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This total and comprehensive package proposal is conditioned upon a prompt and peaceful settlement and must be accepted in its entirety. The Employer reserves the right to revoke this offer in its entirety in the event it is not recommended in its entirety or as the result of any economic action initiated against any member of the coordinated employer group by the Union. All other employer proposals are conditionally withdrawn as part of this package, although the Employer reserves the right to revert to prior positions if this offer is not accepted.

All Local 663 proposals not included in this document are rejected by Cub Foods.

Term of Agreement

Employer proposes an agreement for a term ending March 4, 2028 at 11:59 p.m.

Wages

Bargaining Note: Cub has proposed increases for TOS and above in all classifications, but has not proposed increases to grid starting points. Cub processed regular six-month increases for in progression associates in early March, so many associates have recently received increases, and that is why Cub is not proposing any immediate increases for those in progression as all have received an increase (or been hired) within the past six months.

Cub proposes wages and classifications as set forth in the attached wage grids, with wage changes to be effective as of the Sunday prior to contract ratification.

The following language from the 2023-2025 contract to be maintained:

• Food Handlers and Pharmacy Employees shall receive not less than ten cents (\$.10) above federal state, city or county minimum wage, whichever is higher, during the term of this agreement.

The following language to be added regarding minimum wage increases:

If, due to minimum wage laws, an employee receives an unscheduled increase, if such increase is more than the
next scheduled progression increase, the employee's progression date increase will be reset to the effective date
of the minimum wage change.

Cub Proposed Wages and Classifications – Meat Employees

Classification	Current Minimum Rate	Minimum Upon Ratification*	Minimum Effective March 1, 2026	Minimum Effective March 7. 2027
Head Meat Cutter	\$32.44	\$33.39	\$34.34	\$35.29
Journeyman	\$31.44	\$32.39	\$33.34	\$34.29
Modified PT Meat Cutter	\$21.00	\$21.65	\$22.30	\$22.95

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Apprentices

Time worked	Current Minimum Rate	Minimum Upon Ratification*	Minimum Effective March 1, 2026	Minimum Effective March 7. 2027
0-6 months	\$20.00	\$20.00	\$20.00	\$20.00
6-12 months	\$21.00	\$21.00	\$21.00	\$21.00
12-18 months	\$22.00	\$22.00	\$22.00	\$22.00
18-24 months	\$23.00	\$23.00	\$23.00	\$23.00
Thereafter	\$31.44	\$32.39	\$33.34	\$34.29

Meat Helper (includes Service Employees)

Time worked	Current Minimum Rate	Minimum Upon Ratification*	Minimum Effective March 1, 2026	Minimum Effective March 7. 2027
0-6 months	\$16.00	\$16.00	\$16.00	\$16.00
6 -12 months	\$16.50	\$16.50	\$16.50	\$16.50
1-2 years	\$17.00	\$17.00	\$17.00	\$17.00
2-3 years	\$18.00	\$18.00	\$18.00	\$18.00
3-4 years	\$19.00	\$19.00	\$19.00	\$19.00
4-5 years	\$20.00	\$20.00	\$20.00	\$20.00
5-6 years (current over 5 years)	\$30.32	\$25.16**	\$25.16**	\$25.16**
6-7 years		\$30.32**	\$30.32**	\$30.32**
7-8 years		\$31.22	\$31.22	\$31.22
8-9 years			\$32.12	\$32.12
10 years	_		_	\$33.02

^{**} Only employees hired or promoted after ratification must complete these steps for Meat Helpers.

Employees who are above scale will receive the following increases:

	Effective upon ratification*	3/7/2026	3/6/2027
Head Meat Cutter	\$0.95	\$0.95	\$0.95
Journeyman	\$0.95	\$0.95	\$0.95
Modified PT Meat Cutter	\$0.65	\$0.65	\$0.65
Meat Apprentices	\$0.95	\$0.95	\$0.95
Meat Helper/Service Employees	\$0.90	\$0.90	\$0.90

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Cub Proposed Wages and Classifications – Full Time Employees

Classification	Current Minimum Rate	Minimum Upon Ratification*	Minimum Effective March 1, 2026	Minimum Effective March 7. 2027
Assistant Manager	\$31.33	\$32.28	\$33.23	\$34.18
Produce Department Head	\$31.33	\$32.28	\$33.23	\$34.18
Frozen Food Department Head	\$31.33	\$32.28	\$33.23	\$34.18
Bookkeeper or Head Cashier	\$31.33	\$32.28	\$33.23	\$34.18
Delicatessen Department Head	\$31.33	\$32.28	\$33.23	\$34.18
Company Designated (up to 5 per store)	\$31.33	\$32.28	\$33.23	\$34.18

