

**UFCW Local 663 Proposals to Metro Retail Grocery Employers
Haug's, Jerry's, Knowlan's, Kowalski's, L&B, Radermacher's, UNFI
UNION 3 - February 27, 2025 @ 10:30pm**

1) Wages

Haug's, Jerry's, Knowlan's, Kowalski's, L&B, Radermacher's, UNFI

A) See wage scales - [Union 2 - 2.27.25](#)

2) Retirement - Legacy Pension, Variable Annuity Pension (VAP), 401(k)

[See Union Exhibits](#)

A) Legacy Pension

Haug's, Knowlan's, Radermacher's, UNFI

1. The Rehabilitation Plan Update will adopt Reasonable Measures to enable the Fund to emerge from Critical Status in March 2040.
2. Based on an emergence date of 2040, the annual contribution rate increases effective beginning March 2025 will be 7.5% as calculated by the Fund actuary, Segal, in their February 6, 2025 report to the Board of Trustees, based on a 7.0% annual investment return.
3. Further, the Rehabilitation Plan Update will contain an annual floor dollar contribution requirement that must be contributed by each employer for each March 1 through February 28 period, effective March 1, 2025, that reflects the applicable contribution rate increase and the projected hours assumed by Segal for the Plan year ending February 2024. These annual floor dollar amounts were calculated by Segal under Scenario D5 in their February 6, 2025 report to the Board of Trustees based on 67,600 full-time weeks and 63,900 part-time weeks.

This annual floor dollar amount provision will be administered as follows: As soon as practicable after the end of each fiscal year, the Fund will determine whether each Employer contributed at least the floor amount for that 12-month period. Each Employer's share of the annual floor dollar amount will be based on the annual Estimated Withdrawal Liability for Individual Employers report prepared by Segal (the most recent report was issued January 8, 2025). If the Employer did not contribute at least the floor dollar amount, The Fund will send the Employer a "true up" invoice for the difference between the floor amount and the actual contributions paid. The Employer will pay the true-up amount in a lump sum within 30 days of its receipt of the invoice. If the Employer's actual contributions exceed the floor amount, there will be no credit or refund to the Employer.

4. If, due to market events, Segal projects the Fund will become insolvent in the future as opposed to emerging from Critical Status, the bargaining parties shall reopen the contract for the sole purpose of negotiating an appropriate adjustment to the contribution rates to allow for emergence from Critical Status in the future rather than projected insolvency.

**UFCW Local 663 Proposals to Metro Retail Grocery Employers
Haug's, Jerry's, Knowlan's, Kowalski's, L&B, Radermacher's, UNFI
UNION 3 - February 27, 2025 @ 10:30pm**

B) Variable Annuity Pension Plan

Haug's, Knowlan's, Radermacher's, UNFI

1. The 3.0% Cap on annual benefit improvement adjustments is removed effective January 1, 2025.
2. The accrual rate will increase from \$35.00 to \$39.50 for UNFI participants effective January 1, 2025.
3. The accrual rate will increase from \$25.00 to \$28.00 for all other participants effective January 1, 2025.
4. These benefit improvements require no increases in the current Employer contribution rates because of the current funding status of the VAPP and the magnitude of the Fund's Stabilization Reserve.

Jerry's, Kowalski's, L&B

5. All Employers that previously withdrew from the MRMC Pension Fund prior to January 1, 2019 but continue to participate in the MRMC Health Plan will begin participation in the VAPP effective January 1, 2025. The Employer's contribution obligation to the VAPP will be the difference between the previously required contribution to the MRMC Pension Fund and the current employer contribution to the individual Employer's 401 (k) plan. For example, if the MRMC Pension Fund contribution before withdrawal was \$2.00 per hour and the employer now contributes \$1.00 per hour to a 401 (k) plan, the Employer shall contribute no less than \$1.00 per hour to the VAPP on behalf of applicable employees. Such employees shall continue to be covered by their Employer's 401 (k) plan at the current negotiated rates.

C) Establish Multi-Employer Defined Contribution Plan

Haug's, Jerry's, Knowlan's, Kowalski's, L&B, Radermacher's, UNFI

1. All FT and PT can participate - includes Modified PT, Regular PT, Custodial / Courtesy (no longer an issue after conversion to Regular PT)

3) Health & Welfare

Haug's, Jerry's, Knowlan's, Kowalski's, L&B, Radermacher's, UNFI

[See Union Exhibits](#)

- A) [Replacement language](#) as provided by the Union for FT and PT eligibility
- B) Health Fund Reserves, Benefit Improvements and Shorter Waiting Period for Part-time
 1. The net asset reserves shall be reduced from the current 11.4 months of continuation value to 7.8 months of continuation value by February 2028. The

**UFCW Local 663 Proposals to Metro Retail Grocery Employers
Haug's, Jerry's, Knowlan's, Kowalski's, L&B, Radermacher's, UNFI
UNION 3 - February 27, 2025 @ 10:30pm**

Fund consultant, Segal, has informed us that 7.8 months of continuation reserve is a prudent and appropriate reserve for this Fund.

