

**PHARMACIST AGREEMENT**

**JULY 1, 2017 – JUNE 30, 2021**

**between**

**CVS / PHARMACY**

**and**

**UFCW LOCALS 135, 324, 770, 1167, 1428 AND 1442**

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## **RETAIL PHARMACIST AGREEMENT**

July 1, 2017 – June 30, 2021

This Agreement is entered into and effective as of this 1st day of July 2017 between CVS Pharmacy, hereinafter referred to as the "Employer," and UFCW LOCALS 135, 324, 770, 1167, 1428 and 1442, chartered by United Food and Commercial Workers International Union, hereinafter referred to as the "Union" and the parties agree as follows:

### **ARTICLE 1 - MANAGEMENT RIGHTS**

The Employer retains the exclusive right to manage the business, to direct and control the business and workforce, and to make any and all decisions affecting the business, including, but not limited to the following: the exclusive right to plan, determine, direct and control the nature and extent of all its operations and commitments; to determine, install, introduce, remove, discontinue or modify the methods, procedures, materials and operations to be used or to discontinue their use by employees of the Employer; to maintain efficient operations; to hire, train, promote employees; to set standards and methods of performance; to create, modify, and abolish work shifts, the starting and ending times of the work shifts and work schedules; to promulgate, amend and enforce reasonable work rules, regulations, policies and procedures; to determine, modify, change and otherwise set the work duties of employees; to determine, modify, change and otherwise set job content and qualifications; to determine whether to offer light duty and to determine employee eligibility for light duty; to change job content and qualifications; to change job descriptions; to modify the methods, procedures, materials and operations to be used or to discontinue their use by employees of the Employer; to change standards and methods of performance; and in all respects to carry out, in addition, the ordinary and customary functions of management, whether exercised or not. The rights and waivers herein shall extend beyond the expiration of this Agreement until a successor agreement is reached.

Should a specific provision of this Agreement or State or Federal Law directly conflict with, modify or restrict an enumerated right under this Article, the specific provision of the Agreement or the State or Federal Law shall prevail over the enumerated right.

### **ARTICLE 2 - BARGAINING UNIT**

#### **A. UNION RECOGNITION.**

1. The Employer recognizes the Union as the sole collective bargaining agent for staff pharmacists who perform work within the pharmacy department within Stores 8831, 8860, 8891, 9478, 9509, 9510, 9564, 9580, 9609, 9620, 9709, 9715, 9716 and 9719 with respect to work, rates of pay, hours, and terms and conditions of employment.

2. The Union agrees that it will not make claim to any employees of present concessionaires or sublessees who work in the present or future store or stores of the Employer, unless the Union can show its majority representation of such employees within an appropriate bargaining unit. In that event, the Union may take economic action without violating this Agreement.

B. INCLUDED BARGAINING UNIT WORK.

1. Current Work. All work performed on the premises in the nature of work generally performed by employees of the bargaining unit shall not be assigned to any person not in the bargaining unit or contracted for with any other union.

2. Future Work. Any future work of the nature generally performed by pharmacists is created by the Employer shall be performed by members of the bargaining unit as herein set forth.

3. Employee Definitions. For the purpose of this Agreement, the following definitions shall apply:

a. A pharmacist is a professional employee to whom a license to practice pharmacy in the State of California has been issued by the California State Board of Pharmacy.

b. A graduate pharmacist is a professional employee as described in Paragraph a., above, during his first year of employment as a licentiate in pharmacy.

c. A full-time pharmacist is one who is scheduled and works forty (40) hours in a workweek. Any employee who is scheduled and works ten (10) consecutive weeks at forty (40) hours or more will be classified as a full-time employee. This requirement shall not apply during the Christmas or vacation season or where an employee is scheduled forty (40) hours due to the absence of another employee in excess of three (3) consecutive weeks. Provided however, that forty (40) hours or more in a workweek worked immediately prior to any of the above exceptions and those worked immediately following the exception shall be considered continual for the purpose of calculating the ten (10) consecutive workweeks.

d. A part-time pharmacist is one who is scheduled to work less than forty (40) hours in a workweek.

e. Hereinafter "employees" or "all employees" shall mean employees covered by this Agreement.

f. Probationary Employees. The first sixty (60) calendar days of full-time employment and ninety (90) calendar days of part-time employment, shall be considered a probationary period. During such probationary period, an employee may be terminated for any reason and shall have no recourse to the grievance procedure set forth in Article 16.

C. EXCLUDED BARGAINING UNIT WORK. The following individuals shall be excluded from the coverage of this Agreement:

1. Pharmacy Managers.

a. All pharmacy departments located within the stores described in Article 2-A-1 shall be allowed the exclusion of the Pharmacy Manager as designated by the Employer. In addition, the Pharmacy Manager shall be permitted to perform any and all work designated by the Employer without restrictions.

The Employer shall determine selection of Pharmacy Managers.

b. Managers and assistant managers excluded as set forth in the Retail Drug Agreement, shall be permitted to perform any work within the pharmacy department without restriction, except as limited by law.

2. Inventory employees whose function is strictly limited to taking inventories.

D. INDIVIDUAL AGREEMENTS.

1. All Employees. The Employer agrees not to enter into any agreement or contract, either orally or written, with its employees covered by this Agreement, individually or collectively which in any way conflicts with the terms and provisions of this Agreement.

2. New Employees. During the period an employee is not a member of the Union, the regular wages, as herein specified for the classification of said employee and all other provisions of this Agreement shall apply.

**ARTICLE 3 - UNION AFFAIRS**

A. REQUIRED UNION MEMBERSHIP.

1. Union Shop. All employees shall, as a condition of employment, become members of the Union not later than the thirty-first (31st) day of their employment or the thirty-first (31st) day following the date of signature or the effective date of this Agreement, whichever is later, and shall remain members in good standing as a condition of continued employment.

2. Seven Day Notice. The Union will advise the Employer in writing when any employee has failed to acquire or maintain Union membership as required by this Agreement. Immediately upon receipt of said notice, the Employer shall advise said employee(s) that they will no longer be scheduled for hours of work on the subsequent weekly schedule until said employee(s) give evidence of compliance or the Union notifies the Employer of such compliance. Failure to comply within seven (7) days after removal from the schedule said employee(s) shall be terminated, if such termination is not in violation of existing law.

B. INFORMATION FOR UNION.

1. New/Transferred Employees. The Employers general office shall mail a list of new employees hired in a preceding month to the Union. Said list shall contain the name of such employees, their dates of employment, social security number, store number and initial rate of pay. The Employer will provide the new hire reports electronically on a weekly basis.

The Employer will provide weekly initiation fees and regular union dues electronically to all Southern California Union Locals.

2. Store Employee Lists. The Employer agrees to permit the Union to check the list of employees covered by this Agreement, and their respective wage rates of preceding months, and to furnish the Union a complete payroll list for all employees covered by this Agreement and wage rates effective the first payroll period each January and September. Said lists shall include hire dates, birth dates, and Social Security numbers from current records.



3. Payroll Data. In case of a dispute over wages the Union representative shall, upon request, have the right to a copy of the necessary payroll information relative to employees covered by this Agreement. The Union reserves the right to require, in such disputed instances as it deems necessary, that owed wages of employees be paid through the office of the Union or a notarized statement submitted to the Union of gross amounts paid and deductions made. Either method may be used by the Employer.

C. STORE VISITS. In order to observe conditions existing under this Agreement and to settle grievances, representatives of the Union shall have the right to visit the stores.

It is the general policy of the Union for its representatives not to visit the stores during the busy afternoon hours, Saturdays or days preceding holidays. However, upon receipt of a reported violation, a Union representative shall have the right to visit such store at any time for the purpose of investigating such violation.

The Union further agrees that it will arrange with the Pharmacy Manager for such investigation of reported grievances and that any meetings between employees and Union representatives shall be limited to one employee at a time and shall be conducted with the least possible interference with store operations. Such meetings shall be held on the premises in a place designated by the Pharmacy Manager. In instances where employees are working during hours that the stores are closed to the public, the Union may request a list of the employees involved, and the hours worked.

D. UNION BULLETIN BOARDS. The Union may supply each store with one (1) bulletin board not to exceed two (2) feet by three (3) feet in size for the purpose of posting notices of official Union business. Bulletin boards shall not be used to post notices of a political or adversarial nature. The implementation of this program shall be coordinated by the Employer's Industrial Relations Department. This provision shall not be in addition to the current bulletin board required in the Retail Drug Agreement.

E. UNION PRINCIPLES.

1. New Employees. When new or additional employees are needed, the Employer may immediately notify the Union of said need. The Employer reserves the right to select the particular applicant to be hired; but there shall be no discrimination against any applicant by reason of membership or nonmembership in the Union, or an applicant with previous employment experience in the Retail Drug industry with an Employer covered by a collective bargaining agreement in the State of California.

2. Union Principles/Picket Lines. The Employer shall not discharge or discriminate against any employee for upholding Union principles, as long as such act does not constitute a violation of this Agreement, and nothing herein shall be so construed as to abrogate an employee's rights under the law, including the right individually to refuse to cross a bona fide picket line established in a bona fide dispute by any bona fide labor organization. For the purpose of this Paragraph, a sanctioned picket line shall be one which is sanctioned by the Local Union signatory to this Agreement and the Food and Drug Council or the appropriate County Federation of Labor, AFL-CIO.

F. UNION BUSINESS.

1. Employees shall be granted time off without pay for the purpose of attending negotiations, adjustment or arbitration hearings or for other bona fide Union business.

G. EMPLOYEE ORIENTATION.

1. The Employer agrees to allow a union representative up to ten (10) minutes to discuss the Union's role and to obtain signatures on applications and dues forms at the end of New Hire Orientation Meetings.
2. The Employer agrees to schedule any employee who is an officer, or representative of the Union in any capacity, for hours of work that will permit the employee to attend meetings of the Union, provided it involves not more than one (1) employee per store, except where such absence unnecessarily interferes with the operation of a single shift closed case pharmacy.
3. The Union agrees to give the Employer no less than ten (10) days' notice of such meetings.

**ARTICLE 4 - DISCIPLINE/VOLUNTARY QUILTS**

A. REGISTER SHORTAGES/IRREGULARITIES.

1. No employee may be required to make up cash register shortages, unless the employee is given the privilege of checking the change and daily receipts upon starting and completing the work shift, and unless the employee has exclusive access to the cash register during the work shift, except as specified below.
2. No employee may be required to make up register shortages when management exercises its rights to open the register during the employee's work shift, unless the register is opened in the presence of the employee and the employee is given the opportunity to verify all withdrawals and/or deposits.
3. When, as the result of a shopper's report, an employee, subsequent to the shopping incident, is called upon for an interview by a security agent, the employee may, upon receipt of such advice or during such interview, request the presence of a Union representative during the interview. Such Union Representative must be available within a reasonable period of time but in no event later than twenty-four (24) hours after such request, or the interview may proceed without a Union representative.

When an employee is the subject of a shopper's report or multiple reports and is to be counseled on said report or reports by the Employer, the counseling will take place within a reasonable time period not to exceed thirty (30) days from the date of the last report affecting the employee. The employee and the Union Representative will, by request, be given an opportunity to read said reports during counseling.

4. A warning notice shall not be required in the case of a discharge for cash register irregularities but such alleged irregularities must constitute good cause for the purpose of sustaining said discharge. Such alleged irregularities shall not constitute good cause for discharge when the Employer fails to follow the procedures set forth in Article 4, Paragraph A-1 and 2, unless the alleged irregularities are not affected by failure to follow said procedures.

