

Kroger – Houston, Texas L.P.
 Proposal
 UFCW Local 455
 Houston Clerks and Meat Clerks Agreement
 June 24, 2020

The Company makes the following Offer (“Offer”) to UFCW Local No. 455 (“Union”) for a new collective bargaining agreement for Houston Clerks and Meat Clerks. **This Offer, and the current collective bargaining agreements to which it applies, represents the Company’s Offer to merge the Meat Clerks collective bargaining agreement into the Houston Clerks collective bargaining agreement.** This Offer is conditioned on a peaceful settlement. The Company reserves the right to add to, delete from, amend, correct, modify, or withdraw this Offer for the bargaining unit prior to its acceptance by the Union, or in the event the union engages in a strike, picketing, boycott, anti-company publicity or other economic action against the employer.

Article 1 RECOGNITION OF THE UNION AND BARGAINING UNIT

Delete stricken language and add changes in bold.

- C1. Section 1.01 The Union shall be the sole and exclusive bargaining agent for all employees employed by Kroger **Houston**, Texas L. P. in stores ~~operating in the counties of Austin, Brazoria, Brazos, Chambers, Fort Bend, Galveston, Grimes, Harris, Jefferson, Liberty, Madison, Matagorda, Montgomery, Orange, Polk, San Jacinto, Walker, Waller, Washington, Wharton, and Store #990 and Store #566~~ **9, 10, 14, 17, 38, 108, 115, 117, 121, 122, 128, 130, 131, 136, 137, 138, 142, 144, 145, 146, 149, 150, 156, 161, 179, 190, 223, 241, 243, 256, 264, 275, 300, 302, 307, 308, 309, 310, 311, 312, 313, 314, 316, 318, 319, 320, 321, 322, 325, 327, 328, 331, 334, 336, 337, 342, 343, 346, 347, 349, 351, 352, 354, 355, 356, 357, 358, 359, 361, 362, 363, 364, 365, 366, 367, 371, 373, 374, 375, 376, 378, 383, 385, 389, 390, 392, 395, 396, 397, 398, 566, 600, 607, 609, 732, 733, 734, 735, 737, 738, 739, 740, 743, 744, 746, 748, 936, 950, 974, 990***, excluding all persons employed in the ~~meat departments~~, store managers, assistant store managers, management trainees, professional employees, product demonstrators, guards and supervisors as defined in the L.M.R.A, as amended.
 *Note: Stores #566 and #990 continue to have persons employed in the meat departments excluded.

Article 3 UNION SECURITY

Delete stricken language and add changes in bold.

Section 3.07 The Employer agrees to conduct an Orientation Program for new employees within a reasonable time frame after date of hire. The employee shall be paid for the hours in attendance. In order to conduct the Orientation Program and to be consistent with the needs of the business, the Orientation Program shall be exempt from call-in pay, split shifts and six-day premium pay, daily overtime, etc.
~~The Employer agrees to notify the appropriate Union Representative the date, time and location of the Orientation Program within a reasonable time frame.~~

- C2. ~~Within the Orientation Program, the store management or a designee shall explain to the new employees the right to join the Union and shall introduce the store steward and/or Union Representative and allow a reasonable uninterrupted amount of time, (to be mutually agreed upon), to explain the labor agreement, to answer questions and to sign up the new employee for Union membership. Such time shall not be an undue burden on the Employer.~~

Nothing in this Article is intended to preclude the application of Article 15.

Houston Clerks and Meat Clerks Agreement Proposal 6-24-2020. The Company reserves the right at any time during the negotiations process and prior to ratification to amend, withdraw, modify, clarify or add to any proposals. There shall be no final agreement on any issues, regardless of procedural tentative agreements, until a full and complete agreement is reached on all issues which are the subject of matter for bargaining and only after that full agreement is ratified by the parties.