2. Initially, Fund assets will be reduced in the first two months of the new agreement beginning March 1, 2025 by an employer contribution holiday estimated to be equal to \$5.8 million. Employers shall begin paying breakeven contribution rates determined by Segal in their report dated February 21, 2025 as soon as the contribution holiday concludes. During the holiday period, the employers shall continue to submit reports to the Fund Office reflecting those employees eligible to receive coverage and such employees shall be eligible to receive coverage notwithstanding the holiday.
3. The break even contribution rates account for the following benefit improvements:
 - a. Vision exams covered at 100% effective January 1, 2026.
 - b. Dental annual maximum increased from \$1,250 to \$2,000 effective January 1, 2026.
 - c. The Medical deductible shall be reduced from \$750/\$2,250 to \$500/\$1,500 effective January 1, 2026.
 - d. The Medical Out-of-Pocket Maximum will be reduced from \$3,000/\$6,000 to \$2,500/\$5,000 effective January 1, 2026.
 - e. The Employer will fund a Health Reimbursement Arrangement (HRA) effective March 1, 2025 by contributing \$10.00 per week or \$43.33 per month per eligible employee. Employees can use their HRA account assets to pay for out-of-pocket expenses that they incur relating to claims otherwise covered by the Fund.
4. The Employer shall make monthly contributions to the Fund on a composite basis. Such contributions shall reflect a waiting period of 6 months for part-time employees and the load factor for composite monthly contributions shall be adjusted by Segal to reflect the shorter waiting period.
5. The Employer shall cooperate with the Fund Office in providing the Fund Office with eligible employee information to allow for enrollment to be conducted by the Fund Office during periods of open enrollment and as employees become eligible for coverage during the year.

4) Employee Discount

- A) **UNION EDITS:** Employee Discount ~~30%~~
- Haug's - 10% all products
 - Jerry's Cub and Jerry's Foods - 10% all products

**UFCW Local 663 Proposals to Metro Retail Grocery Employers
Haug's, Jerry's, Knowlan's, Kowalski's, L&B, Radermacher's, UNFI
UNION 3 - February 27, 2025 @ 10:30pm**

- Knowlan's - 20% all products
- Kowalski's - 25% all products
- L&B - 20% all products
- Radermacher's - 10% all products
- UNFI - 10% all products

5) **UNION WITHDRAWS: Employer provided meal from store during meal period**

6) **Scheduling and Hours**

A) **Haug's, Jerry's, Knowlan's, Kowalski's, Radermacher's, UNFI**

Does not include L&B, our understanding is this already is the practice

All full-time and part-time employees will not be asked to be available:

- For more than 2x the number of hours they seek to work (i.e. part-time employees will provide 48 hours of availability to be scheduled for 24; full-time employees will provide 80 hours of availability to be scheduled for 40) OR
- For more availability than the employee provided at hiring

B) **Haug's, Jerry's, Knowlan's, Kowalski's, L&B, Radermacher's, UNFI**

If employees in a department are on any form of leave or time off, paid or unpaid, those hours shall be made available for other employees (i.e. if 1 employee is on PTO for 3 days, they will be replaced in that department instead of department working short)

C) **UNION WITHDRAWS:** Flexibility for department heads to schedule according to the needs of each department and store, with equitable assignment of night shifts based on seniority and employee's availability

D) **UNION WITHDRAWS:** Discuss PT scheduling to improve work-life balance, retention and hiring

E) **Jerry's, Knowlan's, Kowalski's, L&B, Radermacher's, UNFI**

Withdraw for Haug's

- No more than 2 night time shifts per week for full-time employees, unless by mutual agreement.
- Bookkeeping, receiving, bakery (**exclude L&B**) and pricing will not be scheduled for night shifts, unless by mutual agreement.

F) **Haug's, Jerry's, Knowlan's, Kowalski's, L&B, Radermacher's, UNFI**

Employees will only be scheduled for more than 7 consecutive days in a row by mutual agreement.

G) **Haug's, Jerry's, Knowlan's, Kowalski's, L&B, Radermacher's, UNFI**

All part-time employees guaranteed 24 hours per week, unless waived by employee

**UFCW Local 663 Proposals to Metro Retail Grocery Employers
Haug's, Jerry's, Knowlan's, Kowalski's, L&B, Radermacher's, UNFI
UNION 3 - February 27, 2025 @ 10:30pm**

**H) Haug's, Jerry's, Knowlan's, L&B, Radermacher's, UNFI
Kowalski's - TA 2/27/2025**

Breaks - Employer will ensure scheduled hours do not lead to employees missing a second break, unless there are extenuating circumstances that require it (i.e. youth cannot work before / past certain time of day)

I) **UNION WITHDRAWS:** Scheduling stability

J) **UNION WITHDRAWS:** Attendance policy & grace period

K) Employer shall supply to the Union an electronic copy of work schedules weekly. Entire weekly schedules for all associates and departments shall be provided in Excel spreadsheets and emailed as attachments to the Union.

Haug's: Rejected proposal, does not have system - Union counter proposal: email clear PDFs of written schedules

Jerry's: Union holds

Radermacher's: Open to providing schedules electronically, potentially through PDF format. - Union open to discussion

Knowlan's: Rejected proposal - Union holds

Kowalski's, UNFI, L&B: N/A; already in the CBA.

