

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 Any proposals that are withdrawn by Lund Food Holdings, Inc. during the course of negotiations shall not be introduced as evidence or have any effect in any future bargaining, grievances, or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.

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 the Employer 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 All other employer proposals are conditionally withdrawn as part of this package, although the Employer reserves the right to revert to prior positions if this offer is not accepted.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 UFCW 663 proposals not included in this document are rejected by the Employer.

Disclaimer Regarding Spanish Translation: A Spanish-language version of this proposal is being provided solely to assist bargaining committee members whose preferred language is Spanish in understanding the contents of the proposal and to facilitate the bargaining process. However, the official and legally binding version of this proposal is the English-language document. In the event of any inconsistency, ambiguity, or discrepancy between the English and Spanish versions, the English version shall govern and be the definitive statement of the Employer's proposed changes to the terms and conditions of employment.

#	CBA Location	Proposed Change(s)															
E1	Article 1.2 Union Security	Add the following language: Managers and supervisors assigned to the Fresh Kitchen may perform bargaining unit work on an incidental or as-needed basis, solely for the purpose of addressing unforeseen operational needs such as staffing shortages, emergencies, or workload surges. The use of managerial or supervisory personnel for such purposes shall not result in the displacement, reduction of hours, or layoff of bargaining unit employees, nor shall it be used to eliminate bargaining unit positions.															
E3	Article 4 Paid Time Off REVISED 6/21/25	New Vacation / Sick Benefits Structure to be Implemented January 2026: Article 4: Paid Vacation Time Section 1: Employees shall be awarded paid vacation time on each anniversary date based on the following schedule: <table> <tr> <th>Years of Service</th><th>VAC Award Per Eligible Hour Worked/Paid</th><th>Maximum VAC Hours Award Per Anniversary</th></tr> <tr> <td>1st anniversary to and including 4th anniversary</td><td>0.027</td><td>56</td></tr> <tr> <td>5th anniversary to and including 9th anniversary</td><td>0.046</td><td>96</td></tr> <tr> <td>10th anniversary to and including 14th anniversary</td><td>0.065</td><td>136</td></tr> <tr> <td>15th anniversary and beyond</td><td>0.085</td><td>176</td></tr> </table> <p>Section 2: Vacation overtime shall be based on the average hours over forty (40), computed at one and one-half (1½) the full-time employee's then-current straight time rate.</p> <p>Section 3: All Vacation grant hours worked shall be considered for purposes of calculating vacation grants. Vacation grant hours worked are defined as: regular hours, Sunday hours; vacation hours, holiday hours, bereavement hours, and jury duty hours paid. Employees with less than 90 days of service will accrue vacation, but such time will not be granted or available for use until after their 90th day of service. Additionally, any employee that separates employment with the company prior to completing one (1) year of service shall forfeit any granted vacation that has not been used prior to their last day of employment.</p> <p>Section 4: If a holiday falls during an employee's vacation, the employee will receive an extra day of vacation or the equivalent in pay.</p>	Years of Service	VAC Award Per Eligible Hour Worked/Paid	Maximum VAC Hours Award Per Anniversary	1 st anniversary to and including 4 th anniversary	0.027	56	5 th anniversary to and including 9 th anniversary	0.046	96	10 th anniversary to and including 14 th anniversary	0.065	136	15 th anniversary and beyond	0.085	176
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Section 5: The Employer shall apply all appropriate state and federal tax deductions on ~~vacation~~ earnings.

Section 6: ~~Vacation~~ schedules ~~in each facility~~ shall be posted January 1st, and ~~vacation selected awarded~~ on the basis of seniority by classification (Leads, ~~Process Helper Utility~~, Operators, ~~Sanitation~~) by February 15th of each year. The approved ~~vacation~~ schedule shall be posted in ~~each market the facility~~ by March 16th of each year for the following twelve (12) month period to March 16th.

Employees who fail to ~~select submit vacation requests~~ by February 15th will be placed at the bottom of the seniority list for the purpose of ~~vacation selection awards~~. ~~Vacation awarded selected~~ after February 15th will be on a first-come/first-served basis.