B. INVESTIGATION/INTERVIEW. In any instance where an employee is to be interviewed and/or interrogated by the Employer or an Employer representative in respect to any alleged violation of the collective bargaining agreement or alleged infraction of Employer policies which may result in disciplinary action, the employee shall be afforded the opportunity of calling a Union Representative and having a Union Representative present during such interview or interrogation.

C. DISCIPLINE.

1. Good Cause. Non-probationary employees shall not be discharged except for good and sufficient cause such as dishonesty, insubordination, incompetence, intoxication, unbecoming conduct or failure to perform work as required. Age, sex, creed or color shall not be grounds for the termination of an otherwise qualified employee.

2. Non-probationary employees who are discharged for incompetence or failure to perform work as required (including excessive absenteeism or excessive tardiness) shall first have had two (2) prior warnings in writing within twelve (12) months preceding the discharge of such incompetence or of related or similar failure to perform work as required, with a copy sent to the Union. The employee so notified shall be required to sign such notice, but such signing shall in no way constitute agreement with the contents of such notice.

3. Discharge for Incompetence. It is understood that a discharge for incompetence shall occur only at the end of an employee's weekly schedule after the employee has completed the probationary period.

4. Notice. Any employee who is discharged shall be informed at the time of discharge of the immediate cause of discharge. The cause to be confirmed in writing, with a copy sent to the Union and affected employee, within ninety-six (96) hours thereafter, excluding Saturday, Sunday and holidays.

5. Legal Violations. Any employee who violates any federal, state or local law or regulation while working may be terminated without prior warning.

D. NOTICE OF INTENT TO QUIT. An employee who intends to quit the job shall, to the extent possible, give two (2) weeks' notice of the intention to quit. An employee who gives any notice of the intention to quit his job shall not be terminated or otherwise discriminated against during the current workweek and the workweek following the date on which the employee gives such notice, but in no event can the employee insist upon working later than the designated quit date if a replacement employee has already been hired.

**ARTICLE 5 - TRANSFERS/SENIORITY**

A. EMPLOYER TRANSFER OF EMPLOYEES.

1. An employee with more than one (1) year's continuous service with the Employer may file an application for transfer within the Company to a store near their home. The Employer will give full consideration to such requests and attempt to grant them if it does not have an adverse affect on the business of the Employer. The requests will not be refused arbitrarily.

2. Transfer Travel Limits. When the transfer of an employee becomes necessary, due to slackening of business, the Employer shall not require said employee to travel one way more than twenty-five (25) miles between his place of residence and the new location. In making transfers under Paragraph 1 of this Article and this Paragraph, the Employer will make every effort to assign employees on a nondiscriminatory basis, to the store which would cause the least hardship to the employee and require the least travel time. Such transfer shall not be used for disciplinary purposes.

3. Pharmacists who desire to transfer to a higher rated prescription department shall put their requests in writing to the Pharmacy Supervisor. The Employer will give full consideration to such requests and grant them if they do not have an adverse effect on the business of the Employer. Such requests shall not be refused arbitrarily.

B. INTER-UNION TRANSFER. If an employee is transferred from one UFCW Union's area to another in Southern California, the employee shall retain all seniority, but during a period of six (6) months from date of transfer, shall not displace any other employee, or reduce his hours.

C. SENIORITY.

1. Definition. Seniority is the length of continuous employment of an employee with an individual Employer. Temporary absence from work in accordance with the provisions of this Agreement shall not break seniority. Seniority can be broken only by the following:

- a. Quit.
- b. Discharge
- c. Layoff for more than nine (9) months
- d. Failure to return in accordance with the terms of a leave of absence or when recalled after a layoff.

2. Transfer to Higher Category. When an employee is transferred from one job classification to another, the seniority acquired with the store and the Company shall be retained, and new seniority in the new classification shall commence as of the time of transfer. Transfers shall not be made for the purpose of displacing another employee. Should a layoff or reduction in hours occur in his new job classification, he shall be permitted to reclaim the position he formerly vacated, or whatever equivalent job he is able to perform and to which he is entitled by his combined seniority in his old and new classification.

3. Vacation Relief. The seniority of a newly hired employee shall not take effect until the employee has completed the probationary period as provided under Article 2-B-3-f of this Agreement and shall then be retroactive to date of hire. However, the seniority of employees hired for vacation relief periods shall not take effect until sixty (60) days of employment and then shall be retroactive to date of hire. Said sixty (60) day period shall be between May 1 and August 31.

D. QUALIFICATIONS. When seniority is invoked by an employee, the employee's ability and skill on performing the work claimed shall be the determining factors in establishing such rights.

E. LAYOFFS/RECALLS/HOURS REDUCTIONS.

1. Full-Time Over Part-Time. Full-Time employees shall have seniority rights over part-time employees as provided herein this Agreement.

2. Full-Time. A full-time employee who is to be laid off or reduced to part-time status due to legitimate business reasons may either:

- a. Claim, in writing, the least senior part-time position in the employee's store at the time of the layoff, or
- b. Claim, in writing, the least senior full-time position within the Employer's district in which the employee is employed, at the time of the layoff.

3. Part-Time.

a. A part-time employee shall have the right to claim within his own store all part-time hours when such hours become available up to eight (8) hours per day and forty (40) hours per week based upon seniority over other part-time employees provided such part-time employee has the qualifications and ability to perform the duties of the position claimed.

b. After first having notified, in writing, the home store manager and the Union, a part-time employee shall also have the right to request additional available hours up to forty (40) hours per week at no more than three (3) other stores within the Union's jurisdiction. Said part-time employee shall notify, in writing, the manager of such stores of the request, and said manager shall endeavor to comply with such request on a seniority basis.

4. Layoff, Transfer and Recall. In the event of layoff of a part-time employee, the affected employee may claim the position of the least senior employee within the Employer's District. In the event of a recall, the employee with the greatest seniority within the Employer's District will be the first recalled, provided that no employee will be required to travel more than twenty-five (25) miles from their residence.

5. Recall. A laid off employee who becomes eligible to return to work under the seniority provision must appear for work within ninety-six (96) hours, excluding Saturday and Sunday, after the Employer has made a good faith effort to notify the employee in writing of recall to work. The Employer will simultaneously notify the union of the employee's eligibility to return to work.

6. A full-time employee who has been reduced to part-time employment because of legitimate business reasons, or for medical reasons, must be offered the first full-time job that opens in the store in which he is employed and the first opportunity to claim available hours as provided above, provided that he has the qualifications and ability to fill that job.

7. No new part-time or extra employees shall be hired until or unless said part-time employee has been afforded the opportunity to work such additional hours on a seniority basis as set forth above.

8. A layoff shall occur only at the end of an employee's weekly schedule after the employee has completed the probationary period.

**ARTICLE 6 - WORKDAY/WORKWEEK/SCHEDULES**

A. STORE HOURS. The Employer shall have the sole right to fix and determine the opening and closing hours of its stores.

B. WORKDAY/WORKWEEK DEFINED. For the purposes of this Agreement, a working day is the period from midnight to midnight. Where shifts overlap into two (2) working days, payment shall be made for the hours worked on each working day in accordance with the rates established for such days. A workweek as used in the Agreement shall be a consecutive seven (7) day period, as designated by the Employer, provided that any change of the workweek is done for all stores in the bargaining unit.

C. GUARANTEES.

1. Full-Time/Scheduled Day. A full-time pharmacist is one who is regularly scheduled to work forty (40) hours or more per week.

With written agreement by the Employer, the Union and the employee, an employee may work an alternate work schedule consisting of not more than twelve (12) hour shifts at straight time. In such cases, any work over the twelve (12) hours shall be at double time (2x) and any work over forty (40) hours in a workweek shall be at time and one half (1½).

The integrity of the eight (8) hour day shall be preserved and all time worked shall be paid for. Part-time jobs shall not be created or scheduled for the purpose of destroying the eight (8) hour day principle.

2. Full-Time/Predesignated Day Off. Any full-time employee called for work on his predesignated day off, as established in the work schedule provisions, shall be guaranteed not less than four (4) hours work at the overtime rate of pay.

Where employees exchange days off for their convenience, the overtime provision shall not apply.

3. Part-Time. Upon reporting for work, all part-time employees and those replacing employees in an emergency shall be guaranteed not less than four (4) hours' work with pay.

4. On Call. If the Employer requires an employee to remain at home "on call," the Employer shall guarantee the employee four (4) hours' pay at the appropriate rate for such day. All Employer requests for an employee to remain available for "on call" duty shall be in writing to the employee.

D. WORKWEEK GUARANTEES. Part-time jobs shall not be created or scheduled for the purpose of destroying the full-time principle.

E. NON-APPLICABILITY OF GUARANTEES. In the event operations cannot commence or continue when so recommended by civil authorities; or public utilities fail to supply electricity, water or gas, or the interruption of work is caused by an Act of God, the foregoing guarantees shall not be applicable.

F. WORK SCHEDULE.

1. Ready for Work. All employees shall report for and be ready for work at their scheduled starting time. The term "ready for work" shall include appropriate or required dress.

2. Work Schedule. The Employer shall post a work schedule for a one (1) week period in advance, in ink, for all employees, showing their surname and first initial, not later than 1 p.m. on the Wednesday preceding the first (1<sup>st</sup>) day of the following workweek. The work schedule shall not be changed after posting, except as provided for below. An employee shall be guaranteed pay for the specific days in a workweek upon which the employee is scheduled to work, provided the employee is available for such work, subject to Article 6(E) of this Agreement. The schedule may be changed after 1 p.m. on Wednesday but no later than 1 p.m. on Thursday to accommodate an employee returning from leave of absence. The schedule may also be changed with the Union's agreement in response to a grievance filed pursuant to Article 6(D)(3)(f) or Article 6(F)(3).

The schedules shall show total number hours scheduled for each employee. Information shall be posted alongside the schedule indicating employee classification and full-time/part-time status. The Employer will post an agreed upon notice reminding employees to raise schedule issues no later than forty eight (48) hours following the schedule posting. Such notice will be posted in the same area where the schedule is posted.

3. Rotation of Work. For regularly scheduled employees, (including Pharmacy Managers) work on nights, Sundays, and holidays shall be rotated equally and on a periodic basis to the extent possible. Variation from such rotation shall occur only if approved by the Employer and the Union to meet problems of the individual employee and in cases of emergency.

4. Rest Periods.

a. An employee working more than six (6) hours in a day shall receive two (2) ten-minute uninterrupted rest periods during such day. The first rest period shall be given in the first half of the shift and the second period during the second half of such shift.

b. An employee working more than two (2) hours and not more than six (6) hours shall receive one (1) ten-minute uninterrupted rest period. This shall be given during the first four (4) hours of the employee's shift.

c. Insofar as practicable, rest periods shall be in the middle of each work period.

d. All employees who are required to work a minimum of an additional one (1) hour of overtime shall be entitled to a ten-minute rest period prior to the start of such overtime work.

e. The term uninterrupted means not being called to perform work. If the employee is called back to work during the break, the employee will be given a new uninterrupted break period to replace that which was interrupted as soon as possible.

