employees transferred to that division during such shift will not be considered as employees of that division for this overtime provision, provided; however, that by retaining such transferred employee resulting in his receiving overtime shall not be cause for a claim or grievance by employees on the call-in board.

Inventory and preparation for inventory will be governed by past practice.

H. When an employee works overtime on any day in the week, he will not be required to take time off later in the week to compensate for same.

I. Job schedules of daily reporting time for warehouse employees will be posted. Either four (4) or five (5) days shall constitute a normal week's work. Forty (40) hours shall constitute a normal week's work. It will not be mandatory for any employee to work more than eight (8) hours (ten (10) hours for a four (4) day employee) in any one (1) given day when the employee needs to be off, provided the employee gives his supervisor notice as soon as possible and provided sufficient personnel is available to do the work, provided that when overtime is required due to work loads, in order to get out orders, or because of "no shows", the supervisor will give the employee(s) involved at least two (2) hours' notice in advance if

the Company then knows of the need and, if not, shall notify him or them as soon as the Company determines that the overtime need exists.

J. Employees regularly working a four (4) day, ten (10) hour schedule will have two (2) consecutive days off provided in their schedule and, where practicable in the Company's judgment, three (3) consecutive days off will be scheduled; such employees may utilize seniority in the manner now done by those on five (5) day schedules relating to days off.

## **ARTICLE VII**

### **HOLIDAYS**

A. Except as stated in A.1. and A.3. below, the following holidays shall be granted with pay, provided the employee has been on the active payroll of the Company for at least ninety (90) days prior to the holiday involved and, provided further, that the employee works his last scheduled workday immediately preceding the holiday and his first scheduled workday immediately following the holiday and also works on the holiday if so scheduled; provided that if an employee is absent on the last scheduled workday before, the day of, or the first scheduled workday after his holiday, and the absence is due to self-sickness or injury which is substantiated by a valid verifiable doctor's certificate, or because of an Act of God, or because of a contractually excused absence, then such absence will be excused. In any event, an employee must work one (1) day in the calendar week in which the holiday occurs, in addition to the above requirements, to be eligible for the holiday pay. However, in the event an employee is seriously ill or injured and unable to work during a holiday week, this employee remains eligible for respective holiday pay if verifiable documentation of hospitalization and restricted doctor's care is provided. Seriously ill or injured employees must have worked at least one (1) complete shift within the prior ninety (90) days to remain eligible for holiday pay.

The day before New Year's Day  
New Year's Day  
July 4th  
Labor Day  
Thanksgiving Day

The day before Christmas Day  
Christmas Day  
Employee's Birthday  
Employee's Anniversary Date

1. An employee hired on or after May 12, 1990, shall not be entitled to the day before New Year's Day and the day before Christmas Day as holidays, but shall receive, in lieu thereof, two (2) personal holidays to be scheduled at the mutual convenience of the employee and the Company. Employees with at least five (5) years of experience may use these two (2) floating holidays the day after incurring any unscheduled absence by simply informing their supervisor that they wish to be paid for their previous day's absence. Use of floating holidays on a call-in basis is not permitted on (1) the employee's last scheduled shift before any holiday; (2) the holiday itself or: (3) the employee's next scheduled shift following the holiday.

2. An employee hired before May 12, 1990 shall have four (4) options regarding their Christmas Eve and New Year's Eve Holidays. See the Letter of Understanding, revised as of May 27, 2005, for details.

3. An employee hired after May 14, 1999 and on the active payroll for six (6) months, shall be eligible to receive the following three (3) holidays: July 4<sup>th</sup>, Thanksgiving and Christmas Day. After completing one (1) year of service, the employee will be eligible for the remaining contractually observed holidays.

B. The employee's birthday and anniversary date are afforded as holidays to those employees who have completed one (1) year of service with the Company. The employee's anniversary holiday date or birthday holiday date shall be taken in the following manner: each eligible employee shall choose the actual date of his or her anniversary or birthday, whichever is applicable, or the Friday following such date (or the Thursday following such date if Friday is their regularly scheduled off day), and shall inform their supervisor of their choice in advance. If neither of the above options is chosen, then the holiday shall be afforded at such later time as may be mutually agreed to by the employee and the Company. In the event either holiday falls during an employee's vacation, the employee will be paid for same. Regardless of an employee's seniority, personal days are earned as of each employee's respective anniversary date. Employees may then use their personal days at any time throughout their anniversary year pending supervisory approval. No

personal days may be taken by any employee who did not work 1,400 regular hours or 175 tours of duty (140 tours of duty for drivers with four (4) day work week schedules) in the year preceding the year in which he seeks to take a personal day.

It is understood that any employee not selecting his upcoming next year's personal days from October 1<sup>st</sup> to December 15<sup>th</sup> of the current year, shall waive his rights of seniority in selecting personal days for the upcoming next calendar year. Employees who failed to select their personal days from October 1<sup>st</sup> to December 15<sup>th</sup> of the previous year, but instead wait to select their personal days during the current calendar year, shall be on the basis of "first come" and no bumping of employees who previously selected their personal days in the prior year will be allowed.

Each department and/or departmental shift will periodically post the maximum number of employees scheduled off on a daily basis to maintain normal operational efficiency. This maximum number will include employees off work due to scheduled vacations, holidays, birthdays and jury duty. It will also be revised daily to include previously unscheduled employee absences due to funeral leave, extended leaves of absence, personal injury and personal illness, etc. Supervision will use this maximum number as a guideline when evaluating employee requests for personal time off.

C. For those working a five (5) day schedule, holiday pay shall be computed on the basis of nine (9) hours for all employees on the payroll as of June 30, 1975, and on the basis of eight (8) hours for all employees hired on or after July 1, 1975; for those employees working a four (4) day schedule, holiday pay shall be computed on the basis of ten (10) hours regular pay. Time and one-half (1 ½) shall be paid for all time worked in excess of thirty-two (32) hours worked during a one (1) holiday work week providing all other attendance requirements are properly fulfilled; time and one-half (1 ½) shall be paid for all time worked in excess of twenty-four (24) hours worked for employees eligible for two (2) holiday work weeks.

D. Employees working four (4) day work schedules shall be paid overtime after thirty (30) hours worked in a one (1) holiday work week and after twenty (20) hours worked for employees eligible for two (2) holidays in a work week. Eligible cents per mile

truck drivers will be paid “an average’s day’s pay” for holiday pay based on their previous eight (8) week’s earnings.

**ARTICLE VIII**  
**VACATIONS**

A. Each employee in order to be eligible for vacation in any calendar year during the term of this agreement must:

1. Be in the full-time employ of the Company for one (1) year or more computed from the date of original employment or subsequent reemployment (whichever is later).

