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#	STATUS	CBA LOCATION	PROPOSED CHANGE(S)
1	Counter - 3/17	Article 2; Section 2.5.E Waiver of Minimum Hours	Replace language with the following: The minimum hours expressed in paragraphs (A), (B) and/or (C) above shall not apply if the employee makes a written request approved by the Employer to be regularly scheduled for fewer hours. Any such approved written request shall remain valid until the employee or Employer revokes or requests to change it, which must be with two (2) weeks' written notice. Upon a change or either party revoking the agreement, the employee must provide updated and suitable availability to allow the Employer to schedule the respective minimum hours for their classification. All approved requests shall be maintained by the Employer at their store and be available to the Union upon request. Any employee who is working under such an approved written request shall not be counted for purposes of the ratio language expressed in Section 17.2(l).
2		Article 4 Paid Time Off	<p>Modify existing language in Section 4.1 as follows: Eliminate Courtesy & Custodial accrual tier for employees between 0-1st anniversary, which currently provides one week (capped at 40 hours) at an hourly rate of 0.01923 per hour worked. Replace with new accrual for employees between 0-3rd anniversary, which will provide up to two weeks (capped at 80 hours) at an hourly rate of 0.03846 per hour worked.</p> <p>Modify existing language in Section 4.3 as follows: Calculating PTO Grants: All hours worked shall be considered for purposes of calculating PTO grants. Any employee who separates employment with the company prior to completing one (1) year of service shall forfeit any granted PTO that has not been used prior to their last day of employment.</p> <p>Replace all language in Section 4.7 with the following: All employees may use PTO for a purpose protected by the Minnesota Earned Sick and Safe Time ("ESST") law and may do so:</p> <ol style="list-style-type: none"> with notice of up to seven days in advance when the need to use the leave is foreseeable or as soon as practicable if the need is unforeseeable; in increments no smaller than 15 minutes; and if using more than three consecutive scheduled workdays, only if the employee provides reasonable documentation. <p>The Employer, at its discretion, may set policies for administration of PTO as long as they do not conflict with the Minnesota ESST law or the terms of this Agreement.</p>
3	Clarification added - 3/18	Article 5; Section 5.3 PT Hours Worked	<p>Eliminate this section.</p> <p>COMPANY CLARIFICATION: L&B presents this written clarification to the Union and its bargaining committee to clarify the intent of this proposal. This proposal applies only to Modified Part-Time team members, as Regular Part-Time employees are already limited to a maximum of 28 hours per week under existing CBA language.</p> <p>L&B's position is that a Modified Part-Time team member available Monday through Saturday should not be penalized or restricted from being scheduled up to 39.9 hours. However, Section 5.3 imposes such a restriction by limiting Modified Part-Time team members to a maximum of 31.9 hours from Monday to Saturday, requiring any additional hours beyond that to be worked on Sunday.</p>
4	Counter - 3/20	Article 5; Section 5.5 Department Manager Replacement	<p>Replace language with the following:</p> <p>Any time a department manager is scheduled to work less than 5 days in their designated work week, excluding weeks of a designated holiday, a replacement will be identified and assigned on the schedule to fill in as department manager. In this instance, the employee assigned to fill in as a department manager will receive department manager pay for each shift replacing a department manager. The employer agrees to not use a floating department manager position to replace a department head.</p>
5	Counter - 3/18	Article 6 Discharge	<p>Replace all language in the first paragraph with the following: No employee shall be discharged without good and sufficient cause. Dishonesty, gross inefficiency, theft, harassment, possession of a firearm in the store, threatening or engaging in violence, vandalism, insubordination, or serious safety violations will be considered as causes for dismissal without progressive discipline. Being under the influence of alcohol or illegal controlled substance(s) (drugs) while at work will be considered as causes for dismissal without progressive discipline to the extent permitted by law.</p> <p>Maintain existing CBA language but add the following language: An employee who terminates employment after one (1) or more years of continuous employment shall receive their accrued PTO pay unless they committed an offense that warranted discharge without progressive discipline as provided by Article 6.</p>
6	Conditional Withdrawal of L&B proposal relating to Article 11.2 and 11.7 3.17 TA'd in part	Article 11 Leaves of Absence	<p>Replace all language in Article 11.2 with the following: The Employer, at its sole discretion, may grant a request for a leave of absence from an employee who is elected or appointed to a Union office to perform official Union business. The Union will provide a 30-day minimum notice of the request to the Employer, stating the starting and ending time for such requested leave. All wages and benefit expenses for the employee shall be paid by the Union for all time served on said leave.</p> <p>Replace all language in Article 11.7 with the following: The Employer, at its sole discretion, may grant a request for a leave of absence for an employee requested by the Union to assist the UFCW International or Local 663 for temporary work as a union representative in the SPUR program. The Union will provide a 30-day minimum notice of the request to the Employer, stating the starting and ending time for such requested leave. All wages and benefit expenses for the employee shall be paid by the Union for all time served on said leave.</p> <p>In exchange for dropping Union Leave & SPUR Leave, Union agrees to limited to one (1) employee per store at any one time combined between Union Leave & SPUR Leave as well as giving the Employer a minimum of two (2) weeks notice for Union Leave requests, maintain current notice in CBA for SPUR Leave.</p> <p>(Union TA 3/18/25) Relocate Section 4.8 to Article 11 classifying it Section 11.11 and replace all existing language with the following: Upon implementation of the State of Minnesota Paid FMLA law, the employer retains the right to deduct payroll taxes to the maximum amount allowed by state Paid Family Medical Leave legislation or implement a private plan substitution should state legislation and commissioner approval be granted. This private plan shall provide no less than the minimum benefits required under any said state law. The Employer shall have the ability to design its private plan however it sees fit provided it receives commissioner approval.</p> <p>Relocate Section 4.9 to Article 11 classifying it as Section 11.12. No language changes being proposed.</p>