Full-Time Food Handlers and Pharmacy Employees

Time worked	Current Minimum Rate	Minimum Upon Ratification*	Minimum Effective March 1, 2026	Minimum Effective March 7. 2027
0-6 months	\$16.00	\$16.00	\$16.00	\$16.00
6-12 months	\$16.50	\$16.50	\$16.50	\$16.50
1-2 years	\$17.00	\$17.00	\$17.00	\$17.00
2-3 years	\$18.00	\$18.00	\$18.00	\$18.00
3 -4 years	\$19.00	\$19.00	\$19.00	\$19.00
4-5 years	\$20.00	\$20.00	\$20.00	\$20.00
5-6 years (current 5 years or more)	\$30.33	\$25.00**	\$25.00**	\$25.00**
6-7 years		\$30.33**	\$30.33**	\$30.33**
7-8 years		\$31.23	\$31.23	\$31.23
8-9 years			\$32.13	\$32.13
10 years				\$33.03

^{**} Only employees hired or promoted after ratification must complete these steps for Full-Time Food Handlers and Pharmacy Employees.

Cub Proposed Wages and Classifications - Full Time Employees (cont'd)

Classified Assistants

Time worked	Current Minimum Rate	Minimum Upon Ratification*	Minimum Effective March 1, 2026	Minimum Effective March 7. 2027
Start -one year	\$18.00	\$18.00	\$18.00	\$18.00
1-2 years	\$19.00	\$19.00	\$19.00	\$19.00

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2-3 years	\$20.00	\$20.00	\$20.00	\$20.00
3-4 years	\$21.00	\$21.00	\$21.00	\$21.00
4-5 years	\$22.00	\$22.00	\$22.00	\$22.00
5-6 years (current over 5 years)	\$28.33	\$25.15**	\$25.15**	\$25.15**
6-7 years		\$28.33**	\$28.33**	\$28.33**
7-8 years		\$29.18	\$29.18	\$29.18
8-9 years			\$30.03	\$30.03
10 years				\$30.88

^{**} Only employees hired or promoted after ratification must complete these steps for Classified Assistants.

Full-Time Maintenance

Time worked	Current Minimum Rate	Minimum Upon Ratification*	Minimum Effective March 1, 2026	Minimum Effective March 7. 2027
0-6 months	\$14.00	\$14.00	\$14.00	\$14.00
6-12 months	\$14.50	\$14.50	\$14.50	\$14.50
1-2 years	\$15.00	\$15.00	\$15.00	\$15.00
2-3 years	\$15.50	\$15.50	\$15.50	\$15.50
3 -4 years	\$16.00	\$16.00	\$16.00	\$16.00
4-5 years	\$16.50	\$16.50	\$16.50	\$16.50
5-6 years (current over 5 years)	\$24.93	\$24.93**	\$24.93**	\$24.93**
6-7 years		\$25.68	\$25.68	\$25.68
7-8 years			\$26.43	\$26.43
8 years or more				\$27.18

^{**} Only employees hired or promoted after ratification must complete these steps for Full-Time Maintenance.

Employees who are above scale will receive the following increases:

	Effective upon ratification*	3/1/2026	3/6/2027
Assistant Manager	\$0.95	\$0.95	\$0.95
Produce Department Head	\$0.95	\$0.95	\$0.95
Frozen Food Department Head	\$0.95	\$0.95	\$0.95
Bookkeeper or Head Cashier	\$0.95	\$0.95	\$0.95
Delicatessen Department Head	\$0.95	\$0.95	\$0.95

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	Effective upon ratification*	3/1/2026	3/6/2027
Company Designated	\$0.95	\$0.95	\$0.95
Full-time Food Handlers & Pharmacy	\$0.90	\$0.90	\$0.90
Classified Assistant	\$0.85	\$0.85	\$0.85
Full-time Maintenance	\$0.75	\$0.75	\$0.75

^{*}Initial wage increase is retroactive for up to one payroll week prior to ratification.

Cub Proposed Wages and Classifications – Part Time Employees

	Hours	Current Contract Minimum	Contract Minimum Upon Ratification*	Contract Minimum Effective March 1, 2026	Contract Minimum Effective March 7. 2027
Step 1	0-1 year	\$13.75	\$13.75	\$13.75	\$13.75
Step 2	1 year	\$14.00	\$14.00	\$14.00	\$14.00
Step 3	6 months	\$14.50	\$14.50	\$14.50	\$14.50
Step 4	6 months	\$15.00	\$15.00	\$15.00	\$15.00
Step S	6 months	\$15.50	\$15.50	\$15.50	\$15.50
Step 6	6 months	\$16.00	\$16.00	\$16.00	\$16.00
Step 7	6 months	\$16.75	\$16.75	\$16.75	\$16.75
Step 8	6 months	\$17.25	\$17.25	\$17.25	\$17.25
Step 9	6 months	\$18.00	\$18.00	\$18.00	\$18.00
Step 10	6 months	\$18.75	\$18.75	\$18.75	\$18.75
Step 11	6 months	\$19.50	\$19.50	\$19.50	\$19.50
Step 12	6 months	\$20.25	\$20.25	\$20.25	\$20.25
Step 13	6 months		\$20.85	\$20.85	\$20.85
Step 14	6 months			\$21.45	\$21.45
Step 15	6 months				\$22.05

Employees who are above scale will receive the following increases:

	Effective upon ratification*	3/1/2026	3/7/2027
All Part-Time	\$0.60	\$0.60	\$0.60

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*Initial wage increase is retroactive for up to one payroll week prior to ratification.

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Retirement

Employer counter-proposes to modify Article 14 as set forth below:

Article 14: Pension

- (A) The Minneapolis Retail Meat Cutters and Food Handlers Pension Fund (the Legacy Plan) will be frozen for all accrued benefits after February 28, 2019. Existing Legacy Plan participants will continue to earn vesting service and credited service for benefit eligibility purposes pursuant to the terms of this Article.
- (B) The Employer and Union will make a request to the board of trustees of the Legacy Plan to adopt IRC Section 432(b), Section 4, of the Multiemployer Pension Reform Act of 2014 (MPRA), which will allow the Legacy Plan to accelerate its certification into Critical Status (Red Zone) for fiscal plan year 2018.
- (C) The Employer and Union agree to a Rehabilitation Plan schedule for the Legacy Plan that requires Employer contributions to increase by 6% effective March 5, 2023 and 6% effective March 3, 2024. The Employer also will contribute \$2,643,633.42 million to the Legacy Plan by a redirect of contributions from the MRMC Health Fund effective for the contribution month beginning April 2, 2023, payable to the Legacy Plan in May 2023, and continuing thereafter until the redirection amount attributable to the Employer is fully paid, at which time the redirection shall cease. The Employer shall continue to make contributions to the Legacy Plan for all active employees in classifications for whom they have previously made contributions to the Legacy Plan and for future active newly hired employees (who are in classifications for whom contributions have been made under the Legacy Plan pursuant to the prior CBA) who are participants in the Variable Annuity Plan (VAP) Plan. In addition, the 30 year and out pension benefit will be eliminated with respect to accrued benefits, as allowed under the Rehabilitation Plan after February 28, 2019. Specifically, and not including the above-referenced redirect, The employer contribution rates to the Legacy Plan will increase according to the following schedule:

Pre-March 2023 2025 Contribution Rates	Effective March	Effective March	Effective March
	<u>2, 2025</u> 2023	<u>1, 2026</u> 2024	<u>7, 2027</u>
		0.00(.)	
	8.8% Increase	8.8% Increase	8.8% Increase
Full-time: \$149.13 \$167.56 per week	8.8% Increase \$182.31\$158.08	<u>8.8% Increase</u> \$198.35\$167.56	<u>\$.8% Increase</u> <u>\$215.80</u>

The Full-time Contribution Rate amounts referred to in this Article shall be paid on behalf of all applicable employees as defined above for each week when such employee has worked thirty-two (32) or more hours or thirty (30) or more hours (for those employees on the four (4)-ten (10) hour workweek) excluding hours worked on Sundays and holidays, except for floating and banked holidays.

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The Part-time Contribution Rate amounts referred to in this Article shall be paid on behalf of all applicable employees as defined above (excluding retirees who are receiving a UFCW Local 653 pension, Clean Team and Group 3 part-time employees) who have worked less than thirty-two (32) hours per week (excluding hours worked Sundays and on holidays).

- (D) Active employees with 30 years of service as of February 28, 2019, are a protected group, and will not be affected by the elimination of the 30 and out benefit in Paragraph (C) above.
- (E) The Employer and Union agree to establish established a Variable Annuity Plan (VAP Plan) for future service benefits effective January 1, 2019. Employers will make contributions to the VAP Plan for all current active employees and future active newly hired employees in classifications for whom contributions have been made under the prior CBA. The following Employer contribution rates will be made to the VAP Plan:

Weekly Contribution Rates	Effective March 2, 2025 January 1, 2022
Full-time hired on or after 1/1/19	\$52.36
Full-time hired on or before 12/31/18	<u>\$38.58</u>
Part time hired on or after 1/1/29	\$19.43
Part time hired on or before 12/31/18	<u>\$14.94</u>

(F) All current active and future active employees (excluding Group 3 Part-time, Clean Team and Retirees who are receiving a Legacy Plan pension) are eligible for coverage under the VAP Plan. All current active employees will bridge their vesting service between the Legacy Plan and the VAP Plan.

In the event that a modified part-time or regular part-time employee, on whose behalf a Legacy pension contribution was being made, retires, quits, or is terminated and is not replaced, then the Employer will pay a contribution on behalf of the most senior Group 3 part-time employee at the rate in Paragraph (C) above. The intent of this provision is to maintain Legacy pension funding for the life of this contract. This provision will not be applicable however in the event of a store closure.

(G) The annual benefit accrual of the VAP Plan for employees will be as follows:

	Effective January	Effective	Effective	Effective March
	1, 2019	January 1, 2020	January 1, 2021	<u>2, 2025</u> January
				1, 2022
VAP Accrual Rate for	\$26.25	\$28.75	\$32.50	\$35.00
participants hired on				
or after 1/1/19				
VAP Accrual Rate for				<u>\$25.00</u>
participants hired on				
or before 12/31/18				

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The service and vesting provisions of the VAP Plan will be the same as the Legacy Plan. The death benefit and disability benefits of the VAP Plan will be the same as the Legacy Plan. The forms of retirement benefit options of the VAP Plan will be the same as the Legacy Plan.

- (H) The Normal Retirement Age of the VAP Plan will be age 65. Eligibility for Early Retirement will be the same as the Legacy Plan with benefits reduced 6.0% per year for each year of retirement commencement prior to Normal Retirement Age. For example, if a pension-eligible employee retires at age 61, the employee's pension benefit shall be reduced by 24% ((retirement commenced 4 years prior to age 65) x 6% reduction per year).
- (I) All accrued annual benefits in the VAP Plan will be adjusted annually based on investment performance benchmarked to a hurdle rate of 5.5%.
- (J) Annual increases in accrued benefits will be capped at 3.0% above the hurdle rate. Any surplus increase in fund revenue based on investment performance above the 3.0% capped annual benefit adjustment will be allocated to a Stabilization Reserve. The purpose of the Stabilization Reserve is to support the maintenance of accrued benefits (for both actives and retirees) in years in which the investment return is less than the hurdle rate and which would normally cause a decrease in the accrued benefit. The Stabilization Reserve will be governed by the board of trustees of the VAP Plan according to the intent of this paragraph.
- (K) Upon retirement, employees eligible for pension benefits pursuant to the VAP Plan will have the option to choose whether (1) their retirement benefits will be fixed as of the date of their retirement, or (2) their retirement benefits will continue to vary annually based on investment performance. For employees who leave their employment for any reason prior to retirement, the accrued benefits will remain variable until retirement, at which point the employee may choose whether (1) their retirement benefits will be fixed as of the date of their retirement, or (2) their retirement benefits will continue to vary annually based on investment performance.
- (L) An Employer may withdraw from the Legacy Plan during the term of this Agreement and pay its allocated withdrawal liability, as long as it continues to participate in the VAP Plan pursuant to the terms of the collective bargaining agreement.
- (M) The Employer and the Union agree that during the term of this contract the parties will convert the Legacy Plan and VAP Plan Weekly Contribution Rates set forth above to an Hourly Composite Contribution Rate, to be effective with the employer's contribution payments for January 2019 to the VAP Plan and effective with the March 2019 payments for the Legacy Plan per the Plan Board of Trustees policy and as bargained.

The Board of Trustees will vote on a plan contribution conversion policy no later than October 31, 2018. The hourly composite contribution rates will be equivalent to what the weekly contribution rates would have been for the same time periods. Such policy must protect the financial integrity of the two plans and treat the converting employers fairly and equitably.

The collective bargaining agreement will be revised to state the hourly composite contribution rates and procedures once they are adopted by the board of trustees.

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- (M)(N) The Employer agrees that it will make available to employees who have completed the probationary period the option to contribute to an Employer-sponsored 401(k) retirement savings plan or have the option to offer a Roth Plan, subject to the conditions and requirements of that plan. It is understood that the Employer itself will have no obligation to make contributions to this plan on behalf of any employee or to match any contributions to such plan which may be made by any employee. The sole purpose of this provision is to provide employees with an advantageous opportunity to set aside personal funds for retirement savings.
- (N) The Employer is not required to make contributions to the Legacy Plan or VAP Plan after termination of employment (e.g. on vacation pay-outs after termination).
- (O) The Employer and Union believe the Fund Trustees should be transparent with them and plan participants and that their fiduciary duties require that periodic Requests for Proposals (RFPs) be conducted to determine the vendors best suited to provide services. For these reasons, upon request of either party to this Agreement, the Employer and Union shall jointly request quarterly updates from the Fund Trustees and jointly request that the Fund Trustees conduct RFPs commensurate with the vendors' next contract renewal. The Employer and Union further agree not to interfere with such requests.

Health and Welfare

COMPANY CLARIFICATION: The trustees of the UFCW 663 MRMC Health & Welfare Plan passed a Union initiated motion to improve current H&W benefits earlier this year. This motion included many, if not all, of the benefit improvements the union proposed at the bargaining table. This means that starting January 1, 2026:

- annual vision exams will be covered at 100%; and
- diagnostic and preventive, restorative, and prosthetic dental services coverage will be \$2,000 per eligible person annually;
- annual deductible for comprehensive major medical benefits will be \$500 per eligible person, and \$1,500 per family; and
- annual out of pocket maximum for comprehensive major medical benefits will be \$2,500 per eligible person and \$5,000 per family.

The result is that the contributions below will purchase improved benefits for participants in the health plan.

Employer proposes to modify Article 15 as set forth below:

Article 15: Health and Welfare

(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

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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: Benefit commencement shall remain as it was during the 2023-2025 agreement through December 31, 2025. Effective January 1, 2026, 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), Family, or Ancillary.
- Through December 31, 2025, 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 Employer's portion of the Single coverage rate. Starting January 1, 2026, modified part-time employees are eligible to elect any tier of coverage: Employees who wish to purchase coverage other than Single will be required to contribute the difference in premiums between Single and the tier of coverage that they elect, with the Employer's contribution capped at the Employer's portion of 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 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.

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- **(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 as it did during the 2023-2025 agreement through December 31, 2025, but at the employer and employee rates set forth below. Effective January 1, 2026, the Employer agrees to contribute to the Fund for employees electing coverage on the basis of employee classification as follows:
 - **Full-Time:** Full-time employees for each week the employee actually worked, was on FMLA, or received compensation required by this Agreement for vacation, 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: Modified part-time employees for each week the employee actually
 worked, was on FMLA, or received compensation required by this Agreement for
 vacation, 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.
 - Ancillary: 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 vacation, 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	93.1%	6.9%
Modified PT – Single Only	\$158.84	\$10.00	\$168.84	84.1%	5.9%
Ancillary	\$5.76	\$1.00	\$6.76	85.2%	14.8%

Effective 1/1/2026	Employer	Employee	Total Benefit	Employer	Employee
Effective 1/1/2026	Cost	Cost	Cost	%	%
FT – Single	\$148.73	\$16.53	\$165.26	90.0%	10.0%
FT – Single + Spouse	\$304.91	\$33.88	\$338.79	90.0%	10.0%
FT – Single + Children	\$297.47	\$33.05	\$330.52	90.0%	10.0%
FT – Family	\$513.13	\$57.02	\$570.15	90.0%	10.0%
Modified PT – Single Only	\$148.73	\$16.53	\$165.26	90.0%	10.0%

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Effective 1/1/2026	Employer Cost	Employee Cost	Total Benefit Cost	Employer %	Employee %
Modified PT – Single + Spouse	\$148.73	\$190.06	\$338.79	N/A	N/A
Modified PT – Single + Children	\$148.73	\$181.79	\$330.52	N/A	N/A
Modified PT – Family	\$148.73	\$421.42	\$570.15	N/A	N/A
Ancillary	\$6.70	\$0.75	\$7.45	90.0%	10.0%

Effective 1/1/2027	Employer	Employee	Total Benefit	Employer	Employee
Effective 1/1/2027	Cost	Cost	Cost	%	%
FT – Single	\$148.73	\$16.53	\$165.26	90.0%	10.0%
FT – Single + Spouse	\$304.91	\$33.88	\$338.79	90.0%	10.0%
FT – Single + Children	\$297.47	\$33.05	\$330.52	90.0%	10.0%
FT – Family	\$513.13	\$57.02	\$570.15	90.0%	10.0%
Modified PT – Single Only	\$148.73	\$16.53	\$165.26	90.0%	10.0%
Modified PT – Single + Spouse	\$148.73	\$190.06	\$338.79	N/A	N/A
Modified PT – Single + Children	\$148.73	\$181.79	\$330.52	N/A	N/A
Modified PT – Family	\$148.73	\$421.42	\$570.15	N/A	N/A
Ancillary	\$6.70	\$0.75	\$7.45	90.0%	10.0%

Effective 1/1/2028	Employer	Employee	Total Benefit	Employer	Employee
Effective 1/1/2028	Cost	Cost	Cost	%	%
FT – Single	\$148.73	\$16.53	\$165.26	90.0%	10.0%
FT – Single + Spouse	\$304.91	\$33.88	\$338.79	90.0%	10.0%
FT – Single + Children	\$297.47	\$33.05	\$330.52	90.0%	10.0%
FT – Family	\$513.13	\$57.02	\$570.15	90.0%	10.0%
Modified PT – Single Only	\$148.73	\$16.53	\$165.26	90.0%	10.0%
Modified PT – Single + Spouse	\$148.73	\$190.06	\$338.79	N/A	N/A
Modified PT – Single + Children	\$148.73	\$181.79	\$330.52	N/A	N/A
Modified PT – Family	\$148.73	\$421.42	\$570.15	N/A	N/A
Ancillary	\$6.70	\$0.75	\$7.45	90.0%	10.0%

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

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former employee's behalf shall be in the calendar month following the month in which the employee last incurred actual hours worked.

(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.

Management Rights

Add the following Article to the contract and renumber as necessary:

The Employer's right to manage is retained and preserved except as abridged or modified by the language of this agreement. Management shall bargain with the Union regarding the impact and effects of the exercise of its rights on employees' terms and conditions of employment, if such effects have not been addressed in this Agreement.

Union Leave

Modify Section 11.2 as follows:

Section 11.2 Union Leave: An employee with at least one (1) year of seniority, who is elected or appointed to a full-time Union office, shall be granted a leave of absence for the term of such appointment, to a maximum of one (1) year. Temporary leaves of absence to attend state or national conventions shall be granted to all Executive Board members and elected delegates of the Union. Leaves of absence for Executive Board members for Union business will be granted as needed. Such members shall give their Employer a minimum of one (1) week two (2) weeks notice (except Union emergencies),-stating the starting and ending time for such leave. All wages and benefit expenses for the employee shall be paid by the Union for all time served on union leave.

The Employer shall not be required to give a leave for more than one (1) employee from each store.

Discharge

Replace current Article 6 with language from union proposal 5 (presented April 9, 2025), modified as set forth below:

No employee shall be discharged without just cause. Dishonesty, gross inefficiency, theft, harassment, possession of a firearm in the store, threatening or engaging in violence, vandalism, insubordination, or serious safety violations, or will be considered as causes for dismissal without progressive discipline.-Being under the influence of alcohol or illegal controlled substances (drugs) while at work will be considered as causes for dismissal without progressive discipline to the extent permitted by law, however, upon

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certificate of rehabilitation will be reinstated. <u>Employees discharged for an offense not requiring progressive discipline shall not be paid for accrued but unused vacation or personal holidays.</u>

The Employer agrees that in cases of suspension or discharge of an Employee, if requested by the Employee, a Shop Steward or Union Representative will be permitted to attend administration of the discipline.

Employees shall be allowed to include their own written accounts and rebuttals to all Employer-generated documents in their personnel file.

<u>If a suspension or discharge is not issued,</u> employees shall be paid for scheduled time lost during investigatory suspensions.

MN ESST

Add new Section 7.5 as follows:

Section 7.5: Minnesota Earned Sick and Safe Time. Pursuant to the Employer's Sick and Safe Policy on the Minnesota Earned Sick and Safe Time Act ("Act"), up to forty-eight (48) hours of an employee's available vacation and/or personal/floating holidays may be used as eligible Earned Sick and Safe Time (ESST) for permissible purposes defined under the Act. Employees entitled to fewer than 48 hours of frontloaded vacation and/or personal/floating holidays, will accrue time off for ESST purposes in accordance with the Employer's policies on the Act, provided such policies do not reduce time off available to Employees during the term of this Agreement.

H&W Letter of Agreement

The employer proposes a letter of agreement relating to temporary contributions to a Health Reimbursement Account (HRA) providing for the following:

Employer contributions will be made on behalf of eligible full-time and modified part-time employees, defined as those who were enrolled in the MRMC Health Care Plan as of March 2, 2025, and maintained coverage through January 1, 2026. Contributions will commence the week of January 4, 2026, and will discontinue the week of December 26, 2027, provided the employee remains employed and retains healthcare coverage for the full period.

Contributions 1/4/2026 - 1/2/2027

Classification / Elected Coverage	Employer HRA Contribution (Weekly)
Modified Part Time / Single Coverage	\$5.00
Full Time / Single Coverage	\$5.00
Full Time / Single + Child(ren) Coverage	\$5.00
Full Time / Single + Spouse Coverage	\$5.00

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Classification / Elected Coverage	Employer HRA Contribution (Weekly)
Full Time / Family Coverage	\$22.02

Contributions 1/3/2027 - 12/26/2027

Classification / Elected Coverage	Employer HRA Contribution
	(Weekly)
Modified Part Time / Single Coverage	\$5.00
Full Time / Single Coverage	\$5.00
Full Time / Single + Child(ren) Coverage	\$5.00
Full Time / Single + Spouse Coverage	\$5.00
Full Time / Family Coverage	\$17.02

Prior Disputes

Upon ratification, all grievances (excluding discipline and discharge grievances) and/or unfair labor practice charges filed by the Union prior to the date of ratification will be withdrawn or dismissed with prejudice; and, it is agreed that no new grievance or ULP(s) related to conduct occurring before the date of ratification will be filed. In all such withdrawn or dismissed cases, the parties will bear their own attorneys' fees and costs.

Minimum Hours

Propose the following changes Section 2.5 (A), (B) and (C):

- (A) Modified part-time employees will be scheduled to work a minimum of fifteen (15) eighteen (18) hours, and a maximum of thirty one point nine (31.9) thirty nine point nine (39.9) hours of employment each week, in no more than five (5) days Monday through Saturday Sunday, exclusive of Sunday and holiday hours worked and/or for which they are paid but have not worked.
- (B) Regular part-time employees will be scheduled to work a minimum of fifteen (15) eighteen (18) hours of employment each week, in no more than five (5) days Monday through Saturday Sunday, exclusive of Sunday and holiday hours worked and/or for which they are paid but not worked. Regular part-time employees will be scheduled fewer than thirty (30) hours per week including Sundays.
- (C) Group 3 part-time employees will be scheduled to work a minimum of fifteen (15) eighteen (18) hours and a maximum of twenty-eight (28) hours of employment each week in no more than six (6) days Monday through Sunday.

Also propose the deletion of Section 5.3:

Section 5.3: Part-time employees (other than Group 3 employees) who work ninety-six (96) hours or more in a three (3) week consecutive period (excluding Sundays and holidays) shall receive the starting rate for full-time employees for the number of hours worked during the said three (3) consecutive week period

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only, providing no part-time employee shall receive full-time starting rate in more than two (2) weeks in which the employee worked less than thirty-two (32) hours per week.

Staffing on Easter and Thanksgiving

Allow Employer to fully staff on Easter and Thanksgiving as business requires.

(C) Easter: Easter is not a holiday for purposes of this article nor the rest of this Agreement. Employers who desire may operate their stores on Easter. Stores opened on Easter will be staffed by volunteers only, who sign a posting to work. Only those employees signing the posting to volunteer shall be allowed to work Easter. The Employer shall provide the Union a copy of the signed posting. If there are not enough volunteers available to staff the stores, Employers may, at their discretion, schedule the required number from part-time employees, using reverse seniority.

Employees working on Easter shall receive:

- Traditional full-time will be paid time-and-one-half (1 ½) for hours worked on Easter.
- Classified Assistants shall receive a four (4) dollar premium per hour for hours worked on Easter.
- All other classifications shall receive a two (2) dollar premium per hour for hours worked on Easter.
- (D) Thanksgiving: Employers who desire may operate their stores on this holiday. Stores opened on this holiday will be staffed by volunteers only, who sign a posting to work. Only those employees signing the posting to volunteer shall be allowed to work this holiday. The Employer shall provide the Union a copy of the signed posting. If there are not enough volunteers available to staff the stores, Employers may, at their discretion, schedule the required number from part-time employees, using reverse seniority.

Union Dues

Modify the first paragraph of Section 1.3 as follows:

The Employer agrees to deduct Union initiation fees, dues and uniform assessments from the wages of employees in the bargaining unit who provide the Employer with a voluntary written authorization which shall be irrevocable for a period of one year, or beyond the termination date of this Agreement, whichever occurs sooner. Such deductions will be made by the Employer from wages of employees on a monthly basis and will be transmitted to the Union by electronic funds transfer (EFT) within ten (10) days after such deduction. Employer will run one (1) additional special dues run per month upon request from the union The Union will supply to the Employer sufficient number of check-off authorization cards, which the Employer shall give to each new employee at the time they are hired.

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Manager on Duty Differential

Adjust language on a Manager on Duty differential as follows:

Part-time employees duly designated by management as a MOD, when the Store Director or Assistant Store Director are not scheduled to work, and who have completed the Employer's MOD training class, shall receive a one dollar and fifty cents (\$1.50) per hour premium for the shift in which the employee is designated as the MOD. This MOD premium will not be payable to employees working the night crew.

Tentative Agreement Reached on 3.17.25

Minnesota Paid Family and Medical Leave

Add new Section 11.11 as follows:

SECTION 11.11: MINNESOTA PAID FAMILY AND MEDICAL LEAVE Paid Family and Medical Leave. 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.

Tentative Agreement Reached on 3.17.25

Certified Pharmacy Technicians – New Classification for District Pharmacy Techs

The employer proposes the following change to Section 17.5:

Section 17.5 Certified Pharmacy Technicians: For purposes of layoff and recall, Certified Pharmacy Technicians shall have seniority based on their most recent date of hire. The seniority of Certified Pharmacy Technicians will be separate from any other employees within the bargaining unit. The Employer shall reimburse its Certified Pharmacy Technician employees for costs incurred in paying registration fees required for the performance of their duties in the store pharmacy.

The Employer agrees to provide for certification of certain employees within the Pharmacy Technician classification on the following basis:

Upon successful completion of the certification examination, the employee's application/examination fee and the cost expended for necessary training materials will be reimbursed by the Employer. Only one examination fee will be reimbursed per employee. Employees who obtain certification will be entitled to receive an hourly "certification premium" in the amount of seventy-five cents (\$.75) per hour in addition to the regular rate of pay in Appendix "C" for so long as the employee remains certified. Fees required to

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be expended by the employee to obtain recertification will be reimbursed by the Employer if recertification is obtained. The fees paid by the employee for attending continuing education courses required for renewal of certification will be reimbursed by the Employer if recertification is obtained. The Employer reserves the right to approve in advance the numbers of those employees who obtain certification at its expense, together with the accompanying premium pay.

Each district shall have up to five (5) job postings for "District Pharmacy Technicians" who shall receive training and be available to support multiple stores within an assigned group of stores. These District Pharmacy Technicians shall have an assigned base store, but shall be scheduled to work at other stores within the group to assist with onboarding of new technicians and to address staffing shortages, vacations, sick call-outs and other scheduling needs. Schedules for District Pharmacy Technicians shall be posted two (2) weeks in advance, but shall remain subject to changes to the schedule and/or location. District Pharmacy Technicians shall receive an additional premium of \$0.75 per hour, which may be stacked with the certified premium.

Tentative Agreement Reached on 6.12.25

Night Stocking Crew Premiums

Add language to agreement as follows:

Night crew stockers and freight team members shall receive a premium of \$1 per hour for hours worked on shifts that start between 10 pm and 2 am; Managers assigned to supervise these shifts shall receive the same premium.

Tentative Agreement Reached on 6.12.25

Transfers

The Employer proposes the following modifications to Section 5.7:

Section 5.7: When employees are required to travel from one store to another in any one (1) day, travel time shall be considered as time worked and, in addition, the employee shall be paid mileage in accordance with the mileage policy of the Employer, but not less than the rate specified by the Internal Revenue Service as the "standard mileage rate."

If employees make a delivery of product to a store at the Employer's direction, such time will be considered as time worked and mileage will also be paid.

All full-time employees shall receive a minimum of two (2) three (3) weeks' notice in the event of an Employer-initiated transfer. Temporary transfers may occur without notice as a result of an emergency situation arising in the business. No employee will be transferred as a means of discipline. The Employer shall take into account the circumstances of the affected employee in making transfer decisions. Once transferred, an employee may not be transferred to another location in an Employer-initiated transfer

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for a period of twelve (12) calendar months unless by mutual agreement between the Employee and the Employer with a copy of the transfer consent provided to the Union prior to the transfer. The Employer will post in breakrooms the availability of an interest form to volunteer for transfer opportunities and will create a volunteer bank for future transfer considerations. Employees who volunteer on this list will be considered first for transfers that fit the employee's qualifications and preferred store locations.

Tentative Agreement Reached on 6.12.25

Special Deep Cleaning Projects

Add the following Article to the contract and renumber as necessary:

Employer shall continue to be allowed to utilize outside vendors to complete special deep cleaning projects in the stores.

Tentative Agreement Reached on 6.12.25

Holiday Qualification

Clarify Holiday pay as follows:

Section 3.3 Holiday Qualifications: Full-time employees will be eligible for holiday pay if they are a full-time employee as of the date the holiday(s) occur. Part-time employees (excluding Group 3 employees through March 2, 2019) will be eligible if they have completed ninety (90) calendar days of employment as part- time employees, except for regular part-time Clean Team employees who will be eligible only after they have completed one (1) year of continuous service.

In addition to the above qualifications, employees must have worked one of the following: in the week before the holiday occurs, in the week in which the holiday occurs, or in the week after the week the holiday occurs. In addition, the employee must work his/her scheduled workday before the holiday his/her scheduled workday on the holiday if scheduled, and his/her scheduled workday after the holiday unless excused by the Employer or unless absent due to proven illness or injury. If the employee does not meet these requirements, he/she will not be eligible for holiday pay.

Tentative Agreement Reached on 6.12.25

Arbitration

Modify Section 16.2 as follows:

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 an officer of the Union and the Employer or his/her representative. Any controversy which cannot be so settled promptly may be referred to Arbitration. The Federal Mediation and Conciliation Service (FMCS) shall be called upon to furnish a panel of seven (7) 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

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the 125-mile Metropolitan area list. The decision of the arbitrator shall be final and binding on all parties concerned. <u>If</u> <u>FMCS fails to provide a panel within thirty (30) days of request, the parties will use the American Arbitration Association (AAA) on the same terms set forth above.</u>

Tentative Agreement Reached on 6.12.25

Employee Waivers

Adjust language on employee waivers on minimum hours in Section 2.5(F) to match union proposal presented on April 5, 2025:

(F) 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 less hours. Any such approved written request shall remain valid until the employee revokes or requests changes with a two (2) week written notice. Upon 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 the store level and 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(1).

Note: Tentative Agreement Reached on 6.12.25; Modification to Tentative Agreement Reached on 2.27.25