2. It is understood that, for an employee to qualify for any vacation, he must have been in the full-time employment of the Company for one (1) calendar year from the date of his most recent employment and must have worked 1,400 regular hours in such initial year in order to be eligible to take any vacation in his second year. Cents per mile truck drivers must have worked at least 175 tours of duty (140 tours of duty for drivers with four (4) day work week schedules) or daily dispatches in the previous year to be eligible for vacation pay in the following year. First year employees will not be entitled to take any vacation until the expiration of one (1) calendar year from their recent date of employment. An employee who has completed his first calendar year of service and who has worked 1,400 regular hours or 175 tours of duty (140 tours of duty for drivers with four (4) day work week schedules) during such year may take the vacation earned by him in his first year during the twelve (12) months following his first anniversary date. After an employee completes one (1) year of service and has completed 1,400 regular hours or 175 tours of duty (140 tours of duty for drivers with four (4) day work week schedules) since his last anniversary date, he may take his vacation on an "advance" basis. An employee who is entitled to two (2) or more weeks vacation may take one (1) week of such vacation six (6) months after his most recent anniversary date of employment, provided he has worked 700 regular hours or 88 tours of duty during such six (6) months, and may take the balance of his vacation after having worked 1,400 regular hours or 175 tours of duty (140 tours of duty for drivers with four (4) day work week schedules) in the current year. An employee taking vacation "early" does not begin accruing additional vacation benefits until his next

anniversary date. In the event any employee has taken "early" vacation and either quits or is terminated, he or she shall reimburse the Company for any monies received as early vacation pay for time not actually worked. No vacation or personal days may be taken by any employee who did not work 1,400 regular hours or 175 tours of duty (140 tours of duty for drivers with four (4) day work week schedules) in the year preceding the year in which he seeks to take vacation or personal days.

3. Employees hired after May 14, 1999 will not be eligible for "early" vacation.

B. Each employee who is eligible for a vacation in accordance with paragraph A of this article shall be entitled to the following vacation with pay:

<u>Employee's Service</u>	<u>Vacation Time Off</u>
One to three years	One week
Three to eight years	Two weeks
Over eight years	Three weeks
Over fifteen years	Four weeks

C. Vacation pay for employees hired prior to July 1, 1975, shall be computed on the basis of fifty-two (52) hours of the employee's regular hourly base rate for the job regularly performed by him at the time the vacation is taken, and overtime or extra compensation of any kind will not be taken into consideration. Vacation pay of employees hired on and after July 1, 1975, shall be computed on the basis of his average hourly pay, using the previous four (4) normal workweeks, but in no event shall it be less than forty (40) hours pay or more than forty-five (45) hours pay. Employees hired after May 12, 1984, shall have vacation pay computed on the basis of forty (40) hours pay at his regular straight-time rate at the time such vacation is taken. Regardless of hire date, cents per mile truck drivers eligible for a full week's prepaid vacation will be paid based on the average of the driver's last eight (8) regular weekly paychecks based on his respective mileage and stop pay earnings calculations. Cents per mile drivers will be paid "an average day's pay" for single vacation days based on their previous eight (8) week's earnings.

1. Employees taking a full week's vacation shall receive their vacation pay in advance before their vacation week begins. Unless a verifiable emergency condition exists, employees will not be required to work a regularly scheduled off day(s) immediately preceding or immediately following a full week's vacation.

D. Vacations may not be waived by an employee and extra pay received for work during that period, except upon the prior approval of the Company.

E. Vacations cannot be postponed and allowed to accumulate from year to year, but must be completed each year.

F. During the period from October 1st to December 15th each year, a seniority list of employees will be posted, during which time employees will select their vacation periods for the upcoming next year in accordance with the vacation schedule, such selections to be made according to seniority. Employees who fail, during this period, to exercise their right of seniority in selecting vacation, shall forfeit such right and will make vacation selection only after all others on the list have made their vacation selection. Normally one (1) employee per classification in the department and shift will be permitted to take his vacation in a designated week except as business needs of the Company otherwise permit or require. The vacation schedule shall be posted and remain posted throughout the calendar year.

1. It is understood that any employee not selecting his upcoming next year's full and partial week vacations from October 1<sup>st</sup> to December 15th of the current year, shall waive his rights of seniority in selecting vacation for the upcoming next calendar year. Employees who failed to select their full or partial week vacation from October 1<sup>st</sup> to December 15th of the previous year, but instead wait to select their vacation during the current calendar year, shall be on the basis of "first come" and no bumping of employees who previously selected their vacation in the prior year will be allowed.

2. In the event that it becomes necessary that an employee previously selecting a vacation has such vacation cancelled by the Company, that employee shall be allowed seniority rights in regards to selecting of another mutually agreed upon vacation time as follows:

a. If the employee, having had a previously selected vacation cancelled by the Company, selected such vacation during the period October 1 to December 15<sup>th</sup> of the prior calendar year, then that employee may select another vacation period exercising full seniority in regard to all less senior employees. The right of seniority shall pass on to any affected employee until the selection processes are complete.

b. An employee who, having previously selected a vacation period, has such vacation cancelled by the Company, the vacation being cancelled having been selected after the period October 1 to December 15<sup>th</sup>, may exercise full seniority in the selection of another vacation period only to the extent of employees who, like himself, did not select during the period October 1 to December 15<sup>th</sup> of the prior calendar year. The right of seniority shall pass to any affected employee until the selection processes are complete.

3. No bumping shall be allowed for any other purpose in regard to vacation selection including, but not limited to, the occurrence of a bid transfer from one (1) department to another or the subsequent bumping involved in a warehouse-wide layoff. Transferring employees may consult with their new supervisors in regard to previously selected vacations and, should it be mutually agreeable with the new supervisor, take such vacations as previously scheduled, or in the event a rescheduling of vacations is necessitated by a bid transfer and/or a layoff relocation, such time must be mutually agreed on with the new supervisor and no bumping provisions in regard to other employees shall be allowed.

G. Vacation may be taken throughout the year with preference being given to the senior employees as to the time and due regard being given to the reasonable needs of the Company. Normally only one (1) employee in a classification within the department or shift may be on vacation at a time except as business needs otherwise permit.

H. If a holiday falls during the time an employee is on vacation, the employee will be paid one (1) extra day subject to the provision of Article VII, paragraph D., or will be allowed to take an extra day's vacation to compensate for the missed holiday. An employee must schedule the extra day off with his supervisor before he begins his vacation.

I. In the event an employee quits and gives fourteen (14) days' written notice or is terminated, (unless such termination is for drunkenness, stealing, drugs, or other just cause) such employee will be paid a pro rata vacation for the amount of vacation he has earned on the basis of one-twelfth (1/12) of the amount the employee would have received for a full vacation in accordance with his eligibility for each month or major fraction of a month earned and unpaid. This section shall apply only to regular, full-time employees with at least one (1) year's continuous service with the Company.

J. Time off for injury received on the job shall count as time worked in computing employee's vacation eligibility.

K. Employees will be allowed to use up to one (1) week of their vacation, one (1) day at a time, requiring that they provide the Company with a minimum of seven (7) days' notice. If notice is provided within the seven (7) day period, approval is subject to mutual agreement between the employee and the supervisor.

