

The Union agrees that the Employer may provide wage increases to employees who are at Top of Scale or Above Scale prior to a total agreement of the parties as a means of mitigating potential backpay resulting from this Agreement.

Comprehensive Package Proposal:

- If this package is rejected the Union reserves all rights, including to revert to its last position.
- All proposals where TA reached will remain.
- All other proposals will be withdrawn by both parties.

Wages and Benefits

- 1) Wage increases for all FT and PT employees with modernized wage scales
See wage scales
- 2) Pay equity - existing employees will receive an increase when new employees are hired at a higher or equal rate, comparable experience shall be taken into account
 - Employees with more than 1 year of experience will receive \$0.50 above the new hire
 - Employees with more than 2 years of experience will receive \$0.75 above the new hire
 - Employees with more than 3 years of experience will receive \$1.00 above the new hire
 - Employees with more than 4 years of experience will receive \$1.25 above the new hire
 - Employees with more than 5 years of experience will receive \$1.50 above the new hire
 - Employees with more than 6 years of experience will receive \$2.00 above the new hire
- 3) Redirect L&B portion of H&W funds to cover all current employees' portion of H&W contributions for 2 year CBA - the retail stores share of the \$1,880,817.12 redirect amount is \$1,787,170.90.

Wilson McShane counts for retail are 598 FT, 245 PT, 278 AB.
L&B counts are 571 FT, 140 PT, 313 AB.

- \$20 FT
- \$10 PT
- \$1 Ancillary Benefit

Remaining funds will be used to offset the employees' contribution for H&W for those who will be eligible for full H&W benefits coverage effective June 2023 (see H&W proposal #7 below)

- 4) Ratios - The Employer shall reach at least:
 - A) 40% FT ratio by the end of this CBA (Employer shall make all necessary Fund contributions at 40%)
 - B) Increase to ~~35%~~ 40% PT Modified ratio by the end of this CBA (Employer shall make all necessary Fund contributions at 40%)
 - C) Increase PT top 24% to 30%

UFCW Local 663 Comprehensive Package Proposal to the Employer
L&B – May 19, 2023 @ 10am

- 5) Section 5.5: When an employee relieves a department head who is on scheduled time off, the employee shall be paid the department head rate of pay.
- 6) Section 23.1 Full-Time Waiver
...increase to ~~\$25.00~~ **\$24.50** 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 the maximum of 1,200 hours, the employee will become a Classified Assistant.
- 7) Health & Welfare
- Employer will make breakeven / true cost contributions per Union proposal, with no increase to employees
 - The Employer will provide all other employees who do not currently receive full H&W benefits coverage effective June 2023 (Wilson McShane researching target date for 2023)
 - Ancillary benefits will continue until all employees transition to the new benefit coverage

BREAKEVEN / TRUE COST RATES

	Current 2022 TOTAL	Employer contribution	Employee contribution	March 2023 TOTAL	Employer contribution	Employee contribution	March 2024 TOTAL	Employer contribution	Employee contribution
FT	\$273.26	\$253.26	\$20.00	\$269.83	\$249.83	\$20.00	\$287.82	\$267.82	\$20.00
MOD PT	\$137.32	\$127.32	\$10.00	\$158.32	\$148.32	\$10.00	\$168.84	\$158.84	\$10.00
ANCILLARY	\$7.74	\$6.74	\$1.00	\$6.58	\$5.58	\$1.00	\$6.76	\$5.76	\$1.00

8) Retirement

A) Article 14: Increase ER 401(k) contribution:

Employer will make the following contributions on behalf of its eligible employees (job classifications as noted below):

Full-Time employees:

- Hired into their position on or before February 19, 2017 will receive ~~\$3.235~~ **\$3.50** per hour up to 40 paid hours per week.
- Hired into their position after February 19, 2017 will receive ~~\$2.00~~ **\$2.25** per hour up to 40 paid hours per week

Modified Part-Time employees will receive ~~\$1.35~~ **\$1.60** per hour up to 39.75 paid hours per week

All ~~Grandfathered Regular~~ Part-Time employees, including Courtesy and Custodial ~~hired into their position on or before March 4, 2018~~ will receive **\$1.35** per hour up to 39.75 paid hours per week

B) The Employer will make 401(k) contributions on all hours of vacation time that is paid out

Paid Time Off

1) Increase Bereavement

All full-time and part-time employees 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, child or stepchild.
- A maximum of three (3) 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.

