



## Company Provides Comprehensive Offer to Union that Increases Wages and Secures Health Care and Pension Benefits

Today, Kroger presented a Comprehensive Offer to UFCW Local 455. It is a good offer and does the following:

- ✓ **Improves wages for all associates** – this increase is *in addition* to the wage increase you received in October 2019
- ✓ **Secures and stabilizes health care for you and your family**
- ✓ **Stabilizes the current pension fund**
- ✓ **Allows you to accumulate personal holidays quicker**
- ✓ **Increases minimum hours guarantee to 18 hours per week**
- ✓ **Improves your ability to maximize hours**

**Our Comprehensive Offer, including new wage scales, is available at [www.krogerhoustoncba.com](http://www.krogerhoustoncba.com) for your review.** Your store leader also has wage sheet flyers that show what our proposed wage increases would mean for you.

We have more bargaining dates scheduled for August 11-12.

You can go to the [www.krogerhoustoncba.com](http://www.krogerhoustoncba.com) for updates on the negotiation process. If you have any questions, please talk to your store leader or email [askhouston@kroger.com](mailto:askhouston@kroger.com).

Thanks for all you do for your customers, communities and each other. Stay safe and be well.

Kroger – Houston, Texas L.P.  
Comprehensive Company Proposal  
UFCW Local 455  
Houston Clerks and Meat Clerks Agreement  
August 5, 2020

The Company makes the following Comprehensive 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.

Merging the Meat contract into the Clerk contract would allow associates to move within departments and could potentially mean additional hours for associates and an opportunity to learn more aspects of the business. This is especially important as we continue to evaluate Meat service cases. It also provides the company with flexibility to back fill hours due to call-offs or when a department is understaffed. It does not mean that Meat associates would lose hours, take someone's job or be asked to do front-end work.

**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\***, and 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.**

Texas is a Right-to-Work state. That means that employees can decide for themselves if they want to be union members. Employees also have federal rights to choose whether they want a union to represent them. The listed stores are already represented and have a collective bargaining agreement in place, and we honor and follow that agreement. However, with any new store, Local 455 will have to organize the store under federal law. It is our associates' choice and theirs alone to decide if they want to join a union or not. **As the company has explained to the union, this proposal does not affect your wages or benefits.**

Houston Clerks and Meat Clerks Agreement Proposal 8-5-2020. 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.

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

### 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.~~

Texas is a Right to Work state, employees can decide for themselves if they want to be a member of the union. It is the sole responsibility of the union to introduce themselves to new associates and explain membership, the current labor agreement, answer any questions and solicit membership in the union. **This proposal does not affect your wages or benefits and it only applies to new hires.**

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

### 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.

Houston Clerks and Meat Clerks Agreement Proposal 8-5-2020. 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.

3. In addition to the above, the established practice of stocking **and maintaining** 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.
4. **Vendor personnel will stock all bulk foods products and will sanitize bulk food bins. This practice should not be construed to be a violation of this agreement.**

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.

This proposal allows the company to receive the same level of vendor support and services that our competitors receive.

## ARTICLE 7 SENIORITY

Delete stricken language and add changes in bold

### Section 7.03 Choice of Schedules and Hours:

**C4.** (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.~~*

***In Sales Volume 1 (under \$500k w/o RX & Fuel) stores, at least thirty percent (30%) of the scheduled hours (excluding sacker/carryout hours) shall be forty (40) hours schedules and seventy percent (70%) of hours will be clerks schedule by store.***

***In Sales Volume 2 (\$500k-\$750k w/o RX & Fuel) stores, at least forty percent (40%) of the scheduled hours (excluding sacker/carryout hours) shall be forty (40) hours schedules and sixty percent (60%) of hours will be clerks schedule by store.***

***In Sales Volume 3 (over \$750k w/o RX & Fuel) stores, at least fifty percent (50%) of the scheduled hours (excluding sacker/carryout hours) shall be forty (40) hours schedules and fifty percent (50%) of hours will be clerks schedule by store.***

***Sales Volume will be determined without RX and Fuel and adjusted each year as needed.***

This provision shall not apply during the first twenty-six (26) weeks of a new store opening or a major remodeling. 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

Houston Clerks and Meat Clerks Agreement Proposal 8-5-2020. 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.

Less than one-half ( $\frac{1}{2}$ ) - 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.

This language is outdated and has been restricting our operations since the early 1980s. Our business has changed and continues to do so. We need to be more flexible in scheduling full- and part-time associates. Adjusting FT and PT ratio based on sales volume will help provide more flexibility to meet the needs of the business on a store by store basis. The company may exceed FT ratios on a store by store basis but will not go below any FT level listed in our proposal.

Section 8.02      Workday:

- C5**            1. The basic workday for all employees before overtime shall be ~~eight (8)~~ **nine (9)** hours per day.
- C6.**            2. There shall be ~~no~~ split shifts worked or scheduled for employees **if mutually agreed upon between the employee and employer.**

Basic workday: We are required by Federal law to pay overtime over 40 hours a week. We need to address the costs of daily overtime. As far as we are aware, our competitors do not offer daily overtime. Instead of eliminating daily OT, we have modified our initial proposal to pay daily OT for any time after a 9-hour workday.

Split shifts: Employees may want the opportunity to pick-up more hours. Split shifts would only occur if it is mutually agreeable between the employee and employer.

Section 8.03      Overtime:

**C7.**      *Overtime at the rate of time and one-half ( $1\frac{1}{2}$ ) will be paid for all hours worked in excess of the **forty (40)** hour workweek or **nine (9) hour** workday. Work performed on the seventh (7th) day worked in the workweek shall be compensated at the rate of time and one-half ( $1\frac{1}{2}$ ). In no event shall the same hours be used twice in computing premium time and/or overtime.*

All employers are required by Federal law to pay overtime over 40 hours a week. As far as we are aware, our competitors do not offer daily overtime – this creates more costs for our business and puts us at a competitive disadvantage. Instead of eliminating daily OT, we modified our initial proposal to pay daily OT for any time after a 9-hour workday which will enable us to remain competitive.

Section 8.04      Daily, Weekly Guarantee:

C8. 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)~~ **eighteen (18)** hours work per week. **The eighteen (18) 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.

**We are proposing to increase guaranteed minimum hours from 15 to 18.** We are also proposing to waive the proposed 18-hour weekly minimum on an individual basis – only if it is agreed upon by the employee and company. The proposed “mutually agreed” upon language helps associates or potential new hires who may want less than 18 hours a week.

Section 8.12      Night Premium

C9. A night premium of ~~thirty five (\$0.35)~~ **one-dollar (\$1.00)** cents per hour will be paid for work performed between ~~9:00 pm (10:00 pm)~~ to ~~4:00 am (6:00 am)~~. Effective 8/1/2021, a **night premium of one-dollar and fifty cents (\$1.50)** will be paid for work performed between 10:00 pm and 6:00 am. If majority of shift is worked between 10:00 pm and 6:00 am, the premium will be paid for all hours worked during the shift.

**We are proposing to increase the night premium** upon ratification from \$.35 to \$1 and then again effective 8/1/2021 from \$1 to \$1.50. We are also proposing to adjust night shift premium hours to be paid from 10 p.m. to 6 a.m. This aligns more traditionally with night shift work and expands night shift premium hours by one hour.

**Article 10 HOLIDAYS**

Delete stricken language and add changes in bold

Section 10.05      Personal Holiday

C10. In addition to the National Holidays, employees shall earn personal Holidays as follows:

<del>Three</del> <b>Two (2)</b> years of continuous service	One (1) Personal holiday
<del>Eight</del> <b>Five (5)</b> years of continuous service	Two (2) Personal holidays
<del>Fifteen</del> <b>Eight (8)</b> years of continuous service	Three (3) Personal holidays
<del>Twenty</del> <b>Fifteen (15)</b> years of continuous service	Four (4) Personal holidays

**We are proposing to shorten the length of time to earn personal holidays.** We want associates to gain personal holidays and be able to enjoy time off sooner.