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#	STATUS	CBA LOCATION	PROPOSED CHANGE(S)
7	Withdraw - 3/18	Article 12 Visitation	<p>Replace language with the following: Union representatives shall be admitted to the workrooms at all times employees of the bargaining unit are at work to collect union dues and to satisfy the union representative that the terms of the contract are being complied with. It is understood, however, that the union representative will first make their presence known to the store manager or their non-bargaining unit management representatives.</p> <p>The Employer agrees that union representatives may take an employee off the sales floor to discuss the benefits of this Agreement, Union membership, or any other matter related to the employee's employment for a reasonable period of time not to exceed 15 minutes. The employee's wages while attending such a meeting will be paid for by Union. These meetings must be pre-scheduled by the Union with Management no less than 48 hours prior to the meeting.</p> <p>Union representatives and stewards will not interrupt employees who are serving customers. The Employer shall provide the Union with bi-weekly new hire reports (to include name, store, department, classification, and wage rate).</p>
8	Counter - 3/20	Article 15 Health & Welfare	Refer to APPENDIX: Health & Welfare
9	Counter - 3/20	Article 16 Arbitration	<p>Replace Section 16 in its entirety with the following:</p> <p>Section 16.1: Any complaint to be processed under this Agreement must be registered within ten (10) calendar days after the date of the alleged violation by either party to this Agreement except that a complaint as to the payment or nonpayment of the applicable wage rate must be registered within ninety (90) calendar days after the date of the alleged violation. The applicable wage rate means the minimum contract wage rates, overtime rates, and rates for PTO, holiday, jury pay and bereavement pay.</p> <p>Section 16.2: Any controversy arising over the interpretation of or adherence to the terms and provisions of this Agreement shall be settled by negotiations between a designated representative of the Union and the Employer. Any controversy which cannot be so settled promptly may be referred to Arbitration. The Federal Mediation and Conciliation Service shall be called upon to furnish a panel of seven (7) arbitrators, all of whom are members of the National Academy of Arbitrators, from which the arbitrator will be selected. The panel of seven (7) arbitrators furnished by the Federal Mediation and Conciliation Service will be from its master panel of arbitrators who have experience in grievance arbitration in the private sector. The decision of the arbitrator shall be final and binding on all parties concerned.</p> <p>Section 16.3: The expense of the arbitrator shall be divided equally between the Employer and the Union.</p> <p>Section 16.4: There shall be no strike or lockout during the life of this Agreement, except in the case of failure of either party to pursue the arbitration procedure within the time limits specified in Section 16.5 for each step or in case of failure to abide by an arbitration award.</p> <p>Section 16.5: Failure to comply with the time limits set forth in Steps A, B, and C below, will result in an automatic decision in award by default in favor of the other party except in cases of extension of time mutually agreed upon. The steps to be followed are as follows: (A) The complaint must be registered in writing within the specified time limits of the particular type of grievance. (B) If the complaint is not satisfactorily resolved, either party may request arbitration within the next ten (10) day period and request a panel from the Federal Mediation and Conciliation Service. (C) The arbitration hearing shall be held within a ten (10) day period unless there is a mutual agreement to extend such hearing or unless the arbitrator is not available within such period.</p> <p>In each of the above steps, the days referred to are working days.</p>
10	Clarification added - 3/20	Article 17; Section 17.2.H Seniority - Department Head Classification	<p>Modify language pertaining to Department Head Pay and Designation as follows: The Employer may designate Department Heads consistent with the following provisions: There shall be no fewer than four (4) Department Heads per store in the Food Handler departments. The Employer may designate what positions or jobs will be recognized as Department Head positions for itself, recognizing that the additional positions so designated may vary from one company to another and from store to store within the company.</p> <p>Additional clarification provided on APPENDIX: DEPARTMENT HEAD CLASSIFICATION (Section 17.2.H) for how this proposal changes the existing language of the CBA.</p>
11		Article 25 Subcontracting	<p>Replace Section 25 in its entirety with the following: The Employer shall be allowed to subcontract any existing or new operation of its business provided no existing employee covered under this agreement will suffer a reduction in hours as a result. The Employer will notify the Union at least 30 days in advance of its intent to subcontract any aspect of its operation that falls within the jurisdiction of the local union.</p>
12	Counter - 3/17	New Article - Article 29 Management Rights (reclassify all subsequent articles)	<p>Add the following language: The Employer's right to manage is retained and preserved except as abridged or modified by the restrictive language of this agreement. This Agreement shall be interpreted as if every possible right of management is expressly included herein. The parties agree that their decision not to list other rights or the above rights in more specific detail is for the sake of brevity only and shall not be construed as a limitation on the Employer's right and ability to unilaterally exercise such rights. The Employer's exercise of such rights shall not be subject to bargaining or the grievance/arbitration provisions of this Agreement unless the exercise of such rights violates a clear and express provision of this Agreement.</p>
13	Withdraw - 3/20	Appendix A-1 Appendix A-2	<p>Eliminate both Appendices. In exchange, L&B is agreeable to maintaining each classifications defined work week and eligibility for Sunday premium pay, however, no employee will be entitled to a minimum number of hours on Sunday but available Sunday hours for full-time with Sunday outside the workweek will be equitably shared among those volunteering.</p>