2) Article 15 (I): The Employer agrees to pay the weekly health and welfare payment for part-time employees, when said part-time employees are on a paid vacation.

3) Holiday - Add MLK day to paid holidays

4) Sick and Safe Time / Quarantine - if an employee must quarantine, the Employer will cover wages and benefits, up to 2 calendar weeks

Classification

1) Any department head who is demoted or chooses to step down will revert to the classification they held prior to becoming a Department Head.

2) Part-Time Wage Scales. Remove if no active eligible employees: *“The part-time Food Handlers Group of March 3, 1974 will also receive the following options.....”*

Working Conditions

1) Clopening / Hours between scheduled shifts: All employees who have worked a complete shift shall be given a minimum of ten (10) hours before the next scheduled work shift, unless by mutual agreement.

2) Worker safety and well-being - willing to change Union language to “meet no less than once (1x) every 2 months” for the language below

There shall be in each store a safety and security captain and an alternate from the bargaining unit, designated by the Union. On a quarterly basis, each of the safety and security captains and/or alternates shall collectively meet on paid time (during a regularly scheduled shift) with representatives

of management and the Union to discuss health, safety and security conditions in the stores to ensure employee well-being. Virtual meeting options will be provided by the Employer as appropriate. The safety and security captains and/or alternates will make recommendations in the area of safety, health and security, discuss employee complaints, and distribute information concerning safety, health and security. The participants in these meetings shall mutually identify and agree on training and/or experts helpful to the committee. Meetings shall be held the [first/second/third/fourth] [day of week] of the [first/second/third] month of each calendar quarter. The Employer will post in the employee break area the contact person for incident reporting. At each meeting, the Employer shall provide a summary of safety, health and security matters for the prior quarter.

Existing TAs:

1. Employees will not stop or approach in any suspected theft situations
2. Escorts will be provided to employees between the store and an employee's vehicle, by request
3. Training will be provided for employees regarding how to respond and support fellow employees when they see or hear harassing language or behavior.

Union Employer Cooperation

- 1) Replace BMS with FMCS

Language Clean Up

- 1) Add to Appendix A-1 Sunday Clause a note to see Section 2.5(A) re: Mod PT
- 2) Visitation: use "Union representative" instead of "business agent" or "business representative" - TA
- 3) Term of agreement should read: ...shall be in effect as of March... and continue in full force and effect through 11:59pm on March...
- 4) Union can agree to editing language to use "controlled substances" or "individuals dismissed for use of controlled substances" instead of "drugs" or "drug offenders" in Employer proposal #15

Term of Agreement: 2 years – March 5, 2023 to March 2, 2025

Existing TAs from Employer proposals:

1. ER Proposal #6 Language modification change qualify to "meet the qualification".
2. ER proposal #7 Language change burial to "memorial service"
3. ER proposal #1 Remove any language in CBA pertaining to Pharmacy.
4. ER proposal #12 "Should any of the defined holidays fall on a Sunday, the holiday shall be observed on Monday."

Union supposals 5/19/23:

1. The parties agree to the following:
 - a. TA Union proposal on Wages and Benefits #4A
 - b. Maintain 30% PT Mod ratio, though the Employer may be below the 30% ratio by the percentage that the Employer exceeds the 40% FT ratio.
 - c. TA Union proposal on Wages and Benefits #4C
 - d. TA Union proposal on PTO #1 and #2
 - e. TA Union proposal on Classification #1, amended to include language “Any department head who is demoted or chooses to step down, who has not previously held a classification or a part-time classification, will revert Classified Assistant.
 - f. TA Union proposal on Classification #2
 - g. Employer will drop its proposal #17
 - h. TA Employer proposal #19, amended without last bullet point for purposes of calculating ratios and that this be completely voluntary by employees, there shall be no coercion or even suggestion by management to waive hours.

