

**TENTATIVE AGREEMENT BETWEEN JEWEL FOOD STORES INC. AND
TEAMSTERS LOCAL 710 FOR THE COLLECTIVE BARGAINING AGREEMENT
COVERING DRIVERS, DISPATCHERS AND LOAD PLANNERS**

This Tentative Agreement (“Tentative Agreement”) is entered into between Jewel Food Stores Inc. (“Employer or Company”) and Teamsters Local 710 (“Union”). The Employer and the Union are collectively referred to as the “Parties.” The Union and the Employer are parties to a Collective Bargaining Agreement for Drivers, Dispatchers and Load Planners set to expire on March 6, 2016. The Parties have reached a tentative agreement covering Drivers and Dispatchers for the period March 7, 2016 to March 6, 2021.

The Parties have agreed that all agreements are tentative until an entire agreement is final and approved by the ratification procedures of the Union.

The provisions of the Collective Bargaining Agreement for Drivers, Dispatchers and Load Planners set to expire on March 6, 2016 and all existing Side Letters, Memorandums of Understanding, Addendums, Supplemental Agreements and Letters of Understanding (LOU) shall be continued and incorporated into this Tentative Agreement except to the extent modified herein. The Parties have agreed to the following modifications:

General Language Clean-Up

The Parties have tentatively agreed to include spelled out numerical figures throughout the Agreement and numerical figures after any spelled number throughout the entire Agreement.

Date of Execution

The Parties have tentatively agreed upon a March 7, 2016 effective date for the contract.

Article 1:

Modify Section 1.3 as follows:

Remove and replace “wage agreement beginning August 1, 2012 and ending March , 2016,” with “this Agreement.”

Article 2:

Modify Section 2.1 and all other contract references to employees hired on or before 4/1/94 as follows:

The 80% group with employees hired on or before 4/1/94 shall be modified to always include the top 45% of the seniority list. Additionally, once an employee reaches the top 45% of the seniority list all of the benefits of the “Heavy 80” Group shall be retained by the employee, whether or not the employee remains in the top 45% of the seniority list.

Modify Section 2.4 as follows:

All provisions of the Agreement become effective at the beginning of the term of the Agreement unless indicated otherwise in the Agreement.

Article 3:

Modify Section 3.4 as follows:

Remove any and all references to “STIPEND” within this section. Remove the last sentence which reads, “Local 710 shall reimburse the Employer annually for the Employer’s actual cost for all expense incurred in administering the weekly payroll deduction plan for STIPEND.”

Article 4:

Modify Section 4.1(a) as follows:

Add the following language, “The scheduling of employees for four (4), ten (10) hour days is strictly voluntary by seniority.”

Modify Section 4.4(b) as follows:

“Any Employee whose shifts starts on or after 12:00 p.m. (noon) and prior to 6:00 a.m. shall be paid an additional twenty-five cents per hour (\$0.25/hr) for all hours worked on such shift”

Modify Section 4.11 as follows:

“Daily Rest: the employer will provide each driver the amount of hours of rest between shift assignments as required by the Department of Transportation rules, however, a driver who has not had the required amount of rest as defined by DOT rules, from the time he or she actually ceases working (punched out) may refuse additional assignments until the expiration of the required amount of rest pursuant to DOT rules. If a driver refuses an assignment prior to the expiration of the required amount of rest as required by D.O.T. rules, no casual driver will be assigned to the assignment refused, but a junior regular driver may be assigned the refused run with a bypass obligation. Notwithstanding the above language on Daily Rest, the employer may call to notify a driver of a schedule start time prior to the expiration of the rest period and there shall be no holding of work.”

Article 6:

Clarify Section 6.1 and remove any conflicting language as follows:

The legally observed day of a Holiday means the Federal Holiday. Remove any reference throughout the Agreement pertaining to a Holiday falling on a Saturday.

Modify Section 6.3 as follows:

Remove the reference to “as of March 31, 1982” from the section.

Modify Section 6.4 as follows:

Remove the reference to, “Employees hired on or after May 22, 1988,” and replace with “20% Employees shall earn personal days...”