L. In the event the warehouse is officially closed by management due to an area wide emergency weather condition, or a similar emergency situation preventing normal highway travel throughout the general area, employees will be allowed to use their earned vacation and personal days during the specific time when the warehouse is officially closed.

## **ARTICLE IX**

### **SENIORITY**

A. Seniority shall be plant wide.

B. There shall be a probationary period of ninety (90) calendar days for any new employee during which time the Company shall have the privilege, in its sole discretion, of laying off, discharging, transferring, or retaining such employee. During such probationary period, such employee shall have no rights under this contract. If retained by the Company after the close of such probationary period, such employee's seniority shall date from his date of hire and, such employee, upon the completion of his probationary period, shall be considered a regular employee.

C. The following general principles shall govern the application of seniority:

1. Seniority, as defined herein, shall be applied only when qualifications, skill and ability are relatively equal.

2. Seniority shall be used in computing vacations and for vacation preferences.

D. All seniority of an employee shall be terminated if he:

1. Quits voluntarily;
2. Is discharged for just cause, including being absent for three (3) consecutive workdays without notifying the Company of acceptable reasons therefore;
3. Fails, while on layoff, to report to work within three (3) workdays after notice is mailed to return to work by registered mail or certified mail;
4. Fails to report within three (3) workdays after the expiration of a leave of absence;
5. Is on layoff for nine (9) months or leave of absence for more than twelve (12) consecutive months.

E. When, for any reason, the employee force is increased or reduced, or promotions or demotions are made, or vacancies occur in jobs or shifts, the Company shall meet with the Union to discuss the qualifications, skill and ability of the employees involved. After this meeting, the Company shall make its decision as to whom the job shall be awarded. The job shall be awarded to the senior employee provided that the qualifications, skill and ability of the applicants are relatively equal. The Company's decision shall be made in good faith and subject to the grievance procedure.

F. The last man laid off shall be the first man put back to work, subject to "C" above. It shall be the duty of all laid off employees to notify their employer and the Union of any change of address. Such employees shall report for work within three (3) days after notification. For purposes of recall, seniority will expire nine (9) months after day of layoff.

G. The Company agrees that it will submit a complete seniority list to the Union upon signing this agreement and will revise the list every six (6) months.

H. Rolling shall not be permitted.

I. Job vacancies will be posted for three (3) days to allow employees to bid on the same. After an employee has changed jobs through use of the bidding procedure, he may not bid on another job for four (4) months from the date of being awarded such bid on job unless the bid is to a job carrying a higher hourly rate of pay or an improvement in shift. Employees

may use their seniority for bidding on posted jobs to receive a maximum of two (2) job changes during any consecutive twelve (12) month period, regardless of rate or shift improvements.

Any employee bidding to a classification and/or job for which they have previously qualified within the last three (3) years, will be paid the rate of pay of that job beginning from the first day on the job; otherwise, a thirty (30) day qualifying period will apply.

When employees are awarded job bids, they will be transferred to their new position as soon as possible, but no later than three (3) weeks from the date the job bid is awarded. Whenever possible, employees will start in their new position at the beginning of the next payroll week following the awarding of the job.

In the event that the employee who is initially awarded a job is subsequently disqualified during the designated qualifying period, the job will then be awarded to the next senior employee who originally signed the job bid and who also possesses the required qualifications, skills and ability. If this employee is also disqualified, then the job will be awarded to the next senior employee who signed the original job bid and so on, until all employee names on the original job bid have been exhausted. If all employee names on the original job bid are eliminated for any reason, the job bid will be re-posted.

J. All established outbound truck routes are to be bid on by seniority and, if trips are to be made by drivers returning to the warehouse during the day, they shall be offered on a seniority basis where practicable to the senior available driver, but the junior available driver must take the trip assuming the driver legally has available hours to work. When drivers are to be called in to make runs by seniority, the calling shall be commenced as early as possible before the run is to be dispatched.

K. Company management will make every effort to reassign employees during a shift on a seniority basis assuming respective employees possess skills, ability and qualifications that are relatively equal.

L. New established bid runs for truck drivers shall be posted for bid within eight (8) weeks from the initial store delivery.

M. Any full-time employee hired on or after May 12, 1996 must be employed for a minimum of one (1) consecutive calendar year before becoming eligible to bid on any posted job outside of his/her scheduled departmental shift unless bidding to a job with a higher total hourly wage rate including premium pay. Any qualified employee can bid on any posted job within their respective departmental shift regardless of length of service.

N. Employees on extended leaves of absence will not be eligible to bid on posted jobs if their anticipated return to duty date is uncertain, or longer than eight (8) weeks. Truck drivers on extended leaves of absence will not be allowed to bid on posted jobs and outbound routes if their anticipated return to duty date is uncertain, or longer than eight (8) weeks before the scheduled start date of the route(s) selected.

**ARTICLE X**  
**CHECK OFF**

A. The Company shall deduct the regular initiation fees, dues and assessments of each employee, who individually authorizes such deduction in writing, and will remit the same monthly to the Union. Said authorization to be upon such form or card as the Union may desire and may only be revocable in accord with law and such authorization card.

The Union shall indemnify and save the Company harmless against any and all claims, demands, suits, or other forms of liability that may rise out of, or by reason of, Union or authorization cards executed or purported to be executed by employees or for the purpose of complying with the provisions of this article.

**ARTICLE XI**  
**SETTLEMENT OF DISPUTES**

A. Any controversy arising over the interpretation of, or adherence to, the terms and provision of this agreement shall be settled in the manner provided for in "C" below.

B. Any grievance arising under this contract, by or on behalf of any employee or employees or, by or on behalf of the Union, must be presented for processing at the

appropriate step of the grievance procedure within three (3) working days from the date of the occurrence of the incident giving rise to the grievance, and no arbitrator shall have jurisdiction to consider or pass upon the merits of any grievance not presented within the time limit specified.

C. Grievances filed by one (1) or more employees shall be filed initially at Step 1 of the grievance procedure, except that grievances involving discipline or discharge shall be filed initially at Step 2 of the grievance procedure. Grievances filed by the Union shall be presented initially at Step 2 of the grievance procedure. The grievance steps are as follows:

Step 1. The employee and/or his Union representative shall discuss the complaint or grievance with the employee's immediate supervisor with the purpose of reaching a satisfactory settlement. The immediate supervisor shall give his answer within two (2) working days of the meeting on Step 1.

Step 2. If no satisfactory settlement is reached in the preceding step, the Union shall have the right to reduce the said grievance to writing and appeal the grievance or complaint to the Human Resources Manager, or other designated representative within five (5) working days of the receipt of the answer in Step 1. The Human Resources Manager, or other designated representative, and a representative of the United Wholesale and Warehouse Employees Union shall meet at the earliest date of mutual convenience. The Human Resources Manager, or other designated representative, shall give his answer in writing within seven (7) days of the aforesaid meeting.