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#	STATUS	CBA LOCATION	PROPOSED CHANGE(S)
14		Appendix B Appendix C Appendix D Wage Scales	Refer to Employer Proposal APPENDIX: WAGE PROGRESSIONS Add the following language for City, State, or Federal Minimum Wage and Other Wage Increases: Any unscheduled wage increases received in the twelve (12) months prior to any scheduled wage progression will be credited against the scheduled wage progression increase. If an employee has received more than the scheduled progression in unscheduled wage rate adjustments during the prior twelve (12) months, that employee will not receive the scheduled wage progression. In the event the minimum wage is increased, the parties agree that no employee shall receive both a minimum wage increase and a scheduled wage progression in any calendar year. An employee shall receive only the greater of either a scheduled wage progression or the combined value of a minimum wage increase and wage decompression increase, if applicable. When there is an increase in the minimum wage, the wage rate for all employees shall be raised to the new minimum wage. The employer may apply greater hourly wage increases at its discretion to address wage compression.
15	TA'ed in part	Letters of Agreement	Renew Letters of Agreement covering: CSO Retail Support (Union TA 3/18/25), Sushi (Union TA 2/27/2025), and Online Shopping. Renew Letter of Understanding covering: SPUR Leave (Union TA 2/27/2025).
16	Counter - 3/20	Article 4 Paid Time Off Carryover Limit	The Employer may limit future carryover of PTO to two times (2x) their annual accrual. For those that have PTO banks in excess of two times (2x) their annual accrual, the Employer may offer the option through the term of the agreement for the employees to take excess PTO or receive such excess in pay (inclusive of all associated benefits). The Employer will schedule employees off (if needed) to ensure no loss of benefits. **Added context behind proposal - above language was ratified in L&B-UFCW 1189 CBA in 2024.
17	Counter - 3/20	Term of Agreement	3 year term