Article 7:

Modify Section 7.3(5) as follows:

“All vacations shall be for calendar weeks, namely Monday through Sunday. Vacations of two (2) weeks or more may be split, but not into any period of less than one (1) week, except as provided in the following paragraph. Employees with three (3) or more weeks of vacation in a year may elect to take two (2) weeks vacation on an individual day basis...”

Modify Section 7.3(8) as follows:

“... Any employee who is laid off quits or is discharged and who has put in his qualifying 1,400 hours worked or paid for since his last anniversary date shall...”

Article 9:

Modify Article 9.1(a)(2) as follows

Delete “As may be required by PPACA” and “if allowed PPACA”

Modify Article 9 as follows:

The Employer agrees to freeze employee contributions to the Health and Welfare Plan at the current rates for employees; the Employer agrees that employees covered under this agreement shall have most favored nations regarding employee contribution rates and are guaranteed to have the lowest employee contributions of any union group in Jewel-Osco. Should any unionized group of Jewel-Osco employees pay lower employee contributions for a particular plan of benefits, then the contributory obligations of the member of this bargaining unit, participating in that plan shall be reduced to the lower levels. Members of the bargaining unit shall be offered the same plans at the same benefit levels (with the exception of the Local 881 PPO Plan) as all other Jewel-Osco employees. The Union shall have the right to review Employer records of other unions’ contribution rates to ensure compliance with this Article. The Employer agrees to sponsor an annual health fair for members of the bargaining unit, the purpose of which shall include explaining the criteria for and assisting members to meet requirements for Healthy Pursuits.

The following Health and Welfare rates shall apply for HRA Plan for the duration of the Agreement:

HEALTHY PURSUITS	
Weekly Employee Contribution Rates	
Normal Health Plan	3/7/2016 to 3/6/2021
Single Coverage	\$17.50
Dual Coverage	\$30.00
Family Coverage	\$42.50

NON HEALTHY PURSUITS

Weekly Employee Contribution Rates

Normal Health Plan	3/7/2016 to 3/6/2021
Single Coverage	\$31.93
Dual Coverage	\$58.86
Family Coverage	\$71.36

Dental Plan 3/7/2016 to 3/6/2021

Single Coverage	\$1.50
Dual Coverage	\$3.00
Family Coverage	\$4.50

Vision Plan 3/7/2016 to 3/6/2021

Single Coverage	\$0.30
Dual Coverage	\$0.60
Family Coverage	\$0.90

Article 10:

Modify and replace Article 10 as follows:

For the duration of this agreement, except as modified below, the Employer agrees to provide and administer its normal retirement program subject to the terms and conditions stated therein as the same may be amended from time to time for each regular full-time employee in the collective bargaining unit.

Effective March 7, 2016 and continuing until March 5, 2021 the following provisions shall apply to all employees:

(1) The Employer shall match fifty percent (50%) of all employee contributions to each employee's 401(k) account up to 7% of the employee's yearly earnings. The Employer shall deposit the match once per year.

(2) Effective September 6, 2018, the Employer shall contribute \$0.50 per hour worked up to forty (40) hours per week to each employee's 401(k) account. The Employer shall deposit such contributions on a monthly basis

Article 11:

Modify and replace Article 11 as follows:

Section 11.1 No Strikes; No Lockouts

The Union and the Employer agree on the need for the continuance of their service to the public without interruption. Both recognize this objective as necessary to the security of the Employer and its people and specifically pledge themselves to help assure that security by using the procedures agreed upon between them for the adjustment of disputes and grievances in all cases where there is any difference of opinion concerning the rights of either under this contract or the interpretation or application of any provision of it. Therefore, during the term of this Agreement there shall be no strikes, stoppage, no sympathy strike, diminution or suspension of work, except as described in Section 11.2, on the part of the Union or its membership; nor shall there be any lockout on the part of the Employer.

Section 11.2 Picket Lines

No employee covered by this Agreement shall be required to go through a Teamster picket line involving Jewel-OSCO employees, when the picket line is approved by Teamsters Joint Council No. 25.