Section 7: Employees ~~cannot~~ use earned ~~vacation~~ for ESST purposes., ~~and the amount of vacation that an employee can use per year shall be capped in accordance with the State of Minnesota SST ordinance (Ord. No. 181.9413). Also, in accordance with SST, employees with less than one (1) year of service will begin accruing PTO immediately but will not have any PTO granted for use until after completing ninety (90) days of service. Employees who end employment with less than one (1) year of service will not have any unused PTO paid out.~~

~~**Section 8:** The Employer shall retain the right to implement a private plan substitution should new state legislation be enacted offering paid family leave and commissioner approval is granted of said private plan. 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.~~

Article 5: Paid Sick Time

Section 1: Starting January 2026, on the employee's first date of hire and then on every subsequent anniversary date following, the Employer shall credit each employee with a bank of forty-eight (48) hours of paid sick time. Any unused paid sick time hours at the end of the employee's anniversary year shall be paid out at the employee's base rate.

Section 2: All employees may use paid sick time for a purpose protected by the Minnesota Earned Sick and Safe Time ("ESST") law and may do so:

1. 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;
2. in increments no smaller than 15 minutes; and
3. if using more than three consecutive scheduled workdays, only if the employee provides reasonable documentation.

The Employer, at its discretion, may set policies for administration of paid sick time as long as they do not conflict with the Minnesota ESST law or the terms of this Agreement.

Section 3: Employees may use paid sick time for non-sick purposes if the following conditions are met:

1. The time off is requested in advance; and
2. Pre-approval is obtained prior to the posting of the work schedule covering the requested date(s).

CLARIFICATION – LANGUAGE NOT TO BE INCLUDED IN CBA: Paid Personal Holiday benefits are factored into the Vacation / Sick benefit structure and therefore all references to personal holiday benefits in the contract shall be eliminated. Additionally, when sick time is implemented in January 2026, there shall be a one-time prorated sick time grant based on how much time is left of the employee's anniversary year after time is granted no later than January 31, 2026. Cutover Example: If grants are made on January 1, 2026 and an employee's

		<p>anniversary date is February 1, 2026; they would receive 1/12 of the sick time grant and then receive an additional 48 hours on their anniversary on February 1, 2026.</p> <p>An amount of PTO in the amount of 48 hours, minus the amount of one-time prorated sick grant, will be converted to sick time grant. The remainder of unused PTO will convert to vacation grant.</p>
E5	Article 6 Discharge	<p>Replace Article 6: Discharge in its entirety with below.</p> <p>No employee shall be discharged without just cause. Dishonesty, gross inefficiency, theft, harassment, possession of a firearm in the production facility, threatening or engaging in violence, vandalism, insubordination, or serious safety or good manufacturing practice violations 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 certification of rehabilitation will be reinstated.</p> <p>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.</p> <p>Employees shall be allowed to include their own written accounts and rebuttals to all Employer-generated documents in employees' personnel files.</p> <p>Employees shall be paid for scheduled time lost during investigatory suspensions.</p> <p>An employee who terminates employment after one (1) or more years of continuous employment shall receive their <u>unused vacation</u> pay unless they committed an offense that warranted discharge without progressive discipline as noted in Article 6.</p> <p>As a result of this modifying Article 6 as written above, Article 25: Union Representation Attendance During Discipline will be eliminated.</p>
E6	Article 15 Health & Welfare	<p>Refer to Employer's Counter Proposal - APPENDIX: Health & Welfare</p> <p>Refer to APPENDIX: Temporary HRA Contributions</p>
E8	Article 27 Safety Plant Security REFER TO APPENDIX: GMP SERIOUS VIOLATIONS	<p>Modify as follows:</p> <p>Section 1: The Employer will establish and publish a written policy setting out its guidelines for employee safety and plant security. <u>The Employer will also maintain a Good Manufacturing Practices (GMP) Policy that addresses food safety handling practices for all employees. The Employer will maintain its GMP documents currently translated.</u> The employer will post these policies in its breakroom and provide copies to the Union.</p> <p>Section 2: The employer agrees to expand the existing Safety Committee to encompass ergonomics. This expanded committee will be called the Safety & Ergonomics Committee and the scope of this committee's work will be for the entire plant. This committee will meet no less than quarterly. The purpose of the committee is to review production processes and incidents in order to make recommendations regarding plant safety and ergonomics.</p> <p>Section 3: The committee will consist of members from leadership, production staff, asset protection, continuous improvement, quality assurance, and the Employer's Environmental Health & Safety professional. Hours spent attending the meetings and training will be covered by the employer. Meetings of the committee shall be scheduled at such times, and in such a manner, as to not interfere with the orderly operations of the plant.</p> <p>Section 4: Upon request, the Employer will provide to the union, minutes from the meetings and documentation of action taken.</p>
E11	Article 31 Contract Term REVISED 6/10/25	<p>Year 1: Monday immediately prior to Ratification – July 5, 2026 (Sunday)</p> <p>Year 2: July 6, 2026 (Monday) – July 4, 2027 (Sunday)</p> <p>Year 3: July 5, 2027 (Monday) – July 2, 2028 (Sunday)</p>