**Article 11 VACATIONS**

Add changes in bold

**Section 11.06**      **Part-time:**

C11. (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 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.**

This language change does NOT affect current employees. **We are asking for this change for new PT hires only.** We believe PT employees have more opportunities to have time off at their convenience to meet their personal needs more so than full-time employees. That is the nature of being a PT employee. Several weeks of vacation for PT employees is unheard of in the retail industry and something our competitors do not offer.

We have modified our initial proposal on limiting the maximum time for vacation to three weeks for new part-time employees, which puts us more in line with our competition and helps offset our costs so we can put more money toward hourly wages and health care benefits.

**And, for those current PT associates in our current Meat contract, this would raise their maximum vacation weeks from two to three weeks.**

C12. See attached wage schedule

**ARTICLE 13 LEAVES OF ABSENCE**

Delete stricken language and add changes in bold

**Section 13.03**

C13. (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.

The adjustment on days in this language aligns with our current scheduling process.

**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.

Houston Clerks and Meat Clerks Agreement Proposal 8-5-2020. 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.

C14. The Employer shall provide and shall not charge for the ~~shirts~~ uniforms required by the company.

Eliminating shirts as our uniform policy has changed.

## ARTICLE 17 HEALTH & WELFARE

Delete Stricken language and add changes in bold

Our proposed company-administered plan is top-quality. We do not want to relive the funding shortfalls of the past. Our proposal eliminates this risk and potential benefit cuts.

Our health care proposal addresses the following:

- Provides secure, stable, affordable health care for associates for the life of the contract
- Improves benefit options for our associates through modern plan designs, which lead to better health outcomes
- Leverages the size and scale of the Kroger Family of Companies
- Provides transparency and standardization in administration of benefits

You can find more information about our health care proposal at

[www.krogerhoustoncba.com](http://www.krogerhoustoncba.com).

### Section 17.01

C15. ~~The Employer shall contribute to the established South Central United Food and Commercial Workers Union and Employers Health and Welfare Trust Fund for all hours paid, not to exceed forty (40) hours per week, after thirty (30) calendar days of employment. Effective April 1, 2016 (March hours) the employer will begin making contributions on part time fuel clerks. Such contributions shall be used to provide Health and Welfare benefits, for all enrolled Bargaining Unit Employees, and effective January 1, 2017 for part time fuel clerks, subject to and in strict accordance with the terms of Section 17.02 ("Funding Policy").~~

The terms of the prior collective bargaining agreement regarding health and welfare benefits in effect as of April 1, 2020 will remain in effect through December 31, 2020, except as modified herein.

Effective on and after January 1, 2021, all health and welfare benefits provided for under this Agreement shall be provided through a single-employer group health plan or plans sponsored by the Employer, referred to hereafter as the "K Plan" and as described in further detail below. As a result, the Employer shall not have any obligation to make contributions to any multiemployer health and welfare fund, including but not limited to the South Central United Food and Commercial Workers Union and Employers Health and Welfare Trust Fund, for any hours worked on or after January 1, 2021.

#### A. Contributions to Fund Benefits:

Effective on and after January 1, 2021, the Employer will provide the health and welfare benefits described below through the K Plan, subject to the employee premium cost-sharing and other terms and conditions described below.

Houston Clerks and Meat Clerks Agreement Proposal 8-5-2020. 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.

The Employer shall contribute to the Fund in the following amount provided that the Trustees of the Plan provide benefits and manage the Plan in accordance with their fiduciary responsibility and in accordance with the provisions of this Article:

<u>Date</u>	<u>Amount</u>
April 1, 2016 (March hours)	\$3.00 per hour

Provided the Trustees have enacted modifications to the Plan consistent with the provisions contained at the end of this section (A. contributions to Fund Benefits), the Employer further agrees to the following increases to its contribution rates to the Fund:

1. ~~Effective the first of the month following adoption by the Trustees of a package of plan amendments conforming with the provisions detailed herein, the Employer will make a lump sum payment equal to \$3,500,000, in the aggregate for all bargaining units of the employer covered under the South Central Funding Group effective for the employees of this Agreement. Effective March 1, 2017, provided hours are worked by employees covered by this agreement, the employer will make a second \$3,500,000 lump sum payment in the aggregate for all bargaining units of the employer covered under the South Central Funding Group. In addition, should the fund reserves fall below \$2,000,000 prior to February 28, 2017, the Employer agrees to accelerate one half of the next month's contribution payment to bring the cash flow above \$2,000,000.~~
2. ~~Effective April 1, 2016 (March hours), the Employer's contribution rate will be increased to \$3.00 per hour.~~
3. ~~Effective April 1, 2017 (March hours), the Employer's contribution rate will be increased to \$3.05 per hour.~~
4. ~~Effective April 1, 2019 (March hours), the Employer's contribution rate will be increased to \$3.10 per hour.~~
  - a. ~~In addition to the above rate increases, the Trustees (based on the advice of the Plan Consultants), no later than March 31, 2019, shall determine the Plan's current reserve status and if such reserves are projected to be at 4 months or above as of March 13, 2020, the Employer and the employees will receive contribution holidays in an amount necessary to achieve a reserve level on March 31, 2020 no greater than 4 months of reserves.~~

b.

~~Effective January 1, 2017, the premium for Plan A spouse and family coverage in the Funding Group is increased as follows:~~

Employees hired after September 30, 2010:

	<u>Without Working Spouse</u>	<u>With Working Spouse</u>
Employee Only	\$6.00	
Employee & Spouse	\$6.00 + \$23.08	\$14.00 + \$34.62
Employee & Children	\$12.00	
Employee & Family	\$12.00 + \$23.08	\$20.00 + \$34.62

Houston Clerks and Meat Clerks Agreement Proposal 8-5-2020. 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.

Employees hired on or before September 30, 2010:

	<u>Without Working Spouse</u>	<u>With Working Spouse</u>
Employee Only	\$5.00	
Employee & Spouse	\$5.00 + 23.08	\$10.00 + \$34.62
Employee & Children	\$10.00	
Employee & Family	\$10.00 + \$23.08	\$15.00 + \$34.62

~~Spouse Contribution = \$100 per month or \$23.08 per week.~~

~~Working Spouse = \$150 per month or \$34.62 per week~~

Effective January 1, 2021, employees shall be required to make premium contributions for coverage under the K Plan, as follows:

<b>Plan One</b>	
<b>Weekly Contributions - initial amount effective January 1, 2021, incremental increases each January 1 thereafter</b>	Includes medical, Rx, dental and vision
<b>Employee</b>	\$9.00 + \$1.00
<b>Employee + Spouse</b>	\$38.00 + \$3.00
<b>Employee + Child(ren)</b>	\$15.00 + \$1.00
<b>Employee + Spouse + Child(ren)</b>	\$45.00 + \$3.00
<b>Plan Two</b>	
<b>Weekly Contributions - initial amount effective January 1, 2021, incremental increases each January 1 thereafter</b>	Includes medical, Rx, dental and vision
<b>Employee</b>	\$9.00 + \$1.00
<b>Employee + Spouse</b>	\$38.00 + \$3.00
<b>Employee + Child(ren)</b>	\$15.00 + \$1.00
<b>Employee + Spouse + Child(ren)</b>	\$45.00 + \$3.00

On or after January 1, 2021, the Kroger Co will collect the employee contributions and the contributions will remain with Kroger.

The Employer will offer coverage under the K Plan to eligible employees based on date of hire and other eligibility rules as outlined below and pursuant to the terms and conditions of the plan document for the K Plan. Plan One plan of benefits is for employees hired before January 1, 2021. Plan Two plan of benefits is for employees hired on or after January 1, 2021. The attached benefit grid (titled "HW5") provides additional details on the plan of benefits under the K Plan. Any terms and conditions of coverage under the K Plan that are not provided for herein will be provided under the plan document for the K Plan, and the plan document for the K Plan, as amended by the Employer from time to time in its discretion, shall control with respect to terms and conditions of coverage that are not described herein. The Employer has the right to implement and apply changes to the K Plan to the employees covered Houston Clerks and Meat Clerks Agreement Proposal 8-5-2020. 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.

by this Agreement, so long as such changes are applied to all other participants in the K Plan and do not conflict with the express terms and conditions of coverage and eligibility that are described in this Agreement.