2. The parties agree to the following:
 - a. TA Union proposal on Wages and Benefits #6, amended with a rate of \$24.00
 - b. TA Union proposal on Working Conditions #1
 - c. TA Union proposal on Wages and Benefits #5, amended so any time a department manager is scheduled to work less than 5 days in their designated work week, a replacement be identified and assigned to fill in as department manager using L&B's Department Manager Replacement Form in order to receive department head pay for each shift replacing a department head.
 - d. TA Union Employer Cooperation #1 with modification to include FMCS furnishing a list of seven (7) arbitrators to select from,
 - e. TA Employer proposal #11, with Letter of Agreement amended with proposed changes from the Union.
 - f. Employer will drop Proposal #13

3. The parties agree to the following:
 - a. TA Union proposal on Letter of Agreement regarding H&W
 - b. TA Union proposal Wages and Benefits #3
 - c. TA Union proposal Wages and Benefits #7
 - d. Employer will drop Proposal #16

4. The parties agree to the following:
 - a. Employer will drop Proposal #10
 - b. Employer will drop Proposal #18
 - c. TA Employer Proposal #14
 - d. Union will drop PTO #4
 - e. Union will agree not to issue a new proposal on reclassifying Classified Assistants who are Department Heads.

LETTER OF AGREEMENT

UFCW Local 663 will instruct the trustees of the MRMC H&W Fund to modernize the benefit design and eligibility rules of the Fund based on the following principles:

1. The actuarial value of current benefits will not be reduced.
2. Eligibility rules will be liberalized to attract and retain employees.
3. The financial integrity and sustainability of the H&W Fund will be maintained.
4. The new plan design will become effective no later than January 1, 2025.

Benefit design conversations will include:

- Move from weekly to monthly coverage, including how to address grace weeks
- Eliminating “tunnel contributions” for part-time employees prior to their receiving benefit coverage
- Exploring options for the waiting period before benefit coverage begins, with mutual interest in providing quicker part-time employee benefit coverage
- Tiered coverage for Full-time (i.e. Employee, Employee + Spouse, Employee + Child(ren), Family)

These conversations are predicated on a shared understanding that 1) there may be increased costs with plan design changes and 2) the viability of implementing changes depends on the Employers’ and H&W participants’ capacity and willingness to accept these changes.

Plan professionals have been instructed to use existing data and seek additional data from all participating Employers to update work that began in 2017 regarding eligibility and costs. The next special H&W Trust meeting is scheduled for July 13, 2023.

Lunds & Byerlys will instruct its Trustee to play an active role to engage fellow Trustees and other Employers in the modernization process and to advocate amongst fellow Trustees and other Employers regarding benefit design changes.

After a thorough analysis and discussion of options at the Board of Trustees, both parties recognize that there is the possibility that proposed plan changes may not be feasible or in the best interest of the MRMC H&W participants.

Should changes to benefit design and eligibility rules not be approved by the Board of Trustee by September 1, 2024, either party may request to meet and confer. The parties will meet and confer within thirty (30) days of such a request, to discuss and explore how to ensure the best possible benefits coverage for Lunds & Byerlys employees who are members of UFCW Local 663, in advance of negotiations on a successor Agreement.