7) Ratios - The Employer shall reach at least:

A) 40% FT ratio by the end of this CBA (Employer shall make all necessary Fund contributions)

B) 40% PT Modified ratio by the end of this CBA (Employer shall make all necessary Fund contributions)

C) Increase PT top 24% to 30%

L&B: 7(A) already in the CBA. Union holds on 7(B) and 7(C).

Union holds on this proposal for all other employers: Haug's, Jerry's, Knowlan's, Kowalski's, Radermacher's, UNFI

8) Wage Differentials

A) **Haug's, Jerry's, Knowlan's, Kowalski's, Radermacher's, UNFI**

L&B: Increase from \$1 to \$2

PT Supervisor - \$2.00 shift differential for all hours scheduled for the shift when supervising 2 or more employees

B) **Haug's, Jerry's, Knowlan's, Kowalski's, L&B, Radermacher's, UNFI**

MOD - \$2.00 shift differential for all hours scheduled for the shift

**UFCW Local 663 Proposals to Metro Retail Grocery Employers
Haug's, Jerry's, Knowlan's, Kowalski's, L&B, Radermacher's, UNFI
UNION 3 - February 27, 2025 @ 10:30pm**

- C) **UNION WITHDRAWS - Assistant Department Head classified as Traditional Full-time**
- D) **Haug's, Knowlan's, L&B, Radermacher's, UNFI
Kowalski's maintain current \$2 differential, Jerry's - maintain \$3 differential for prime times**
Deli - \$2.00 shift differential for all hours scheduled for the shift
- E) **Haug's, Jerry's, L&B, Radermacher's, UNFI
Knowlan's, Kowalski's - Does not apply because stores are closed and no overnight employees**
All hours worked between 10pm and 6am - \$2.00 shift differential for all hours scheduled for the shift
- F) **UNION WITHDRAW** - Training new hires - Employees who train or shadow new hires will receive a \$2.00 differential for all hours scheduled for the shift
- G) **UNION WITHDRAW** - Interpretation - \$2.00 shift differential for all hours scheduled for the shift

9) Cross training and working in more than one department

Haug's, Jerry's, Knowlan's, Kowalski's, L&B, Radermacher's, UNFI

- A) **UNION HOLD:** Cross training and/or requiring employees to work outside their department will be by mutual agreement only
- B) **UNION HOLD:** If cross training is mutually agreed to, the employee will be scheduled to shadow department leadership for at least 3 consecutive shifts before expected to work independently
- C) **UNION WITHDRAW:** \$2.00 shift differential for all hours scheduled for the shift when employees are assigned to work in more than one department per shift

10) Union Counter - Transfer protections

Jerry's, Knowlan's, Kowalski's, L&B, UNFI

Union withdraws for Haug's & Radermacher's

- A. The Employer agrees to give an employee ~~30 days~~~~two (2) weeks'~~ notice of an Employer-initiated transfer, except in the case of an emergency. Temporary transfers may occur without notice in the event of an emergency arising in the business. Once transferred, an employee may not be transferred to another location for a period of ~~nine (9)~~~~twelve (12)~~ calendar months unless by mutual agreement between the Employee, the Employer and the Union.

**UFCW Local 663 Proposals to Metro Retail Grocery Employers
Haug's, Jerry's, Knowlan's, Kowalski's, L&B, Radermacher's, UNFI
UNION 3 - February 27, 2025 @ 10:30pm**

- B. The Employer will not transfer an employee as a means of discipline.
 - C. The Employer shall consider the circumstances of the affected employee in making the transfer decision **and will not create undue hardships for the employee.**
 - D. Non voluntary transfers will be by company-wide hire date in reverse seniority.**
 - E. Full-time employees may request transfers to a store closer to their home. Requests will be considered based on the following criteria: store staffing needs, store full-time staff balancing, potential openings and employee's experience and skill sets.
-
- ~~A) Employees may only be transferred to another department or store by mutual agreement between the employee and the employer.~~
 - ~~B) Any involuntary transfers to another department or store, whether for work performance or other disciplinary actions, may only be permissible when accompanied by discipline or a Performance Improvement Plan (PIP) for cause.~~
 - ~~C) Whenever there is a vacancy for a benefit-eligible position that the employer intends to fill, the employer shall post the position both electronically and in a visible location at each store for at least seven (7) calendar days. Vacancies shall be filled by the most senior internal applicant(s), whenever possible.~~

11) PTO / ESST / Leave

- A) Increase Bereavement
 - i. All full-time and part-time employees (~~excluding Group 3~~) on the seniority list shall be entitled to bereavement pay according to the following:
 - A maximum of four (4) days of leave with pay in the event of the death of a spouse, parent, **stepparent**, child or stepchild.
 - A maximum of **three (3)** ~~two (2)~~ days of leave with pay in the event of the death of a brother, sister, mother-in-law or father-in-law, **grandparent or grandchild.**
 - ~~• One (1) day of leave with pay to attend the funeral in the event of the death of a grandparent or grandchild.~~
 - (i) If not already in the contract, ensure Group 3 can take bereavement
 - (ii) If not already in the contract, add stepparent to 4 days of bereavement
 - (iii) If not already in the contract, change from 2 to 3 days of bereavement for brother, sister, mother-in-law, father-in-law &
 - (iv) Add grandparent and grandchild to 3 days of bereavement

Haug's: Already has all other items & **TA on 2/27/25** for adding stepparent for 4 days of bereavement

**UFCW Local 663 Proposals to Metro Retail Grocery Employers
Haug's, Jerry's, Knowlan's, Kowalski's, L&B, Radermacher's, UNFI
UNION 3 - February 27, 2025 @ 10:30pm**

Jerry's: Open to bereavement increases but depends on the total economic package.
Union holds.