~~As a condition of receiving the contributions provided above, the Trustees of the Plan will establish a Plan(s) of benefits consistent with the provisions herein, which can be supported by the contributions provided herein. The Bargaining Parties recommend that Trustees of the South Central Fund adopt said plan of benefits. Consistent with this provision, not later than the first of the month following April 16, 2016, to be effective July 1, 2016 or January 1, 2017, the Trustees are directed to make the modifications to the Plan (which can include adjustments to the Plan(s) of benefits, eligibility rules and/or employee co-premium rates) of sufficient amount that when taking into account the contingent contribution increases detailed above will ensure that on April 1, 2020 that the Plan will have a reserve equal to three (3) months reserves and to further ensure that on or after January 1, 2019, the Plan will not drop below two months reserves.~~

~~With respect to the July 1, 2016 or January 1, 2017 modifications contemplated in this provision, the Union Trustees will be allowed to take the laboring oar to make recommendations to the Trustees of the Fund with respect to benefit eligibility, benefit modifications, plan design and/or employee co-premium rates consistent with the objectives of this provision provided that such recommendations may not reduce the rate of employee co-premiums or delay the effective date of their implementation. The Employer Trustees, consistent with their fiduciary duties, shall support the recommendations of the Union Trustees.~~

~~If the Union Trustees fail to tender a timely motion no later than 60 days, or Consent Resolution, to enact changes consistent with this provision or the Union trustees motion to enact changes is inadequate according to the plan's actuarial consultant to achieve the target discussed herein and as a result the Trustees deadlock motions on adjustments necessary to bring the Plan back in to compliance with this provision, then the deadlocked motions shall be submitted for resolution to arbitration in accordance with the trust's deadlock procedures. The arbitrator shall be considered a fiduciary and such arbitrator's authority shall be limited to casting a vote for or against any pending deadlocked motion.~~

### Eligibility

~~The Administrator will, on an annual basis, obtain all data necessary to enroll or re-enroll employees and their dependents as participants eligible for coverage under the Plan. To remain enrolled as a participant eligible for plan coverage, each employee who is currently enrolled, or who initially enrolls during the term of the Collective Bargaining Agreement, must re-enroll prior to the start of each succeeding plan year. Employees must make a positive election to enroll in the Plan. Enrollment is for the entire plan of benefits (except that Life Insurance and AD & D shall be provided to all eligible employees) for the Plan and an employee's failure to make a positive enrollment into the Plan shall result in such employee being ineligible for all benefits of the Plan for the remainder of the calendar year or until there has been a qualifying life event, as defined by the Trustees, whichever occurs first.~~

~~The Employer may, upon reasonable notice and at its own expense, audit the Fund's enrollment data and claims records once each plan year. The Employer may arrange to have the audit conducted by a recognized auditing firm that it shall select.~~

~~Independent of the foregoing audits, the Fund will audit its enrollment and claims records at least once each plan year to ensure that no employees of the Employer, or the dependents of such employees, are participating in plan coverage for which they are not eligible.~~

~~Employees shall become eligible for benefits upon meeting the requirements of the plan.~~

Houston Clerks and Meat Clerks Agreement Proposal 8-5-2020. 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.

~~All employees must continue to meet all eligibility requirements of the Plan as a condition of continued eligibility.~~

~~The Trustees shall establish a separate accounting of income and expenses for the "Funding group" of the Fund who agree in their Collective Bargaining Agreements to the same provisions as provided herein, unless otherwise approved by the Trustees. Only those Employers who adopt these provisions may share in the pool of income and expenses established herein. The Trustees are expressly prohibited from using the contributions of these employers for the payment of benefits to the employees of other employers.~~

Effective January 1, 2021, the Employer will, on an annual basis, obtain all data necessary to enroll or re-enroll employees and their dependents as participants eligible for coverage under the K Plan. To remain enrolled as a participant eligible for K Plan coverage, each employee who is currently enrolled, or who initially enrolls during the term of the Collective Bargaining Agreement, must re-enroll prior to the start of each succeeding Plan Year, which is the calendar year as of January 1, 2021. Employees must make an affirmative election to enroll in the K Plan during each annual open enrollment period. Enrollment is for the entire plan of benefits (except that Life Insurance, AD&D, and short-term disability will be provided to all eligible employees) under the K Plan and an employee's failure to affirmatively elect to enroll in the K Plan will result in such employee being ineligible for all benefits under the K Plan until the next Plan Year or until there has been a qualifying life event, whichever occurs first. The definition of a "qualifying life event" is provided under the Employer's Code Section 125 plan document or the plan document for the K Plan.

The hour bank will be terminated on December 31, 2020. Any unused hours will be forfeited.

#### Plan One Coverage Eligibility – Employees Hired Before January 1, 2021

Plan One Coverage Initial Eligibility – On or after January 1, 2021 Using a 52-week measurement period (as outlined in the measurement/stability period description below) or as otherwise required under the Affordable Care Act, employees hired before January 1, 2021, must work an average of twenty two (22) hours a week for employee-only coverage, a minimum of thirty (30) hours a week for employee and dependent child(ren) coverage, and a minimum of thirty four (34) hours a week to become eligible for employee and spouse coverage or spouse and dependent child(ren) coverage.

Plan One Coverage Continuing Eligibility – On or after January 1, 2022 Using a 52-week measurement period (as outlined in the measurement/stability period description below or as otherwise required under the Affordable Care Act), employees hired before January 1, 2021 must work an average of twenty five (25) hours a week for employee-only coverage, a minimum of thirty (30) hours a week for employee and dependent child(ren) coverage, and a minimum of thirty six (36) hours a week to become eligible for employee and spouse or spouse and dependent child(ren) coverage.

Plan One eligibility occurs the first (1st) day of the calendar year. In no event can an employee not become initially eligible if hired with the expectation of working 30 hours or more in a week, and such employees will be eligible on the (1st) day of the month following sixty (60) days of employment.

Houston Clerks and Meat Clerks Agreement Proposal 8-5-2020. 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.

Plan One Coverage Continuing Eligibility – On or after January 1, 2023 Using a 52-week measurement period (as outlined in the measurement/stability period description below or as otherwise required under the Affordable Care Act), employees hired before January 1, 2021 must work an average of twenty seven (27) hours a week for employee-only coverage, a minimum of thirty (30) hours a week for employee and dependent child(ren) coverage, and a minimum of thirty six (36) hours a week to become eligible for employee and spouse or spouse and dependent child(ren) coverage.

Plan One eligibility occurs the first (1st) day of the calendar year. In no event can an employee not become initially eligible if hired with the expectation of working 30 hours or more in a week, and such employees will be eligible on the (1st) day of the month following sixty (60) days of employment.

Plan Two Eligibility for K Plan – Employees Hired on or After January 1, 2021

Plan Two Coverage Initial and Continuing Eligibility – On or after January 1, 2021: Using a 52-week measurement period (as outlined in the measurement/stability period description below) or as otherwise required under the Affordable Care Act, employees hired on or after January 1, 2021 must work an average of twenty seven (27) hours a week for employee-only coverage, a minimum of thirty (30) hours a week for employee and dependent child(ren) coverage, and a minimum of thirty six (36) hours a week to become eligible for employee and spouse coverage or spouse and dependent child(ren) coverage.

Plan Two eligibility occurs the first (1st) day of the calendar year. In no event can an employee not become initially eligible for Plan Two coverage if hired with the expectation of working 30 hours or more in a week, and such employees will be eligible on the (1st) day of the month following sixty (60) days of employment.

Eligibility shall be continued under the following conditions:

In case of illness or non-compensable injury, while on an approved leave of absence, up to six (6) months of eligibility following the month in which the illness or injury occurred will be recognized.

The Employer agrees to extend eligibility for qualifying employees on an approved Family and Medical Leave of absence, not to exceed twelve (12) weeks pursuant to the provisions of the Family and Medical Leave Act.