Union proposal to L&B 5-17-2023 @ 12pm								
APPENDIX XX: UFCW 663 2023-2024 COLLECTIVE BARGAINING AGREEMENT								
Hourly Full-time Minimum Grocery Rates								
Update these DM titles	2022	Effective 3/5/2023	Effective 3/3/2024			2022	Effective 3/5/2023	Effective 3/3/2024
Assistant Manager	\$30.13	\$34.00	\$35.50	Head Meat Cutter		\$31.24	\$35.00	\$36.50
Produce Department Head	\$30.13	\$34.00	\$35.50	Journeyman		\$28.24	\$31.11	\$32.61
Frozen Food Department Head	\$30.13	\$34.00	\$35.50					
Bookkeeper or Head Cashier	\$30.13	\$34.00	\$35.50	Service Employee				
Delicatessen Department Head	\$30.13	\$34.00	\$35.50			2022	Effective 3/5/2023	Effective 3/3/2024
Company Designated	\$30.13	\$34.00	\$35.50	Grade 1		\$16.00	\$17.50	\$17.50
(up to 3 per store)				Grade 2		\$18.00	\$19.50	\$19.50
				Grade 3		\$19.50	\$21.00	\$21.00
Full-Time Food Handlers				Grade 4		\$24.35	\$27.22	\$28.72
	2022	Effective 3/5/2023	Effective 3/3/2024	If in progression, place laterally and progress on the scale.				
Grade 1	\$23.50	\$25.00	\$25.00	Meat employees who are top or above scale will receive the following increases				
Grade 2	\$24.00	\$26.50	\$26.50	Effective 3/5/2023		\$2.87		
Grade 3	\$27.13	\$30.00	\$31.50	Effective 3/3/2024		\$1.50		
If in progression, place laterally and progress on the scale.								
Classified Assistant				*Any employee who is less than 12 months away from the top, will move to the top				
	2022	Effective 3/5/2023	Effective 3/3/2024					
Grade 1	\$16.00	\$19.50	\$19.50					
Grade 2	\$18.00	\$21.00	\$21.00					
Grade 3	\$19.50	\$22.50	\$22.50					
Grade 4	\$20.50	\$24.00	\$24.00					
Grade 5	\$21.50	\$25.50	\$25.50					
Grade 6	\$25.13	\$28.00	\$29.50					
If in progression, place laterally and progress on the scale.								
Full-time employees who are top or above scale will receive the following increases								
	Effective 3/5/2023	\$2.87						
	Effective 3/3/2024	\$1.50						
*Any employee who is less than 12 months away from the top, will move to the top								

Union proposal to L&B 5-15-2023 @ 12pm

APPENDIX XX: UFCW 663 2023-2024 COLLECTIVE BARGAINING AGREEMENT

All Part-time Minimum Rates

	Effective 3/5/2023	Effective 3/3/2024
Grade 1	\$14.00	\$14.00
Grade 2	\$14.50	\$14.50
Grade 3	\$15.00	\$15.00
Grade 4	\$15.50	\$15.50
Grade 5	\$16.00	\$16.00
Grade 6	\$16.75	\$16.75
Grade 7	\$17.50	\$17.50
Grade 8	\$18.25	\$18.25
Grade 9	\$19.00	\$19.00
Grade 10	\$19.75	\$19.75
Grade 11	\$20.50	\$20.50
Grade 12	\$21.25	\$21.25

All PT employees place in 2 grades above current wage and progress every March and Sept on the scale

Any part-time employee whose current rate is \$18.00 or over will receive:

3/5/2023	\$1.50
3/3/2024	\$1.50

All EEs to remain \$0.20 above city, county, state or federal minimum.

Examples of how current employees place in and progress on the new scale

	Part time				Courtesy and Custodial	
					less than 5 yrs	more than 5 yrs: become reg PT
Current rate	\$14.00	\$15.00	\$16.00	\$18.00	\$12.00	\$12.00
March 2023	\$15.00	\$16.00	\$17.50	\$19.50	\$12.50	\$14.00
Sept 2023	\$15.50	\$16.75	\$18.25		\$13.00	\$14.50
March 2024	\$16.00	\$17.50	\$19.00	\$21.00	\$13.50	\$15.00
Sept 2024	\$16.75	\$18.25	\$19.75		\$14.00	\$15.50
2 year total incre	\$2.75	\$3.25	\$3.75	\$3.00	\$2.00	\$3.50

Courtesy and Custodial

	Effective 3/5/2023	Effective 3/3/2024
Grade 1	\$12.00	\$12.00
Grade 2	\$12.50	\$12.50
Grade 3	\$13.00	\$13.00
Grade 4	\$13.50	\$13.50
Grade 5	\$14.00	\$14.00

*Letter of Agreement to stock non-perishable product shall not be renewed

Courtesy and custodial employees with less than 5 years of service:

Place in to the step that is at least \$0.50 above their current rate on 3/5/2023.