Kowalski's: Already has all other items & **TA on 2/27/25** for adding stepparent for 4 days of bereavement

UNFI: Union holds on addition of stepparent to 4 days of bereavement

L&B: Union holds on addition of stepparent to 4 days of bereavement.

Radermacher's:

- Union holds on addition of Group 3 to all bereavement items
- TA on 2/27/25 on addition of stepparents to 4 days of bereavement

Knowlan's: Already has all other items & **TA on 2/27/25** for adding stepparent for 4 days of bereavement

B) Holiday pay

- i. **Union withdraws** - Revisit designated paid holidays, add 1 more
- ii. **Union holds** - Holiday pay increased from 4 to 6 hours paid for all part-time
- iii. Part-time employees and courtesy/custodial / clean team are eligible for holiday pay after 90 days
 - *N/A for Jerry's, already has 90 days and no courtesy/custodial*
 - *N/A for Kowalski's, already has 90 days for all PT and c/c*
 - **Haug's & Knowlan's** : currently 1 year for all PT and courtesy/custodial/clean team - **Union hold on 90 days**
 - **L&B, Radermacher's, UNFI:** currently 90 days for PT and currently 1 year for c/c - **Union hold on 90 days for c/c.**

C) Union withdraws - Vacation / PTO / ESST [hold for future proposal]

12) Classifications

A) Haug's, Jerry's, Knowlan's, Kowalski's, L&B, Radermacher's, UNFI

Union edits: Part-time employees with five (5) or more years of service in each store shall be offered promotion to Modified part-time

Knowlan's - Union edits: Modified part-time employees with ten (10) or more years of service in each store shall be offered promotion to full-time

B) Knowlan's, L&B: Maintain Custodial / Courtesy / Clean Team, but move to PT scale

**UFCW Local 663 Proposals to Metro Retail Grocery Employers
Haug's, Jerry's, Knowlan's, Kowalski's, L&B, Radermacher's, UNFI
UNION 3 - February 27, 2025 @ 10:30pm**

Radermacher's: Custodial / Courtesy / Clean Team - reclassified as Group 3 Part-time
TA 2/27/2025

C) Haug's, Knowlan's, UNFI

Group 3 - reclassified as Regular Part-time

D) Haug's, Jerry's, Kowalski's, Radermacher's

Retail Specialist - reclassified as Classified Assistant

E) Department Heads:

- i) All Department Heads shall be classified as Traditional Full-Time Food Handlers for purposes of Appendix A-1 "Food Handlers Sunday Clause." - **hold for all**
- ii) Any Department Head who is demoted or chooses to step down will revert to the classification they held prior to becoming a Department Head.

Haug's: Union holds on current proposal language

Jerry's: maintain current CBA language.

Kowalski's: Union holds on current proposal language.

UNFI, L&B, Radermacher's, Knowlan's: N/A, already in the CBA

iii) Haug's, Jerry's, Knowlan's, Kowalski's, Radermacher's, UNFI

Ensure that all FT heads of departments are classified and paid as Department Heads (i.e. Pricing, Front End, E-Commerce, Floral, Gift, General Merchandising, Coffee, Cheese)

iv) Haug's, Jerry's, Knowlan's, Kowalski's, Radermacher's, UNFI

Union edits: Any time a department head is off and a replacement is assigned to fill in for the duties of a department head ~~or assistant department head~~, the employee assigned to fill in will receive department head ~~or assistant department head~~ pay for each shift in which those duties are performed.

F) UNION WITHDRAWS: Training hours: When an employee is training as a higher paid classification, they shall be compensated at the higher classification for said hours.

G) Haug's, Jerry's, Knowlan's, Kowalski's, Radermacher's, UNFI

L&B - maintain at \$24.00

Full-time Waiver - Amend full-time waiver rate to \$23.00 for the duration of the waiver period up to a maximum of one thousand two hundred (1,200) hours of said period. If an employee exceeds a maximum of 1,200 hours, the employee will become a Classified Assistant.

H) Maintaining seniority for students - Students who cease employment because of their education will maintain and continue their seniority on their return to work.

**UFCW Local 663 Proposals to Metro Retail Grocery Employers
Haug's, Jerry's, Knowlan's, Kowalski's, L&B, Radermacher's, UNFI
UNION 3 - February 27, 2025 @ 10:30pm**

Already exists in many CBAs but there is not compliance - want to make sure we are all clear for those who have the language to follow through and those who do not, add this language

13) Safety and Wellbeing

- A) **Haug's, Jerry's, Knowlan's, Kowalski's, L&B, Radermacher's, UNFI**
Union Hold: Employer shall update schedules and nametags of an employee once informed of a name change and with employee's consent

- B) **Haug's, Jerry's, Knowlan's, Kowalski's, L&B, Radermacher's, UNFI**
Union edits: Employer will require that any federal immigration agent, Immigration and Customs Enforcement (ICE) agent, Department of Homeland Security (DHS) agent, or State and Local law enforcement officials present a valid judicial warrant signed by a judge before admission to employee only areas at the worksite or access to employee records. Employer shall immediately notify UFCW 663 in the event of such an incident.