- A) The Employer agrees to extend coverage for eligible employees until the end of the month following cessation of active employment, including but not limited to termination of employment. This obligation shall not be required when employees are discharged for dishonesty, drinking, or drunkenness on the job or resigns to go into business for themselves.
- B) Employees on approved medical, sick or disability-related leave of absence are required to make weekly contributions to maintain eligibility.

Employee contributions that have been discontinued as provided above will be resumed on the first day of the month following a return to work on the Employer's active payroll after illness or injury

Measurement/Stability Period effective January 1, 2021

Average hours for Plan One and Plan Two coverage eligibility effective on and after January 1, 2021 shall be determined over a twelve (12) month measurement period (measured over 52 or 53 weekly payroll periods, as necessary for compliance with the Affordable Care Act's employer shared responsibility rules) that will result in a twelve (12) month stability period during which time the employee shall be considered an "eligible employee." There

Houston Clerks and Meat Clerks Agreement Proposal 8-5-2020. 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.

shall be a twelve (12) month initial measurement period for new hires who are not reasonably anticipated to work on average at least thirty (30) hours per week, followed by a twelve (12) month initial stability period for such new hires that will end at the beginning of the next standard twelve (12) month stability period. There shall also be a twelve (12) month standard measurement period for all ongoing employees, which shall be the calendar year, followed by a twelve (12) month standard stability period based on employee hours during the standard measurement period. An administrative period may be applied between the end of a measurement period and the start of a stability period as long as the administrative period is in compliance with the Affordable Care Act's employer shared responsibility rules.

If a newly-hired employee is reasonably anticipated to work on average at least thirty (30) hours per week, such employee shall be considered a known full-time employee for purposes of health care and shall become eligible for Plan Two coverage on the first day of the month following sixty (60) days of employment and such date shall hereinafter be referred to as the employee's initial eligibility date. Subject to the above requirements, such coverage will remain in effect until such employee reaches the first standard twelve (12) month stability period, at which time coverage will be determined in accordance with the average hour requirements calculated over the previous twelve (12) month standard measurement period. If the Company promotes an employee to a known full-time position, for purposes of health care, prior to the end of an initial or standard measurement period, such employee shall become eligible for Plan Two coverage no later than the earlier of the (1) the 1st day of the month following sixty (60) days from the date of promotion or (2) the first day of the initial or standard stability period and such date shall hereinafter be referred to as the employee's initial eligibility date. Such coverage shall remain in effect until such employee reaches the first standard twelve (12) month stability period, at which time coverage will be determined in accordance with the average hour requirements calculated over the previous twelve (12) month standard measurement period. In applying the eligibility rules of this provision, if there is a gap between the end of the initial stability period and the start of the standard stability period, the employee shall continue to be eligible for coverage during the gap period based on the employee's eligibility during the initial stability period. In the case of an overlap of the initial stability period and the first standard stability period the employee shall be eligible for the highest level of coverage the employee would qualify for during the overlap period.

Section 17.02      ~~Funding Policy~~ Treatment of Reserves in South Central H&W Fund

~~This Funding Policy shall become activated and of full force and effect on April 1, 2016. The contributions provided for herein are with the parties' understanding and agreement that the Trustees to the South Central Health and Welfare Fund will maintain the Plan in a fully funded and reserved status and will provide benefits in accordance with the provisions of this Article.~~

~~There are two purposes of this Funding Policy:~~

- ~~A. Fully reserved status of the South Central Health and Welfare Fund~~
- ~~B. Claims Payment Standards of the South Central Fund.~~

~~A. Fully Reserved Status~~

Houston Clerks and Meat Clerks Agreement Proposal 8-5-2020. 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.

It is agreed that the target for fully reserved status shall be defined as reserves equal to a minimum of three (3.0) months of Health and Welfare expenses. In October of each year, the Fund Consultant will give a projection for the coming plan year as well as a projection of the remaining term of the Agreement.

The Consultant will provide the current status of the reserves at each quarterly meeting as well as a projection through the end of the current plan year.

It is understood and agreed that any projection showing reserves below two (2.0) months will cause the financial condition to be monitored closely by the Trustees and the Professionals of the plan. A projection showing reserves below two (2.0) months for two consecutive quarters, on or after January 1, 2019, will cause action to be taken by the Trustees to bring the level on reserves back to the desired level of three (3.0) months. Such actions may include a combination of benefit adjustments, eligibility changes and/or employee contribution rate increases.

If the reserves in the South Central United Food and Commercial Workers Union and Employers Health and Welfare Trust Fund (the "Fund") as of September 30, 2020 are greater than \$17.0 (seventeen) million dollars, the Employer shall not be required to make contributions for paid hours in October 2020 (for which contributions would otherwise be due to the Fund in November 2020).

#### B. Claims Payment Standard

The Plan Administrator is responsible for payment of claims on a timely basis.

Payment schedules should comply with any vendor contractual obligations in order to maintain the appropriate discounts provided by the vendor.

The Plan Administrator will make reports to the Trustees on compliance with these standards. Trustees are responsible for monitoring compliance of these standards and taking corrective action, as appropriate.

#### Section 17.03      Cost Control Measures

The Trustees are directed to search for and adopt cost control measures that will aid the Fund in managing costs within the contributions provided by the employer and employees herein. The parties agree **K Plan may to develop and extend to bargaining unit participants medical and prescription management programs that targets high-risk participants with chronic diseases such as diabetes, asthma, and cardiovascular disease.** Incentives to drive participation in the program are understood to be a key element to enhance quality health care.

There is recognition that incentives may take various forms and will likely evolve and change over time base on program experience with a goal of maximizing program effectiveness. The initial focus will be a thorough educational campaign in connection with program roll out. Such education will be reinforced by the K Plan, the Union, and the Employer.

Houston Clerks and Meat Clerks Agreement Proposal 8-5-2020. 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.

Section 17.04      National Health Care Reform

The Employer and the Union agree to meet and discuss, at the request of either party, the effects of the Patient Protection and Affordable Care Act (PPACA) and Federal regulations or any other legislation **that may impact the Employer's provision of health and welfare benefits during the term of this Agreement, and to make modifications to this Agreement on this Health and Welfare article and to make modifications as necessary and appropriate**

Section 17.05      Texas Occupational Injury and Disease Benefit Plan

The parties agree to meet once per quarter to continue discussions brought forth in bargaining regarding the Kroger Texas Occupational Injury and Disease Benefit Plan. Prior to any updating of the Plan, the Employer will give the Union the opportunity to submit recommendations for consideration.

~~The meetings will be Co-Chaired by the Manager of Operations for the Southwest Division and the President of UFCW Local 455 and/or his designate. It is understood that the parties may include other representatives as deemed necessary.~~

Section 17.06

~~Contribution to the trust fund shall be continued under the following conditions effective 1-1-08 for participants of Plan A: In the case of a compensable injury while on an approved leave of absence, six (6) months contributions for full time (three (3) months contributions for part time) following the month in which the compensable injury occurs.~~

**ARTICLE 18 PENSION**

*Add the following:*

C16. See Side Letter

C17. Meat Pension-Adopt new pension plan agreed upon by the Board of Trustees of the Industry Pension Fund in July of 2020

As part of the tentative agreement with the union, the company would make a significant financial commitment to support Meat employees' accrued and future pension benefits.

**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:

Step 1.            By conference between the aggrieved employee and/or store steward, Union business representative, or either, and the manager 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.

C18.    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

Houston Clerks and Meat Clerks Agreement Proposal 8-5-2020. 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.

- 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.

We take these dispute procedures seriously. As such we need to have flexibility on who can address them in a timely manner. Having a Division designee option in step 2 allows the company the opportunity to address and resolve disputes quickly and efficiently when an employee's District Manager is not available.

### GENERAL PROVISIONS RELATIVE TO WAGE SCALE

Delete stricken language and add changes in bold

**C19.** Part-time employees will start on the first six (6) months rate for the proper classification and will advance up the pay scale on the basis of one (1) bracket for each six (6) months worked. General Clerks will start on the first (1<sup>st</sup>) step and advance up the pay scale on the basis of one (1) bracket for each six (6) months worked. **Effective 2/7/2021, all clerks are held to the step they transitioned to effective with the 2/7/2021 contractual wage increase.**

Our proposal includes a simplified wage scale, effective in February 2021. We are collapsing the wage scales (not as many steps). Our proposal provides meaningful and more competitive wages each year, including wage increases for all associates. See attached wage scale.