Employees will progress on the scale every 6 months.

Courtesy and custodial employees with more than 5 years of service will become regular part-time employees.

Place in to the scale at \$14 start of part-time scale or at least \$0.50 above current rate.

As other employees reach 5 years or the top of the scale during the term of the CBA

they will also become regular part-time employees and place then progress in the same manner.

Any employee at top or above scale will receive:

3/5/2023	\$1.00
3/3/2024	\$1.00

LETTER OF AGREEMENT

This is a ~~confidential~~ letter of understanding between Lund Food Holdings, Inc., d/b/a Lunds & Byerlys (the Employer) and UFCW Local 663 (the Union). ~~The parties agree to keep the terms of this letter confidential, and no party will disclose any term of the letter to any third party without the consent of the other party.~~

The Employer has developed and presented the below plan to the Union. This plan shall go into effect immediately upon both parties executing this letter of understanding.

As for the specific details of this agreement:

- Lunds & Byerlys has a long-held practice during the months of November and December, which includes:
 - Closing its Corporate Support Office for one (1) to two (2) days leading up to each of the following holidays - Thanksgiving and Christmas - and then reassigning these employees to its retail stores and/or facilities; and
 - Providing Corporate Support Office team members the option to work on a volunteer basis at select stores on Fridays each week for a four (4) hour period.
- Lunds & Byerlys conducts Merchant Tours weekly on Friday. The spirit of these tours are to assess store conditions and merchandising to provide constructive feedback to its team members.
- Given these long-held practices by the Company, the Employer shall be able to:
 - Reassign Corporate Support Office employees to do bargaining unit work up to a maximum of two (2) full workdays that immediately lead up to Thanksgiving and Christmas Eve holidays; and
 - Reassign Corporate Support Office employees outside of the bargaining unit to provide temporary assistance with bargaining unit work for up to four (4) hours per person on any Friday when a Merchant Tour is not conducted.
 - However, no employee shall be negatively impacted as a result of non-UFCW 663 member labor added to any store. ~~Max hours will be offered to UFCW 663 members before any non-UFCW 663 workers are offered work. Any UFCW 663 members who are not offered max hours before non-UFCW 663 members shall be paid for all missed hours, regardless of whether or not the UFCW 663 member worked. The Employer must post an equitable number of hours it plans to use in non-UFCW 663 member labor via its unfilled shift bidding process for union members to pick up if seeking to work more hours than they were scheduled.~~ The Employer will post conspicuous notices in break and work areas easily accessed by employees and electronically through their employee communications systems regarding opportunities to work max hours and will provide to the Union copies of the schedules of CSO hours and the postings.

This letter of understanding will sunset at the end of the current CBA.

By: _____
Its: Casey Enevoldsen
Vice President, Employee Experience

By: _____
Its: Rena Wong
President

Date: _____

Date: _____

DRAFT

Employer counter proposals 5/19/23:

1. The parties agree to the following:
 - a. TA Union proposal on Wages and Benefits #4A
 - b. Reduce PT Modified ratio to **20%**
 - c. TA Union proposal on Wages and Benefits #4C
 - d. TA Union proposal on PTO #1 and #2 – **modified to clarify “part-time” meaning “modified part-time” in Article 15**
 - e. TA Union proposal on Classification #1, amended to include language “Any department head who is demoted or chooses to step down, who has not previously held a classification or a part-time classification, will revert Classified Assistant.
 - f. TA Union proposal on Classification #2
 - g. Employer will drop its proposal #17
 - h. TA **modified** Employer proposal #19