Article 13:

Add New Section 13.5:

“In the event an Employee shall suffer a suspension or revocation of his right to drive the Employer’s equipment and the Employee has notified the Employer of the suspension or revocation immediately upon knowledge of the violation, the Employer shall grant a leave of absence for a period of up to thirteen (13) months.”

Article 14

Modify Section 14.1 as follows:

The Parties agreed to a term of March 7, 2016 to March 6, 2021.

Appendix A:

Modify Appendix A as follows:

Contract Ratification Bonus: delete paragraph

Lump Sum Wage Adjustment: delete the lump sum payment

Cost of Living Lump Sum: Delete the cost of living lump sum wage adjustment section .

The Parties agreed to the following wages:

The following Wage increases shall be effective on the date indicated for employees at top of scale as noted herein:

Top of Scale Wage Increases	
3/7/2016	\$0.75

3/7/2017	\$0.75
3/7/2018	\$0.75
3/7/2019	\$0.75
3/7/2020	\$0.75

Not less than the following straight time hourly wage shall be paid during the term of this Agreement:

Drivers/Spotters Wage Schedule Progression	
Eff. 3/7/2016	
0-6 months	\$20.32
7-12 months	\$20.86
13-18 months	\$21.40
19-24 months	\$21.94
25-30 months	\$22.48
31-36 months	\$23.02
Over 36 Months	\$25.75

Drivers/Spotters who have progressed through the 36 month progression or who are an 80% employee:

Drivers/Spotters				
3/7/2016	3/7/2017	3/7/2018	3/7/2019	3/7/2020
\$27.10	\$27.85	\$28.60	\$29.35	\$30.10

Casual Driver: Casuals shall be hired at \$20.32 and shall be frozen at that rate until they become 20% employees, at which point they will begin 20% progression.

Mileage Rates: Modify to read as follows:

“Jewel Drivers may select available mileage runs. If pay for...”

“...The mileage rate will be the current top scale rate divided by 45.5 mph (rates listed below for each year of the contract) for delivery to those stores identified as Outer Zone provided the majority of the pallets are classified as such. In instances where the majority of the pallets are identified as City, the driver’s respective hourly pay rate will apply...”

Mileage Rates	
<u>Effective</u>	<u>Rate Per Mile</u>
3/7/2016	\$0.60
3/7/2017	\$0.61
3/7/2018	\$0.63

3/7/2019	\$0.65
3/7/2020	\$0.66

Not less than the following straight time hourly wage shall be paid during the term of this Agreement:

Dispatchers/Load Planners Wage Schedule Progression	
	3/7/2016
0-6 months	\$20.32
7-12 months	\$20.86
13-18 months	\$21.40
19-24 months	\$21.94
25-30 months	\$22.48
31-36 months	\$23.02
Over 36 Months	\$25.75

Dispatchers/Load Planners who have progressed through the 36 month progression or who are an 80% employee:

Dispatchers/Load Planners				
3/7/2016	3/7/2017	3/7/2018	3/7/2019	3/7/2020
\$27.10	\$27.85	\$28.60	\$29.35	\$30.10

20% Dispatcher and/or Load Planners: \$14.50

Right of First Refusal LOU

Modify the Right of First Refusal LOU as follows:

“Employees with right of refusal who have signed up for Saturday or Sunday work will be allowed on five (5) separate occasions in a rolling 12 month period to withdraw their name after the schedule has been posted...”

LOU Casuals

Modify Casuals LOU as follows:

“The attendance point program shall not apply to casual drivers. A casual driver may be discharged for repeated attendance issues by the Employer. All discipline shall be reviewable as provided by Section 2.1(E) of the Master Agreement.”

Addendum Dispatchers and Load Planners

Modify Article 2 as follows:

Remove the temporary employees section from the definition section.

ACCEPTED AND AGREED on this _____ day of February, 2016,

By: John Coli Sr.
Teamsters Local 710

By: Daniel Dosenbach
Jewel Food Stores Inc.