### C. Previous Experience

- C20.** 1 Previous proven comparable experience within ten (10) years from date of present employment, not to exceed the maximum of five (5) years of credit, as shown on the application for employment shall be the basis for determination of the new employee's rate of pay. **Effective 2/7/2021, previous proven comparable experience within ten (10) years from date of present employment, not to exceed the maximum of four (4) years of credit, as shown on the application for employment shall be the basis for determination of the new employee's rate of pay, with years of employment corresponding to each level of rate of pay:**
- 0-1 years: Level 1
  - 0-2 years: Level 2
  - 0-3 years: Level 3
  - 3+ years: Level 4

This aligns with our new wage scale plan. We are collapsing the wage scales (not as many steps). Work Experience Credit would still apply.

C21. Other Work: Employees shall perform any work, ~~except meat department work~~, which the manager of the store or District Manager may direct with the understanding that when an employee is assigned to a job with a lesser rate, he will be entitled to his regular rate of pay, unless due to a decrease of work, he has been regularly assigned to a lower rated job and desires to retain such job rather than accept a layoff.

With our proposed meat merger, removing this language would provide the opportunity for all clerks to work across the store.

C22. J. Where the Employer deems it necessary to appoint a Head Checker, in addition to a Front-End Supervisor, such employee will receive top rate for their classification plus fifty cents (50¢) per hour. Where the Employer deems it necessary to appoint Leads in the positions of ~~Floral, Scan Coordinator, Back Door Receiving, Dairy, Grocery, Frozen Food, Cake Decorator, Fuel, Starbucks/Seattle's Best~~, such employee will receive the top rate for their classification plus fifty cents (50¢) per hour over the employee's current rate upon satisfactory completion of training and upon certification. **Where the Employer deems it necessary to appoint Leads in the positions of Floral, Back Door Receiving, Dairy, E-Commerce, such employee will receive the top rate for their classification plus one dollar (\$1.00) per hour over the employee's current rate upon satisfactory completion of training and upon certification.** It is expected that these positions will apply to most all stores within the designated bargaining unit area. Each individual will be trained at the Company's expense and on the Company's timetable. After the training, each will be tested both on knowledge and work environment applications. Each successful candidate will then be certified in the position and shall begin receiving the premium referenced herein. The Employer will endeavor to complete the initial training for these newly created positions within 12 months following ratification of this agreement, if possible. The Employer reserves the right to remove any employee from the lead positions for performance related reasons including the failure to maintain "best practices" measurements for the average group performance in the Division.

We are proposing to offer a Lead premium from \$0.50 to \$1.00 for Floral, Back Door Receiving, Dairy and E-Commerce upon completion of training and certification.

C23. ~~K. A Fuel Center Clerk after six (6) months of service shall be given preference by seniority, together with ability, practicability, and availability should an opening occur for a General Clerk store position, at their food store location.~~

~~When a full time clerk store opening occurs it shall be made available to full time Fuel Center Kiosk clerks with six months or more seniority, at their food store location. It is understood that General Clerks shall have first preference to full time openings within the store. Such full time openings, for their food store location, shall be posted in the Fuel Center for seven (7) calendar days prior to filling. Full time Fuel Center Kiosk Clerks shall retain their full time seniority date earned in the Fuel Center and that date can be used in the determination of greater seniority over existing store clerks.~~

We are proposing to merge the Fuel Clerk wage scale to the Clerk wage scale. This language is no longer applicable.

C24. L. Assistant Department Heads - The Employer, at its discretion, may appoint an Assistant Department Head. This is not a required position and Management may elect not to assign the position. In the event an employee is assigned as an Assistant Department Head then such employee shall be paid the top rate for their classification plus ~~fifty cents (50¢)~~ **one dollar (\$1.00)** per hour for Sales Volume 1 and the top rate for their Houston Clerks and Meat Clerks Agreement Proposal 8-5-2020. 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.

classification plus sixty five cents (65¢) per hour for Sales Volume 2 and the top rate for their classification plus ninety cents (90¢) per hour for Sales Volume 3.

With our proposal, we would eliminate the three volume levels for premium pay for Assistant Department Heads and offer a straight \$1.00 premium for all sales volume levels.

C25. P. ~~Lead Floral Volume 2 or 3~~ Management may assign an employee to the position of "Lead Floral Volume 2 or 3". This is not a required position and management may elect not to assign the position. In the event an employee is assigned as a Lead Floral Sales Volume 2 or 3, then such employee shall be paid the top rate for their classification plus sixty five cents (65¢) per hour for Volume 2 or the top rate for their classification plus ninety cents (90¢) per hour for Volume 3 above their current non-premium wage rate provided total store sales are at the Volume 2 or 3 Level.

With the elimination of sales volume tiers and offering a straight \$1.00 premium for Floral, this language is no longer applicable.

#### **C26. ARTICLE 4 MEAT DEPARTMENT EMPLOYEES**

*Delete stricken language and add changes in bold*

Merging the Meat contract into the Clerk contract would allow associates to move within departments and could potentially mean additional hours for associates and an opportunity to learn more aspects of the business. This is especially important as we continue to evaluate Meat service cases. It also provides the company with flexibility to back fill hours due to call-offs or when a department is understaffed. It does not mean that Meat associates would lose hours, take someone's job or be asked to do front-end work.

A. *Each Shop shall have a Head Meat Cutter and he shall be a Journeyman Meat Cutter, a Certified Meat Cutter or an Assistant Department Head and he may perform all the duties of, and shall direct the work, movements and operations of Meat Department employees.*

*Assistant Department Head - The Employer, at its discretion, may appoint an Assistant Department Head. This is not a required position and Management may elect not to assign the position. In the event an employee is assigned as an Assistant Department Head, then such employee shall be paid the top rate of their classification plus a premium of fifty cents (.50) **one dollar (\$1.00)** for Volume 1 and sixty five cents (.65) for Volume 2 and ninety cents (.90) for Volume 3 stores.*

With our proposal, we would eliminate the three volume levels for premium pay for Meat Assistant Department Heads and offer a straight \$1.00 premium for all sales volume levels.

B. *Each individual will be trained at the company's expense and on the company's timetable. After the training, each employee will be tested both on knowledge and work environment applications. Each successful candidate will then be certified in the position and begin receiving the premium referenced herein. The Employer will endeavor to complete the initial training for these newly created positions within 12 months following ratification of this agreement, if possible. The Employer reserves the right to remove any employee from the Assistant Department Head premium for performance related reasons including failure to maintain "best practices" measurements for the*

Houston Clerks and Meat Clerks Agreement Proposal 8-5-2020. 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.

average group performance in the Division. Assistant Department Heads will be required to work prime time hours and may be asked to train other Clerks in multiple stores.

C. A Journeyman and Certified Meat Cutters are employees who have qualified as a skilled Meat Cutter. Their duties shall include the receiving, cutting, grinding, slicing, preparing, processing, sealing, wrapping, bagging, pricing, fabricating and serving of all items in the Meat Department and the performance of all work incidental thereto.

If the Employer deems it necessary to fill any Journeyman, Certified Meat Cutter vacancy, then the Employer agrees to advance the most senior, qualified apprentice who has completed all the progression steps for the pay grade to such Journeyman, Certified Meat Cutter position.

D. An apprentice is an employee who is at least eighteen (18) years of age or older who may perform any work within the meat department. The Employer agrees to assign each apprentice to various jobs in order to give him an opportunity to acquire the skill necessary to be considered for a journeyman or certified meat cutter position. No apprentice assigned after April 3, 2004 may be considered for a journeyman or certified meat cutter position until such employee has completed all the progression steps of their pay grade. Nothing in this Agreement should be construed to require the Employer to advance any apprentice to the Journeyman Meat Cutter classification.