5. Lunch Period. All hours shall be worked consecutively, except for a meal period which shall be not less than one-half ( $\frac{1}{2}$ ) hour. No eight (8) hour employee shall be scheduled for more than five (5) hours or less than three (3) hours before a meal break. However, by mutual agreement in writing between the Manager and the employee, less than one (1) hour may be established to meet business conditions, but in no event may less than one-half ( $\frac{1}{2}$ ) hour be given. If the Union becomes aware of abuse it reserves the right to revoke the option at any location(s) after first covering the Steps 1 and 2 of the grievance procedure contained in Article 16.

On-Call Meal Period When a pharmacist is scheduled six (6) or more hours in a workday and there is no overlap during the third (3<sup>rd</sup>) and fifth (5<sup>th</sup>) hour, the Company may allow pharmacists to take an on-call meal period of one-half ( $\frac{1}{2}$ ) hour between the third (3<sup>rd</sup>) and before the fifth (5<sup>th</sup>) hour on the Employer's time. When a pharmacist works more than eight (8) hours in a workday and there is no overlap during the third (3<sup>rd</sup>) to seventh (7<sup>th</sup>) hour, the Company may allow pharmacists to take an on-call meal period of one-half ( $\frac{1}{2}$ ) hour between the third (3<sup>rd</sup>) and seventh (7<sup>th</sup>) hour on the Employer's time. The pharmacist shall remain within the store during the on-call meal period and shall not be called upon to perform any duties during this on-call meal period except in the case of a bona fide emergency. Any pharmacist who takes an on call meal period shall receive one (1) additional hour of pay.

The one-half ( $\frac{1}{2}$ ) hour on-call pay shall be counted as time worked in the calculation of daily and / or weekly overtime, and pharmacists must sign an "on duty" meal period agreement to be eligible for the on-call meal period.

On-call meal periods will comply with the rules and regulations of the California State Board of Pharmacy. The Employer shall not be required to take any action that is in violation of California law regarding meal periods.

6. Sixth/Seventh Day. No employee shall be required to work seven (7) days in any workweek except in an emergency. It shall not be a violation of this contract, nor shall it constitute cause for discharge, if an employee declines to work on the sixth (6th) day of the workweek unless scheduled to work on such day.

7. Sunday Ratio. The Employer may schedule no more than three (3) part-time shifts for every one (1) eight (8) hour shift scheduled.

8. Holiday Ratio. An employee who works on a holiday shall be guaranteed not less than the number of hours regularly worked on such day, unless the pharmacy department is open less than its regular hours, in which case a four (4) hour minimum is provided.

9. Holiday Scheduling. Work on Thanksgiving and Christmas shall be assigned by the Employer on a voluntary basis. Should the Employer be unable to staff its store with volunteering employees the Employer may assign employees to work the holiday by inverse seniority. Once an employee has agreed to work on Thanksgiving or Christmas and the work schedule has been posted, he shall be required to work said days. Written requests to work on any holiday shall be given first preference based on seniority. Employees working on the day of December 24 and/or December 31 shall be scheduled on the basis of inverse seniority to allow the most-senior employee the early shift on Christmas Eve and New Year's Eve.

10. Overtime and Holiday Preference. Employees shall be given preference for overtime work by seniority provided they are qualified to perform such overtime work. This provision shall not be a requirement on the Employer to create overtime work. Employees preferring to work the holiday must notify the Employer of their preference prior to the posting of the holiday week schedule. Written requests to work on any holiday shall be given first preference based on seniority.

11. Inventory Work. The present inventory taking practice shall continue; provided, however, that employees covered by this Agreement shall be paid for all time spent taking inventory at the appropriate contractual rate. No inventory work shall be required to be performed by employees covered by this Agreement on the evenings before Thanksgiving, Christmas and New Year's Day.

## ARTICLE 7 - WAGES

### A. ALL EMPLOYEES.

Base Rates. Attached to and made a part of this Agreement is Appendix A which sets forth the straight-time hourly rates for all employees covered by this Agreement.

B. NIGHT PREMIUM. A premium of five dollars and fifty cents (\$5.50) per hour in addition to the applicable straight-time rate shall be paid on all hours worked by employees between the hours of 10:00 P.M. and 7:00 A.M.



C. OVERTIME.

1. Over-time for Non-Alternative Workweeks. The overtime rate of one and one-half (1½ x) the hourly rate of pay will be paid for all hours worked:

- a. In excess of eight (8) work hours per day.
- b. In excess of forty (40) hours per week.
- c. During the first eight (8) work hours on the seventh consecutive workday in the Employer's workweek.

2. The overtime rate of two times (2x) the hourly rate of pay will be paid for all hours worked:

- a. In excess of twelve (12) hours in a workday.
- b. In excess of eight (8) work hours on a seventh (7<sup>th</sup>) consecutive workday in the Employer's workweek.

With written agreement by the Employer, the Union and the employee, a full-time employee may work an alternate work schedule consisting of not more than twelve (12) hour shifts at straight time. In such cases, any work over twelve (12) hours shall be at double time (2 x) and any work over forty (40) hours in a workweek shall be at time and one-half (1½ x). Such agreement may be revoked by any party with a notice of not less than thirty (30) days.

3. Nonpyramiding. The following are penalty rates: overtime rates, night premium rates and holiday rates. No penalty rate of any kind shall be pyramided or paid in addition to any other penalty rates, and only the single highest applicable penalty rate shall be paid for any given hour of work.

D. PAY PERIOD AND WAGE STATEMENT. All employees shall be paid on a weekly or biweekly basis. The Employer shall designate a pay day not to exceed six (6) days following the completion of the applicable pay period and employees must be paid on that day. The Employer agrees to furnish each employee with a weekly itemized wage statement showing the name of the employee, period covered, straight-time and overtime or premium hours worked, total amount of straight-time, overtime and premium wages paid and all deductions made. An employee scheduled off on a payday shall be paid on his or her last scheduled working day before the payday, if checks are available.

E. TIME RECORDS.

1. Daily Records. The Employer shall furnish forms, either time cards or other time records, on which the employee shall be required daily to record time worked on each day. Such daily record shall be verified by the Employer and employee at least weekly and shall be available for inspection upon request by the Union representative entitled to such information.

2. Collusion or Coercion. In the event of falsification of time records through collusion or coercion, where it is established that both the employee and the Employer had knowledge of such falsification, the employee shall be paid for all time worked, by check mailed to the Union.

F. BONUS PAYMENTS. All bonuses and commissions paid to the employee shall not be considered as wages but are to be considered for the purpose of this Agreement as extra compensation over and above the

minimum wage provided for in this Agreement. All bonuses and commissions are at the option of the Employer and may be changed or discontinued at any time without notice, except as provided herein in this Agreement. Bonuses and commissions shall not be used to defeat the wage provisions of this Agreement.

G. TRAVEL TIME. Whenever an employee is required by the Employer to change from one store to another during the same day, all time consumed by said employee in going either to or from one store to another shall be considered and paid for as part of the employee's regular duties.

H. INJURY ON THE JOB. When an employee is injured on the job, there shall be no deduction from the employee's pay for the day in which the employee was injured and reported for medical care. When such employee returns to work following the injury, and is certified as ready and able to perform all regular duties, but requires medical treatment as a result of the same injury, the Employer shall adjust the work schedules without penalty to the employee, to provide both the time for medical care and the number of hours of work for which the employee is regularly scheduled.

I. LEGAL PROCEEDINGS.

1. Required Appearance. Any employee served with a legal notice, citation or subpoena which involves any facet of the Employer's operation, or which may require the employee to appear in legal proceedings during scheduled work time, shall immediately inform the Employer of such service.

2. Requested Appearance. Employees shall be paid as time worked under the terms of this Agreement for time spent at appearances in legal proceedings at the request of the Employer.

3. Work Related Appearance. In addition, employees shall be paid as time worked under this contract for time spent at appearances or required standby in legal proceedings under subpoena issued by the court when the event, or events, giving rise to the issuance of the subpoena occurred while the employee was on duty working for the Employer, and so long as the Employer is not a party defendant or respondent in such proceeding, and no relief of any kind is sought against the Employer nor the imposition of any penalty or punishment upon him.

4. Former employees who at the time of the legal appearance are no longer employed by the Employer, shall be paid by such Employer at the rate of straight time for the time spent at the legal appearance, with a minimum guarantee of four (4) hours per day. In no sense is it to be construed that the former employee becomes an employee as a result of such payment.

J. STORE/COMPANY MEETINGS.

1. Store Meetings. No store and/or Company meetings shall be held as to conflict with the regular meetings of the Union, and upon three (3) days' notice to the Employer of a special meeting, the Employer agrees to hold no store meetings in conflict therewith. Employees may be called in on their predesignated scheduled day off to attend store meeting(s). Such payment however, for the first two meetings within a calendar year, shall be paid at straight time pay, and for not less than two hours. Additional meetings shall be paid at the overtime rate. Actual time spent at store meetings shall be considered as time worked and paid for in accordance with this Agreement, but shall not constitute hours worked with respect to overtime or any other premium pay and report-in pay provisions of Article 7-C-1 and Article 6-C-1, 2 and 3 shall not be applicable. Should the Company have more than one (1) store meeting per quarter all time spent at store meetings in excess of the one (1) per quarter shall be considered as time worked and paid for in accordance with this Agreement, including all premiums, overtime and report-in pay.

2. Company Meetings. Attendance at Company meetings (as distinguished from store meetings) shall not be required, but shall be completely voluntary on the part of the employee.

K. AUTO ALLOWANCE. The current mileage allowance will remain in effect until such time as the Employer adjusts such allowance for all employees. Such amount will then automatically apply to all employees. This provision shall not be subject to Article 16 of this Agreement.

L. TRAINING SCHOOL FEES. Where, as a condition of employment, the Employer requires attendance at a school or training establishment, and where a fee is charged for such instruction or training, the fee shall be borne by the Employer.

M. BOND FEES. Whenever the Employer requires the bonding of any employee or the carrying of any insurance for the indemnification of the Employer, the premiums for the same shall be paid for by the Employer. Should an employee be refused bond by a bonding company, after the first thirty (30) days of employment, the Employer agrees to make a reasonable effort to secure a bond in an appropriate case without added cost to the Employer.

N. REQUIRED HEALTH EXAM FEES. The Employer shall pay the cost for any city, county or state health examination required of employees who are covered by this Agreement.

O. NO REDUCTION IN RATES. It is further agreed that no employee shall suffer any reduction in rates or general working conditions by reason of the signing of this Agreement. No employee receiving hourly rates in excess of the rates herein shall be replaced by another employee at a lesser hourly rate for the purpose of avoiding any of the provisions of this Agreement.

P. WAGE/PRICE CONTROLS. If by Presidential decree or legislative enactment, wage and price controls are instituted which cause any provisions of this Agreement to affect either of the parties adversely, such provisions may be reopened for negotiations. The party adversely affected must give fifteen (15) days' written notice to the other party in order to so reopen this Agreement. Any issues unresolved as a result of such reopening may be submitted to final and binding arbitration by either party under the procedures set forth in Article 16.

Q. CHARITY. The Employer shall not conduct or handle any campaign or drive for charitable purposes among the employees except where the cooperation and contributions of the employees are voluntary.

## ARTICLE 8 - VACATIONS

A. ENTITLEMENT.

1. One Year. All full-time employees who have been continuously employed by the Employer for one (1) year shall receive one (1) weeks' vacation with full pay.

2. Two Years. All full-time employees who have been continuously employed by the Employer for two (2) years shall receive two (2) weeks' vacation with full pay.