ARTICLE 4 CLERKS WORK

Add changes in bold

Section 4.01 To prevent the erosion of bargaining unit work, driver salesmen, book salesmen, or sales representatives shall not perform work or services in the Employer's retail establishments in excess of the prevailing practice in the industry in the areas covered by this agreement at the time of this agreement as follows:

C3. It is agreed that the prevailing practice of work performed **in the industry** by driver salesman, book salesmen, or sales representatives in the area covered by this agreement can further be explained as follows:

1. Many outside sales personnel (as outlined above) perform the service of checking their merchandise, removing their outdated products from sale for credit, making out orders based on shelf inventory, etc., and this practice should not be construed to be a violation of the Agreement.
2. It is further understood that the practice of outside sales personnel working in preparation of and assistance during new store openings, remodels or resets, is a valuable contribution to the future success of a particular store and should not be construed to be a violation of the agreement.
3. In addition to the above, the established practice of stocking by certain vendors shall not be a violation of the agreement. Those products in Conventional Stores are as follows: beverages, ice, bakery products (cookies, bread, cakes, etc.), snacks, chips, etc., dairy products, ice cream, tobacco and tobacco products, magazines, books, greeting cards, etc., party supplies, candles, etc., records, hosiery, baby food, specialty and ethnic foods, spices, dressings, floor care rental and supplies, brooms, mops, etc., candy, nuts, gum, pasta products, rack jobber (sewing notions, toys, pet supplies, window shades, food care products, garden supplies, shoes, soft goods, patterns, hardware, cosmetics), fire wood, produce specialties (plants, flowers, etc.), bottled water, fishing supplies, sporting goods, paint, leather goods, appliances, auto supplies, and clothing.

Section 4.02 Product demonstrators shall be excluded from performing any work normally performed by Bargaining Unit employees. Their duties might include wrapping or slicing the demonstrated product to sell at the time of customer contact only.

ARTICLE 7 SENIORITY

Delete stricken language and add changes in bold

Section 7.02 Seniority Lists:

C4. (b) Full-time employees: Definition of a full-time employee will apply where full-time employee appears in this agreement, and will be defined as follows:

An employee (~~excluding General Clerks~~) will be classified as a full-time employee at the end of any twelve (12) consecutive workweeks during which his average hours worked per week equal or exceed ~~thirty-two (32)~~ **thirty-six (36) hours** per week.

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C5. (e) Once an individual has qualified as a full-time employee, he shall be removed from full-time status only:

5.) If the employee works less than ~~thirty-two (32) hours~~ **thirty-six (36) hours** per week of the basic workweek each week for six (6) weeks.

Section 7.03 Choice of Schedules and Hours:

C6. (b) Full-time employees by classification within a store and where the employee is qualified to do the work available will be given the daily and weekly schedule with the most hours by seniority. ~~At least fifty percent (50%) of the scheduled hours (excluding Sacker/Carryout hours) shall be forty (40) hour schedules and fifty percent (50%) of hours will be General Clerk schedule by store. This provision shall not apply during the first twenty-six (26) weeks of a new store opening or a major remodeling.~~

At least thirty percent (30%) of the scheduled hours (excluding Sacker/Carry out hours) shall be forty (40) hour schedules and up to 70% of hours will be scheduled for Part-time Clerks by store. This provision shall not apply during the first twenty-six (26) weeks of a new store opening or a major remodel. To determine the number of forty (40) hour schedules per store, fractions will be treated as follows:

One-half (½) or over - Equals a full schedule
Less than one-half (½) - Drop

Forty (40) hour shifts shall be scheduled in compliance with Section 8.01.

The Employer will maintain this ratio on a weekly basis notwithstanding any other provision of the agreement.

C7. (c) ~~Part-time employees by classification and General~~ Clerks with the most seniority within a store and where said employee is qualified to perform the work and is available will be given the remaining total weekly schedules with the most hours.

C8. (g) ~~Part-time employees and General~~ Clerks shall have first choice for regular full-time jobs based on seniority, provided they are capable of performing the work. Employees desiring such full-time jobs shall notify the District Manager in writing by either January 20th and July 20th of each year that they desire full-time work and are available. Such request will be for any full-time jobs that might occur during a six (6) month period from the first day of each month following such specified dates.