E12	Appendix A1	<p>Clean up this Appendix as outlined below:</p> <p><u>Eliminate</u> the following provisions due to no longer having any employee with a date of hire prior to February 1, 2005:</p> <ul style="list-style-type: none"> • Sunday will be outside the basic workweek for those employees hired before February 1, 2005. • Rates of pay for full-time employees hired before February 1, 2005, for Sunday work will be one and one-half (1½) times the employee's regular straight time rate of pay. • Rates of pay for part-time employees hired before February 1, 2005, for Sunday work will be their regular straight time rate of pay plus \$0.50 (fifty cents) per hour. <p><u>Eliminate</u> the following provision as it is already addressed in Section 4.3:</p> <ul style="list-style-type: none"> • Relocated to Section 4.3: Sunday shall apply toward vacation benefits for all employees. <p><u>Maintain</u> and <u>Relocate</u> the following provisions:</p> <ul style="list-style-type: none"> • Relocate to Section 2.1: Sunday will be voluntary for employees • Relocate to Section 2.1: If there are insufficient volunteers, the Employer may schedule employees using inverse seniority within each job classification (Lead personnel, Full-time and Part-time). • Relocated to Article 3 and create new Section 5: Employees working Easter Sunday shall have the option to elect to postpone their hours worked on Easter Sunday in exchange for a floating holiday as outlined in Section 3.4 of this Agreement. • Relocated to Article 3 and create new Section 5: Pay for Easter Sunday will be time and one-half (1½) for all hours worked. • Relocate to Appendix A Wages: Sunday work shall apply to the accumulated hours of each part-time employee for the purpose of wage progression. • Relocated to Appendix A Wages: Sanitation employees working the majority of their hours between 11:00 p.m. and 5:00 a.m. shall receive a \$1.00 per hour night premium for all hours worked that shift. <p>As a result of making the above modifications, Appendix A1 will be eliminated from the contract.</p>
E13	<p>Appendix A - Wages</p> <p>REVISED 6/10/25</p>	<p>Refer to Employer Proposal APPENDIX: WAGE PROGRESSIONS</p> <p>Wage Increase Timing and Coordination with Ratification Date</p> <p>Wage increases under the new collective bargaining agreement shall be coordinated with the date of ratification, as follows:</p> <ul style="list-style-type: none"> • If the new agreement is ratified <u>before the expiration</u> of the current contract, the applicable wage increases will take effect on the Monday immediately prior to the ratification date, resulting in an early implementation of the new wage rates. • If the agreement is <u>ratified after the expiration</u> of the current contract, wage increases will be delayed and shall not take effect until the Monday immediately prior to the ratification date. No retroactive wage increases will be applied for any period prior to the Monday immediately preceding the ratification date. <p>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 may 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, it shall be at the Employer's discretion whether that employee will receive the scheduled wage progression. In the event the</p>