19	AMENDED (05/19/23)	Entire Agreement	<p>NEW CBA LANGUAGE OUTLINE:</p> <ul style="list-style-type: none"> - By mutual agreement between the employee and employer, an employee can request to be on a PT Flex Waiver. Such request must be executed in writing. - When on a PT Flex Waiver, an employee must work a minimum of 20 hours per month. There shall be no minimum weekly hours. - PT Flex Waiver shall have the same compensation and benefits as regular part-time. - If mutual agreement is reached, the effective date shall also be set by mutual agreement. - The employer or employee can end the waiver assignment with two weeks notice. - After revoking this agreement, they shall be scheduled no less than the minimum hours on the next published schedule. - Employees who have waived their minimum hours shall not count for purposes of calculating part-time or full-time ratios. - Employer shall not exceed 20 PT Flex Waivers per store.
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2. The parties agree to the following:
 - a. TA Union proposal on Wages and Benefits #6, amended with a rate of \$24.00 – **with modification to include Sunday in the work week.**
 - b. TA Union proposal on Working Conditions #1
 - c. TA Union proposal on Wages and Benefits #5, amended so any time a department manager is scheduled to work less than 5 days in their designated work week, a replacement be identified and assigned to fill in as department manager using L&B’s Department Manager Replacement Form in order to receive department head pay for each shift replacing a department head.
 - d. TA Union Employer Cooperation #1 with modification to include FMCS furnishing a list of seven (7) arbitrators to select from,
 - e. TA **modified** Employer proposal #11
 - f. Employer will drop Proposal #13
 - g. **TA Employer counter proposal on safety language issued 03/27/23**

These proposals are offered in a good faith effort to reach negotiated agreements for our collective bargaining agreement with UFCW Local 663. We reserve the right to add to, subtract from or modify the terms of our proposals throughout the course of negotiations. Any proposals that are withdrawn by Lund Food Holdings, Inc. during the course of negotiations shall not be introduced as evidence or have any effect in any future bargaining, grievances, or arbitration hearings. Any proposal or any withdrawal or modification of a proposal does not constitute a waiver of any of our present rights. We reserve the right to add to, modify or delete proposals at any time. Any agreement as to a specific proposal is considered to be a tentative agreement subject to final agreement between Lund Food Holdings, Inc. and the Union concerning all matters related to these negotiations.

4. The parties agree to the following:
 - a. Employer will drop Proposal #10
 - b. **TA recognizing all existing Letters of Agreement and include these in the CBA**
 - c. TA Employer Proposal #14
 - d. Union will drop PTO **#3 and #4**
 - e. Union will agree not to issue a new proposal on reclassifying Classified Assistants who are Department Heads.
 - f. **Drop Employer Proposal #18**

These proposals are offered in a good faith effort to reach negotiated agreements for our collective bargaining agreement with UFCW Local 663. We reserve the right to add to, subtract from or modify the terms of our proposals throughout the course of negotiations. Any proposals that are withdrawn by Lund Food Holdings, Inc. during the course of negotiations shall not be introduced as evidence or have any effect in any future bargaining, grievances, or arbitration hearings. Any proposal or any withdrawal or modification of a proposal does not constitute a waiver of any of our present rights. We reserve the right to add to, modify or delete proposals at any time. Any agreement as to a specific proposal is considered to be a tentative agreement subject to final agreement between Lund Food Holdings, Inc. and the Union concerning all matters related to these negotiations.