LUND FOOD HOLDINGS, INC. RESPONSE TO UNION PROPOSALS & RESPONSES TO COMPANY PROPOSALS

#	STATUS	EXPLANATION
11.A	3/17/25 - TA to add stepparent to bereavement	L&B notes that It already recognizes 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. L&B also does not have Group 3 PT classification in its current contract. L&B tentatively agrees to Union proposal that adds stepparent to four (4) days of bereavement.
12.G	3/17/25 - Accept Union's request to rescind TA	L&B accepts Union's request to rescind TA of it's proposal to 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. L&B will remain at \$24.00.
13.A	3/17/25 - Already in practice at L&B - not relevant for CBA	L&B already updates schedules and nametags of an employee once informed of a name change and with employee's consent. Not needed in CBA.
10	3/18/25 - ER Counter Proposal to Union	EMPLOYEE TRANSFERS A.The Employer agrees to give an employee 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. 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. D.If a Part-Time or Courtesy/Custodial employee is transferred by the Employer, they shall retain their accumulated experience for the purpose of acquiring and retaining seniority. Part-Time or Courtesy/Custodial employees can only be transferred by mutual agreement. 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. **Added context behind proposal - above language was ratified in L&B-UFCW 1189 CBA in 2024.
2.C	3/18/25 - ER Response to Union Proposal	L&B rejects this proposal. The Union states that the employers will save money. The opposite is true. The Employer will still be responsible for the same advisory and compliance fees within its existing company plan. Additionally, these costs will be duplicated with the union proposed multi-employer plan, eroding the overall value of employer contributions the employee receives.
6.A	3/18/25 - ER Clarification	L&B needs to clarify that our current operating practice is to ask for 2x the number of hours employees seek to work per week. While this is our current operating practice, this does not mean that it is not subject to change to accommodate future business needs.
6.F	3/18/25 - ER Response to Union Proposal	L&B rejects this proposal as there are times when the employees availability or time off requests prevent this from occurring. The Union stated that there are employees who are being scheduled 10 days consecutively against their wishes. If this is an issue that is occurring at Lunds & Byerlys, please rely this information so we can investigate further.

LUND FOOD HOLDINGS, INC. PROPOSALS
UFCW LOCAL 663 RETAIL CONTRACT NEGOTIATION

Presented March 26, 2025
TOTAL AND COMPREHENSIVE PACKAGE OFFER

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#	STATUS	CBA LOCATION	PROPOSED CHANGE(S)
13.B	3/18/25 - ER Response to Union Proposal		L&B rejects this proposal based on legal guidance it is unlawful. Refer to legal guidance issued to the Union from L&B's legal counsel.
1.B	3/20 - ER Counter Proposal to Union		Supervisors classified as part-time and who are assigned to the Front-End or Online Shopping shall receive \$1.50 per hour shift differential for each hour worked in a supervisory position.
-	3/26 - ER Counter Proposal to Union		Refer to APPENDIX: Temporary HRA Contributions

L&B rejects all other Union proposals for the reasons it previously explained. If the Union has any questions about its positions on particular proposals, L&B will address if asked.

APPENDIX: HEALTH & WELFARE PROPOSAL

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.

Article 15: Health and Welfare (Eliminate current language)

- (A) Health & Welfare Fund:** The Minneapolis Retail Meat Cutters and Food Handlers Health and Welfare Fund (the “Fund”) is jointly administered by Union Trustees and Employer Trustees. The Employer is bound by the existing Trust Agreement covering the Fund and any amendments thereto to the extent they do not conflict with this Agreement. The Employer agrees to pay into the Fund contributions on behalf of any employee who meets the eligibility criteria outlined below. The benefit plans are as agreed upon by the Employer Trustees and Union Trustees and will remain in effect for the life of the Agreement except as may be modified by agreement of a majority of the Board of Trustees, which shall not conflict with the eligibility terms of this Agreement.
- (B) Benefit Commencement:** Newly eligible employees that elect coverage specified in Article 15(D) under the Minneapolis Retail Meat Cutters and Food Handlers (MRMC) Health and Welfare Plan (the “H&W Plan”) shall have coverage commence the first day of the calendar month following the calendar month the Fund receives contributions on the employee’s behalf.
- (C) Benefit Elections:** The H&W Plan Administrator shall administer the benefit election process directly with employees for newly eligible employees, open enrollment, and qualified mid-year election changes. Newly eligible employees shall have 30 days to make their benefit elections from the date they begin employment in an eligible classification.
- (D) Benefit Coverage Options:**
- Full-time employees are eligible to elect one of the following tiers of coverage: Single, Single and Spouse, Single and Child(ren), or Family.
 - Modified part-time employees are eligible to elect one of the following tiers of coverage: Single or Single and Child(ren). Employees who wish to purchase Single and Child(ren) coverage will be required to contribute the difference in premiums between Single and Single and Child(ren) coverage with the Employer’s contribution capped at the Single coverage rate.
 - All other part-time employees (including courtesy and custodial employees) are eligible to elect Ancillary benefits (e.g., Doctor on Demand, Dental, Vision, Life, and AD&D) that provide single coverage for themselves.
- (E) Open Enrollment:** Pursuant to the H&W Plan rules, eligible employees will annually have the opportunity to elect or change coverage under the H&W Plan effective the following January 1. Should an eligible employee elect or change coverage during the annual open enrollment period, the Employer must begin contributions in December, so long as the employee had actual hours worked in November, for coverage to begin January 1. Employees who are already enrolled and do not need to modify their coverage election in the H&W Plan do not need to take any action during the annual open enrollment period to continue their existing coverage. Open enrollment for Health & Welfare and Ancillary benefits will occur annually. The H&W Plan Administrator shall notify the Employer of all new or changed benefit elections no later than

October 15. 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.