3. Five Years. All full-time employees who have been continuously employed by the Employer for five (5) years shall receive three (3) weeks' vacation with full pay.

4. Fifteen Years. All full-time employees who have been continuously employed by the Employer for fifteen (15) years shall receive four (4) weeks' vacation with full pay.

5. Twenty Years. All full-time employees who have been continuously employed by the Employer for twenty (20) years shall receive five (5) weeks' vacation with full pay.

6. Continuous Employment Defined. Continuous employment for the purpose of this Article shall be measured from the last date of hire with the Employer. However, where there has been continuous leave of absence in excess of one (1) year, the period of continuous employment shall be reduced by the number of full years of such absence.

## B. PAY.

1. Full-Time Vacation Pay. The term "full pay" shall be defined as forty (40) hours' pay at the employee's straight-time hourly rate which was in effect at the time the vacation became due on the employee's anniversary date provided, however, that if the Employer does not pay the vacation pay on the anniversary date, the payment of vacation pay shall be based on straight-time hourly rate of pay in effect at the time the employee takes the vacation.

Absence. Absence from work up to seven (7) weeks or two hundred eighty (280) straight-time hours within the period of fifty-two (52) consecutive weeks, immediately preceding the employee's anniversary date, due to sickness, injury or temporary layoff, or other bona fide emergencies, shall be considered as time worked for the purpose of determining eligibility for full vacation pay. In the event that an employee is absent from work in excess of seven (7) weeks, as set forth above, whatever vacation pay the employee is entitled to shall be prorated according to the ratio that the straight-time hours actually worked bear to two thousand eighty (2,080) hours. Hours worked shall include paid holidays, paid vacations and paid jury duty.

2. Part-Time Vacation Pay. Part-time employees shall be entitled to vacation pay on each anniversary date of their employment, prorated on the basis of the average straight-time hours worked during the preceding year, according to the vacation formula set forth in this Article 8-A. Said vacation pay shall be based on the straight-time hourly rate in effect on the employee's anniversary date provided, however, that if the Employer does not pay the vacation pay on the anniversary date, the payment shall be based on the straight-time hourly rate of pay in effect at the time the employee takes the vacation.

3. Payment Date. Employees receive vacation pay at the time the vacation is taken. If the employee wishes to be paid in advance of their vacation, the employee may request payment for their vacation two (2) weeks prior to their vacation week. The payment of an employee's vacation pay shall be by separate check or computed at the same tax rate schedule as the computation of regular wages per week. Termination vacation pay is due in accordance with California state law.

### 4. At Termination.

a. General. Upon termination of employment for any reason other than discharge for proven or admitted dishonesty, an employee shall receive whatever vacation pay is due, prorated on the basis of straight-time hours worked, provided that the employee has been in the continuous employ of the Employer for six (6) months or longer. Said vacation pay shall be prorated according to the ratio that the straight-time hours actually worked bear to two thousand eighty (2,080) hours. Employees terminated for proven or admitted dishonesty shall forfeit all vacation pay.

b. After 6 Months. Employees whose employment is terminated, and who have been in the continuous employ of the Employer more than six (6) months, but less than one (1) year, shall not be entitled to such pro rata pay where termination of employment is due to a discharge or to a voluntary quit, but shall receive prorated vacation only where termination of employment is due to a layoff.

c. After 12 Months. Any employee who has been in the employ of the same Employer for twelve (12) consecutive calendar months, but not to exceed eighteen (18) consecutive calendar months, shall upon termination of employment be entitled to receive a pro rata of the earned vacation on the basis of one (1) workweek consisting of forty (40) hours at straight-time pay for all months for which no vacation has been paid.

d. After 18 Months. When an employee has been in the employ of the same Employer in excess of eighteen (18) consecutive calendar months, the employee shall receive upon termination, a pro rata of accrued vacation pay on the basis of eighty (80) hours at straight-time pay for all months for which no vacation has been paid, but in no event shall vacation pay for the first year's employment exceed one (1) week's pay. It is further provided that employees who voluntarily quit after eighteen (18) consecutive calendar months of employment with the same Employer, and prior to two (2) years' employment with the same Employer, shall receive pro rata of accrued vacation pay on the basis of forty (40) hours at the straight-time rate of pay.

e. After 5 Years. An employee who has been in the employ of the same Employer for five (5) years or more shall, upon termination, receive accrued vacation pay on the basis of three (3) weeks per year for all time in excess of five (5) years for which no vacation pay has been received.

f. After 15 Years. An employee who has been in the employ of the same Employer for fifteen (15) years or more shall, upon termination, receive accrued vacation pay on the basis of four (4) weeks per year for all time in excess of fifteen (15) years for which no vacation pay has been received.

g. After 20 Years. An employee who has been in the employ of the same Employer for twenty (20) years or more shall, upon termination, receive accrued vacation pay on the basis of five (5) weeks per year for all time in excess of twenty (20) years for which no vacation pay has been received.

5. No Carryover. Vacation may not be waived by an employee, nor may extra pay be received for work during that period; provided, however, that by prior mutual agreement between the Employer, the employee and the Union, this provision may be waived.

C. INDUSTRY VACATION. Additional vacation pay based on industry experience shall be provided in accordance with the provisions of the Trust Fund set forth in Article 14. Said additional vacation pay shall be paid to the employee by the Trust Fund. Any employee entitled to vacation pay as herein provided shall not suffer any loss of credits for health and welfare benefits or pension benefits that are provided under Article 14 of this Agreement.

D. SCHEDULING.

1. Posting/Selection/Scheduling. The Employer shall prepare and post in each store a vacation schedule not later than January 15th of each year and such vacation schedule shall remain posted until March 1st for the purpose of enabling the employees to select their vacation period. Vacation periods shall be fixed by the Employer to suit the requirements of the business, but as far as possible and practicable, vacations will be given during the summer months (through October if requested by the employee), and for employees with school-age children during the school summer vacation. Vacation periods other than those listed above may be applied for to management and full consideration will be given to grant the request unless it has an adverse

effect on the Employer's business. Vacation period shall be unbroken except by mutual consent between Employer and employee.

2. The Employer shall be required to give vacation time off based on the number of weeks of vacation due the employee from the Employer and from the vacation trust fund. Within the limits set forth in this Paragraph, vacations shall be scheduled by seniority.

3. In scheduling a vacation of an employee, the Employer shall give as much notice as possible prior to the date of beginning the vacation but not less than thirty (30) days.

4. No Cumulation. Vacations may not be cumulative from one year to another.

5. Holiday During Vacation. If a holiday named under Article 9 of this Agreement falls within the vacation period of an employee, the employee shall be granted an additional day of vacation with full pay, or an additional day's pay in lieu of the holiday.

## ARTICLE 9 – HOLIDAYS

### A. PAID HOLIDAYS.

1. Eligibility. The following days shall be holidays and granted without reduction in pay.

New Year's Day	Christmas Day
Memorial Day	Personal Holiday
Independence Day	Personal Holiday
Labor Day	Personal Holiday
Thanksgiving Day	

No employee shall receive pay for any holidays not worked unless such employee has reported for work on the regular working day next preceding and next following said holiday. Employees shall be deemed to have reported for work if absence on said day before and said day after said holiday is due to express permission from or action of the Employer, provided the employee has worked during the holiday week, except that if the employee is absent during the entire holiday week due to illness or injury, then the employee must have worked at least one (1) day during the week immediately preceding the holiday week in order to be entitled to holiday pay.

2. All contractual holidays shall be observed on the holiday itself.

3. During the first six (6) months of their employment, employees shall not be entitled to pay for time not worked on the holiday.

4. Personal Holiday. An employee requesting a given workday date as the personal holiday must do so at least fourteen (14) calendar days in advance. The Employer shall endeavor to grant such requests subject to store operational requirements. The Employer will grant such holiday time off with pay to the senior requesting employee(s). Personal holiday dates, once granted for that year, will become permanent fourteen (14) calendar days prior, and no senior employee(s) shall have a right to such date.

Personal holidays are expected to be scheduled and taken. In cases where an employee has been scheduled for a personal holiday, and the Employer cancels such holiday, the employee will receive holiday pay in accordance with the provisions of Paragraph B, below. Mutual rescheduling may be undertaken in lieu of holiday pay.

5. Employees shall be eligible for personal holidays in accordance with the schedule below:

(a) An employee, who completes 1 year of employment shall be eligible for a personal holiday that shall be taken any time during the remainder of the year except for the month of December;

(b) An employee, who completes 2 years of employment shall be eligible for 2 personal holidays that shall be taken any time during the remainder of the year except for the month of December;

(c) An employee, who completes 3 years of employment shall be eligible for 3 personal holidays that shall be taken any time during the remainder of the year except for the month of December;

(d) Effective January 1<sup>st</sup> each year, employees who have completed three or more years of service as of that date shall be eligible for 3 personal holidays that shall be taken any time during the calendar year except for the month of December.

Personal holidays are expected to be scheduled and taken. Each employee shall give the Employer no less than 2 weeks' advance notice of the date on which he wishes to observe his personal holidays. Personal holidays may not be celebrated in the month of December. In the event an employee is unable to schedule and take a personal holiday(s), the pay for that holiday(s) will be paid in December each year.

Any unused personal holiday pay will be paid upon termination.

6. With respect to any of the holidays listed in this Agreement which may, by virtue of controlling legislation be celebrated on Monday, this Agreement will be changed automatically to permit such Monday observance, coincident with the dates specified in such legislation.

## B. HOLIDAY PAYMENT.

1. Holiday Allowance. Full-time employees with six (6) months or more continuous service with the Employer, shall receive eight (8) hours. Part-time employees with six (6) months or more continuous service with the Employer shall receive five (5) hours for holidays not worked. In addition, all hours worked on the holiday will be paid at two and one half (2½).

2. Holiday Work. All employees scheduled to work on a holiday shall receive two and one half (2½) hours straight time pay for each hour worked on said holiday, plus such holiday allowance set forth in Paragraph 1 above.

3. Guarantee. Any employee called in on a holiday which is his predesignated day off shall be guaranteed eight (8) hours' work at the overtime rate of pay as provided in Article 7-C in addition to his holiday allowance for each hour worked.

C. VOLUNTARY HOLIDAY CLOSING. When the Employer voluntarily closes his store to the public because of any commemoration day or celebration day, or on any holiday other than those set forth in Paragraph A, above, it is agreed that the employees shall suffer no reduction in straight-time weekly earnings on account of such closing.

## ARTICLE 10 - SICK LEAVE PAY

### A. ELIGIBILITY

All employees covered by this Agreement who have been continuously employed by the Employer for a period of at least one year shall be entitled to forty-eight (48) hours of sick leave with pay, and on each anniversary date of employment thereafter they shall be entitled to forty-eight (48) hours of paid sick leave (subject to Paragraph 10(F) of this Article). Sick leave shall be payable only for bona fide illness or injury beginning with the first working day's absence. Any working day on which an employee works more than four (4) hours shall not be considered the first day of absence.

### B. PRO RATA

Part-time employees and full-time employees who failed to work the full year, shall be entitled to sick leave on the basis set forth above on a pro rata of total hours worked or paid for during the year preceding the anniversary date as a ratio to two thousand eighty (2,080) hours.

### C. SUPPLEMENTARY DISABILITY BENEFIT

Supplementary Disability Benefits will be provided in accordance with provisions of Article 14 hereof.