E. Employees engaged in weighing, wrapping, pricing and displaying shall be eighteen (18) years of age or older. Wrappers may be employed to wrap, scale, price, label, display, board, tray, bag poultry and other items, stock meats and slice cheese, bacon and delicatessen items with slicing machines, and to clean work tables and any equipment that they work with, including removable racks and display cases, glass, and to disassemble and clean refrigerated conveyor troughs, but excluding cleaning electric saws, grinders, tenderizers and patty machines. Wrappers can use the knife, slicer, cuber, and grinder in conjunction with serving the customers only.

Employees in the Weighers and Wrappers and Service Clerk classifications will have the opportunity to transfer without loss of seniority or reduction in straight-time hourly wage rate to the Apprentice classification when a vacancy exists, provided they have the skills, abilities, and physical capacity to perform the work. Employees in the Weighers and Wrappers classifications wishing to make application for such openings shall do so in writing with copies to both the Employer's designated official and the Union.

When a Wrapper is assigned to the Journeyman, Certified Meat Cutter or Apprentice classification, the Wrapper will retain seniority in the Wrapper classification for a period of one (1) year. After one (1) year, if the former Wrapper continues to be assigned to the Apprentice, Journeyman or Certified Meat Cutter classification, his or her seniority date will be the date assigned as an Apprentice or Journeyman. If the former Wrapper is to be laid off, the former Wrapper may elect to be reassigned to the Wrapper classification rather than accept a layoff. If the former Wrapper elects this option, his or her seniority date shall be the date originally assigned as a Wrapper.

If the former Wrapper has returned to the Wrapper classification and is recalled to the Journeyman, Certified Meat Cutter or Apprentice classification, the Wrapper may accept the recall or remain in the Wrapper classification without further recall rights to the Journeyman, Certified Meat Cutter or Apprentice classifications.

A Wrapper with one (1) year of full-time service with the Employer shall receive six (6) months credit upon entrance to apprentice training.

Houston Clerks and Meat Clerks Agreement Proposal 8-5-2020. 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.

F. *The Seafood Captain by store shall have the right to the first forty (40) hour schedule available in their department.*

G. *The Employer and the Union agree that any qualified employee, regardless of age, sexual orientation, race, creed, color, sex or national origin, is eligible to work and will be given an equal opportunity to work in any job classification covered by this contract.*

*An employee must be at least eighteen (18) years of age to operate power equipment.*

H. *Head Meat Cutters shall be allowed to voluntarily return to the Journeyman or Certified Meat Cutter classification without loss of seniority upon the giving of thirty (30) days written notice to the Company. The return of the Head Meat Cutter to the Journeyman or Certified Meat Cutter classification shall be conditioned upon the Employer having a qualified Head Meat Cutter replacement readily available to assume the responsibilities of the Head Meat Cutter desiring to return to the Journeyman or Certified Meat Cutter classification.*

I. *Weighers, Wrappers and Service Clerks hired after February 18, 1993.*

*The Employer will train any employee required to perform cleaning duties. Employees in the above classifications will be allowed to clean any and all equipment associated with the operation of their respective department.*

J. *Service Clerks will perform all duties in the Meat Department except use of saw. It is understood, Service Clerks will not be used for production work except for the grinder. The Service Clerk classification will not be used to eliminate wrappers.*

*Service Clerks will use the knife, slicer, and cuber in conjunction with serving customers only.*

~~K. *A Service Clerk at the six dollar and twenty five cent (\$6.25) rate or above who gets promoted to the Seafood Captain classification will automatically be put at the next progression increase.*~~

This language is no longer relevant.

*After three (3) months as a Seafood Captain, the Ex-Service Clerk will then go to the next step in the progressions. All progressions thereafter will be in compliance with the wage progressions outlined in the agreement for a Service Clerk.*

*In the event a Seafood Captain is demoted back to the Service Clerk classification the affected employee will go back to the appropriate Service Clerk rate. Service for determining wage increases shall be retained for the period spent as a Seafood Captain for all Service Clerks affected.*

*The Employer may advance the Seafood Captain through the wage progression before the qualifying period, if in the judgment of the employer, the Seafood Captain is qualified.*

**C27. ARTICLE 10 MEAT SENIORITY**

*Delete stricken language and add changes in bold*

A. *Seniority for full-time employees shall be followed by the Employer, in each seniority area separately, such seniority areas or zones to be mutually agreed upon between the Employer and the Union, for the following classifications:*

1. *Head Meat Cutters*
2. *Journeyman Meat Cutters*  
*Certified Meat Cutter*  
*Apprentice Meat Cutters*
3. *Weighers and Wrappers*
4. *Service clerks*
5. *Seafood Captain*

*In cases of layoffs and recalls after layoffs, if skill is comparable and the senior employee has the ability to perform the work, they should be recalled in inverse order. Seniority areas are described in Appendix "B" attached to this Agreement.*

B. *In the event of a reduction in hours and/or layoff of full-time employees in a market, the least senior employee in the job classification in the market affected by such reduction or layoff may replace the least senior full-time employee in that classification in the seniority area.*

*Service Clerks will not take the hours of Head Meat Cutters, Journeyman Meat Cutters, Certified Meat Cutter and full-time Wrappers to take those employees below the basic work week (40 hours). Should it become necessary to reduce the hours of such employees, Service Clerks must first be laid off in that seniority area. The reduced employee shall displace the least senior employee in their classification in their seniority area.*

C. *In the event of a recall of employees after layoff or reduction of hours, such employees on layoff or reduced hours status shall be called back to work and/or have their hours restored in the order of their seniority in the job classification in the seniority area.*

*Store Stewards list shall be established and maintained, and such records shall be made available to the Company, by the Union, at all times. One (1) Shop Steward per store shall have super-seniority over all other full-time employees as it applies to (lay-offs and recalls only). Shop Stewards shall retain this right only while they are Shop Stewards.*

D. *Seniority for part-time employees shall be followed by the Employer in each store separately only in cases of layoffs and recalls, for the following classifications:*

1. *Journeyman Meat Cutters*  
*Certified Meat Cutter*  
*Apprentice Meat Cutters*
2. *Weighers and Wrappers*
3. *Service Clerks*

Houston Clerks and Meat Clerks Agreement Proposal 8-5-2020. 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.

E. *The Employer shall post semi-annually separate seniority lists by job classification for all full-time employees in each seniority area in each store, in a designated location in the meat department, and for all part-time employees who have been employed at least ninety (90) working days.*

F. *The Employer shall furnish to the Union a duplicate copy of each seniority list for all full-time and all part-time employees.*

G. *The original posted seniority lists shall establish the seniority of each employee who does not, in writing, protest his seniority within thirty (30) days after such employee has had the opportunity to observe such seniority list.*

H. *Seniority for full-time and part-time employees shall be based upon the length of continuous service with the Employer in the particular job classification in the seniority area, except as otherwise provided herein.*

I. *Seniority for full-time and part-time employees begins to accrue after an employee completes six (6) weeks of employment in the job classification with the Employer provided, however, that seniority in the area in which the employee is employed on the thirtieth day shall date from the beginning of such employment in the job classification with the Employer, if the employee is retained in the service of the Employer beyond such probationary period.*

*When a full-time Apprentice is promoted to the full-time Journeyman or Certified Meat Cutter classification, his seniority as a full-time Journeyman or Certified Meat Cutter shall date from the beginning of his Apprenticeship with the Employer.*

J. *The Employer shall have the right to release any employee for any cause whatsoever without recourse, provided such employee is released within sixty (60) days from the date of the employee's employment.*

K. *An employee's seniority shall terminate upon the occurrence of any of the following events:*

- *Employee quits.*
- *Employee is discharged for just cause.*
- *Employee fails to return to work within seventy-two (72) hours after being recalled by the Employer by registered mail or telegram at his last known address.*
- *Employee has not been on the active payroll of the Employer for a period of twelve (12) consecutive months.*

L. *Employer agrees to advise the Union promptly of all layoffs, discharges, recalls and permanent transfers of full-time employees.*

M. *Any regular full-time employee who would be laid off for lack of work will first be offered the maximum number of part-time hours available in his classification in the seniority area. If he accepts the offer to work part-time in lieu of lay-off, he will be placed at the top of the part-time seniority list.*

N. *A full-time employee who is reduced to part-time because of a reduction in work hours by the Employer shall retain his or her full-time seniority for two (2) years after being reduced to part-time.*

Houston Clerks and Meat Clerks Agreement Proposal 8-5-2020. 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.