- C) **UNFI**
Employees will not be expected to participate in rodent or insect remediation.

14) Tools and Training

- A) **Haug's, Jerry's, Knowlan's, Kowalski's, L&B, Radermacher's, UNFI**
Front end employees will be permitted to have a capped water bottle.

- B) **Withdraw:** Bakery, Deli and Meat department employees will be provided non-slip fatigue mats

- C) **Haug's, Jerry's, Knowlan's, Kowalski's, L&B, Radermacher's, UNFI**
LOA to define details for creating a joint UFCW 663 and Employer program for Meat Apprenticeships & Job Training

- D) **Haug's, Jerry's, Knowlan's, Kowalski's, L&B, Radermacher's, UNFI**
Edit CBA language: In the event the employer introduces technological changes, ~~which for the purpose of this article is defined as price marking and electronic scanners~~ that would result in the elimination of bargaining unit work...

15) Check-off

- A) **Haug's, Jerry's, Knowlan's, Kowalski's, L&B, Radermacher's, UNFI**
Union will check in with designated Employer staff to determine processes and then language redlines needed.
All check-off remittances (dues, initiation fees, ABC) collected by the Company shall be promptly remitted to the Union no later than the 5th of the month following the month of such deductions.

PT scale starting at \$17.50, including ALL classifications. 50 cents for the first 2 years, after 2 years, 75 cent increment jumps, after 4 years, \$1 jumps									
All PT, Courtesy/Custodial, and Group 3									
		Yr 1	Yr 2	Yr 3					
Step 1	0-6 months	\$17.50	\$18.25	\$19.00					
Step 2	6-12 months	\$18.00	\$18.75	\$19.50					
Step 3	12-18 months	\$18.50	\$19.25	\$20.00					
Step 4	18-24 months	\$19.00	\$19.75	\$20.50					
Step 5	2-2.5 years	\$19.75	\$20.50	\$21.25					
Step 6	2.5-3 years	\$20.50	\$21.25	\$22.00					
Step 7	3-3.5 years	\$21.25	\$22.00	\$22.75					
Step 8	3.5-4 years	\$22.00	\$22.75	\$23.50					
Step 9	4-4.5 years	\$23.00	\$23.75	\$24.50					
Step 10	4.5-5 years	\$24.00	\$24.75	\$25.50					
Over & TOS yearly increase		\$2.00	\$2.75	\$3.50					
Everyone slots in at least \$1 more than current rate of pay and progress every 6 months on the scale.									
All EEs with more than 10 YOS place at TOS									
\$2 differential: PT supervisor, MOD, Deli, Overnight (hours worked between 6pm and 6am), training, interpretation									
Examples	Current Rate	3/2025	9/2025	3/2026	9/2026	3/2027	9/2027	Over 3 yrs	
	\$15.00	\$17.50	\$18.00	\$19.25	\$19.75	\$21.25	\$22.00	\$7.00	
	\$17.25	\$18.50	\$19.00	\$20.50	\$21.25	\$22.75	\$23.50	\$6.25	
	\$18.00	\$19.00	\$19.75	\$21.25	\$22.00	\$23.50	\$24.50	\$6.50	
	\$19.25	\$20.50	\$21.25	\$22.75	\$23.75	\$25.50	\$25.50	\$6.25	
	\$21.00	\$22.00	\$23.00	\$24.75	\$24.75	\$31.00	\$31.00	\$10.00	
Full Time - Classified Assistant									
All Retail Specialists eliminated, reclassify as Classified Assistants and place into this scale at next highest wage rate at least \$1 more than current rate.									
When a member is promoted from PT to FT, they slot into Step 1 of the Classified Assistant scale, or the next highest wage rate at least \$1 more than current rate.									
		Yr 1	Yr 2	Yr 3					
Step 1	0 - 1 yr	\$28.00	\$28.75	\$29.50					
Step 2	1 - 2 yr	\$30.50	\$31.25	\$32.00					
TOS	2 +	\$33.00	\$33.75	\$34.50					
Over & TOS yearly increase		\$2.50	\$2.50	\$2.50					
Traditional FT									
		Yr 1	Yr 2	Yr 3					
		\$35.00	\$35.75	\$36.50					
Over & TOS yearly increase		\$2.50	\$2.50	\$2.50					
UNION WITHDRAWS: Assistant Department Managers* will slot into this classification									
Department Managers									
		Yr 1	Yr 2	Yr 3					
		\$38.50	\$39.25	\$40.00					
Over & TOS yearly increase		\$2.50	\$2.50	\$2.50					
Additional departments added to this scale/classification: General Merchandise, Floral, Pricing, Gift, Online/Ecommerce									
All Dept Managers considered Traditional FT									
Head Meat Cutter									
		Yr 1	Yr 2	Yr 3					
		\$40.00	\$40.75	\$41.50					
Over & TOS yearly increase		\$2.50	\$2.50	\$2.50					
Journeyman									
All Classified Assistants in the Meat Department who cut meat will convert to Journeymen [HOLD for proposal on all other classifications within the meat dept]									
		Yr 1	Yr 2	Yr 3					
		\$36.50	\$37.25	\$38.00					
Over & TOS yearly increase		\$2.50	\$2.50	\$2.50					
Meat Service Employee									
		Yr 1	Yr 2	Yr 3					
		\$33.00	\$33.75	\$34.50					
Over & TOS yearly increase		\$2.50	\$2.50	\$2.50					
FT Maintenance									
		Yr 1	Yr 2	Yr 3					
		\$33.00	\$33.75	\$34.50					
Over & TOS yearly increase		\$2.50	\$2.50	\$2.50					