Section 7.05 Sunday and Holiday Rotation

C9. ~~Sunday and holiday work shall be rotated among qualified employees who sign a list (which will be posted in the store office and will be updated on a quarterly basis) that they are available to work on a continuing basis. Where additional employees are needed, the junior employees must work in inverse seniority order by store.~~

~~Full-time employees who request to work on Sundays or holidays will have those hours included in the basic workweek. Employees who are scheduled in inverse seniority order for Sunday or holiday work, those hours will also be included in the basic workweek. Only employees who work forty (40) hours in five (5) days, which include Sundays and holidays in their schedule, may be counted to comply with Section 7.03(b).~~

Section 7.06 Promotions or Transfers:

C10. (a) Employees who desire transfers from one type of work to another or a promotion to a higher classification shall make their wishes known in writing to their District Manager with a copy to the Human Resource Manager and the Union. When openings occur, employees will be considered by seniority **and/or qualifications** from those who have made their wishes known.

Article 8 WORKING CONDITIONS

Delete stricken language and add changes in bold and re-number and re-alphabetize where necessary

Section 8.01 Workweek:

C11. The workweek shall consist of not more than forty (40) hours to be worked in not more than five (5) days, ~~Monday through Saturday~~ **Sunday through Saturday**, (except as provided in Article 7, Section 7.05). The days are not necessarily consecutive.

Section 8.02 Workday:

C12. 1. ~~The basic workday for all employees before overtime shall be eight (8) hours per day.~~ **(Open Discussion)**

C13. 2. There shall be split shifts worked or scheduled for employees if mutually agreed upon between the employee and employer.

Section 8.03 Overtime:

C14. Overtime at the rate of time and one-half (1½) will be paid for all hours worked in excess of the workweek ~~or work day.~~ **(Open Discussion)** Work performed on the seventh (7th) day worked in the workweek shall be compensated at the rate of time and one-half (1 ½). In no event shall the same hours be used twice in computing premium time and/or overtime.

Section 8.04 Daily, Weekly Guarantee:

C15. All employees (except Sacker/Carryout) who are scheduled to work and report for work as scheduled, shall be guaranteed a minimum schedule of four (4) hours of work per day and fifteen (15) hours work per week. **The fifteen (15) hour weekly minimum may be waived by mutual agreement on an individual basis between the employer and the employee.** Employees called in to work shall also be guaranteed a minimum of four (4) hours per day provided the employee is available to work the needed hours.

Section 8.09 Shift Interval:

C16. ~~The employee will be given ten (10) hours off duty between scheduled shifts.~~ **(Open Discussion)**

Article 11 VACATIONS

Add changes in bold

Section 11.06 Part-time:

C17. (a) A part-time employee shall be granted a vacation under the same general rules as provided for full-time employees. Part-time vacation will be figured on the number of hours in the vacation qualifying year divided the weeks in a Houston Clerks and Meat Clerks Agreement Proposal 6-24-2020. The Company reserves the right at any time during the negotiations process and prior to ratification to amend, withdraw, modify, clarify or add to any proposals. There shall be no final agreement on any issues, regardless of procedural tentative agreements, until a full and complete agreement is reached on all issues which are the subject of matter for bargaining and only after that full agreement is ratified by the parties.

calendar year. Part-time employees hired after January 3, 2021 will be eligible for a maximum of 3 weeks of vacation under the same general rules as provided for full-time employees.

ARTICLE 9 WAGES

C18. Wages to be discussed in future bargaining sessions

ARTICLE 13 LEAVES OF ABSENCE

Delete stricken language and add changes in bold

Section 13.03

C19. (a) Union Business: The Employer shall grant the necessary time off without discrimination or loss of seniority rights and without pay to any employee designated by the Union to attend a labor convention or serve in any capacity on other official Union business, provided the Employer is given at least seven ~~(7)~~ **(14)** days' notice in writing specifying the length of time off, but in no case shall the length of time off exceed one (1) year.