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

(G) Benefit Contributions: The Employer agrees to contribute to the Fund for employees electing coverage on the basis of employee classification as follows:

- Full-time employees for each week the employee actually worked, was on FMLA, or received compensation required by this Agreement for paid time off (PTO), bereavement leave, jury duty, or holidays; with contributions commencing in the first full week of the first month following the month the employee was hired or moved into that classification.
- Modified part-time employees for each week the employee actually worked, was on FMLA, or received compensation required by this Agreement for paid time off (PTO), bereavement leave, jury duty, or holidays; with contributions commencing in the first full week of the first month following the month the employee was hired or moved into that classification.
- All other part-time (including courtesy and custodial employees) for each week the employee actually worked, was on FMLA, or received compensation required by this Agreement for paid time off (PTO), bereavement leave, jury duty, or holidays; with contributions commencing the first full week of the second month following the month the employee was hired or moved into that classification.
- The Employer may, at its option, begin contributing to the Fund earlier than required so as to provide coverage sooner than as prescribed above.

Benefit contribution rates are as follows:

Weekly Health & Welfare Cost

Effective first reporting period following ratification	Employer Cost	Employee Cost	Total Benefit Cost	Employer %	Employee %
FT	\$267.82	\$20.00	\$287.82	93.05%	6.95%
Modified PT – Single Only	\$158.84	\$10.00	\$168.84	94.08%	5.92%
Ancillary	\$5.76	\$1.00	\$6.76	85.20%	14.80%

Effective 1/1/2026	Employer Cost	Employee Cost	Total Benefit Cost	Employer %	Employee %
FT – Single	\$148.73	\$16.53	\$165.26	90.00%	10.00%
FT – Single + Spouse	\$304.91	\$33.88	\$338.79	90.00%	10.00%
FT – Single + Children	\$297.47	\$33.05	\$330.52	90.00%	10.00%
FT – Family	\$513.13	\$57.02	\$570.15	90.00%	10.00%
Modified PT – Single Only	\$148.73	\$16.53	\$165.26	90.00%	10.00%
Ancillary	\$6.70	\$0.75	\$7.45	90.00%	10.00%

Effective 1/1/2027	Employer Cost	Employee Cost	Total Benefit Cost	Employer %	Employee %
FT – Single	\$148.73	\$16.53	\$165.26	90.00%	10.00%
FT – Single + Spouse	\$304.91	\$33.88	\$338.79	90.00%	10.00%
FT – Single + Children	\$297.47	\$33.05	\$330.52	90.00%	10.00%
FT – Family	\$513.13	\$57.02	\$570.15	90.00%	10.00%
Modified PT – Single Only	\$148.73	\$16.53	\$165.26	90.00%	10.00%
Ancillary	\$6.70	\$0.75	\$7.45	90.00%	10.00%

Effective 1/1/2028	Employer Cost	Employee Cost	Total Benefit Cost	Employer %	Employee %
FT – Single	\$148.73	\$16.53	\$165.26	90.00%	10.00%
FT – Single + Spouse	\$304.91	\$33.88	\$338.79	90.00%	10.00%
FT – Single + Children	\$297.47	\$33.05	\$330.52	90.00%	10.00%
FT – Family	\$513.13	\$57.02	\$570.15	90.00%	10.00%
Modified PT – Single Only	\$148.73	\$16.53	\$165.26	90.00%	10.00%
Ancillary	\$6.70	\$0.75	\$7.45	90.00%	10.00%

A pre-tax plan for employee contributions will be implemented by the Employer. If an employee at any time ceases to allow the Company to deduct the employee's share of the Fund contributions the Company will no longer be required to make contributions to the Fund on the employee's behalf. The Employer and employee will not have to pay contributions into the Fund should the employee not elect benefit coverage.

The Employer shall not be responsible for any additional benefit costs for the term of this Agreement.