### D. SICK LEAVE INTEGRATION

Sick leave pay shall be integrated with the Supplementary Disability Benefits provided under the Trust Fund and California Disability Insurance or California's Workers' Compensation Temporary Disability Benefits, or both, so that the sum of the sick leave pay hereunder, and the aforesaid State disability daily benefits which may be payable to an employee shall not exceed one hundred percent (100%) of the employee's daily wage at straight time. If the sick leave pay allowable to an employee hereunder when so combined with any such Supplementary Disability Benefits from the Trust Fund and California Disability Insurance or California Workers' Compensation Temporary Disability Benefits, or both, exceeds one Hundred percent (100%) of the employees daily wage at straight time for any one (1) day, then such sick leave pay for that day shall be reduced accordingly. Any portion of the day's sick leave pay not received by the employee by reason of any such reduction shall be retained as part of the accumulated sick leave pay credit subject to the provisions of Paragraph 10(F), Unused Sick Leave Pay, of this Article. The Company will comply with the California Health Families Act of 2014.

### E. SICK PAY DEFINED

For the purpose of this Paragraph sick pay shall mean pay at the employee's regular classification rate for those days and hours which the employee would have worked had the disability not occurred, calculated at straight time.



F. UNUSED SICK LEAVE PAY

Commencing with the employee's second (2<sup>nd</sup>) and succeeding anniversary dates of employment, any sick leave not utilized by the employee during the anniversary year shall accumulate to a maximum of two hundred and forty (240) hours. Earned sick leave hours in excess of two hundred and forty (240) will be paid out annually on the employee's anniversary date. All accumulated sick leave shall be available for use by employees who are unable to work because of illness or injury as specified in Paragraph 10 (A) of this Article. Employees who retire from the Company will receive a payout of all accumulated sick leave hours.

For purposes of this Article in regard to the payment of unused sick leave pay, "retirement" shall apply to an associate who is at least fifty (50) years old, has at least five (5) years of continuous service with the Employer, immediately qualifies for a pension under the Southern California UFCW and Drug Employers Pension Plan and advises the Employer, in writing, at least fourteen (14) days in advance, that the employee is retiring.

**ARTICLE 11 - BEREAVEMENT LEAVE AND/OR PAY**

Leave for all non-probationary employees shall be provided because of death of a member of the employee's immediate family provided, however, that employees shall not be entitled to bereavement pay during their probationary period, but will be given up to three (3) days off without pay. Pay for such leave shall be at the straight-time rate for the hours scheduled for each workday lost because of such absence to a maximum of three (3) calendar days within a period of fourteen (14) calendar days beginning with the date of death. Verification of time required for such paid leave shall be supplied to the Employer by the employee, if requested. Immediate family shall be defined as the employee's spouse, child, mother, father, stepparent, brother, sister, mother-in-law, father-in-law, grandchild, grandparent, stepchild, legal guardian, domestic partner, or other relative living in the employee's home.

**ARTICLE 12 - JURY DUTY LEAVE AND/OR PAY**

When a full-time employee is required to be in any court or courthouse for jury service the employee shall be scheduled for a day shift from the hours of 8:00 A.M. to 5:00 P.M. on each day that the employee is scheduled for jury service, and on a Monday-through-Friday workweek and shall receive pay during such workweek for each day on such jury service at the rate of eight (8) hours times his straight-time hourly rate. An employee shall be entitled to receive jury duty benefits after the probationary period of employment.

If such employee in addition works for the Employer on Saturday, the employee shall be paid at the rate of straight time. If the employee works for the Employer on Sunday, the employee shall be paid at the Sunday rate of pay.

If an employee is excused, temporarily or permanently from jury service on any scheduled day, i.e., Monday through Friday, the employee shall immediately report for work to complete the remaining hours of the scheduled work shift. Failure to so report shall disqualify an employee from any pay for jury duty for the day in question as long as the transportation time will permit the employee to return to work prior to one (1) hour before the end of the shift.

When a non-probationary, part-time employee is required to report for jury service and such service deprives the employee of pay he otherwise would have earned during the workweek, he shall be paid lost pay based on his average hours worked in the four (4) weeks immediately preceding the first (1<sup>st</sup>) week of jury service

less any compensation received by him for such jury service. No employee will be required to work on a day in which they have served jury duty.

The Employer may require proof of attendance for jury service. A non-probationary employee must report immediately that he or she has been called for jury service and shall cooperate with the Employer in securing release from such service as appropriate in the circumstances then existing and with regard to the work performed by the individual concerned.

A non-probationary employee shall be eligible for jury duty pay for a maximum of thirty (30) days only during the life of this Agreement. Jury duty pay shall not be required for Grand Jury service. In the event a non-probationary employee is called for a second (2nd) tour of duty during the term of this Agreement, the Employer shall join the non-probationary employee in seeking the non-probationary employee's excuse from service if such service would cause a financial hardship to the non-probationary employee.

### **ARTICLE 13 - OTHER LEAVES OF ABSENCE**

A. **EMERGENCY LEAVE.** Non-probationary employees may take an automatic emergency leave of absence not to exceed two (2) weeks in the event of certified, serious illness or injury of the employee, or serious illness, injury or death in the employee's immediate family without prior notice; provided that the employee makes every reasonable effort to notify the Pharmacy Supervisor within twenty-four (24) hours of the commencement of said leave. Said two (2) weeks automatic emergency leave of absence shall be a part of the time limits set forth in Paragraph B below.

B. **AUTHORIZED LEAVE.** Employees with six (6) months' seniority shall be entitled to leaves of absence for the following reasons, provided they submit required paperwork to the Company LOA Department, up to the following maximum periods:

1. **Death in Family.** Death in the employee's immediate family or other personal reasons deemed sufficient by the Employer up to a three (3) month period.

2. **Illness/Injury.** Certified illness, injury, or pregnancy of the employee requiring absence from work up to six (6) months renewable for up to an additional six (6) month period.

3. **Workers' Compensation.** In absences covered by Workers' Compensation, the employee's leave of absence shall be continuous until such time as the employee has been released from his period of temporary disability and is available and qualified for work, provided, however, such leave of absence shall not exceed fifteen (15) months. This provision is subject to the requirements of Article 15-I of this Agreement.

4. **Family Care Leave of Absence.** Any employee with at least six (6) months of continuous service, shall be eligible to receive a family care leave of absence without pay for up to four (4) months of leave for the following reasons: the birth of an employee's child; the adoption and placement of a child with the employee; the serious health condition or death of the employee's spouse, domestic partner, child, step-child, parent, sister or brother; or of the mother-in-law, father-in-law, grandparent, legal guardian or other relative by blood or marriage, provided that such person resides in the same household as the employee; or due to a "qualifying exigency" for military operations arising out of a spouse's child's, or parent's Armed Forces (including the National Guard and Reserves) active duty or call to active duty in support of a "contingency operation," as these terms are defined by the Family Medical Leave Act of 1993 and its amendments ("FMLA"). The employee may be eligible for up to 26 weeks of leave in a 12-month period to care for a spouse, child, parent or next of kin (nearest blood relative of an individual) who is an Armed Forces member with a serious injury or illness incurred in the line of duty while on active duty that may render the individual medically unfit to perform his/her military duties, as those terms are defined by the FMLA.

The leave of absence may be taken in one (1) or more periods of at least one (1) payroll week each (not to exceed a total of four (4) months) within a twenty-four (24) month period from the date the leave began, unless otherwise agreed upon by the employee and the Employer. When combined with a maximum pregnancy-related disability leave, a family care leave would be limited to one (1) additional month.

Leaves may not be granted to both parents of a child at the same time (or at a time when one (1) parent is unemployed) or may be limited to a four (4) month period between both parents.

The Employer may deny a request for family care leave if the leave would cause undue hardship to the Employer.

In cases where the leave is foreseeable, employees must provide the Employer with advance notice. The Employer can require employees to schedule family care leave so as to minimize disruption of its operations, provided the need for family care leave is foreseeable and the health care provider approves the schedule.

Before approving a leave request, the Employer may request a certificate from a health care provider containing the following information:

- a. The date the serious health condition began.
- b. Probable length of the condition.
- c. A time estimate from the health care provider on how long the employee needs to care for the individual. (The Employer may request recertification upon expiration of the time estimate provided by the health care provider.)
- d. A statement that the serious health condition requires a family member to provide care to the individual.

Family care leaves must be requested in writing by the employee on available Employer forms and approved by the Human Resource Manager prior to the beginning of the leave period.

An approved family care leave of absence and return to active employment permits the employee to retain his employment date and continuous service date. An employee returning from an approved leave of absence will receive the same or comparable position as he had prior to the leave.

C. LEAVES IN WRITING. All leaves of absence shall be in writing and copies shall be given the Union and the employee.

D. REINSTATEMENT AFTER A LEAVE. Upon a return from a leave of absence the employee shall be restored to the job and location the employee left. If this is impractical, the employee shall be restored to as comparable a job as possible, or to a store which is as close to the person's home as geographically possible within the travel limitations. Further, said employee, upon written request, shall have the right of first refusal for any openings in their prior store. In no event shall a probationary employee be a bar to the returning employee.

E. EMPLOYMENT DURING LEAVE. If an employee works for remuneration during a leave of absence, without receiving written permission from both the Employer and the Union, the employee shall be considered a quit.

F. TERMINATION AFTER A LEAVE. Any employee on a leave of absence who fails to return to work at the expiration of said leave, shall be automatically terminated by the Employer and shall then forfeit all vacation pay and sick leave pay owed under the contract with written notice of termination sent to the employee and the Union.

## ARTICLE 14 - TRUST FUNDS

A. BENEFIT FUND.

1. The existing Health and Welfare Trust Fund known as the Southern California Drug Benefit Fund (hereinafter "Benefit Fund") shall be continued, as modified herein.

2. Benefits and Eligibility. The Trustees are instructed to continue the benefits and eligibility rules in effect as of July 1, 2017, for the duration of this Agreement.

The Trustees may maintain other plan options for other employers provided that the employers whose employees participate in such plans contribute at the rate established by the Trustees that will fund that plan and maintain the reserve required by Paragraph 3 below.

Retirees and their dependents, whether retired before or after August 8, 2004, are not vested in the Benefits provided by the Benefit Fund. There is no obligation on the Employer to continue to contribute or on the Trust Fund to continue to provide retiree benefits after the expiration of this Agreement unless a successor agreement provides for continuation of such coverage.

3. Contributions and Reserves

a. Maintenance of Benefits Contributions. As of July 1, 2017, the Employer shall contribute \$5.7740 per hour for the Platinum Plan and \$4.3305 per hour for the Gold Plan. The Trustees of the Benefit Fund shall adjust these Employer contribution rates as necessary to maintain throughout the duration of this Agreement the benefits and eligibility rules as in effect on July 1, 2017, and maintain the Reserves required in Paragraph 3 b.

b. Reserves. Reserves shall be targeted at three (3) months of projected expenses. If the projected reserves exceed the three (3) months during the last year of the contract, the trustees shall take action to temporarily reduce contributions (so as to achieve the three (3) month reserve target at the end of the contract). Notwithstanding any other provision of this agreement, the contribution for the last month of the contract shall be equal to no less than the current cost of the plan.

c. Cost Containment. The Benefit Fund Trustees are directed to explore all reasonable methods of cost containment to minimize the Employer contribution obligations under the contract. In the event Medicare becomes secondary in the application of the retiree benefit plan, the Trustees will take immediate and remedial action to protect the financial integrity of the Plan.