Step 3. In the event the dispute cannot be satisfactorily settled within fifteen (15) days, then either party may petition the Director of the Federal Mediation and Conciliation service in Washington, D.C. for a panel of at least five (5) names of arbitrators from the State of Alabama, if possible. In order to select an arbitrator from the panel furnished by the Federal Mediation and Conciliation Service, the Union and the Company shall alternately strike names from the list until one (1) name remains. This person, whose name survives, will serve as the arbitrator. While the procedure is being pursued, the parties shall make every effort to settle the dispute or to select an impartial arbitrator by mutual agreement and, in the event such efforts are unsuccessful, the arbitrator shall be selected by

the process as indicated above. The decision of the arbitrator shall be final and binding and shall be rendered as soon as possible. The salary and expense of the arbitrator shall be shared equally by the Company and the Union. The arbitrator shall render his decision within thirty (30) days of the conclusion of the arbitration hearing or, in the event the arbitrator requests briefs then, within thirty (30) days of the receipt of the last brief filed.

Step 4. A separate arbitrator shall be selected to hear not more than two (2) grievances at the same time (except grievances presenting the same issue for determination and arising out of the same facts) unless the parties mutually agree to the contrary. Each party shall pay one-half (1/2) of the expense of the arbitrator. No arbitrator shall have the authority to add to, subtract from or, in any way, change any of the terms and conditions of this agreement or, to modify, set aside or extend the same. No proposal to amend, modify or change any of the terms of this contract or to change, fix or establish any wage rate (other than those for new or changed jobs) shall be subject to arbitration. The decision of the arbitrator shall be rendered within thirty (30) calendar days after close of hearing and his award, within the scope of the issues submitted, shall be final and binding.

Step 5. On grievance settlements involving back pay, the Company shall not be obligated to pay for more than nine (9) working days prior to submission of the written grievance and back pay shall in no event be paid for time not actually lost. The Company shall have the right to credit against back pay awarded by an arbitrator for any earnings, compensation or remuneration received by the employee from any source, as a result of this discharge. The Company shall also have the right to deduct from such back pay awarded, all unemployment benefits received or, to which the employee involved would have been entitled had he applied for such benefits.

D. Should the aggrieved or his representative fail to prosecute a grievance within the time limits hereinabove prescribed as to any steps, the grievance shall receive no further consideration, except the time limit may be extended by mutual agreement.

E. The arbitrator is empowered, except as his powers are limited below, to making decisions in case of alleged violation of rights expressly secured by this agreement or any supplement thereto. The limitations on the powers of the arbitrator are as follows:

1. He shall have no power to add or subtract from or modify any of the terms of this agreement.
2. He shall have no power to establish wage scales or change any wage.
3. He shall have no power to substitute his discretion for the Company's discretion in cases where the company has retained discretion or is given discretion by this agreement, except that where he finds a disciplinary layoff or discharge results for manifestly arbitrary exercise of the Company's managerial judgment in fixing the extent of the penalty, he may make appropriate modifications of the penalty.
4. He shall have no power to decide any question which, under this agreement, is within the right of management to decide. In rendering decisions, the arbitrator shall have due regard for his rights and responsibilities of management and shall so construe the agreement that there will be no interference with the exercise of such rights and responsibilities, except as those rights may be expressly conditioned by this agreement.

F. In the event the Company sets new standards or changes existing standards, such standards shall be reasonable. When either of the above occurs, the Union shall have fourteen (14) calendar days to grieve over the reasonableness of such standards and such shall be the subject of arbitration, as provided for in this agreement, if an agreement as to such standards cannot be reached through the grievance procedure.

**ARTICLE XII**  
**401k RETIREMENT PLAN**

A. Effective May 9, 2014, the Company will no longer make monthly contributions to the Retail, Wholesale, Department Store International Union and Industry Pension Fund on behalf of its union employees. The Company made the business decision to officially withdraw from the Pension Fund, and will therefore make the required quarterly withdrawal liability payments on behalf of its employees.

For eligible union employees hired on or before May 9, 2014, who have already completed six (6) months of consecutive service, the Company will contribute \$27.50 per week into each employee's individual 401k retirement account for the duration of the employee's continued and uninterrupted employment, whenever such employee receives pay equal to sixteen (16) hours or two (2) separate driving shifts during the work week.

Union employees who have not yet completed six (6) months of service as of May 9, 2014, will also be eligible to receive the \$27.50 weekly 401k contribution to their individual retirement account after they complete one (1) full year of consecutive service. Any pay required under the provisions of this collective bargaining agreement will be considered as pay for the purpose of this contribution determination. Effective May 10, 2024, the Company contribution will increase to \$30.00 per week; effective May 8, 2025 to \$31.00 per week; effective May 8, 2026 to \$32.00 per week; effective May 7, 2027 to \$33.00 per week and effective May 12, 2028 to \$34.00 per week. Employees are also eligible and encouraged to make voluntary contributions into their respective 401k retirement accounts through payroll deductions.

Employees hired on or after May 10, 2014 will also be eligible to voluntarily participate in the Company's 401k retirement plan after completing one (1) full year of employment. Employees rehired after May 10, 2014, who previously worked the sufficient number of hours with the Company to satisfy current 401k eligibility requirements, will be immediately eligible to voluntarily participate in the Company's 401k retirement plan. The Company will match 100% of the first one percent (1%) that an employee voluntarily contributes, and the Company will match 50% of the next five percent (5%) that an employee contributes. Therefore, if an employee voluntarily contributes at least six percent (6%) of salary to his personal 401k account, the Company will make a matching contribution of up to 3.5% of the employee's salary to the employee's 401k account. Employees will be automatically enrolled in the 401k plan when they become eligible, but will retain the legal right to change their contribution at any time, and to "opt out" if they do not wish to participate.

**ARTICLE XIII**  
**FUNERAL LEAVE**

A full-time qualified employee who has been employed with the Company for a minimum of ninety (90) days may be eligible for paid funeral leave. It shall be recognized that up to three (3) calendar days may be necessary to mourn and attend the funeral services of the person(s) specified below, and these days shall be taken within the period from the date of death through the day following the funeral. If any of these days are

working days, the employee will suffer no loss of pay, provided; however, that such pay shall not exceed eight (8) hours pay for five (5) day employees, ten (10) hours for four (4) day employees, at the employee's regular straight-time rate. Funeral pay for cents per mile truck drivers will be based on the driver's "average day's pay" computed from his previous eight (8) week's earnings. Funeral leave shall cover the following relatives: wife, husband, son, daughter, step-child, sister, brother, mother, father, step-parent, sister-in-law, brother-in-law, mother-in-law, father-in-law, grandchildren, grandparents and spouse's grandparents. No employee shall receive pay for any part of funeral leave that occurs during regular time off or when the employee is absent from work for other reasons.

