

TRANSITION AGREEMENT

This Transition Agreement ("Agreement") is made by and between Jerry's Enterprises, Inc. (the "Company") and United Food & Commercial Workers Local 663, including its affiliate the United Food & Commercial Workers International Union (the "Union"), collectively the "Parties".

WHEREAS, the Company has discussed with the Union its interest in acquiring the assets of the Monticello, Silver Lake, and Uptown Cub Foods Stores (the "Purchased Stores");

WHEREAS, the employees of the Purchased Stores are currently represented by the Union pursuant to a collective bargaining agreement ("UNFI CBA");

WHEREAS, certain employees of the Company are also represented by the Union pursuant to a collective bargaining agreement ("Jerry's CBA");

WHEREAS, following the asset purchase, the Company will continue to operate the Purchased Stores;

WHEREAS, the Parties have a mutual interest in ensuring a smooth transition and labor peace following the acquisition, including minimizing the risk of any grievances, litigation or other disputes regarding their contractual rights and obligations in connection with the acquisition;

NOW THEREFORE, the Parties agree as follows:

- 1) Following the execution of an Asset Purchase Agreement ("APA"), the Company will begin the employee transition process. All Purchased Stores employees will be terminated by UNFI at 11:59 PM on the day immediately prior to closing. The Company will hire all terminated Purchased Stores employees at 12:01 AM on the day of closing. The new hires' ongoing employment is contingent on the successful passing a background check and employment verification.
- 2) All Purchased Stores employee's classifications and pay will be as follows:
 - a) Part-time employees, excluding Modified PT and Group 3 , will move to the PT Reg-post 3/3/2018 classification and slot into the Company's PT pay scale at the nearest rate, not to be less than their current rate. Employees shall progress within the wage scale based on their date of Last Increase with UNFI.
 - b) Group 3 employees will be considered "Former Group 3" PT Reg classification and slot into the Company's PT pay scale at the nearest rate, not to be less than their current rate, and not counted toward Full-Time / Part-Time ratio per Section 17.2 (J) of the Jerry's CBA. Employees shall progress within the wage scale based on their

date of Last Increase with UNFI. These employees and current Jerry's regular PT "former G3" will not count towards Jerry's CBA PT MOD ratio.

- c) Modified PT employees will move to Modified PT classification and slot into the Company's PT pay scale at the nearest rate, not to be less than their current rate. Employees shall progress within the wage scale based on their date of Last Increase with UNFI.
 - d) All FT Food Handlers (a.k.a. Traditional FT) employees will maintain their classification, including Sunday outside of the work week, and will be placed on the Company's wage scale at the nearest rate, not to be less than their current rate.
 - e) All other FT employees, unless specified, will move to the Classified Assistant classification and will be placed on the Company's wage scale at the nearest rate, not to be less than their current rate.
 - f) All Journeymen will move onto the Company's Journeyman classification not to be less than their current rate. Employees will maintain Sunday outside of the work week.
 - g) If there are no corresponding classifications for an employee, they will move to a mutual agreed classification within the company's CBA.
 - 1 FT Maintenance-Moves to Traditional FT
 - 1 FT Meat Helper-Moves to Traditional FT
 - 1 FT ASD-Jerrys may offer employee a salaried position. If employee chooses to stay in the union- Traditional FT.
 - h) Purchased store top of scale / overscale Full-Time Employees will not receive the \$1.00 increase on 3/7/2027.
- 3) Retirement contributions documented in Article 14 of the Company's CBA will commence upon hiring. Qualifying FT employees will receive 401(k) contributions of \$2.00 per hour up to 40 hours and PT employees will receive contributions of \$1.35 per hour up to 39.75 hours. Employees will be vested based on their hire date with UNFI.
- 4) Purchased Stores employees currently making weekly health and welfare contributions will move to the Company's employee contribution rate described in Health and Welfare Article 15 of the Jerry's CBA, which became effective 1/1/2026. The parties agree that the Company will begin making contributions on behalf of Purchased Store employees such that there is no duplication or gap in contributions during the transition from UNFI to the Company. The parties intend that there is to be no gap in health care coverage for the Purchased Stores employees. The Company will continue to make HRA contributions on behalf of employees for whom UNFI is making contributions.