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 - Providing Corporate Support Office team members the option to work on a volunteer basis at select stores on Fridays each week for a four (4) hour period.
- Lunds & Byerlys conducts Merchant Tours weekly on Friday. The spirit of these tours are to assess store conditions and merchandising to provide constructive feedback to its team members.
- Given these long-held practices by the Company, the Employer shall be able to:
 - Reassign Corporate Support Office employees to do bargaining unit work up to a maximum of two (2) full workdays that immediately lead up to Thanksgiving and Christmas Eve holidays; and
 - Reassign Corporate Support Office employees outside of the bargaining unit to provide temporary assistance with bargaining unit work for up to four (4) hours per person on any Friday when a Merchant Tour is not conducted.
 - However, no employee shall be negatively impacted as a result of non-UFCW 663 member labor added to any store. **To achieve this, the Employer will post hours equal to that of CSO assistance (time and day) so that individuals seeking to max out on hours can do so. The Employer will post a notice by the timeclock, master schedule, and any department specific schedules throughout the store regarding how to find and bid on additional hours. Additionally, the Employer will have posted instructions on how to change work availability temporarily in the event an employee is available to be scheduled more hours in a particular week.**

This letter of agreement will sunset at the end of the current CBA.



President
Matthew Utecht

Secretary-Treasurer
Paul Crandall

Director of Packing
Michael Potter

ufcw663.org

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Letter of Agreement

It is hereby agreed by and between UFCW Local 663 and Lund Food Holdings, Inc., that the company will operate an E-Commerce Department in selected stores within the UFCW Local 663 Jurisdiction, and the existing Collective Agreement in effect from March 7, 2021 – March 4, 2023, shall be in full force and effect with the following clarifications:


1. There will be designated E-Shopping Supervisors selected by the company and outside of the bargaining unit assigned to oversee the E-Commerce department within assigned store; one working at each of the selected stores conducting E-Commerce business. The E-Shopping Supervisors shall not do bargaining unit work.
2. The E-Selectors shall be bargaining unit members. They will be chosen by the company and classified as Part-Time Food Handlers (grocery) and be paid the published wage rate corresponding to the wage scale under Appendix C. The number of E-Selectors needed will be based on business needs within the E-Commerce department. Selection of products and packaging of orders is considered bargaining unit work within the confines of the store.
3. The company will be allowed to have E-Selectors perform other bargaining unit work reserved for Part-Time Food Handlers (grocery) such as stocking, displaying, cashiering, etc., when business needs allow. Part-Time E-Selectors will be assigned seniority following the provisions of the labor agreement for Part-Time Food Handlers (grocery).
4. There will be designated E-Drivers, selected by the company and outside of the bargaining unit. The number of drivers needed will be based on business needs within the E-Commerce department. Loading and unloading of customer orders is considered as non-bargaining unit work.

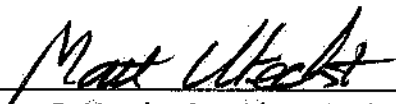
5. The Employer shall be allowed to use a third-party vendor(s) for delivery services they offer. This includes the third-party vendor(s) performing the role of an E-Selector for these orders. The third-party vendor(s) shall be outside the bargaining unit.

The Employer agrees that third party vendors shopping orders will not lead to a reduction of hours or positions.

6. All terms and conditions shall be subject to renegotiation at the expiration of this Bargaining Agreement.

Signed this 15th day of February, 2021.

BY: 
Casey Enevoldsen Senior Director, Employee Experience

BY: 
Matthew P. Utecht, President, UFCW Local 663

LETTER OF UNDERSTANDING

Lund Food Holdings, Inc. and UFCW Local 663 have collaborated on a plan to embolden grocery career opportunities and fuel further wage growth and career progression for existing workers. This plan shall go into effect on Monday, December 13, 2021.

This is a confidential letter of understanding between UFCW Local 663 (the Union) and Lund Food Holdings, Inc., d/b/a Lunds & Byerlys (the Employer). The parties agree to keep the terms of this letter confidential, and no party will disclose any term of the letter to any third party without the consent of the other party.