#### **ARTICLE XIV**

##### **JURY PAY**

Employees must notify supervision as soon as they receive a jury summons. A full-time qualified employee may be eligible for jury duty pay after submitting a copy of his jury notice. The Company agrees to pay a full day's pay for jury duty served up to a maximum of nine (9) hours pay for any employee hired on or before June 30, 1975. Employees hired after that date will be paid eight (8) hours pay for a five (5) day employee. Four (4) day employees will be paid ten (10) hours pay for each day that an employee would otherwise be scheduled to work on the day or days actually served on jury duty. Jury duty pay for cents per mile truck drivers will be based on the driver's "average day's pay" computed from his previous eight (8) week's earnings.

#### **ARTICLE XV**

##### **HEALTH AND PROPERTY PROTECTION**

The warehouse must be kept in a sanitary condition and all employees working in the warehouse must keep themselves in a clean and sanitary condition. Cool drinking water is to be available at all times for the employees in the warehouse. The ventilation in the warehouse, during the working hours, shall be sufficient for the normal comfort and the protection of the health of all workers, consistent with good warehouse practices.

#### **ARTICLE XVI**

**MISCELLANEOUS**

A. Authorized representatives of the Union may visit the warehouse after notification to the Human Resources Manager.

B. The Union will be furnished one (1) bulletin board for posting notices relating to Union meetings and official Union business, only of a noncontroversial nature.

C. It is agreed that an annual Christmas bonus of one (1) week's pay shall be paid to all employees hired on or before May 12, 1984, at least fourteen (14) days prior to Christmas. A full week's Christmas bonus shall be based on fifty-two (52) hours regular straight-time pay in the classification regularly worked by an employee without regard to overtime or other additional compensation. A full week's Christmas bonus for eligible cents per mile drivers will be based on the greater of fifty-two (52) hours at the driver's regular wage rate or the average of his last eight (8) weekly paychecks. Employees hired after May 12, 1984, shall receive a Christmas bonus, as follows, if employed a full year as of December 1st of each year thereafter:

One (1) year	\$ 50
Two (2) years	\$100
Three (3) years	\$150
Four (4) years	\$200
Five (5) years	\$250
Ten (10) years	\$500

D. Maternity leave, as is reasonably required by the condition of the employee, will be granted upon proper request in compliance with the Family and Medical Leave Act of 1993.

E. An employee who accepts a position either with the local Union office or with Company management shall be permitted a leave of absence of up to one (1) year during which time he shall maintain and accrue seniority. Employees returning from leaves of absence shall be returned according to seniority at work in a position generally similar to that which they did last prior to their leaving.

F. Copies of any warning or reprimand letters given to employees shall be furnished to the Union. These letters shall be subject to the grievance procedure.

G. Drivers will not be required to drive an unsafe vehicle. In the event of a dispute between the driver and his immediate supervisor as to whether or not a vehicle is safe to drive, the dispute will be resolved by a qualified mechanic either from within or without the unit, selected by the Company.

H. The Company and Union shall designate acceptable brands of safety shoes to be worn by employees requiring such equipment. The Company shall reimburse employees for fifty percent (50%) of the cost of designated steel toed boots purchased through authorized shoe dealers. Employees shall be reimbursed for no more than one (1) pair of approved safety shoes per year. The Company's reimbursement shall be limited to a maximum of fifty dollars (\$50) per employee, per year. Employees must be employed at least six (6) months to be eligible for shoe expense reimbursement.

I. A bargaining unit employee shall assist in loading all rack service and customer pickup orders.

J. An absence from work, on account of injury or illness of an employee, will be treated as an excused absence provided the employee presents a written verifiable excuse signed by the doctor, in which the doctor affirms the need for the absence from work.

K. In the event an employee is injured on the job and has to go to the doctor for treatment, he shall be paid for time lost from his scheduled shift provided that, if the doctor excuses him to return to his job to complete his shift, he does so immediately.

L. The Company will make every effort to provide all forms of written employee communication in both the English and Spanish languages. The Company will also provide a bilingual internal voice mail system so that Spanish speaking employees can properly notify their supervisors when reporting off from work or of delays in their arrival to work.

M. The Company will provide freezer rated gloves for employees who are regularly assigned to work the majority of their shift in the freezer section of the warehouse.

**ARTICLE XVII**  
**HEALTH AND WELFARE**

A. Effective June 1, 2005, the Company will no longer participate in the Retail, Wholesale and Department Store International Union and Industry Health and Benefit Fund. Health insurance (including dental & short term disability) will continue to be offered to all employees subject to the collective bargaining agreement between said Company and the Union, who have completed their probationary period (ninety (90) calendar days). Employees shall first be eligible to participate in this benefit plan beginning on their 91<sup>st</sup> day of employment following completion of their probationary period. Employees who fail to enroll timely during their respective probationary period will not be eligible for enrollment until, at the earliest, the first day of the payroll week following receipt of their required and fully completed insurance related documents.

Whenever a full-time employee receives pay equal to four (4) work shifts (8 hours each) during the same month, the Company, shall pay the entire monthly health insurance premium. Any pay required under the provisions of said collective bargaining agreement shall be considered as pay for the purpose of this determination.

B. Effective May 11, 2012, all employees, regardless of hire date, will contribute \$47.50 per week for health insurance. Effective May 10, 2013, all employees will contribute \$49.75 per week for health insurance. Effective May 9, 2014, all employees will contribute \$50.70 per week for health, dental and short-term disability insurance. Effective May 8, 2015, the employee's contribution will increase to \$52.25 per week. Effective May 13, 2016, the employee's contribution will increase to \$53.55 per week. Effective May 12, 2017, the employee's contribution will increase to \$54.90 per week. Effective May 11, 2018, the employee's contribution will increase to \$56.00 per week. This amount will be automatically deducted weekly from gross employee wages on a pre-tax basis.

Voluntary Wellness Incentive - The Company offers a wellness program that is a voluntary financial incentive plan available to all eligible employees and their participating

spouses, if applicable. The following “incentive earned” rates are “fully discounted” based on the assumption that the employee, and the employee’s participating spouse, if applicable, have each chosen to voluntarily “earn the wellness incentive” offered by timely receiving both their annual physical and their annual dental cleaning. The following weekly rate structure is based on the employee’s voluntary participation and, if applicable, their spouse’s participation in the wellness incentive plan offered.

**WEEKLY INSURANCE CONTRIBUTION RATES**

	<u>Incentive Earned</u>	<u>Partial Incentive Earned</u>	<u>No Incentive Earned</u>
May 2019	\$57	\$67	\$77
May 2020	\$58	\$68	\$78
May 2021	\$59	\$69	\$79
May 2022	\$60	\$70	\$80
May 2023	\$61	\$71	\$81
May 2024	\$62	\$72	\$82
May 2025	\$63	\$73	\$83
May 2026	\$64	\$74	\$84
May 2027	\$65	\$75	\$85
May 2028	\$66	\$76	\$86

C. The Company reserves the right to make minor modifications to health and welfare benefits annually at the anniversary date of this contract. Whenever the Company needs to revise benefits, management will meet with the Union representatives to thoroughly discuss the upcoming changes. All benefit revisions must be communicated to Union employees in writing before the effective date of the changes.