		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.
E14	General Clean Up NEW 6/10/25	Section 2.1: Remove all references to before/after February 1, 2005. Revise to simply state: <u>"The basic workweek for full-time employees shall be forty (40) hours to be worked in any five (5) days Monday through Sunday."</u>
E15	MN Paid Family Leave NEW 6/10/25	New Article XX: Minnesota Paid Family 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.
U7	Linens, Dry Cleaning, Tools	Article 18: Uniforms <u>shall be determined at the sole discretion of the Employer, and</u> when required by the company, will be furnished by the company at no cost to the employee. Professional laundry services, where required, will be furnished by the company at no cost to the employee. Employees are responsible for reimbursing the employer for the cost of uniforms that are damaged beyond normal wear and tear, destroyed, lost or not returned upon leaving the company. Such costs will be withheld from employees' pay. Footwear is the responsibility of the employee and must comply with company safety and sanitation specifications. The employer will contribute \$75.00 annually to each employee for slip-resistant shoes.
U11	Workplace Rights	New Article entitled: Workplace Rights, with the following sections <u>Section 1. Workplace Immigration Enforcement.</u> The employer will promptly notify the shop steward and union if the company is contacted by the Department of Homeland Security (DHS) or Immigration and Customs Enforcement (ICE), a branch of DHS for any purpose or if a search and/or arrest warrant, administrative subpoena or other request for documents is presented so the union can take its own independent action to protect the rights of its members. <u>Section 2. Inquiries Into Immigration Status.</u> The employer will not ask any employee, either orally or in writing, to respond to questions or provide documentation of immigration status, except as required by law. <u>Section 3. Corrections to Records.</u> An employee may notify the employer of a change in name or Social Security number and the employer will modify its records to reflect such changes. Such employees shall not have their seniority of employment status affected, or suffer any loss of benefits as a result of notifying the employer of such changes. The employer may not discharge or in any manner discriminate, retaliate or take any adverse action against an employee because the employee updates or attempts to update personnel records to reflect change to their lawful name or valid Social Security number. <u>Section 4. Expiration of Documents.</u> The employer agrees to treat an employee's period of removal from employment due to the expiration of the employee's work authorization document as a leave of absence without pay for a period of up to ninety (90) calendar days, and reinstate the employee, provided they were

		<p>in good standing (means no final written warning in prior 12 months) at the time of the leave of absence being initiated, following these steps:</p> <ol style="list-style-type: none"> 1. Place them into their former job should the job be available, or 2. If their former job is not available, offer them other jobs that are available, and 3. If their former job is not available, place them on a recall list for a period of six (6) months, whereby, the Employer will reinstate them into their former job should it become available. <p>In all cases above, the Employee will not suffer loss of seniority upon receipt of the renewal work authorization document if the employee provides appropriate documentation.</p> <p><u>Section 5. Translation.</u> The Employer recognizes and understands the importance to have employees receive information or training in a language they can comprehend. The Employer agrees to continue its effort to translate employer-related documents in Spanish. As technology advances, we will expand our efforts to other languages spoken by our workforce. The Employer will provide updates to the Union on their progress towards completing this effort upon request.</p> <p><u>Section 6. Leaves of Absences</u></p> <p>A) Upon request, employees shall be released for up to five unpaid working days during the term of this agreement in order to attend U.S. Citizenship and Immigration Services proceedings and any related matters for the employee only. The employer may request verification of the reason for such absence.</p> <p>B) In the event that (a) a worker is terminated due to a lack of adequate proof regarding work authorization in the United States after their probationary period, and (b) said worker provides proper work authorization within 12 months from the date of termination, the employer agrees reinstate the employee, provided they were in good standing (means no final written warning in prior 12 months) at the time of the leave of absence being initiated, by following these steps:</p> <ol style="list-style-type: none"> 1. Place them into their former job should the job be available, or 2. If their former job is not available, offer them other jobs that are available, and 3. If their former job is not available, place them on a recall list for a period of six (6) months, whereby, the Employer will reinstate them into their former job should it become available. <p>In all cases above, the Employee will not suffer loss of seniority upon receipt of the renewal work authorization document if the employee provides appropriate documentation. Length of service for vacation or other benefits does not continue to accrue during the period of absence.</p> <p>C) The Company agrees that the absence of any employee who has been detained due to U.S. Immigration and Custom Enforcement (ICE) proceedings and who has returned to work within fourteen (14) days of the start of the absence, or has requested an extension of time, of reasonable duration, to report within that same fourteen (14) day period, shall be treated as an excused absence.</p> <p><u>Section 7. Citizenship</u> On the day an employee becomes a U.S. citizen, the employer will compensate the employee with a one-time paid personal holiday in recognition of their citizenship.</p>
E4	<p>Article 4 Paid Time Off Carryover Limit</p> <p>UNION TA'D 6/10/25 - 10:30AM</p>	<p>Add the following language: Starting the first Monday in January 2026, The Employer may limit future carryover of vacation to two- and one-half times (2.5x) their annual accrual. For those that have vacation banks in excess of two and one half times (2.5x) their annual accrual, the Employer may offer the option through the term of the agreement for the employees to take excess vacation or receive such</p>