4. Other Benefit Plans. It is understood that the Employer retains any existing rights which he may have, in his exclusive discretion, to alter, amend, cancel, or terminate any existing employee benefit plan or plans or part thereof.

5. Excluded Employees. Employees excluded from the bargaining unit who work for an Employer signatory to this Agreement may participate in any of the foregoing benefits under rules and regulations established by the Trustees. The contributions required for such benefits shall be determined by the Trustees.

6. National Health and Welfare Coverage. In the event that there is passage of National Health and Welfare legislation, the parties agree to reopen the agreement for negotiations, the sole purpose of which shall be to negotiate language instituting prevention of duplicate costs for both the Employer and the employees involved.

7. Amendments. The Trustees are directed to amend the Trust Agreement to be consistent with the provisions of this Agreement. The Trustees shall have the discretion in acting on claims for benefits under the plan subject to review only in accordance with the arbitrary and capricious standard.

B. PENSION FUND. Employees shall participate in the CVS Pharmacist 401(k) plan as may be amended, modified or replaced by the Employer. Bargaining unit pharmacists shall be offered participation in said plan on the same basis as store staff pharmacists in Southern California who are not covered by a collective bargaining agreement.

C. RESOLUTION OF DIFFERENCES. Differences between the Employer and the Union as to the interpretation or application of the provisions of the Trust Agreement providing for the establishment and maintenance of the Southern California Drug Benefit Fund and the Declaration of Trust providing for establishment and maintenance of the Southern California UFCW and Drug Employers Pension Fund, relating to employee benefits, shall not be subject to the grievance or arbitration procedure established in this Agreement or any collective bargaining agreement. All such differences shall be resolved in the manner specified in the applicable Trust Agreement.

D. PAYMENT OF CONTRIBUTIONS.

1. Payments. Payment of contributions by the Employer required to be made to the trusts established under this Article 14 shall be made on or before the twentieth (20<sup>th</sup>) day of each month based upon all straight-time hours worked or paid for not to exceed eighty (80) hours in any consecutive two (2) week time period. Such payments shall be accompanied by a list of names of the employees for whom such contribution is made, showing the number of hours worked or paid for as set forth above by each employee during the preceding month. Time during vacation periods (including vacation pay upon termination), sick leave, jury duty, bereavement leave and holiday absences which is paid for as provided for under this Agreement and all work performed on Sundays and holidays, exclusive of daily or weekly overtime, shall be considered as time worked, to which the provisions of this Article shall apply.

No fringe contributions shall be made on behalf of Christmas extra employees. However, should they be employed on or after January 16, the Trust Fund shall credit them with all hours worked for health and welfare purposes retroactive to the date of hire as a Christmas extra, but no retroactive contribution shall be required from the Employer.

Contributions shall not be made for vacation payments made on the basis of industry experience as set forth in Article 8-C and unused sick leave paid in accordance with Article 10-F. The Employer, by payments of the amounts provided for in this Article, shall be relieved of any further liability and shall not be required to make any further contributions to the cost of the benefits, either in connection with the administration of the plans or otherwise. The last payment due under this Agreement shall be made on or before the twentieth (20<sup>th</sup>) day of July 2008 for the month of June 2008 except as may be required under Paragraph A-3-b, above.

2. Audits/Collections. The Trustees are hereby authorized to institute periodic audits of Employer's contributions to ascertain whether such contributions have been and are being made, fully and accurately.

If any such audit should disclose either an under-reporting or non-reporting of required contributions, the Trustees, at their sole discretion, may assess all or a portion of the audit expenses against such Employer, which the Employer hereby agrees to pay. The Trustees may add reasonable interest charges to any unpaid contributions and such interest charges shall also be paid by the Employer.

If it should become necessary to institute legal action against a contributing Employer to collect unpaid contributions, the Trustees, in their sole discretion, may assess all or a portion of attorneys' fees and court costs against the Employer, in addition to any audit expenses. The Employer hereby agrees to pay such attorneys' fees and court costs. The Trustees are authorized and directed to establish a method to encourage regular and prompt payment by instituting the imposition of liquidated damages to those Employers who are delinquent in their payments.

The Employer agrees to make all pertinent books and payroll records available to the Trustees, or their agents, for their inspection in the conduct of any audit performed pursuant to this Article.

E. BUSINESS EXPENSES. It is understood that the provisions of this Article are being entered into upon the condition that the payments made by the Employer hereunder shall be deductible as business expenses under the Internal Revenue Code as it presently exists or as it may be amended subsequent to the date of this Agreement and under any similar applicable state revenue or tax laws.

F. PENSION AND BENEFIT FUND APPOINTMENTS.

1. Designation of Trustees.

a. Employer Trustees. For the Benefit Fund, the number of Employer Trustees shall be four (4), Kaiser-Permanente Foundation, CVS Pharmacy Drug, Rite Aid, Inc., Vons, a Safeway Company, each entitled to appoint a Trustee and his successors.

b. Union Trustees. For the Benefit Fund, the number of Union Trustees shall be six (6), with Locals 135, 324, 770, 1167, 1428, and 1442, each entitled to appoint a Trustee and his successors.

c. The Union Trustees and Employer Trustees shall have equal voting power.

G. ACCEPTANCE OF TRUSTS.

1. The Employer and the Union hereby accept the terms of the existing Health and Welfare Trust, and the Pension Trust Agreements. By this acceptance, the Employer agrees to and shall become a party to both of said Trusts with the same force and effect as though the Employer had executed each original Declaration of Trust.

2. Any amendments that from time to time may be made thereto, including the creation of supplementary trusts to handle any of the funds referred to in this Agreement, shall be binding upon the Employer.

3. The Employer hereby specifically ratifies the appointment of Trustees made by the Employers as set forth in Section F above, designates and appoints them or their successors, as his Trustees, and authorizes them to act in such capacity. Successor Trustees shall be appointed by the same parties as their predecessors.

## ARTICLE 15 – GENERAL CONDITIONS

### A. NONDISCRIMINATION.

The Employer and the Union agree not to discriminate against any employee on the basis of their age, gender, gender identity or expression, marital status, sexual orientation, race, color, religion, national origin, veteran status, military status, disability, genetics or any other characteristic protected by federal, state or local law.

B. NEW CONTRACT. When a first contract is signed, the period of employment for vacation and sick leave eligibility shall be measured from the last date of hire with the Employer.

C. GENDER REFERENCE. All references in this Agreement to sex; for example, any reference to "his," "he," or "him" shall also apply to "her," "she," or "hers" and vice versa. References to "they," "them," and "their" shall apply equally to both sexes.

D. UNIFORMS. The Employer shall furnish all required uniforms and, except where the garment is of a drip-dry material, shall pay for the laundering and upkeep of same. The Union members shall have the right to wear their Union buttons. The Employer will permit its female employees to wear pantsuits or slacks (not blue jeans) in accordance with reasonable and appropriate standard of attire for retail employees.

E. RESTROOMS. Restroom facilities shall comply with requirements under applicable regulations or laws.

F. WEIGHT LIMIT. No employee shall at any time be permitted or required to lift any item weighing more than the limit allowed by law.

G. POLYGRAPH TEST. No employee or applicant for employment covered by this Agreement shall be requested or required by any representative of the Employer to be the subject of a Polygraph (lie detector) test for any reason whatsoever. The Employer agrees to refrain from any direct or indirect action that violates this understanding.

### H. SUCCESSORS AND ASSIGNS.

1. Partnership Dissolution. In cases of dissolution of a partnership, the remaining partner shall be expressly obligated to carry out the terms of this Agreement, regardless of whether or not he was signatory to the original Agreement.

2. New Owner. This Agreement shall be binding upon the successors and assigns of the parties hereto. In the event of bona fide sale or transfer of any store covered by this Agreement during the period hereof, the new owner or such transferee shall be notified of the obligation of this Agreement and be required to become a party hereto. The former owner shall be required to meet any and all monetary benefits that employees have accumulated under this Agreement.

3. Accrued Vacation. Upon sale or transfer of ownership of any store, or upon dissolution of business, vacation pay for all months worked for which no vacation pay has been given, shall be immediately paid to all employees coming under this Agreement, regardless of length of time said employee has been with the Employer.

4. Sale or Transfer.

a. In the event of a sale or transfer of a store or stores, an employee shall be allowed a seven (7) day period from the date of announcement to the employees of the sale or transfer during which time he may determine whether he wishes to stay with the seller or whether he wishes to make application for employment with the new owner or transferee. In the event the employee chooses to remain with the seller, such choice shall not be construed as any guarantee of employment over and beyond the terms of this Agreement.

b. In the event of a sale or transfer of a store or stores, the new owner or transferee shall make every effort to fill his employment needs in such store or stores from those employees of the seller or transferor who were employed in the stores sold or transferred.

c. Such new owner or transferee, however, shall not be required to retain in his employ any of the employees of the seller or transferor. Any employee of the seller or transferor who is employed within the thirty (30) day period referred to immediately below by the new owner or transferee shall be employed on a probationary basis for a period of thirty (30) days from the date the new owner or transferee assumes responsibility for the management and operation of the store or stores, subject to termination within such thirty (30) days with or without cause and without reference to seniority. Any termination within such thirty (30) day period shall not be reviewable through the grievance or arbitration procedures, except for a violation of Paragraph H-4-b of this Article 15.

d. Any employee of the seller or transferor who is employed by the new owner or transferee within such thirty (30) day period and who is retained on the payroll of the new owner or transferee for a period in excess of such thirty (30) day period, shall be credited with and retain all seniority acquired while in the employ of the seller or transferor since his most recent date of hire by such seller or transferor for the purpose of determining benefits to which he is entitled under the collective bargaining agreement with the new owner or transferee by virtue of such seniority as if his employment were continuous, including retention of anniversary date of employment, provided that the employees of the seller or transferor shall for the purposes of termination be credited with no more seniority than that of the most senior employee employed by the new owner or transferee covered by an agreement with a UFCW Local on the date of assumption of responsibility, and provided further that the new owner or transferee shall not be liable for any benefits or payments owed to the employee because of employment with the seller or transferor. "Seller or transferor" is defined to include prior owners of the same store since January 1, 1956.

e. The seller or transferor shall pay all vacation and sick leave accrued for time worked as of the date the sale or transfer becomes effective for all employees who have completed at least six (6) months with the Employer on the effective date of the sale or transfer, and said date shall become the date of employment with the new Employer for the purpose of vacation and sick leave only.

I. **SEPARABILITY CLAUSE.** The provisions of this Agreement are deemed to be separable to the extent that if and when a court of last resort adjudges any provisions of this Agreement in its application between the Union and the undersigned Employer to be in conflict with any law, such decision shall not affect the validity of the remaining provisions of this Agreement, but such remaining provisions shall continue in full force and effect, provided further, that in the event any provision or provisions are so declared to be in conflict with a law, both parties shall meet immediately for the purpose of renegotiation and agreement on provision or provisions so invalidated.

J. **TITLES.** The titles and subtitles used in this Agreement are for the sole purpose of identification and shall have no bearing on the construction or meaning of the Paragraphs to which they refer.



K. AMENDMENTS, ADDITIONS, WAIVERS. This Agreement is subject to amendment, alteration or addition only by a subsequent written agreement between and executed by the Employer and the Union. The waiver of any breach, term or condition of this Agreement by either party shall not constitute a precedent in the future enforcement of any such term or condition.