Section 13.04

C20. (c) An employee returning from a leave of absence must notify the Employer not later than 12:00 noon Thursday of a week and will be placed on the **next available schedule**.

ARTICLE 14 GENERAL PROVISIONS

Delete Stricken language and add changes in bold

Section 14.01

Uniforms: Any uniform clothing deemed necessary by the Employer for its employees shall be furnished by the Employer and replaced when needed.

C21. The Employer shall provide and shall not charge for the ~~shirts~~ **uniforms** required by the company.

ARTICLE 17 HEALTH & WELFARE

C22. Health and Welfare benefits to be discussed in future bargaining sessions

ARTICLE 18 PENSION

C23. Pension benefits to be discussed in future bargaining sessions

ARTICLE 19 DISPUTE PROCEDURE

Delete stricken language and add changes in bold

Section 19.02 Should any differences, disputes, or complaints arise over the interpretation or application of the contents of this agreement, there shall be an earnest effort on the part of both parties to settle such promptly through the following steps:

- C23. Step 1. By conference between the aggrieved employee and/or store steward, Union business representative, or either, and the ~~manager~~ **management designee** of the store. The Store Manager will issue their decision and/or position within five (5) days following the conference. It is understood that any agreement reached at Step 1 shall be on a non-precedent setting basis.
- C24. Step 2. By conference between the Union business representative and/or store steward and the District Manager **or Division designee**. A meeting will be held within twenty (20) days of the first step decision, and a decision and/or position will be given within fifteen (15) days of the second step conference, unless mutually extended by the parties. It is understood that any agreement reached at Step 2 shall be on a non-precedent setting basis.
- Step 3. By conference between an official of the Union and the Division Human Resource Manager (or Marketing Area President) or person designated by him. A meeting will be held within thirty (30) days of the second step, and a written decision and/or position on the grievance within fifteen (15) days of the third step conference, unless mutually extended by the parties.
- Step 4. In the event Step 3 fails to settle the complaint, it may be referred to arbitration by either party within thirty (30) calendar days from receipt of the Employer's written decision and position on the complaint; otherwise, the grievance shall be considered null and void.

LETTERS OF AGREEMENT

- Renew LOA #1
- Delete LOA #2
- Renew LOA #3
- Renew LOA #4
- Delete LOA #5
- Add LOA College Leave of Absence:

**Side Letter
Regarding Educational Leave of Absence Policy**

An employee enrolled as a full-time student at an accredited college/university, technical/vocational training or a specialized training program as a full-time student during each academic cycle may request an educational leave of absence under the following conditions:

- Institution is beyond a reasonable commuting distance to a Kroger store.
- Leave must be requested on an Educational Leave of Absence Form in advance and must be accompanied by a written confirmation of attendance from the institution.
- Leave shall be granted for a period not to exceed the length of the institution’s designated sessions, i.e. semester, trimester or quarter.
- Student must report to management no later than fourteen (14) days from the end of the session.
- When school is not in session and the student lives beyond a reasonable commuting distance, the student may request a leave under the same terms and conditions as other educational leaves.
- Notification of educational leave shall be made to the Union for dues purposes.

FOR THE COMPANY:

FOR THE UNION:

Date: _____

Date: _____

Add LOA UFCW Consolidated Pension Fund:

**Side Letter
Regarding Consolidated Pension Fund**

Kroger and various UFCW locals are parties to a Memorandum of Understanding ("MOU") governing pension benefits and Kroger's funding obligations that expires on December 31, 2021. The parties acknowledge that Section 3.7 of the MOU provides, in relevant part, that if the parties to the MOU, including Local 455, do not reach agreement by December 31, 2021 regarding pension benefits and/or Kroger's funding obligation, then the status quo shall remain in effect under then current CBA between Kroger and Local 455 until the expiration of the CBA.

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