		excess in pay (inclusive of all associated benefits). The Employer will schedule employees off (if needed) to ensure no loss of benefits.
E7	Article 16 Arbitration UNION TA'D 6/10/25 - 10:30AM	<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>If 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.</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 1, 2, and 3 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:</p> <ol style="list-style-type: none"> 1. The complaint must be registered in writing within the specified time limits of the particular type of grievance. 2. If the complaint is not satisfactorily resolved, either party may request arbitration and request a panel from FMCS or AAA within the next twenty-one (21) day period, or within twenty-one (21) days from mediation, if the parties agree to mediation. 3. The arbitration hearing shall be held within a reasonable time. <p>In each of the above steps, the days referred to are working days.</p> <p>Section 16.6: A grievance as above defined may be submitted by an employee, the Union, or the Employer.</p>
E10	New Article - Article 31 Management Rights reclassify all subsequent articles UNION TA'D 6/10/25 - 10:30AM	<p>Add the following language:</p> <p>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.</p>

U	Technical Clean Up EMPLOYER TA'D 6/10/25 – 3:45PM	1. Article 2, Section 2, C. Add “limited to 60 days in duration”
E14	General Clean Up UNION TA'D 6/10/15 – 8:30PM	<p>Section 1.4: ...The Employer agrees to deduct contributions from a worker's workers' paychecks beginning the first payroll period after the Union provides the Employer with a spreadsheet of relevant information needed for deductions...The Employer agrees to wire remit all contributions via automated clearing house (ACH) to the Union within 14 days of the date the Employer deducts the contributions...</p> <p>Article 12: The business representatives of the Union shall be admitted to the workrooms at all times employees of the bargaining unit are at work to collect union dues and to satisfy himself/herself that the terms of the contract are being complied with. It is understood, however, that the business representatives will first make their presence known to the facility manager or their representatives and will sign in on the facility visitor log, put on company issued food safety appropriate attire, and undergo all other necessary sanitation procedures.</p> <p>Article 19: The Employer agrees to provide a bulletin board in the breakroom of the facility each store and will permit the Union to post and maintain any notices pertaining to Union business in connection with employees covered by this Agreement.</p>
U5	Bereavement UNION TA'D 6/10/25 – 8:30PM	<p>Employer Counter Proposal: All full-time and part-time employees on the seniority list shall be entitled to bereavement pay according to the following:</p> <ul style="list-style-type: none"> A. A maximum of four (4) days of leave with pay in the event of the death of a spouse, parent, step-parent, child, or stepchild B. A maximum of three (3) days of leave with pay in the event of the death of a brother, sister, mother-in-law, father-in-law, grandparent, or grandchild, brother-in-law, and sister-in-law. C. A maximum of two (2) days of leave with pay in the event of the death of a brother-in-law, sister-in-law, or non-dependent child. <p>It is expected the impacted employee will use the available bereavement benefits within ninety (90) days of the eligible family member's death. Bereaved employees may take part of their paid bereavement leave for travel time for out of town burials.</p> <p>Part-time employees shall not have their days rescheduled to defeat their paid bereavement leave.</p> <p>Bereaved employees shall receive pay for scheduled hours lost to a maximum of eight (8) hours per day, or ten (10) hours for those working four (4) ten (10) hour shifts.</p> <p>Attendance at funeral required to be eligible for bereavement pay.</p> <p>Bereavement leave shall apply equally to domestic partners. The term domestic partner is defined to mean a person who:</p> <ul style="list-style-type: none"> a. is in a committed and mutually exclusive relationship, jointly responsible for the other domestic partner's welfare and financial obligations; and b. resides with the domestic partner in the same principal residence and intends to do so permanently; and is at least eighteen (18) years of age and unmarried; and c. is not a blood relative of the other domestic partner; and d. has been in a relationship for one (1) year prior to the date on which the person seeks benefits.