L. EFFECTIVE DATES. All economic terms and conditions of this Agreement shall be effective July 13, 2008 except as otherwise specified herein. All operational terms and conditions which change previously existing practices shall be effective not later than the date of execution of this Agreement.

M. CERTIFICATION TO WORK. In the event an employee is listed on a Federal or State excluded parties list, that employee will be removed from the schedule until such time as they are removed from such list. If, after ninety (90) days, they remain on the excluded parties list, their employment will be terminated. In the event that an employee requires a certification or license in order to work, and the certification or license is expired or suspended, that employee will be removed from the schedule until such time that they are eligible to work. If, after ninety (90) days, they are not eligible to work, their employment will be terminated. On a regular basis, the Company will contact to have the appropriate databases reviewed to determine work eligibility verified for all employees.

#### **ARTICLE 16 - GRIEVANCE, MEDIATION OR ARBITRATION**

A. DISPUTES OR QUESTIONS. Any and all matters of controversy, dispute or disagreement of any kind or character existing between the parties arising out of or in any way involving the interpretation and/or application of the terms of this Agreement shall be settled and resolved by the procedures and in the manner as set forth herein.

B. GRIEVANCE FILING/STEPS.

1. Discharge/Layoff. A discharged or laid off employee has ten (10) days from the date of discharge or layoff, excluding Saturday, Sunday and holidays, within which to file written protest with the Union (with notice to the Employer). Said discharge shall then be subject to this Article. If no protest is filed within said ten (10) day period, or within ten (10) days of the notice specified in Article 4-C-4, all rights possessed by said employee or the Union to protest the discharge or layoff are waived.

2. Wage Discrepancy. If a wage discrepancy is claimed to exist, the representative of the Union shall first attempt to settle it with the representative designated by the Employer.

Failing settlement at this level, the Union shall in writing notify the Employer of the alleged discrepancy and the names of the employees involved, and the period of time that such discrepancy is claimed to cover. Upon receipt of such written notice, the Employer agrees to promptly furnish the representative of the Union wage data pertaining to the alleged wage discrepancy. If the parties fail to settle such wage discrepancy, said discrepancy shall be subject to the provisions of this Article.

3. Reporting Monetary Discrepancies. A claim for unpaid wages, holidays, vacation, jury duty, sick leave, bereavement pay, or night, Sunday, or for any other direct compensation, must be filed with the Union by the employee, promptly upon discovery. The Union shall, thereafter, if it believes such claim has validity, promptly notify the Employer. A claim not filed by the employee with the Union within ten (10) days after discovery and not filed by the Union with the Employer within an additional ten (10) days, shall be deemed null and void. (The Union has twenty (20) days from the employee's date of discovery to file notice with the Employer.) Notwithstanding the foregoing, no wage or other direct compensation claim not involving

interpretation of the contract can cause such Employer to pay such claim or any portion thereof retroactively for a period of more than six (6) months immediately prior to the date of the Employer's receipt of notice from the Union of the claim. In any event, the Employer's obligation to compensate an employee for unpaid time worked under Article 7-E, shall not be limited in any way by the foregoing, except for the six-month limitation.

#### 4. Grievance Steps.

Step 1 - Store Level. Employees, either directly or with their Union representative, shall attempt to settle or resolve any dispute with their General Manager or supervisor within ten (10) days after discovery of the event giving rise to the grievance. In the event the matter or dispute is not settled or resolved, the employee shall have ten (10) days in which to file a grievance with the Union with a notice to the Employer.

Step 2 - District Level. Upon receipt of the Union's grievance, as detailed in Step 1, either party may request a formal grievance meeting. Upon receipt of written notice from either party, representatives of the Employer and representatives of the Union shall try to meet within one (1) calendar week in order to attempt to settle or resolve the matter. Any request for a formal grievance meeting must be submitted within ten (10) days after receipt of the employee's written protest.

Step 3 - Corporate Level. If the grievance is not satisfactorily adjusted in Step 2, or if no decision is reached within ten (10) days of the meeting, the union may then present the grievance to the Area HR Director. The grievance will be discussed by a representative or representatives of the Union, and a representative or representatives of the employer within ten (10) days in an attempt to resolve the grievance. The decision of the Employer will be then stated in writing and sent to the Union fourteen (14) days of the discussion date.

Step 4 - Arbitration. Any matter not settled or resolved in Step 3 may be submitted to arbitration by either party to this Agreement, i.e., the Employer or the Union, provided that written demand for arbitration must be made within ninety (90) days from the date of the filing of the grievance but not prior to the Step 2 grievance meeting. Failure to comply within the time limits contained in this Paragraph and/or in Steps 1 and 2 shall render the grievance null and void. Any rights possessed by either the Union or the employee with respect to arbitration shall be irrevocably waived. The Employer and Union agree that with respect to arbitration procedure, past practices will be limited to only those in effect since June 18, 2006, except those pertaining to Article 14.

Upon the receipt of the written demand for arbitration, the parties shall endeavor to select an impartial arbitrator. However, if the parties fail to agree upon an arbitrator who is willing and able to serve within fourteen (14) calendar days after service of the demand for arbitration, the party demanding arbitration, within seven (7) calendar days thereafter, shall submit the demand for arbitration to the Federal Mediation and Conciliation Service to request a list of arbitrators. Upon receipt of this list, an authorized representative of the Union shall strike a name from the panel. Thereafter, the parties shall alternately strike one name each until only one name remains. The person whose name remains shall be the selected arbitrator. The arbitrator shall be requested to provide a minimum of five (5) available dates in five (5) separate calendar weeks (excluding Saturdays and Sundays) over a period not to exceed ninety (90) days from the arbitrator's selection date. If the Union and Employer fail to mutually agree upon an available arbitration date provided by the arbitrator, the arbitrator shall select a binding arbitration date and advise the parties of said date. The arbitration date selected by the parties or mandated by the arbitrator shall not be changed unless mutually agreed upon by the Union and Employer's Labor Relations representative.

The hearing shall be held within ninety (90) days after the arbitrator is selected, contingent upon the arbitrator's availability, with the further understanding that the arbitrator's award will be issued no later than forty-five (45) days after the hearing is completed.

C. TIME PERIODS. The time periods set forth above may only be extended by mutual written agreement between the parties.

D. MEDIATION.

1. Within fifteen (15) calendar days following the Step 2 grievance meeting, either party may request that the dispute be submitted to mediation. Mediation shall be voluntary by both the Employer and the Union and any objections to mediation must be made in writing within seven (7) calendar days following receipt of the above request.

2. The adjustment and arbitration provisions shall be stayed for not more than eighty (80) days pending mediation.

3. Mediation shall take place on the first Tuesday after the first Monday of every odd-numbered month (January, March, etc.). Subsequent days for mediation will be scheduled, if necessary.

4. The mediator shall be provided by FMCS.

In September of each year, the parties will meet and mutually agree upon a new list of mediators, which may include either or both of the individuals currently on the panel.

5. The procedures set forth in Appendix B attached to this Agreement shall be the rules for the parties and the mediator.

6. All costs of the mediator shall be borne equally by both the Employer and the Union.

7. If the parties agree to be bound by the mediator's recommendation, the decision shall be codified and signed by the Employer and the Union.

8. Any matter not resolved pursuant to this provision may be submitted to arbitration within fifteen (15) days following the mediation. Failure to adhere to the fifteen (15) day time limit will waive any right to arbitration.

E. ARBITRATOR'S AUTHORITY.

1. The arbitrator shall determine the arbitrability of any dispute, should it arise.

2. The arbitrator shall not have the power to alter, change or modify this Agreement in any respect. The rights of the parties to make any changes, modifications or amendments to this Agreement shall be reserved to themselves only, and shall not be subject to the arbitrator's authority.

3. With the exception of arbitrations involving discipline, the expenses of the arbitrator shall be borne equally by both the Employer and the Union. All jointly incurred expenses (i.e., transcripts, reporter's costs, arbitrator's fees, room rental) of arbitrations involving discipline shall be borne by the loser. Unless the grievance which has been submitted to the arbitrator is totally sustained or denied, it shall be deemed split and the jointly incurred expenses shall be borne equally between the Employer and the Union.

4. The arbitrator's decision shall be final and binding on all parties hereto.

F. **WORK STOPPAGES.** Matters subject to the procedures of this Article shall be settled and resolved in the manner provided herein. During the term of this Agreement, there shall be no cessation or stoppage of work, lockout, picketing or boycotts, except that this limitation shall not be binding upon either party hereto, if the other party refuses to perform any obligation under this Article or refuses or fails to abide by, accept or perform a decision or award of an arbitrator, and fails to appeal to a court of competent jurisdiction.

G. **INDIVIDUAL WAIVERS.** The Employer may approach individual employees and propose an agreement between the Employer and the employee regarding submitting individual legal claims not covered by this CBA to binding private arbitration rather than court. The Employer will approach all active employees as of the date of ratification within ninety (90) days of ratification. The decision made by these active employees will supersede any previous decision made by that employee. The Employer will approach all new employees covered by this CBA within ninety (90) days of hire. Such an agreement to arbitrate individual legal claims, if made, would not affect the employees' rights under this CBA.

#### **ARTICLE 17 - THE EMPLOYER AND PHARMACIST RESPONSIBILITIES TO THE PUBLIC AND THE PHARMACY PROFESSION**

A. **PRINCIPLES.** The foremost obligation of the Employer and the pharmacist is to assure the public that prescriptions and related matters are handled in accordance with the highest professional standards of pharmacy. The Employer and the pharmacist pledge full cooperation in such mutual undertaking.

B. **DECLARATIONS.** To make possible the fullest attainment of the above-stated objective, the following declarations shall apply:

1. The Employer shall make every possible endeavor to provide work surroundings and conditions which will prevent the pharmacist from being interrupted or distracted unnecessarily while compounding prescriptions. Such conditions will specifically include, but not be limited to:

a. Prescription compounding area shall be separated from the public by barriers of appropriate height and distance.

b. A sign shall be posted on entrance to pharmacy departments restricting entry to authorized persons only.

2. The pharmacist shall have full control over the pharmaceutical case and shall see that cleanliness and organization are maintained therein in accordance with State and Federal laws and Employer policies. The Employer agrees that it will not assign maintenance duties to pharmacists, except housekeeping duties consistent with their professional status.

3. The pharmacist shall be expected to keep himself informed of developments in the pharmaceutical field. Therefore, he will be expected to participate in necessary interviews during working hours with Employer-approved medical sales representatives. He will also be expected to consult trade publications and books of reference, available in the store, concerning matters of importance and immediate concern, as needed. To assist in the foregoing, the Employer will make available in the store publications containing up-to-date product information, including cross-referencing.

4. The Pharmacist shall compound and dispense prescriptions, sell pharmaceuticals, medicines and related drug items, do patient consultation and shall be required to perform any and all other duties within the normal scope of his/her professional duties. He may in his individual discretion, but shall not be required to perform, additional functions outside the prescription and drug departments.

5. On all matters relating to the ethical practice of pharmacy including those set forth in this Article, pharmacists shall be responsible within the Company only to supervisors who are pharmacists.

6. The Employer will carry an insurance policy in the amount of \$500,000 for each person, per accident, and in the aggregate, \$1,000,000 per twelve (12) month period, in order to protect the pharmacist while working on the job against any civil losses for incorrect compounding of prescriptions, or for the performance of any usual and customary professional services authorized by the Employer. The Employer shall send evidence of such coverage to the Union or be self-insured.