*It is agreed between the parties that when a full-time employee's hours are reduced to less than forty (40) but not less than thirty-two (32) hours per week, the employee will have the option of exercising their seniority to the least senior full-time position by classification in the seniority area or the employee may remain at the store for an indefinite time working the reduced schedule.*

*If the employee elects to remain at the store working at least thirty-two (32) but less than forty (40) hours per week and at a later time decides to exercise their seniority, the employee must notify their store manager in writing by Wednesday noon for the following week's schedule. A full-time employee whose hours are reduced to less than thirty-two (32) hours per week must exercise their seniority to "bump" the least senior full-time employee in their classification in their seniority area or forfeit their full-time seniority and take the part-time job in the store. Such refusal shall be in writing.*

*It is understood that a full-time employee's option to remain at their store working less than forty (40) hours but not less than thirty-two (32) hours per week will waive the employee's right to file a time claim.*

O. *A full-time employee who is reduced to part-time with the approval of the Employer at the employee's written request shall lose their full-time seniority; however, they shall have preference over a new employee for a full-time job in their classification in their store only.*

P. *When a Journeyman or Certified Meat Cutter is promoted to Head Meat Cutter, he shall retain seniority in the Journeyman or Certified Meat Cutter classification.*

Q. *In case of store closing, the Head Meat Cutter in each store shall retain seniority in the Journeyman or Certified Meat Cutter classification. Service in the Head Meat Cutter classification immediately prior to his most recent appointment as a Head Meat Cutter shall be credited to his Journeyman classification seniority. In case the Employer sees fit to place the Head Meat Cutter of a closed store in another store as Head Meat Cutter, the displaced Head Meat Cutter shall retain seniority as a Journeyman or Certified Meat Cutter, including his service in his most recent appointment as a Head Meat Cutter.*

*In the event the Employer closes or sells a store, employees with two (2) or more years service may displace the least senior employee in their classification (Head Meat Cutter considered Journeyman Meat Cutter or Certified Meat Cutter) within the area covered by this collective bargaining unit. If there is not a less senior employee in the classification in the bargaining unit, the employee shall displace the least senior employee in the jurisdiction of UFCW, Local #455. If the employee displaced by an employee affected by a store closing in the bargaining unit has two (2) or more years seniority, the employee shall displace the least senior employee in the jurisdiction of UFCW, Local #455. No employee thus displaced shall have any recourse against the Employer or the Union.*

R. *When two (2) or more employees are hired into the same job classification on the same date in the same seniority area, the Employer shall, at such time as it becomes material, advise the Union of their seniority status.*

S. *Transfers of full-time employees are permitted between markets of the Employer in the seniority area or zone, provided seniority is followed. Transfers shall be based on legitimate business needs. Seniority for all transfers shall be based on seniority in the area and/or zone, except for vacation relief, illness, or store openings, unless otherwise agreed to in individual cases by the Employer and the Union. Employees transferred for vacation*

Houston Clerks and Meat Clerks Agreement Proposal 8-5-2020. 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.

relief or to act as relief because of illness shall be returned to the store from which the transfer originated. In cases of transfer for vacation relief or because of illness, seniority in the market will be followed.

Where the Employer is formally made aware of an opening, fourteen (14) or more days prior to it occurring, the Employer will post the position for all associates within the seniority area. The posting will remain up in the seniority area for seven (7) days and will be posted with the schedule, when it is posted on Friday. Where the Employer deems an opening to have occurred but has not received fourteen (14) days' notice of the opening, the job will not be posted. Full-time employees may request transfer to the vacant position, if qualified. The Employer agrees not to deny an employee's transfer request for arbitrary, discriminatory or capricious reasons. An employee awarded a transfer pursuant to this section shall be moved to such vacant position within thirty (30) days following approval of their transfer to the vacant position.

T. When a full-time employee is transferred into another seniority area, such employee's seniority in the seniority area into which such employee has been transferred, shall include his seniority prior to such transfer.

U. A Head Meat Cutter who is demoted to Journeyman or Certified Meat Cutter for any reason whatsoever, shall have his continuous service credits transferred to the Journeyman seniority group.

V. Part-time employees shall be given the first opportunity for permanent full-time jobs in their classification based on seniority in their respective stores before new employees are hired for such full-time jobs.

Where no part-time employee within a store desires full-time work, employees working less than forty (40) hours in the area and who have previously indicated in writing to the Employer their desire for full-time work, shall be given the first opportunity for full-time work based upon seniority in their classification.

W. The Employer will schedule all work for part-time employees based on seniority within their classification within their store not to exceed eight (8) hours in any one (1) day or forty (40) hours in any one (1) week, provided the employee is qualified and available for at least four (4) consecutive hours when the work is available and that this scheduling does not conflict with or prohibit the simultaneous scheduling of another part-time employee. However, this scheduling is not intended to mean that the Employer must schedule so as to incur additional premiums or penalties or violate any provision of this contract. The part-time employee with seniority must advise the Store Manager that he is available for a posted schedule within twenty-four (24) hours after the store schedule is posted or he has no claim on such schedule of hours.

Part-time employees by classification with the most seniority within a store will be given the part-time schedule with the most hours, provided they are qualified to perform the work required and are immediately available.

X. During the term of this Agreement, the Employer will not reduce the scheduled hours of its regular full-time employees on the payroll as of March 30, 1995, (except in cases in which the reduction has occurred in accordance with Section N. of Article 10 - Seniority), until the following:

- (1) All part-time employees by classification are laid off in the store or seniority area.
- (2) In the event of a reduction of hours for the Head Meat Cutters, Journeyman, Certified Meat Cutter Meat Cutters and full-time Wrappers, all Service Clerks in the area are laid off in the seniority area.

Houston Clerks and Meat Clerks Agreement Proposal 8-5-2020. 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.

- (3) *Notwithstanding the provisions above, the Employer will assign work on seniority basis to a full-time employee in more than one (1) store in an area to maintain his or her forty (40) hour schedule. If said employee refuses said assignment, he or she forfeits their claim to the scheduled hours.*

Y. *Definition of a full-time employee: All employees on the full-time seniority list as of April 15, 1973, and any employee after that date who works forty (40) hours per week for eight (8) weeks during a ten (10) week period, unless the employee is working full-time (40-hours) due to the absence of another full-time employee.*

*When an employee qualifies as outlined above, their full-time seniority date shall be the date of the beginning of the qualification period. Example: qualification period shall be the date said employee started in the progressions, if applicable, in the classification and reaches the top rate of the classification they are currently working now.*

Z. *When a full-time employee in the Journeyman, Certified Meat Cutter or Weighers and Wrappers classifications desires to move to another store in his or her seniority area, the employee will give notification, in writing, to an official designated by the Employer, with a copy to the Union, specifying the store to which he or she desires to move. When there is a bona fide vacancy in his or her classification in such store, the employee's request for transfer will be considered based on seniority and ability to perform the work.*

AA. *Each week the Employer will rotate the work schedule, when requested, among all qualified individuals within each classification so that work schedules may be evenly divided among all qualified employees within each store where skills and abilities are equal.*

### **C28. Article 11- Meat Working Conditions**

A. *The Employer shall furnish all necessary tools of the trade, laundry and/or uniforms when required, provided, however, the Employer may furnish to the female employees dacron uniforms or similar type uniforms. The employees who are furnished such uniforms shall be responsible in the event of loss of these uniforms and such uniforms shall be laundered by the employees.*

B. *The Employer agrees to provide guards on grinders and cube machines. No employee shall use a grinder without the guard on the mill or use the cube machine with the lid or guard up. Any employee using the above equipment without the safety guards shall be subject to discipline, including discharge, without recourse to arbitration.*

C. **Meat department employees shall not be assigned to Front-End job duties.**

Our proposal to merge Clerk and Meat contracts comes with language that meat department employees would not be assigned to Front-End job duties.