- (H) **Termination of Contribution at Employment Separation:** Upon end of employment, regardless of reason (e.g. retirement, layoff, termination), the final contribution remitted to the 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, **not to include any paid time off benefit payouts.**
- (I) **Remittance:** The Employer will remit contributions to the Fund each month on the date specified by the H&W Plan Administrator. The Employer will collect the Employee contribution for each week an employer contribution is due if the Employee was given a paycheck for the payroll period with sufficient net earnings to pay the Employee contribution. If the Employer did not issue a paycheck to the employee or the employee's paycheck does not have sufficient net earnings to pay the employee contribution, then the employee is responsible for remitting the employee contribution directly to the Fund.

APPENDIX: Letter of Agreement – Temporary Employer Contributions to Health Reimbursement Account (HRA)

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.

The Employer agrees to establish a temporary Health Reimbursement Account (HRA) contribution program, as outlined below. This program is designed to provide additional support to eligible employees for qualifying medical expenses during the specified timeframe.

1. Eligibility

Employer contributions to the HRA will be made on behalf of employees who meet all of the following conditions:

- Are classified as *full-time* or *modified part-time* employees;
- Were actively enrolled in the MRMC Health Care Plan as of **March 2, 2025**;
- Maintain continuous enrollment in the MRMC Health Care Plan through **January 4, 2026**;
- Remain employed and continue healthcare coverage throughout the contribution period defined below.

2. Contribution Period

Employer HRA contributions will begin on **January 5, 2026**, and end on **January 2, 2028**, provided the employee remains eligible for the full duration of the program.

3. Contribution Schedule

Weekly contributions will be made according to the Company's defined payroll week for the periods listed below, based on employee classification and elected healthcare coverage:

Classification / Elected Coverage	Employer HRA Contribution (Weekly)
Full-Time / Family Coverage	\$22.02 (from 1/5/2026 to 1/3/2027) \$17.02 (from 1/4/2027 to 1/2/2028)
Full-time / Single + Spouse	\$5.00 (from 1/5/2026 to 1/2/2028)

Classification / Elected Coverage	Employer HRA Contribution (Weekly)
Full-Time / Single + Child(ren)	\$5.00 (from 1/5/2026 to 1/2/2028)
Full-Time / Single	\$5.00 (from 1/5/2026 to 1/2/2028)
Modified Part-time / Single	\$5.00 (from 1/5/2026 to 1/2/2028)

4. Additional Provisions

- Contributions are contingent upon the employee's continued eligibility and participation in the MRMC health care plan throughout the applicable contribution period.
- This letter of agreement does not establish a precedent for future contributions or benefit programs and is intended solely as a temporary arrangement.
- This agreement shall sunset at the expiration of the contract term.

APPENDIX: WAGE PROGRESSIONS

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(*) Team members will get negotiated raises promptly if ratification occurs within a week of the current contract's expiration or earlier if ratified before the expiration date. But, if ratification is delayed by more than one week beyond the expiration date, these raises will be delayed.

TOP / OVERSCALE INCREASES	YEAR 1	YEAR 2	YEAR 3	CBA TERM INC %
	Effective Monday Prior to Ratification*	Effective March 2, 2026	Effective March 1, 2027	
	Dollars (\$)	Dollars (\$)	Dollars (\$)	
Full-time: Head Meat Cutter <i>(only for hires/promotions before 2023 contract expiration)</i>	\$1.10	\$1.10	\$1.10	9.36%
Full-time: Meat & Seafood Journeyman	\$1.00	\$1.00	\$1.00	9.23%
Full-time: Meat & Seafood Service Employee	\$1.00	\$1.00	\$1.00	9.64%
Full-time: Department Head	\$1.10	\$1.10	\$1.10	9.53%
Full-time: FT Food Handler	\$1.00	\$1.00	\$1.00	9.64%
Full-time: Classified Assistant	\$1.00	\$1.00	\$1.00	10.30%
Part-time: Modified & Regular	\$0.70	\$0.70	\$0.70	10.00%
Part-time: Courtesy & Custodial	\$0.55	\$0.55	\$0.55	9.71%

APPENDIX B

	CURRENT	Effective Monday
		Prior to Ratification*
Head Meat Cutter <i>(only for hires/promotions before 2023 contract expiration)</i>	\$35.24	\$35.24
Journeyman	\$32.50	\$32.50

Existing Head Meat Cutters will receive the top / overscale increase for full-time classifications

Service Employee	CURRENT	Effective Monday
		Prior to Ratification*
Grade 4	\$31.13	\$31.13
Grade 3	\$21.00	\$21.00
Grade 2	\$19.50	\$19.50
Grade 1	\$17.50	\$17.50

All employees in a full-time classification in Appendix B and hired or promoted before March 3, 2025 will progress to the next highest grade (or receive the respective top/overscale increase) in the wage scale effective the Monday immediately prior to ratification. All employees in a full-time classification in Appendix B will then progress to the next highest grade in the wage scale on the subsequent first Monday of March for the term of this agreement.