D. The foregoing provisions as to the health plan are subject in all respects to the provisions of the Labor Management Relations Act of 1947, as amended, and any other applicable laws and regulations, including the appropriate provisions of the Internal Revenue Code of 1954, as amended, so as to insure that the employer's contributions thereto, shall be deductible as ordinary business expense.

E. If, during the term of this agreement, the government institutes a National Health Insurance Program and the Company is required or has the option to contribute financially to said plan, then the Union and the Company shall meet to discuss all options

available. However, the Company shall not be required to pay premiums to both health insurance plans.

## ARTICLE XVIII

### CENTS PER MILE TRUCK DRIVERS & OUTBOUND ROUTE BIDS

A. All established outbound truck routes will be posted for bid on a daily basis at least once per year. Due to the fact that an excessive number of Saturday routes have recently remained un-bid and therefore unassigned to any driver, during the annual bid process and any other time that all outbound routes are posted for bid, drivers will be required to use their respective seniority to bid nearly all available Saturday routes. All future drivers will be hired as cents per mile drivers. All drivers will use their respective seniority to bid on these posted outbound routes. Any driver who loses an outbound route through no fault of his own shall have the right to exercise his seniority in selecting another compatible outbound route within his respective pay category. Spotters will continue to be paid on an hourly basis.

B. Cents per mile drivers will be allowed to bid on the maximum number of outbound routes they can legally make on a weekly basis subject to full compliance within DOT hours of service regulations. Cents per mile drivers will be allowed to bid on any outbound route since they may need a short day to offset longer mileage days. Cents per mile drivers will be allowed to bid on 4, 5, 6 or even 7 daily outbound routes, provided that their schedule is in full compliance with all DOT rules and regulations. Cents per mile drivers must bid on at least fifty (50) hours of work or at least 1,500 miles per week. Drivers bidding an actual four (4) day, outbound route schedule must bid a minimum of 2,000 miles. The Company reserves the right to limit the number of drivers, if any, allowed to bid four (4) day outbound, weekly work schedules. Drivers will be allowed to bid, by seniority, on a sixth (6<sup>th</sup>) day of work after all drivers have initially bid and been approved for their regular four or five day outbound work schedule.

C. Cents per mile drivers will no longer be required to punch a time clock when arriving or leaving the transportation dispatch office as they are strictly working based on their DOT hours as recorded by electronic logging devices. Drivers will still be required to report layover down and up times to the transportation office per existing procedures. If a

tractor's electronic logging device quits working during a trip or is not working at all that day, drivers must keep manual DOT logs.

D. Miscellaneous Pay: Cents per mile drivers will be paid an "average day's pay", based on their previous eight (8) week's earnings, for jury duty, funeral leave, holidays, personal days and less than a full week's vacation.

E. Full week prepaid vacation: Cents per mile drivers receiving a full week's prepaid vacation will be paid based on the average of the driver's last eight (8) regular weekly paychecks. Cents per mile drivers hired prior to July 1, 1975 will be paid the greater of fifty-two (52) hours at their regular rate of pay or the average of their last eight (8) regular paychecks.

F. Hourly Pay: Cents per mile driver's will be paid at their hourly pay rate whenever any authorized stop (store delivery, backhaul, weather, highway delay) lasts for more than one and one-half (1 ½) hours. In order to qualify for this hourly pay, the driver must immediately call and inform a Transportation Supervisor of his problem when he approaches the one and one-half (1 ½) hour delay point. Drivers who fail to promptly report lengthy delays will not be eligible for hourly pay in these type situations. Hourly pay for backhauls will begin one and one-half (1 ½) hour after the driver arrives at the backhaul location, provided the driver promptly notifies transportation supervision of the delay.

Hourly pay for outbound warehouse delays and equipment breakdown in route will begin thirty (30) minutes after the driver incurs the outbound delay or breakdown, provided the driver promptly notifies transportation supervision of his delay or physical breakdown location. The company will use the tractor's electronic logging device's actual stop time to pay for store, breakdown and backhaul delays. If an electronic logging device is not working on any trip, drivers will record all information on manual DOT logs and the company will pay delays from those records, whenever applicable. For example, if a driver is delayed while unloading at a store, he will notify a Transportation Supervisor after approximately an hour, if he expects the delay to continue past one and one-half (1 ½) hour. If the delay actually lasts for a total of two (2) hours and fifteen (15) minutes, the

driver will be paid forty-five (45) minutes at his hourly rate of pay. Cents per mile drivers reporting for duty as “Warehouseman” will be paid their regular hourly wage rate for all time spent at the warehouse in anticipation of taking a run, excluding actual time spent on their lunch break.

G. Two (2) Week Wage Guarantee: Occasionally, through no fault of his own, a cents per mile driver may lose a scheduled bid run due to a late return from layover or route consolidation. When this occurs, drivers, according to seniority, will be immediately offered any other available runs on the date of the occurrence. If no runs are available or no runs are compatible to the driver’s existing work schedule and available DOT hours on the date of occurrence, he will be offered another run on his regularly scheduled off day, if a run is available and compatible on that day. The intent is to replace or exceed any work the driver may have lost due to legitimate and verifiable business reasons. But if no runs are available and/or no available runs match a driver’s available work schedule, he will not be able to work that day. When this occurs, assuming that a driver has a previously earned vacation or personal day available, and he requests using one (1) of these days, the driver is automatically approved to be paid accordingly.

The guarantee provisions for cents per mile drivers will not apply if the driver refuses a run he could legally work and that would not have interfered with his next scheduled route. The guarantee will also not apply to excused and unexcused absences, suspension, disciplinary action, layoff or termination, etc. The guarantee would also not apply to lack of work due to certain Acts of God, such as weather related difficulties that temporarily restrict normal warehouse operations, etc.

For Example, the Two (2) Week Wage Guarantee of \$1,450.00 Will Be Applied as Follows:

	<u>Scenario #1</u>	<u>Scenario #2</u>
Prior week full route paycheck	\$ 825.75	\$ 795.80
Current paycheck missing a route	<u>\$ 660.00</u>	<u>\$ 453.20</u>
Actual two week earnings total	\$1,485.75	\$1,249.00

In the 1<sup>st</sup> scenario, since actual earnings for the two (2) week period exceed the guarantee of \$1,450.00, the driver would not be due any additional pay. In the 2<sup>nd</sup> scenario, since actual earnings are less than the two (2) week wage guarantee, the company

will pay the driver an additional \$201.00, assuming that no previously noted exclusions apply.

The two (2) week wage guarantee will increase to \$1,277.00 effective May 26, 2006; \$1,287.00 effective May 25, 2007; \$1,297.00 effective May 23, 2008 and to \$1,307.00 effective May 22, 2009. The two (2) week wage guarantee increased to \$1,450.00 effective May 10, 2019. This guarantee will increase to \$1,600 effective May 10, 2024; to \$1,700 effective May 8, 2026 and to \$1,800 effective May 12, 2028.