Appendix: Investment Return Assumption (Scenario 5)

7% Annual Return

- The results below assume that investment returns match the valuation assumption of 7.00% each year. Actual results may differ based on actual investment returns.

Scenario	March 1, 2025	March 1, 2026+	Final		First Yellow Zone Year	First Green Zone Year	Lump Sum Paid by February 28, 2025
	Contribution Rate Increase	Contribution Rate Increase	Contribution Rate Increase	Contribution Rate Increase			
A5	35.1%	16.0%	March 1, 2030	March 1, 2030	2029	2032	N/A
B5	19.7%	19.7%	March 1, 2030	March 1, 2030	2030	2032	N/A
C5	12.1%	12.1%	March 1, 2035	March 1, 2035	N/A	2035	N/A
D5	7.5%	7.5%	March 1, 2040	March 1, 2040	N/A	2040	N/A
E5	3.0%	3.0%	March 1, 2030	March 1, 2030	N/A	2030	\$98 million
F5	6.0%	6.0%	March 1, 2030	March 1, 2030	N/A	2030	\$78 million
G5	0.0%	0.0%	March 1, 2024	March 1, 2024	N/A	2025	\$106 million
H5	0.0%	0.0%	March 1, 2024	March 1, 2024	N/A	2025	\$117 million*

*Amount to remain in the Green Zone each year in the future

Appendix: Investment Return Assumption

7% Annual Return

- The table below outlines the actual annual contribution amounts (in millions) for Scenarios A5 (baseline), B5 (emerge by 2030), and D5 (emerge by 2040) using 67,600 full-time weeks and 63,900 part-time weeks.
- If requested, we can further break down by employer.

Scenario	March 1, 2025	March 1, 2026	March 1, 2027	March 1, 2028	March 1, 2029	March 1, 2030
A5	\$20.02	\$23.22	\$26.94	\$31.25	\$36.25	\$42.05
B5	\$17.74	\$21.23	\$25.42	\$30.42	\$36.42	\$43.59
D5	\$15.93	\$17.13	\$18.41	\$19.79	\$21.27	\$22.87

Scenario	March 1, 2031	March 1, 2032	March 1, 2033	March 1, 2034	March 1, 2035	March 1, 2036
A5	\$42.05	\$42.05	\$42.05	\$42.05	\$42.05	\$42.05
B5	\$43.59	\$43.59	\$43.59	\$43.59	\$43.59	\$43.59
D5	\$24.59	\$26.43	\$28.41	\$30.54	\$32.83	\$35.29

Scenario	March 1, 2037	March 1, 2038	March 1, 2039	March 1, 2040
A5	\$42.05	\$42.05	\$42.05	\$42.05
B5	\$43.59	\$43.59	\$43.59	\$43.59
D5	\$37.94	\$40.79	\$43.85	\$47.14

Minneapolis Retail Meat Cutters and Food Handlers Health and Welfare Fund

Exhibit 3

Assumptions

IN and OON medical plan effective 1/1/2026: \$500 Individual / \$1,500 Family (Full-Time Only) Deductible; \$2,500 Individual / \$5,000 Family (Full-Time Only) Out-of-Pocket Maximum.
 Vision exams are covered at 100% Fund paid effective January 1, 2026.
 Dental annual maximum increased from \$1,250 to \$2,000 effective January 1, 2026.
 Employer contribution rate holiday months (weeks) included in year beginning March 1, 2025.
 Continuation value months projected to equal 7.8 months as of February 29, 2028.
 For the HRA, \$10 per week (\$43.33 per month) is included in the weekly (monthly) rates shown below for Full-Time actives and Part-Time Full Benefits actives.
 Except changes noted above, all projections in this exhibit are based on assumptions used in Segal's Health Benefits Report dated December 9, 2024.