APPENDIX C

Department Head	CURRENT	Effective Monday
		Prior to Ratification*
Grade 3	\$34.63	\$34.63
Grade 2 <i>(only for hires/promotions after 2023 contract expiration)</i>	-	\$33.88
Grade 1 <i>(only for hires/promotions after 2023 contract expiration)</i>	-	\$33.13

Full-Time Food Handlers	CURRENT	Effective Monday
		Prior to Ratification*
Grade 3	\$31.13	\$31.13
Grade 2	\$26.50	\$26.50
Grade 1	\$25.00	\$25.00

Classified Assistant	CURRENT	Effective Monday
		Prior to Ratification*
Grade 9	\$29.13	\$29.13
Grade 8 <i>(only for hires/promotions after 2023 contract expiration)</i>	-	\$28.25
Grade 7 <i>(only for hires/promotions after 2023 contract expiration)</i>	-	\$27.25
Grade 6 <i>(only for hires/promotions after 2023 contract ratification)</i>	\$26.25	\$26.25
Grade 5 <i>(only for hires/promotions after 2023 contract ratification)</i>	\$24.50	\$24.50
Grade 4 <i>(only for hires/promotions after 2023 contract ratification)</i>	\$23.50	\$23.50
Grade 3 <i>(only for hires/promotions after 2023 contract ratification)</i>	\$22.50	\$22.50
Grade 2	\$21.50	\$21.50
Grade 1	\$20.50	\$20.50

All employees in a full-time classification in Appendix C and hired or promoted before March 3, 2025 will progress to the next highest grade in the wage scale effective the Monday immediately prior to ratification. All employees in a full-time classification in Appendix C will then progress to the next highest grade in the wage scale on the subsequent first Monday of March for the term of this agreement.

APPENDIX: WAGE PROGRESSIONS

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Former FT Maintenance - Sunday remains outside the work week - will follow the Classified Assistant wage scale

Former FT Meat Helper - Sunday remains outside the work week - will follow the FT Food Handler wage scale

Part-Time Food Handlers	CURRENT	Effective Monday
		Prior to Ratification*
Grade 29	\$21.00	\$21.00
Grade 28	\$20.75	\$20.75
Grade 27	\$20.50	\$20.50
Grade 26	\$20.25	\$20.25
Grade 25	\$20.00	\$20.00
Grade 24	\$19.75	\$19.75
Grade 23	\$19.50	\$19.50
Grade 22	\$19.25	\$19.25
Grade 21	\$19.00	\$19.00
Grade 20	\$18.75	\$18.75
Grade 19	\$18.50	\$18.50
Grade 18	\$18.25	\$18.25
Grade 17	\$18.00	\$18.00
Grade 16	\$17.75	\$17.75
Grade 15	\$17.50	\$17.50
Grade 14	\$17.25	\$17.25
Grade 13	\$17.00	\$17.00
Grade 12	\$16.75	\$16.75
Grade 11	\$16.50	\$16.50
Grade 10	\$16.25	\$16.25
Grade 9	\$16.00	\$16.00
Grade 8	\$15.75	\$15.75
Grade 7	\$15.50	\$15.50
Grade 6	\$15.25	\$15.25
Grade 5	\$15.00	\$15.00
Grade 4	\$14.75	\$14.75
Grade 3	\$14.50	\$14.50
Grade 2	\$14.25	\$14.25
Grade 1	\$14.00	\$14.00

Courtesy and Custodial	CURRENT	Effective Monday
		Prior to Ratification*
Grade 21	\$17.00	\$17.00
Grade 20	\$16.75	\$16.75
Grade 19	\$16.50	\$16.50
Grade 18	\$16.25	\$16.25
Grade 17	\$16.00	\$16.00
Grade 16	\$15.75	\$15.75
Grade 15	\$15.50	\$15.50
Grade 14	\$15.25	\$15.25
Grade 13	\$15.00	\$15.00
Grade 12	\$14.75	\$14.75
Grade 11	\$14.50	\$14.50
Grade 10	\$14.25	\$14.25
Grade 9	\$14.00	\$14.00
Grade 8	\$13.75	\$13.75
Grade 7	\$13.50	\$13.50
Grade 6	\$13.25	\$13.25
Grade 5	\$13.00	\$13.00
Grade 4	\$12.75	\$12.75
Grade 3	\$12.50	\$12.50
Grade 2	\$12.25	\$12.25
Grade 1	\$12.00	\$12.00

All employees in a part-time classification (including Courtesy & Custodial) in Appendix C and hired or promoted before March 3, 2025 will progress to the next highest grade in the wage scale effective the Monday immediately prior to ratification. All employees in a part-time classification (including Courtesy & Custodial) in Appendix C will then progress to the next highest grade in the wage scale on the subsequent first Monday of September and first Monday of March for the term of this agreement.