H. Mileage Audit: In the event that a driver follows the exact route suggested by our routing software, but the actual round-trip mileage traveled is more than fifteen (15) miles greater than the total routed miles, he should immediately notify the Director of Transportation to request a mileage audit. Also, in the event that a driver is legally prohibited from traveling the routing software's designated route, and this results in more than fifteen (15) additional miles, he should request an audit to verify his actual round-trip mileage. In the event that a regularly assigned road is temporarily closed and the driver will be detoured for an extended period of time, but the driver's round-trip mileage is increased by less than the fifteen (15) mile audit threshold, the driver should immediately notify the Director of Transportation so that the recurring mileage difference can be promptly investigated.

I. The Company reserves the right to alter schedules as needed in order to allow for holidays, backhaul cancellations, unscheduled additions, inventory and other operational occurrences. In an effort to better inform drivers of temporary route changes in advance, the Company will implement a plan for automatic communication, via text message, to each driver every afternoon detailing his next day's route information.

J. If a cents per mile run is not taken pursuant to such bidding procedures, then such run shall be assigned to a qualified driver in inverse order of seniority.

K. Cents per mile drivers required to work on a sixth (6<sup>th</sup>) or seventh (7<sup>th</sup>) day shall be paid for all mileage, stops and time actually worked on such days at their regular cents per mile rates of pay, it being understood that the normally required cents per mile weekly schedule is not more than five (5) outbound routes during a seven (7) day workweek.

All cents per mile operations shall be conducted in accordance with applicable federal and state regulations.

L. In the event that a cents per mile driver is requested by the Company, or required by applicable state or federal regulations, to "lay over" in the course of a trip, then such driver shall be paid his reasonable layover expenses for meals and lodging.

M. Cents per mile drivers may be required to clean out their cabs and sweep out their trailers and to unload returned merchandise at the end of a trip but will not be required to do additional work including the unloading of backhauls, nor shall they be required to accept additional trips provided they have performed their regular work assignment provided, however, that cents per mile drivers who return to the warehouse after having laid over and who are unable to make their regular run, may be required to take other runs in order to complete their scheduled work day or work week.

N. Cents per mile drivers will not be subject to the overtime provisions of this contract.

O. Drivers on the extra board will be paid according to the type of run they actually work each day.

#### **ARTICLE XIX**

#### **VOLUNTARY POLITICAL CONTRIBUTION**

The Company agrees to deduct weekly from the pay of those employees who have so authorized in writing by signing the appropriate checkoff form, a voluntary contribution in the amount specified by the employee and to remit said contributions monthly to the RWDSU Cope Fund.

This authorization is voluntarily made on the specific understanding that the signing of this authorization and the making of payments to the RWDSU Cope Fund are not conditions of membership in the Union or the employment with the Company and the RWDSU Cope Fund will use the money it receives to make political conditions and expenditures in connection with federal, state and local elections.

This authorization may be revoked at any time by notifying the Company and the RWDSU Cope Fund in writing of a desire to do so provided, however, that an employee who revokes such authorization may not rejoin for two (2) years.

## **ARTICLE XX**

### **DURATION**

A. This agreement is in full settlement of all the issues between the parties. The Company and the Union expressly agree that, during the term of this agreement, there shall be no reopening of collective bargaining negotiations nor demand therefor as to any matter or issue not covered by the provisions of this agreement or for the renegotiation of any provisions of this agreement.

B. This agreement shall become effective as of the date hereof except as otherwise set out herein and shall continue in full force and effect until midnight May 11, 2029.

IN WITNESS WHEREOF, the Parties have hereunto affixed their hands on the day and year first above written.

COMMITTEE:

Joe Johnson  
Joe Brown  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ASSOCIATED GROCERS OF THE SOUTH, INC.

By: Stam Alexander  
President & CEO  
By: Mike Thrasher  
Warehouse Director  
By: Steve O. Maune  
Transportation Director  
By: Leland C. Stay  
Vice President Human/Industrial Relations

UNITED WHOLESALE AND WAREHOUSE  
EMPLOYEES, LOCAL NO. 261.

By: [Signature]  
Representative

**EXHIBIT A:** All employees will be paid the following hourly rates for the duration of the contract:

<b><u>JOB TITLE</u></b>	<b><u>5/10/24</u></b>	<b><u>5/8/25</u></b>	<b><u>5/8/26</u></b>	<b><u>5/7/27</u></b>	<b><u>5/12/28</u></b>
Forklift Operator	\$20.40	\$21.00	\$21.65	\$22.30	\$23.00
Grocery Selector	\$20.75	\$21.35	\$22.00	\$22.65	\$23.35
Refrigerated Selector	\$20.55	\$21.15	\$21.80	\$22.45	\$23.15
Loader	\$20.08	\$20.68	\$21.33	\$21.98	\$22.68
Leadman Checker	\$20.59	\$21.19	\$21.84	\$22.49	\$23.19
Warehouseman	\$20.08	\$20.68	\$21.33	\$21.98	\$22.68
Equipment Maintenance, Class A	\$21.80	\$22.40	\$23.05	\$23.70	\$24.40
Equipment Maintenance, Class B	\$20.85	\$21.45	\$22.10	\$22.75	\$23.45
Equipment Maintenance, Class C	\$20.40	\$21.00	\$21.65	\$22.30	\$23.00
Elec./Ref. Maintenance, Class A	\$22.85	\$23.45	\$24.10	\$24.75	\$25.45
General Maintenance, Class B	\$21.40	\$22.00	\$22.65	\$23.30	\$24.00
Warehouse Sanitation	\$17.55	\$18.15	\$18.80	\$19.45	\$20.15
Truck Driver	\$20.74	\$21.34	\$21.99	\$22.64	\$23.34
Spotter	\$22.35	\$22.95	\$23.60	\$24.25	\$24.95

**CENTS PER MILE (CPM) TRUCK DRIVER**

<b><u>Mileage (Routed Software Miles)</u></b>	<b><u>5/10/24</u></b>	<b><u>5/8/25</u></b>	<b><u>5/8/26</u></b>	<b><u>5/7/27</u></b>	<b><u>5/12/28</u></b>
1 – 99 Mile Routes:	\$0.822	\$0.832	\$0.842	\$0.852	\$0.862
100 – 199 Mile Routes:	\$0.622	\$0.632	\$0.642	\$0.652	\$0.662
200 Miles and Above:	\$0.522	\$0.532	\$0.542	\$0.552	\$0.562
Route Mileage Minimum:	\$36.00				

**Store Deliveries and Backhauls:**

1 <sup>st</sup> and 2 <sup>nd</sup> Stops:	\$10.80	\$11.05	\$11.30	\$11.55	\$11.80
3 <sup>rd</sup> and 4 <sup>th</sup> Stops:	\$11.80	\$12.05	\$12.30	\$12.55	\$12.80
5 <sup>th</sup> Stop and Above:	\$12.80	\$13.05	\$13.30	\$13.55	\$13.80

Handoff/Rolloff 250 Cube Minimum: \$19.00 \$20.00 \$21.00 \$22.00 \$23.00  
(Paid in addition to stop pay noted above.)