12 Months Ending	Monthly Contribution Rates			
	Current No HRA Feb-25	With HRA Feb-26	With HRA Feb-27	With HRA Feb-28
Full-Time Tier				
Employee Only	n/a	\$764.90	\$836.11	\$897.22
Employee + Spouse	n/a	\$1,522.55	\$1,668.53	\$1,793.80
Employee + Children	n/a	\$1,486.47	\$1,628.89	\$1,751.11
Family	n/a	\$2,532.75	\$2,778.42	\$2,989.25
Composite	n/a	\$1,291.75	\$1,414.96	\$1,520.69
Part-Time Full Benefits Tier				
Employee Only	n/a	\$764.90	\$836.11	\$897.22
Part-Time Ancillary Only Benefits Tier ¹				
Employee Only	n/a	\$32.68	\$35.91	\$37.20

12 Months Ending	Weekly Contribution Rates			
	Current No HRA Feb-25	With HRA Feb-26	With HRA Feb-27	With HRA Feb-28
Full-Time Tier				
Employee Only	\$287.82	\$176.52	\$192.95	\$207.05
Employee + Spouse	\$287.82	\$351.36	\$385.05	\$413.95
Employee + Children	\$287.82	\$343.03	\$375.90	\$404.10
Family	\$287.82	\$584.48	\$641.17	\$689.83
Composite	\$287.82	\$298.10	\$326.53	\$350.93
Part-Time Full Benefits Tier				
Employee Only	\$168.84	\$176.52	\$192.95	\$207.05
Part-Time Ancillary Only Benefits Tier ¹				
Employee Only	\$6.76	\$7.54	\$8.29	\$8.58

¹ Excludes HRA contributions; assumes part-time ancillary only are not eligible for HRA.

n/a = not applicable

12 Months Ending	Aggregate Projections		
	Feb-26	Feb-27	Feb-28
Income			
Employer Contributions ¹	\$38,307,000	\$48,469,300	\$52,188,200
Self-Pay and Retiree Contributions	797,200	841,100	889,000
Investment Income	906,000	842,800	842,800
Total Income	\$40,010,200	\$50,153,200	\$53,920,000
Total Expenses ¹			
Operating Surplus (Deficit)	(\$5,677,800)	(\$500)	(\$100)
Beginning Fund Assets	\$43,394,777	\$37,716,977	\$37,716,477
Ending Fund Assets	\$37,716,977	\$37,716,477	\$37,716,377
Continuation Value (Months)	9.0	8.4	7.8
Number of Employer Contribution Holiday Months	1.58	n/a	n/a
Number of Employer Contribution Holiday Weeks (4.333 Weeks Per Month)	6.85	n/a	n/a

¹ Excludes HRA. The value of HRA income and expenses is shown in the section below.

12 Months Ending	Aggregate Projections		
	Feb-26	Feb-27	Feb-28
Income			
Employer Contributions without Rate Holiday	\$44,115,500	\$48,469,300	\$52,188,200
Employer Contributions with Rate Holiday	\$38,307,000	\$48,469,300	\$52,188,200
Value of Employer Contribution Rate Holidays	\$5,808,500	\$0	\$0
Expenses			
Additional HRA (Expenses Assumed To Equal Contributions)	\$1,686,900	\$1,686,900	\$1,686,900
Additional Medical, Dental, & Vision Cost Due to Benefit Enhancements ¹	\$187,700	\$1,255,800	\$1,337,600
Total Additional Expenses	\$1,874,600	\$2,942,700	\$3,024,500

¹ Additional cost effective for 2 months (January 2026 & February 2026) in fiscal 2026, and 12 months in fiscal 2027 and fiscal 2028.

**UFCW Local 663 and Metro Retail Grocery Employers
2025 Successor CBA Negotiations
January 14, 2025**

Union proposal for H&W replacement language:

Article 15: Health and Welfare

- (A) The Employer agrees to pay into the Minneapolis Retail Meat Cutters and Food Handlers Health and Welfare Fund ("MRMC Health Fund") contributions on behalf of any employee, as eligible in (B) below. Such MRMC Health Fund is jointly administered by Union Trustees and Employer Trustees, is a part of this Agreement, and is in lieu of all Employer established programs including life insurance, sickness and accident insurance, hospitalization insurance, or any other said forms of insurance. The Employer is bound by the existing Trust Agreement covering the aforesaid Trust Fund and any amendments thereto. Benefits may be modified by the MRMC Health Fund Board of Trustees.
- (B) Eligibility: For the purpose of benefits eligibility under the MRMC Health Fund, employees shall be defined as follows:
- a. Eligible Full-Time employees, regardless of classification, shall be those employees regularly scheduled for **thirty (30)** hours or more per week.
 - b. Eligible Part-Time employees, regardless of classification, shall be those employees regularly scheduled for **twenty-four (24) ~~twenty (20)~~** hours or more per week, but less than **thirty (30)** hours per week.
 - c. Eligible Other employees (i.e. Ancillary-eligible), regardless of classification, shall be those employees regularly scheduled for less than **twenty-four (24) ~~twenty (20)~~** hours per week.
- (C) Promotion in Eligibility Status: Employees who are regularly scheduled for less than **thirty (30)** hours per week shall be considered Eligible Full-Time, for purposes of this Article, should they have at least **three hundred sixty (360)** compensated hours in a twelve (12) week period, effective the first (1st) day of the following calendar month. Employees who are regularly scheduled for less than **twenty-four (24) ~~twenty (20)~~** hours per week shall be considered Eligible Part-Time, for purposes of this Article, should they have at least **two hundred eighty-eight (288) ~~forty (240)~~**, but less than **three hundred sixty (360)**, compensated hours in a twelve (12) week period, effective the first (1st) day of the following calendar month.
- (D) Demotion in Eligibility Status: Employees who have been Eligible Full-Time employees and whose employment has not terminated shall only lose Eligible Full-Time status, for purposes of this Article, after failing to achieve at least **three hundred sixty (360)** compensated hours in each of two (2) consecutive twelve (12) week periods, effective the first (1st) day of the calendar month following the end of the second consecutive