**LETTERS OF AGREEMENT**

- Renew LOA #1
- Renew 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: \_\_\_\_\_

Houston Clerks and Meat Clerks Agreement Proposal 8-5-2020. 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.

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.

Houston Clerks and Meat Clerks Agreement Proposal 8-5-2020. 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.

### Houston Clerks

Clerks		Fuel Clerks		Pharmacy Techs	
Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
Current	Upon Rat	Current	Upon Rat	Current	Upon Rat
6-6	\$ 10.00	\$ 10.00	L1	\$ 11.00	\$ 11.00
6-12	\$ 10.20	\$ 10.20	L2	\$ 11.45	\$ 11.45
12-18	\$ 10.60	\$ 10.60	L3	\$ 12.00	\$ 12.00
18-24	\$ 11.00	\$ 11.00	L4	\$ 12.45	\$ 12.45
24-30	\$ 11.40	\$ 11.40	L5	\$ 12.90	\$ 12.90
30-36	\$ 12.00	\$ 12.00			
36-42	\$ 13.00	\$ 13.00			
42-48	\$ 14.00	\$ 14.00			
48+	\$ 15.25	\$ 15.25			

  

Night Stockers	
Full-time	Part-time
Current	Upon Rat
6-6	\$ 10.35
6-12	\$ 10.55
12-18	\$ 10.95
18-24	\$ 11.35
24-30	\$ 11.75
30-36	\$ 12.15
36-42	\$ 12.55
42+	\$ 13.40

  

Dept Heads	
Current	Upon Rat
Tier 1	\$ 19.30
Tier 2	\$ 19.80
Tier 3	\$ 20.30

  

Convenience Store Mgr	
Current	Upon Rat
	\$ 17.75

### Houston Meat

Apprentice		Weighers & Wrappers		Service Clerks	
Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
Current	Upon Rat	Current	Upon Rat	Current	Upon Rat
6-6	\$ 10.00	\$ 10.00	L1	\$ 11.00	\$ 11.00
6-12	\$ 10.20	\$ 10.20	L2	\$ 11.45	\$ 11.45
12-18	\$ 10.60	\$ 10.60	L3	\$ 12.00	\$ 12.00
18-24	\$ 11.00	\$ 11.00	L4	\$ 12.45	\$ 12.45
24-30	\$ 11.40	\$ 11.40	L5	\$ 12.90	\$ 12.90
30-36	\$ 12.00	\$ 12.00			
36-42	\$ 13.00	\$ 13.00			
42-48	\$ 14.00	\$ 14.00			
48+	\$ 15.25	\$ 15.25			

  

Certified Cutter	
Current	Upon Rat
	\$ 16.50

  

Part-time (Assigned after 4/1/2004)	
Current	Upon Rat
6-6	\$ 10.00
6-12	\$ 10.20
12-18	\$ 10.60
18-24	\$ 11.00
24-30	\$ 11.40
30-36	\$ 11.80
36+	\$ 12.15

  

Part-time (Hired after 4/1/2007)	
Current	Upon Rat
6-6	\$ 10.00
6-12	\$ 10.20
12-18	\$ 10.60
18-24	\$ 11.00
24-30	\$ 11.40
30-36	\$ 11.80
36+	\$ 12.15

  

Head Meat Cutter	
Current	Upon Rat
	\$ 21.43

  

RC Journeyman Meat Cutter	
Current	Upon Rat
	\$ 19.49

  

RC Weighers & Wrappers (Hired 4/1/2004)	
Current	Upon Rat
	\$ 17.11

  

RC Weighers & Wrappers (Hired 4/1/2007)	
Current	Upon Rat
	\$ 15.70

### Nachogdoches

Clerks		Checker/Courtesy Booth Operator		
Full-time	Part-time	Full-time	Part-time	
Current	Upon Rat	Current	Upon Rat	
6-6	\$ 10.00	\$ 10.00	L1	\$ 11.00
6-12	\$ 10.20	\$ 10.20	L2	\$ 11.45
12-18	\$ 10.60	\$ 10.60	L3	\$ 12.00
18-24	\$ 11.00	\$ 11.00	L4	\$ 12.45
24-30	\$ 11.40	\$ 11.40	L5	\$ 12.90
30-36	\$ 12.00	\$ 12.00		
36-42	\$ 13.00	\$ 13.00		
42-48	\$ 14.00	\$ 14.00		
48+	\$ 15.25	\$ 15.25		

  

RC FT Clerks Before 4/2/2000	
Current	Upon Rat
	\$ 16.35

  

Dept Heads	
Current	Upon Rat
Tier 1	\$ 19.30
Tier 2	\$ 19.80
Tier 3	\$ 20.30

UFCW Local 455 - Houston Clerks

Assistant Department Head		
	Hourly Rate	
Sales Volume	Current	Upon Rat
\$750,001+	\$0.90	\$1.00
\$500,001 - \$750,000	\$0.65	\$1.00
\$500,000 and less	\$0.50	\$1.00

Note: Assistant department heads shall receive the top rate of their classification in addition to the hourly premium.

Sales Volume - Total store sales excluding pharmacy and fuel

Floral Lead		
	Hourly Rate	
Sales Volume	Current	Upon Rat
\$750,001+	\$0.90	\$1.00
\$500,001 - \$750,000	\$0.65	\$1.00
\$500,000 and less	\$0.50	\$1.00

Note: Floral leads shall receive the top rate of their classification in addition to the hourly premium.

Sales Volume - Total store sales excluding pharmacy and fuel

E-Commerce Lead		
	Hourly Rate	
Position	Current	Upon Rat
Clicklist Lead	\$0.50	\$1.00

Note: E-Commerce Leads shall receive the top rate of their classification in addition to the hourly premium.

Lead Classification		
	Hourly Rate	
Position	Current	Upon Rat
Apparel Lead	\$0.50	No Change
Back Door Receiver	\$0.50	\$1.00
Bistro Chef	\$0.50	No Change
Cake Decorator Lead	\$0.50	No Change
Coffee Shop Lead	\$0.50	No Change
Dairy Lead	\$0.50	\$1.00
		No Change
File Maintenance Lead	\$0.50	No Change
Frozen Food Lead	\$0.50	No Change
Fuel Lead	\$0.50	No Change
		No Change
Grocery Lead	\$0.50	No Change
Head Checker	\$0.50	No Change
Murray's Cheese Clerk	\$0.50	No Change
Nature Market Lead	\$0.50	No Change
		No Change
Scan Coordinator	\$0.50	No Change
Seafood Lead	\$0.50	No Change
Wine Consultant*	\$0.50	No Change

Note: Lead positions shall receive the top rate of their classification in addition to the hourly premium.

\*Wine Consultant - Store must maintain average weekly sales of \$25,000+ in wine (excluding beer).

Night Premium		
Night Shift Premium	Hourly Rate	
Current	\$0.35	
Upon Ratification	\$1.00	
Effective 8/1/2021	\$1.50	

Effective upon ratification - Night premium shall be paid on all hours worked between 10:00 PM and 6:00 AM. If majority of shift is worked between 10:00 PM and 6:00 AM, a \$1.00 premium will be paid for all hours worked during the shift. Effective 8/1/2021 - Night premium shall be paid on all hours worked between 10:00 PM and 6:00 AM. If majority of shift is worked between 10:00 PM and 6:00 AM, a \$1.50 premium will be paid for all hours worked during the shift.

Holiday Premium		
Holiday Premium	\$0.50 / Hour	
Current	Or	
	(1 - 1/4) pay	

Clerks - Shall receive \$0.50 per hour for their holiday premium for the first 12 months of employment. Upon completion of 12 months of service, they shall receive time and one-quarter (1 1/4) times an employee's regular rate of pay.

Courtesy Clerks (Baggers) - No holiday premium for the first 6 months of employment. Upon completion of 6 months of service, they shall receive \$0.50 per hour.