7. Professional Rights. A pharmacist in his or her professional judgment may delay or refuse to fill or refill any prescription if there is reason to believe that such action would protect the health of the patient or where reasonable doubt exists as to the legality of said prescription or the legal use thereof, after first having established the fact by having consulted the prescriber if said prescriber is available.

8. There shall be established a Professional Relations Committee composed of an equal number of Union and Employer representatives.

The purpose of this Committee will be to consider, discuss, and mutually agree upon, if possible, matters of concern and common interest relating to the practice of pharmacy. In no event shall any action of this Committee interfere with or abridge the legal and ethical duty and responsibility of the individual pharmacist in his practice of pharmacy.

The Committee shall have the right to establish its own rules and procedures, including but not limited to the selection of Chairman, Secretary, meeting dates, places and the agenda for each meeting of the Committee.

The duties and functions of the Committee shall not abridge or preclude either the Union or the Employer from taking unresolved grievances arising under the terms of this Agreement through arbitration as set forth in Article 16 of this Agreement.

C. **PROFESSIONAL WORK STANDARDS.** Both the Union and the Employer recognize that sufficient ancillary staffing is necessary in order to maintain professional work standards, increase efficiency, productivity and profits.

1. Ancillary hours shall be selected by the Pharmacy Manager and Regional Pharmacy Manager, using the Employer's guidelines and/or as set forth in the C.B.A. Staff Pharmacists shall be consulted with respect to the needs of the pharmacy.

2. The Employer agrees that when an employee is assigned as a pharmacy technician in the pharmacy that employee shall not be arbitrarily removed except in the event of an emergency.

**ARTICLE 18 - EXPIRATION AND RENEWAL**

This Agreement shall be in effect from July 1, 2017, to and including June 30, 2021, and shall continue from year to year thereafter unless either party shall give written notice to the other at least sixty (60) days prior to the expiration date of June 30, 2021, or at least sixty (60) days prior to any subsequent June 30<sup>th</sup> of any succeeding year of its desire to alter, amend, or terminate this Agreement.

Signed this 13<sup>th</sup> day of February, 2018.

FOR THE EMPLOYER

CVS PHARMACY

By Rob Francin  
Rob Francin, Senior Director of  
Labor Relations and HR Compliance

By Stephanie Sciarba  
Stephanie Sciarba  
Director of Labor Relations

FOR THE UNIONS:

By Mickey Kasparian  
Mickey Kasparian, President  
UFCW Local 135

By Greg M. Conger  
Greg M. Conger, President  
UFCW Local 324

By John M. Grant  
John M. Grant, President  
UFCW Local 770

By Rick Bruer  
Rick Bruer, President  
UFCW Local 1167

By Mark Ramos  
Mark Ramos, President  
UFCW Local 1428

By Michael A. Straeter  
Michael A. Straeter, President  
UFCW Local 1442

**APPENDIX A - WAGES**

A. SCHEDULE OF RATES.

Wage Increases. The following wage increases apply to all pharmacists and shall be effective on the dates noted below.

7/2/2017	7/8/2018	7/7/2019	7/12/2020
\$68.70	\$70.00	\$71.30	\$72.70

## **APPENDIX B - MEDIATION PROCEDURE**

The mediation procedure is entirely informal in nature. The relevant facts should be elicited in a narrative fashion to the extent possible, rather than through examination and cross-examination of witnesses. The rules of evidence will not apply and no record of the proceedings will be made. All persons involved in the events giving rise to the grievance should be encouraged to participate fully in the proceedings, both by stating their views and by asking questions of the other participants at the mediation hearing.

The primary effort of the mediator should be to assist the parties in settling the grievance in a mutually satisfactory fashion. In attempting to achieve a settlement, the mediator is free to use all of the techniques customarily associated with mediation, including private conferences with only one party. If settlement is not possible, the mediator should provide the parties with an immediate opinion, based on the Collective Bargaining Agreement, as to how the grievance would be decided if it went to arbitration. That opinion would not be final and binding, but would be advisory. It would be delivered orally and would be accompanied by a statement of the reasons for the mediator's opinion. The advisory opinion could be used as the basis for further settlement discussions or for withdrawal or granting of the grievance. If the grievance is not settled, granted or withdrawn, the parties are free to arbitrate. If they do, the mediator could not serve as arbitrator, and nothing said or done by the parties or the mediator during mediation could be used against a party during arbitration.

Neither attorneys nor court reporters or any other type of note-taker shall be allowed to be present at the proceedings.



## APPENDIX C – SUBSTANCE ABUSE REHABILITATION

1. The Employer and the Union agree that use of unprescribed controlled substances which causes intoxication or impairment on-the-job poses risks to the employee, his co-workers, and to the Employer. Recognizing that in a given situation drug abuse may be an illness. It is the parties' intent that the Employer shall offer one (1) rehabilitation opportunity rather than terminating the employee on the first occasion.
2. Use or abuse of prescribed controlled substances may pose the same risks identified in Paragraph 1 above. However, if the prescribing physician certifies that his orders regarding frequency and strength of dosage were followed by the employee, the matter shall not warrant discipline. If the physician reports to the contrary, then the same process shall apply as to use of unprescribed controlled substances.
3. Use, consumption, sale or purchase of controlled substances on Employer premises or during the period from the start to the finish of a shift (including overtime, if any) shall result in dismissal, unless consumption is pursuant to the prescribing physician's prior specific orders.
4. All employees shall be informed of this policy before testing is administered. Employees will be provided with contact information on each Local's MAP program by the Union. Managers, supervisors, and Union stewards shall be trained to recognize the symptoms of drug abuse, impairment and intoxication.
5. No employee shall be tested for drug metabolites unless there exists a reasonable suspicion that the employee to be tested is under the influence of drugs. Random or mass testing is strictly prohibited. The term "reasonable suspicion" shall, for the purpose of this policy and Paragraph be defined as follows:

Aberrant or unusual on-duty behavior of an individual employee which:

- a. is observed on-duty by the employee's immediate supervisor or another supervisor or manager and is confirmed, if present on the premises, by the observation of another supervisory employee, managerial employee or loss prevention employee;
- b. is the type of behavior which is recognized and accepted as symptoms of intoxication or impairment caused by controlled substances or alcohol or addiction to or dependence upon said controlled substances; or
- c. results in a work-related accident causing damage to property in an amount exceeding \$500.00 or in physical injury to any individual requiring medical treatment other than minor cuts or bruises arising in the normal course of employment.

Reports of drug abuse or aberrant behavior which are not confirmed by supervisory observations shall not constitute reasonable suspicion. Accidents defined in Paragraph 5-c constitute reasonable suspicion.

6. a. When a supervisor has reasonable suspicion to believe that an employee is using, consuming, or under the influence of an alcoholic beverage or controlled substance, the supervisor shall notify another member of management for the purpose of observation and confirmation of the employee's condition. The employee shall be offered an opportunity to give an explanation of his/her condition, such as reaction to a prescribed drug, fatigue, lack of sleep, exposure to noxious fumes, reaction to over-the-counter medication or illness. A Union representative, store steward, if on the premises at the time of observation, or employee witness shall be present during such an explanation, and shall be entitled to confer with the employee before the explanation is requested. If both supervisors and/or managers, after observing the employee still have

reasonable suspicion to believe that the employee is using, consuming, and/or under the influence of an alcoholic beverage, non-prescribed controlled substance, or non-prescribed narcotic drug while on duty, then, by a written order signed by both the employee's immediate supervisor, if he is present or by another supervisor or manager if he is not, and another member of management, if present, the employee shall be ordered to submit to a 5 Panel NIDA Drug Screen designed to detect the presence of amphetamines, cocaine metabolites, marijuana metabolites, opiate metabolites, and phencyclidine in accordance with the procedure set forth below, and/or blood alcohol test.

b. Refusal to submit to toxicology testing after being ordered to do so shall result in discharge.

7. The following procedure shall apply to blood and urine tests administer to employees:

a. No employee of the Employer shall draw blood from an employee.

b. The testing shall be done by a laboratory certified by the State of California as a medical and forensic laboratory which complies with the Scientific and Technical Guidelines for Federal Drug Testing Programs and the Standards for Certification of Laboratories engaged in Urine Drug Testing for Federal Agencies issued by the Alcohol, Drug Abuse and Mental Health Administration of the U.S. Department of Health and Human Services.

c. The standards used to determine what levels of detected substances shall be considered as positive are the most recently published federal guidelines. State guidelines apply to alcohol only. Levels which are below those set above shall be determined as negative indications.

d. Any sample which has been adulterated or is shown to be a substance other than urine shall be reported as such.

e. At the laboratory, a sample of the specimen shall be tested using the EMIT procedure. In order to be considered positive, the sample must show a positive result on the GCMS confirmatory test. This specimen shall be made available to the Union upon request for testing by a laboratory selected by the Union.

8. If the results of the test administered by the Employer on the sample show that the employee, while on duty, was under the influence of or drank, smoked, ingested, inhaled or injected alcoholic beverages, non-prescribed narcotics, marijuana, cocaine, PCP or non-prescribed amphetamines, or other tested drug the following procedure shall be followed.

The employee and the Union shall be presented with a copy of the results before any discipline is imposed. The Union and the employee shall then have seventy-two (72) hours to present to the Employer any different results from the test of the sample conducted by a laboratory selected by the Union; however, the failure of the Union or the employee to have the third test performed or to present the results to the Employer shall not be used against the employee as a basis for discipline or in any arbitration proceeding. The laboratory selected by the Union must meet the standards set forth in Paragraph 7-b. At the employee's request, the Employer will ask the Drug Trust to recommend rehabilitation agencies. Failure to sign a "last chance" agreement and to complete a rehabilitation program shall result in dismissal. Dismissal shall also result if there is another confirmed substance abuse occurring within a twenty-four (24) month period.

9. Employees who seek voluntary assistance for alcohol and substance abuse before reasonable suspicion arises shall not be disciplined for seeking such assistance. Also, if reasonable suspicion later results in testing which show use of unprescribed controlled substances, the employee shall be entitled to one (1)

more opportunity for rehabilitation and a last chance agreement. The Employer shall use its best efforts to keep confidential an employee's decision to seek assistance provided such assistance is sought prior to the occurrence of work performance or behavior difficulties. Employees enrolled in substance abuse programs shall be subject to all Employer rules and regulations, and job performance standards.

10. Results of urine and blood tests performed hereunder shall be considered medical records and held confidential to the extent permitted by law. Test shall only be performed for alcohol, chemical adulteration, marijuana metabolites, cocaine metabolites, opiates, amphetamines, and phencyclidine, or other drugs tested pursuant to Federal Drug Testing Guidelines and the laboratory shall only report on the presence or absence of these substances. Test for other drugs shall not be performed and, if such tests are performed, the results of such other test shall not be reported to the Employer.

11. The unpaid suspension for positive results shall be limited to four (4) full days, provided the employee has agree to immediately enter a drug/alcohol rehabilitation program as recommended. If results are negative, days of suspension shall be paid.

12. Nothing contained herein shall be deemed to waive the Union's right to grieve and arbitrate the enforcement of application of this policy by the Employer, including any discipline so issued hereunder.

13. Nothing contained herein is intended to violate any federal or state law, rule or regulation, and if found to do so in part by any court of competent jurisdiction, then that part shall be made null and void and the parties agree that they will, within thirty (30) days, begin negotiations to replace such void part with a valid provision.