The Union reserves the right to add, delete, amend, alter, or otherwise change its proposals during the course of negotiations. The Union also reserves the right to make counter proposals to Company proposals. All Tentative Agreements between the parties are subject to ratification.

twelve (12) week period. Employees who have been Eligible Part-Time employees and whose employment has not terminated shall only lose Eligible Part-Time status, for purposes of this Article, after failing to achieve at least two hundred eighty-eight (288) ~~forty (240)~~ compensated hours in each of two (2) consecutive twelve (12) week periods, effective the first (1st) day of the calendar month following the end of the second consecutive twelve (12) week period.

(E) Benefit Elections: The MRMC Health Fund Plan Administrator shall administer the benefit election process directly with employees for newly eligible employees, open enrollment, and qualified mid-year election changes, pursuant to the MRMC Health Fund's plan rules.

(F) Waiver of Coverage (i.e. Opt Out): Employees may voluntarily waive coverage under the MRMC Health Fund in the event they have available coverage through other means (e.g. through a spouse or other family member, or through the government). In the event that an employee chooses to waive coverage, they must follow any applicable Fund rules and regulations regarding same, and no contributions shall be made on behalf of the employee. The Employer agrees that it will not advocate, pressure, or offer financial incentives to employees to influence their decision of whether to elect or waive coverage, but shall only provide factual information about coverage options/costs so that any election to waive coverage is knowing and voluntary.

(G) Open Enrollment: Pursuant to the MRMC Health Fund's Plan rules, eligible employees ~~who previously opted out of coverage for themselves and/or their dependents will~~ annually have the opportunity to elect coverage under the MRMC Health Fund. Should an eligible employee elect or change coverage during the annual open enrollment period, the Employer must begin contributions in December, so long as based on the employee ~~had having incurred~~ actual hours worked in November, for coverage to begin January 1 ~~(i.e. the month following the first contribution)~~. Employees who are already enrolled in MRMC Health Fund and do not need to modify their coverage election do not need to ~~coverage do not need to re-enroll, or take any other action,~~ during the annual open enrollment period to continue their existing coverage under the MRMC Health Fund.

(H) Qualifying Life Event: Pursuant to the MRMC Health Fund plan rules, eligible employees will have the opportunity to elect or change coverage under the MRMC Health Fund should they experience a qualifying life event in accordance with applicable law.

(I) Contribution and Coverage Schedule: The Employer shall make MRMC Health Fund contributions on a monthly basis for each eligible employee who incurred compensable hours or on Family Medical Leave in the preceding calendar month. Benefit coverage shall be for the calendar month following the MRMC Health Fund's receipt of a

The Union reserves the right to add, delete, amend, alter, or otherwise change its proposals during the course of negotiations. The Union also reserves the right to make counter proposals to Company proposals. All Tentative Agreements between the parties are subject to ratification.

contribution. Eligibility, relative to the employee's initial start of employment, shall commence as follows:

First day of the calendar month after the first calendar month during which contributions are due on the employee's behalf. Contributions are due on an employee's behalf as follows:

- a. Eligible Full Time: the calendar month after the first month with hours worked.
- b. Eligible Part-Time: the calendar month after the **[NUMBER]** calendar month with hours worked.
- c. Eligible Other employees (i.e. Ancillary): the first calendar month after the **[NUMBER]** calendar month with hours worked.

The Employer may, at its option, begin contributing to the MRMC Health Fund earlier than required so as to provide coverage sooner than as prescribed above.

Upon end of employment, regardless of reason (e.g. retirement, layoff, termination), the final contribution remitted to the MRMC Health Fund on the former employee's behalf shall be in the calendar month following the month in which the employee last incurred actual hours worked. The employee's coverage under the MRMC Health Fund will end on the last day of the month following the month in which the last employer contribution on the former employee's behalf is due.

- (J) Contribution Amounts: The Employer shall remit monthly to the MRMC Health Fund the total contribution amounts for each participating employee as follows, and may deduct, on a pre-tax basis, an employee portion. Any employee portion shall be divided equally across each pay period per month.

[INSERT CONTRIBUTION TABLE – Composite or Tiers, Dependent Upon PT Wait]

- (K) Health Reimbursement Arrangement (“HRA”) Account Contributions: The Employer shall remit **[AMOUNT]** monthly to the MRMC Health Fund on behalf of each participating employee for the purpose of funding each such employee's HRA Account under the MRMC Health Fund.

- (L) Remittance: The Employer shall remit the monthly contributions described in ~~(H) and (I)~~ above to the MRMC Health Fund not later than fifteen (15) days following the end of each Employer reporting period (as established by the Trustees) (the “Due Date”). Contributions not timely received by the MRMC Health Fund may be subject to interest, liquidated damages and other charges in accordance with the MRMC Health Fund's Policy on the Collection of Delinquent Accounts.

The Union reserves the right to add, delete, amend, alter, or otherwise change its proposals during the course of negotiations. The Union also reserves the right to make counter proposals to Company proposals. All Tentative Agreements between the parties are subject to ratification.