**Return to Warehouse**

1 <sup>st</sup> Daily Return to AG:	\$ 6.30	\$ 6.55	\$ 6.80	\$ 7.05	\$ 7.30
2 <sup>nd</sup> Daily Return to AG:	\$ 7.80	\$ 8.05	\$ 8.30	\$ 8.55	\$ 8.80

1. Effective May 15, 1996, warehouse employees regularly scheduled to work in the Perishable Department shall receive twenty cents (\$0.20) per hour Premium pay above established rates for their classification.
2. Effective May 9, 2014, warehouse employees and spotters regularly scheduled to report to work after 2:00 p.m. daily shall receive twenty-five cents (\$0.25) per hour Shift Differential Premium pay above established rates for their classification. The Shift Differential Premium increases to thirty cents (\$0.30) per hour effective May 8, 2015; forty cents (\$0.40) per hour effective May 13, 2016; fifty cents (\$0.50) per hour effective May 12, 2017, and sixty cents (\$0.60) per hour effective May 11, 2018.

The Shift Differential Premium increases to sixty-five cents (\$0.65) per hour effective May 10, 2019; seventy cents (\$0.70) per hour effective May 15, 2020; seventy-five cents (\$0.75) per hour effective May 14, 2021; eighty cents (\$0.80) per hour effective May 13, 2022; and eighty-five cents (\$0.85) per hour effective May 12, 2023. Truck drivers are excluded from this shift differential premium.

Effective May 10, 2024, warehouse and maintenance employees, and spotters, regularly scheduled to report to work after 1:00 p.m. daily shall receive Shift Differential Premium pay above established rates for their classification.

3. An employee's classification shall be that on which he regularly works fifty-one percent (51%) or more of his time.
4. Any employee who performs work in a higher rated position for as much as two (2) hours of any workday shall be paid the higher rate for all regular hours worked that day. All overtime will be computed according to the actual rate(s) of the classification in which such overtime is performed, but not lower than his classified rate.
5. An employee obtaining a job by bidding on same shall work at his regular classified rate until qualified to perform the job bid on, such period not to exceed thirty (30) days.
6. All employees receiving an amount greater than the stipulated contract rate shall be personalized and continue to receive the difference they now receive. However, should they

leave the employment of the Company or accept another job with the Company, their successor shall receive the contract rate.

7. New employees will be paid according to the following progression:

<u>START RATE</u>	<u>9 WEEKS</u>	<u>26 WEEKS</u>	<u>52 WEEKS</u>	<u>78 WEEKS</u>
50%	60%	70%	80%	100%

8. It is understood that if, and when, ten (10) hour shifts are instituted, employees will have the right to remain on the converted jobs or to bump immediately into other jobs in accordance with their seniority and the vacancies created, if any, would be posted for bid. If there are no bids, then employees will be assigned to such ten (10) hour shifts in inverse seniority order. Personnel assigned on a permanent basis to a four (4) day job may not claim a fifth day of work except that they may sign on to the call-in board and be subject to all applicable call-in provisions.
9. When a ten (10) hour employee is assigned to an eight (8) hour job for the Company's convenience to cover absentees, the ten (10) hour employee will be paid overtime, in the event overtime is worked based on his ten (10) hour workday unless that ten (10) hour employee works in the eight (8) hour job for a complete weekly pay period, in which case, he will be paid according to that job overtime pay provision. An eight (8) hour employee assigned to a ten (10) hour job for the Company's convenience will continue to be paid overtime at the eight (8) hour employee's rate. When an employee is assigned for the employee's convenience, such as no work being available and there is overtime work, the ten (10) hour employee will be paid overtime based on the overtime provisions applicable to the job which he works. In the event the Company elects to abandon any ten (10) hour jobs, the employees will have the reverse rights of remaining or bumping which they had when the jobs were instituted. Any provision relating to the ten (10) hour days may be changed by mutual agreement of the Company and Union. Daily overtime shall not be applicable to employees hired on or after May 12, 1990.

10. In the event the Company resumes daily management of the garage operation, it is understood that this is bargaining unit work requiring the addition of respective garage “mechanic” job classifications and corresponding hourly rates of pay.

11. The Company reserves the right to pay Warehouse Order Selectors ninety percent (90%) of the hourly wage rate referenced in Exhibit A, for an indefinite period of time, based on the selector achieving and maintaining at least 90% weekly production, but less than the 100% weekly production standard required to earn the corresponding top hourly wage rate. Both newly hired and existing selectors will be eligible to participate in this program based on management’s review of their respective attendance, discipline and production records. The applicable shift differential and/or perishable department premiums, as explained in Exhibit A, 1 and 2, will also continue to be paid at ninety percent (90%).

May 12, 1993

LETTER OF UNDERSTANDING

The Company assures the Union that we will meet with respective supervisors to discuss Union concerns regarding supervisory attitudes and behavior.

The Company agrees with the Union that Company Work Rule No. 23 applies to all non-union employees as well as Union employees.

May 15, 1999

(Revised May 27, 2005 and May 9, 2014)

LETTER OF UNDERSTANDING

It is mutually agreed that employees hired before May 12, 1990 will have several options regarding their Christmas Eve and New Year's Eve holidays. The options are as follows:

1. Employees may use these two (2) days as floating personal holidays to be used anytime during the year per supervisory approval, or:
2. Employees may choose to physically work Christmas Eve and/or New Year's Eve per their regularly scheduled shift and choose to be paid additional holiday pay for these days worked, or:
3. Employees whose shift is not scheduled to work on either Christmas Eve and/or New Year's Eve, and who have already used their floating holiday option, will be allowed to work on another shift, per their voluntary request, in an effort to insure that they receive five (5) days work during these holiday weeks, or:
4. Employees may choose to use these two (2) floating personal days the day after incurring most unscheduled absences, (excluding their last scheduled shift before a holiday, the holiday itself, or their next scheduled shift following a holiday), by simply informing their supervisor that they wish to be paid a personal day for their previous day's absence.

IN WITNESS WHEREOF, the Parties have hereunto affixed their hands on the day and year first above written.

COMMITTEE:

ASSOCIATED GROCERS OF THE SOUTH, INC.

Joe Johnson

By: Stam Alexander  
President & CEO

Joe Brawm

By: Mike Thrasher  
Warehouse Director

\_\_\_\_\_

By: Steve O. Maure  
Transportation Director

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By: Leland C. Stay  
Vice President Human/Industrial Relations

UNITED WHOLESALE AND WAREHOUSE  
EMPLOYEES, LOCAL NO. 261.

By: [Signature]  
Representative