E	One-Time Bonus & Prior Disputes	<p>The below modifications are conditional on having a fully recommended tentative agreement and ratified before contract expiration on July 6, 2025:</p> <ol style="list-style-type: none"> 1. LFHI will offer a one-time ratification bonus in the amount of \$500 to all employees hired before the ratification date of the new agreement. And, 2. LFHI will agree to forgive any excess PTO benefits erroneously awarded during the term of the last collective bargaining agreement (2023-2025), however, the \$500 ratification bonus will be applied (either as a cash payout to the employee or used to restore hours to an employee's PTO balance) to offset this excess cost to the Company. The Company will meet with the Union to review the corrected PTO configuration to ensure accuracy. In exchange for this commitment, the Union agrees to withdraw the class action grievance pertaining to PTO issued in June 2025 and no future grievances will be filed relating to the same. And, 3. LFHI agrees not to replace any permanent position it needs to run its operation with temporary labor, unless that temporary labor is being used to find a candidate that can be converted to a permanent employee. It is understood that the Company will not be required to add permanent positions to replace unplanned or planned temporary absences (e.g. unplanned absences such as illness or injury, planned absences such as vacation or leaves of absence, or to offset turnover until a permanent position can be replaced). In exchange for this commitment, the Union agrees to withdraw the class action grievance pertaining to temporary work utilization filed in June 2025 and no future grievances will be filed relating to temporary worker utilization before July 7, 2025.
E	Article 2 – Section 4 Breaks During Overtime	<p>When two (2) hours of overtime—whether mandatory or voluntary—is needed, employees will receive an additional ten (10) minute break either in the last 30 minutes of their scheduled shift or within the first hour of the overtime worked.</p> <p>When four (4) hours of overtime—whether mandatory or voluntary—is needed, employees will receive a total of twenty (20) minutes of additional break time:</p> <ul style="list-style-type: none"> • ten (10) minute break in the last 30 minutes of their scheduled shift or within the first hour of overtime worked, and • ten (10) minute break after two-and-one-half hours of overtime worked and before three-and-one-half hours of overtime worked.

APPENDIX: WAGES FOR FRESH KITCHEN HOT ROOM, ASSEMBLY, SANITATION**Utility****EFFECTIVE MONDAY PRIOR TO RATIFICATION**

Minimum Rate

\$19.00

Employees hired or promoted prior to July 7, 2025, will receive a \$1.00 increase on the Monday prior to Ratification and the first Monday of July starting in 2026 for remaining term of the contract.

All other employees will receive a \$0.50 increase the first Monday of each July starting in 2026 for remaining term of the contract.

Operator / Sanitation**EFFECTIVE MONDAY PRIOR TO RATIFICATION**

Minimum Rate

\$21.00

Employees hired or promoted prior to July 7, 2025, will receive a \$1.00 increase on the Monday prior to Ratification and the first Monday of July starting in 2026 for remaining term of the contract.

All other employees will receive a \$0.50 increase the first Monday of each July starting in 2026 for remaining term of the contract.