The Employer has agreed to make the following wage adjustments for part-time food handlers:

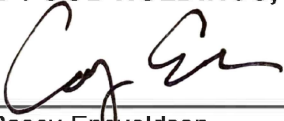
- increase the starting rate of pay to \$14.00 per hour
- current employees earning less than \$14.00 per hour will have their pay rate increased to \$14.00
- current employees earning between \$14.00-\$14.75 per hour will receive an increase of \$0.50
- current employees earning between \$15.00-\$15.75 per hour will receive an increase of \$0.25

The Employer will also be allowed to establish a Part-time Courtesy and Custodial pilot program to help address the current staff shortage. These employees will be allowed to stock non-perishable goods, as needed. All existing employees will be offered maximum hours before these employees are allowed to stock. No existing employees will see a reduction in current hours as a result of this pilot program.

Part-time Courtesy and Custodial employees will receive at least \$12.00 per hour starting wage and all the benefits detailed in the CBA for this classification.

This letter of understanding will sunset at the end of the current CBA and the Union retains the ability to terminate 30 calendar days after submitting written notice of the intent to do so to the Employer.

LUND FOOD HOLDINGS, INC.

By: 
Its: Casey Enevoldsen
Vice President, Employee Experience

Date: 12/10/2021

UFCW LOCAL 663

By: 
Its: Matt Utecht
President

Date: 12-10-21

UFCW

a VOICE for working America

Local 663

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Secretary-Treasurer
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Director of Packing
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Letter of Agreement

It is hereby agreed by and between UFCW Local 663 and Lund Food Holdings, Inc., that contrary to the Collective Bargaining Agreement, March 7, 2021 – March 4, 2023, per the Preamble and Article I, Union Security, Section 1.1 Recognition, the following exceptions shall be allowed as outlined:

1. Effective date: December 6, 1995.
2. One four-foot sushi case integrated into the Deli case/store.
3. Staffed by two (2) sushi chef/store.
4. Preparation of product considered as non-bargaining unit work. Stocking, display, etc., shall be done by members of the UFCW Local 663.
5. All terms and conditions shall expire with the existing Collective Bargaining Agreement.

Signed this 15th day of February, 2021.

BY: 
Casey Enevoldsen Senior Director, Employee Experience

BY: 
Matthew P. Utecht, President, UFCW Local 663

EMPLOYER COUNTER PROPOSAL (5/19/23)

3) Committed to redirect but specifics as to how needs to be further negotiated.

Redirect L&B portion of H&W funds to cover all current employees' portion of H&W contributions for 2 year CBA - the retail stores share of the \$1,880,817.12 redirect amount is \$1,787,170.90.

Wilson McShane counts for retail are 598 FT, 245 PT, 278 AB.
L&B counts are 571 FT, 140 PT, 313 AB.

- \$20 FT
- \$10 PT
- \$1 Ancillary Benefit

~~Remaining funds will be used to offset the employees' contribution for H&W for those who will be eligible for full H&W benefits coverage effective June 2023 (see H&W proposal #7 below)~~

7) Health & Welfare – Contingent on reaching a tentative agreement with H&W Letter of Agreement yet to be countered by the Employer

- Employer will make breakeven / true cost contributions per Union proposal, with no increase to employees
- ~~The Employer will provide all other employees who do not currently receive full H&W benefits coverage effective June 2023 (Wilson McShane researching target date for 2023)~~
- ~~Ancillary benefits will continue until all employees transition to the new benefit coverage~~

BREAKEVEN / TRUE COST RATES

	Current 2022 TOTAL	Employer contribution	Employee contribution	March 2023 TOTAL	Employer contribution	Employee contribution	March 2024 TOTAL	Employer contribution	Employee contribution
FT	\$273.26	\$253.26	\$20.00	\$269.83	\$249.83	\$20.00	\$287.82	\$267.82	\$20.00
MOD PT	\$137.32	\$127.32	\$10.00	\$158.32	\$148.32	\$10.00	\$168.84	\$158.84	\$10.00
ANCILLARY	\$7.74	\$6.74	\$1.00	\$6.58	\$5.58	\$1.00	\$6.76	\$5.76	\$1.00