APPENDIX: WAGE PROGRESSIONS

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Supervisors classified as part-time and who are assigned to the Front-End or Online Shopping shall receive \$1.50 per hour shift differential for each hour worked in a supervisory position.

APPENDIX: DEPARTMENT HEAD CLASSIFICATION (SECTION 17.2.H)

The Employer may designate Department Heads consistent with the following provisions: There shall be no fewer than four (4) Department Heads per store in the Food Handler departments. ~~An Employer who wishes to establish additional Department Head positions must first maintain and fill each of the six (6) Department Head positions specified by title in Appendix C of this Agreement on page 49 before it may fill any of the optional Department Head positions as provided below. Each Employer will have the option to designate a total of up to nine (9) Department Head positions in each store. However, no Employer shall be obligated to create or fill any additional Department Head positions by reason of these provisions.~~ Each Employer may designate what positions or jobs will be recognized as additional Department Head positions for itself, recognizing that the additional positions so designated may vary ~~from one company to another and~~ from store to store ~~within each company.~~

If the Employer chooses to designate an existing leadership position occupied by a bargaining unit employee as one of its additional Department Head positions, the incumbent employee will be promoted to Department Head status and remain in that position, subject to the provisions for demotion set forth below. ~~Each Employer shall provide the local Union with two (2) weeks advance notice of its intention to designate a position as one of the additional or optional Department Head positions. This provision for such notice does not reflect any requirement of Union approval, but rather will ensure that the Union is aware of the Employer's actions and may identify any employee concerns which might arise.~~

Department Heads selected from the jurisdiction of this **area** Agreement shall accumulate seniority while in the classification of Department Head and shall be retained in that position by the Employer irrespective of seniority. Department Heads selected from outside the jurisdiction of this area Agreement shall be entitled to only such seniority as is acquired in accordance with their length of service in case of layoff or rehire.

Employees designated Department Heads will continue in that capacity except that such Department Heads may be demoted by the Employer at any time with a two (2) week notice. An employee may step down with a two (2) week written notice. Department Head seniority shall be forfeited due to a break in service in the position of Department Head or store closure.

If a Classified Assistant is promoted to a Department Head position, Sunday shall remain part of their workweek.

Any Department Head who is demoted or chooses to step down will revert to the classification they held prior to becoming a Department Head. Any Department Head who is demoted or chooses to step down, who has not previously held a **full-time** classification or a part-time classification, will revert to Classified Assistant.

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APPENDIX: Letter of Agreement –Online Shopping

UFCW Local 663 and Lund Food Holdings, Inc. agree that the company will operate an Online Shopping / eCommerce department in select stores within the UFCW Local 663 jurisdiction. The existing Collective Bargaining Agreement [NEW CBA TERM] will remain in full force, with the following clarifications:

1. **Online Shopping Supervisors** – The company will appoint Online Shopping Supervisors, who will be outside the bargaining unit, to oversee Online Shopping operations in each selected store. Supervisors will not perform bargaining unit work.
2. **Online Shoppers** – Bargaining unit members will serve as Online Shoppers, chosen by the company and classified as Part-Time Food Handlers (Grocery). They will be paid according to the wage scale in Appendix C, with staffing levels based on business needs. Product selection and order packaging within the store will be considered bargaining unit work.
3. **Additional Duties for Online Shoppers** – Online Shoppers may also perform other bargaining unit tasks, such as stocking, displaying, and cashiering, when business needs allow. Part-time Online Shoppers will follow the seniority provisions outlined for Part-Time Food Handlers (Grocery) in the labor agreement.
4. **Delivery Drivers** – The company will employ Delivery Drivers, who will be outside the bargaining unit, with staffing levels based on business needs. Loading and unloading customer orders will not be considered bargaining unit work.
5. **Third-Party Vendors** – The company may use third-party vendors for delivery services, including order selection. These vendors will operate outside the bargaining unit. However, third-party order shopping will not reduce bargaining unit members' hours or positions.

All terms and conditions will be subject to renegotiation upon the expiration of this agreement.

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