- 5) If the Union is entitled to recognition as the collective bargaining representative of the employees at any of the Purchased Stores pursuant to the National Labor Relations Act ("NLRA"), the terms of Jerry's CBA will apply to such Stores except as follows:
- a) All former Purchased Stores employees who are hired by the Company will be required to pass a 60-calendar day probationary period, which can be extended by an additional 30 calendar days as mutually agreed between the parties.
 - b) All employees who are hired, will be treated as a new hire; their seniority date will be their date of hire by the Company, except that, to the extent the employee remains in their original store after hire, they will be able to exercise their former Purchased Stores seniority against each other Purchased Stores employee for purposes of scheduling, and after one year of employment, for selection and scheduling of vacation. In the event the employee subsequently transfers stores with the Company, he or she will lose their original Purchased Stores seniority, and their effective seniority date will be the date of hire with the Company, except for purposes of vacation entitlement. In the event a Jerry's employee transfers to one of the Purchased Stores, he or she shall maintain their Jerry's seniority date.
- 6) Upon hire, employees shall begin accruing PTO based on the original date of hire with UNFI at the applicable rate and grant cap per Jerry's CBA (See chart below). Transferred ESST balances from the seller will be converted to PTO and will apply to the annual grant cap Unpaid time off may be allowed during the first year of employment. The Company will use its best efforts to honor 2026 vacation requests for Purchased Store employees that have already been requested prior to the closing but reserves its right to deny any request to the extent inconsistent with business and staffing requirements.

PAID TIME OFF (PTO)			
Full-Time	Years of Service	Annual Grant	Weekly Rate
	Between 0-1st anniversary	1 week (capped at 48 hours)	0.034 per hour worked
	Between 1st - 7th anniversary	2 weeks (capped at 80 hours)	0.05 per hour worked
	Between 7th anniversary-15th anniversary	3 weeks (capped at 120 hours)	0.075 per hour worked
	Between 15th anniversary-19th anniversary	4 weeks (capped at 160 hours)	0.1 per hour worked
	Beginning 19th anniversary and beyond	5 weeks (capped at 200 hours)	0.125 per hour worked
	Years of Service	Annual Grant	Weekly Rate

Part-Time	Between 0-1 st anniversary	1 week (capped at 48 hours)	0.034 per hour worked
	Between 1st - 7th anniversary	2 weeks (capped at 80 hours)	0.03846 per hour worked
	Between 7th anniversary-15th anniversary	3 weeks (capped at 120 hours)	0.05769 per hour worked
	Between 15th anniversary-19th anniversary	4 weeks (capped at 160 hours)	0.07692 per hour worked
	Beginning 19th anniversary and beyond	5 weeks (capped at 200 hours)	0.09615 per hour worked

- 7) Jerry's CBA will be amended and modified wherever and to the extent necessary to continue in full force and effect the initial terms set forth above;
- 8) Upon fourteen (14) days notice to the union, the Employer may offer a voluntary early retirement program to employees throughout the bargaining unit, with eligibility based on terms set by the Employer. With notice to the union, the Employer will include details of the terms offered to employees. Any such program shall provide that, upon execution of a satisfactory release, any employee who elects early retirement shall be eligible for a lump sum payment, subject to applicable withholdings, to be paid within thirty (30) days of retirement. The union waives any bargaining obligations over the terms of the voluntary early retirement program. The provisions of this section, specific to the voluntary early retirement program, shall expire one (1) year from the Transition Date.
- 9) This is a complete statement of the Parties' Agreement.

JERRY'S ENTERPRISES, INC.

Name _____

Date _____

UNITED FOOD AND COMMERCIAL WORKERS LOCAL 663

Name _____

Date _____