Lead**EFFECTIVE MONDAY PRIOR TO RATIFICATION**

Minimum Rate

\$24.00

Employees hired or promoted prior to July 7, 2025, will receive a \$1.00 increase on the Monday prior to Ratification and the first Monday of July starting in 2026 for remaining term of the contract.

All other employees will receive a \$0.50 increase the first Monday of each July starting in 2026 for remaining term of the contract.

**The Company will maintain bargaining unit job descriptions for the above classifications covered by Article 5.

Modification to bargaining unit job descriptions will not take effect until the Union has been provided notice of any material changes.

APPENDIX: HEALTH & WELFARE

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:** 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), and Family.
- 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 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 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 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.

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

Weekly Health & Welfare benefit contribution rates are as follows:

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%
PT – Single Only	\$158.84	\$10.00	\$168.84	94.08%	5.92%
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%
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%
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%

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)

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 period.

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 employees;
 - Were actively enrolled in the MPMC Health Care Plan as of July 6, 2025;
 - Maintain continuous enrollment in the MPMC 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)
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)

4. **Additional Provisions**
 - Contributions are contingent upon the employee's continued eligibility and participation in the MPMC 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: GMP Serious Violations

QA103.X	Good Manufacturing Practice Violations
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LFHI adopts **Good Manufacturing Practices (GMPs)** as best practice. GMPs are required by many governing agencies and are critical to operating a food production facility in a manner that eliminates the risk for serious illness, injury or death due to contaminants whether they be allergens, foreign objects or other dangerous elements that could cause serious harm to the end consumer and the company's reputation. Lunds & Byerlys takes GMPs with the utmost seriousness and expects all employees to give GMPs the same consideration and regard. Because of that we have created this document to clearly define for all employees expectations around GMPs. These actions listed violate not only company policy, but also **FDA, USDA, or GFSI-based standards** (e.g., SQF, BRCGS) and can lead to **loss of certification, product recalls, or regulatory penalties**.

This document is intended to provide examples of severe **Good Manufacturing Practice (GMP) violations**. These types of behaviors exhibited by any employee are grounds for disciplinary actions up to and including immediate termination, if they jeopardize food safety, product integrity, or regulatory compliance.

1. Intentional Product Contamination

- Tampering with food, ingredients, or packaging
 - i. e.g. spitting, inserting foreign objects
- Malicious acts that compromise product safety
 - i. e.g. switching labels, leaving food out of temperature

2. Failure to Report Illness or Open Wounds

- Working while knowingly ill with reportable symptoms such as vomiting or diarrhea, or failing to report a diagnosed foodborne illness to management
 - i. Refer to the Personnel section of QA103
- Hiding open wounds or infections without proper protective covering

3. Intentionally Bypassing Critical Control Points or Food Safety Checks

- Intentionally skipping required Critical Control Points such as metal detection, temperature checks, label verification, or sanitation steps
- Falsifying or failing to document legally required food safety records
- Failure to report a known food safety issue that could lead to illness

4. Intentionally Tampering with or Disabling Safety and Sanitation Equipment

- Turning off alarms, disabling metal detectors, or modifying sanitation systems
- Removing pest control devices or falsifying pest log documentation
- Adjusting production equipment in a way that jeopardizes food safety

This list is not all inclusive but serves as communication to ensure employees understand food safety expectations and the consequences that can result from careless, reckless, or intentional actions around food. Every employee is responsible for food safety.

See Something, Say Something

The undersigned representatives of **Lund Food Holdings, Inc.** and **UFCW Local 663** hereby affirm that they have conducted a thorough and comprehensive review of the details contained in this Tentative Agreement. Both parties certify that this document accurately reflects all terms and provisions tentatively agreed upon during the course of bargaining.

By signing below, each party confirms its understanding and acknowledgment that this Tentative Agreement includes the complete and final terms as tentatively agreed to by the bargaining committees.

For Lund Food Holdings, Inc.:

Signature / Printed Name:

Title:

Date:

For UFCW Local 663:

Signature / Printed Name:

Title:

Date: