

Agreement by and between

# **UFCW 21 and Macy's, Inc.**



**Effective 5/1/2015 – 5/31/2018**



# YOUR VOICE, YOUR UNION, YOUR CONTRACT

## About UFCW 21

UFCW 21 is a large, strong, progressive, and diverse union, representing more grocery workers, retail workers, and professional and technical health care workers than any other union in the state.

With over 44,000 members united, we have the power and resources to take on tough employers, represent members on the job, raise standards in our industries, and support laws that make a difference for working families.

**With a union you and your co-workers have a voice in decisions about your work life**—wages, benefits, holidays and vacations, scheduling, seniority rights, job security, and much more. Union negotiations put us across the bargaining table from management—as equals.

A negotiating committee of your co-workers and union staff negotiated this contract. How does the negotiating committee know what issues are important? Union members tell us. The issues raised in contract surveys and proposal meetings help us decide what to propose in contract negotiations. Stewards and union representatives report on issues that arise on the job, talking with members about grievances, problems, and needs. They have a hands-on sense of what the issues are.

The more that union members stand together and speak out with one voice, the stronger the contract we can win. A contract can only take effect after union members have a chance to review the offer and vote on it.

**A union is as strong as its members. It's no secret—an active and united membership means a stronger union—which means a better contract.**

My Union Representative:

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My Union Steward:

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## Macy's 2015 – 2018

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MACY'S  
AND  
UFCW LOCAL 21

SEATTLE-LYNNWOOD-EVERETT-BELLINGHAM  
2015 - 2018 LABOR AGREEMENT

THIS AGREEMENT is made and entered into this 1st day of May, 2015, by and between UFCW Local 21, chartered by the United Food and Commercial Workers International Union, hereinafter referred to as the "Union," and Macy's, Inc., located at store #367 Downtown Seattle, store #371 Northgate Mall, store #370 Alderwood Mall, store #439 Commons Mall , store #375 Everett Mall, store #433 Westfield Shopping Town Southcenter Mall, and store #372 Bellis Fair Mall, hereinafter referred to as the "Employer."

WITNESSETH: In consideration of the mutual covenants herein contained, the Employer and the Union agree as follows:

ARTICLE 1 - RECOGNITION AND BARGAINING UNIT

1.01 The Employer recognizes the Union as the sole and exclusive collective bargaining agent for a unit consisting of Associates coming under the classifications listed herein at the Employer's present retail establishment at 602 Northgate Mall, Third and Pine, and 500 Southcenter Mall, Seattle, Washington; 18700 Alderwood Mall Blvd, Lynnwood; 1901 S Commons, Federal Way; 1502 S Everett Mall Way, Everett; and 50 Bellis Fair Parkway, Bellingham; with respect to rates of pay, wages, hours and working conditions.

ARTICLE 2 - UNION SECURITY

2.01 It shall be a condition of employment that all present Associates covered by this Agreement who are members of the Union in good standing on the effective date of this Agreement, or on the date of execution of this Agreement, whichever is the later, shall remain so. All present Associates who are not members of the Union in good standing on the latter of the aforesaid dates and all Associates who are hired hereafter shall become and remain members of the Union in good standing as a condition of employment on and after the 30th day following the beginning of their employment or on and after the 30th day following the effective date of this Agreement, or the date of the execution of this Agreement, whichever is the latter.

2.01.1 Dues Deduction - During the term of this Agreement, the Employer shall deduct all dues and fees from the pay of each member of the Union who voluntarily executes a wage assignment authorization form. When filed with the Employer, the authorization form will be honored in accordance with its terms. A copy of the authorization form to be used is set forth as Appendix A to this Agreement. The amount deducted and a roster (including name, social security number and amount of deduction) of all employees using payroll deduction will be promptly transmitted (via email attachment) monthly to the Union by check payable to its order. Upon issuance and transmission of a check to the Union, the Employer's responsibility shall cease with respect to such deductions. The Union and each employee authorizing the assignment of wages for the payment of Union dues hereby undertakes to indemnify and hold the Employer harmless from all claims, demands, suits or other forms of liability that may arise against the Employer for or on account of any deduction made from the wages of such employee. The Union agrees to indemnify and hold the Employer harmless from any claim, loss, damage or judgment of any court of competent jurisdiction, or any agency of government, in connection with or arising from any loss, misuse or theft of Social Security

numbers provided to the Union pursuant to any section of this Collective Bargaining Agreement.

2.02 The foregoing paragraph shall not apply to any Associates who are hired only for the Holiday Season. The Fall Holiday Season is defined as a period of no more than one hundred (100) days for Sales, one hundred (100) days for Support and a "declared" season for Display. The Employer will notify the Union by October 1st of each year of the holiday season period for that year. Sales Associates hired exclusively for the holiday season will not receive commission, and will be assigned hours only after all regular bargaining unit employees have been given the opportunity to select available shifts. Holiday hires will also participate in performing the same duties as regular sales associates (stock work, clean up, etc). The holiday season shall end no later than January 31 of each year.

2.03 The Employer agrees to provide a monthly status report new hires and terminated Associates to the Union at least once a month. The list of new employees shall include name, address, phone number, social security number, store location, department, job classification, date of hire, wage rate and company employee number. The list of terminated employees shall include name, store location, reason for termination, and termination date.

2.04 Master lists, i.e., lists of all Associates eligible for Union membership, shall be furnished upon request or every other month on an e-mail attachment. Such list shall include name, address, phone number, social security number, store location, department, job classification, date of hire, wage rate, and company employee number.

2.05 Exempt Associates - This Agreement shall not apply to executives, confidential Associates, Supervisors as they are defined in The Labor-Management Relations Act and Management Trainees.

2.06 Supervisory Sales - See Letter of Understanding attached hereto.

2.07 For the purposes of clearly defining the positions covered by the above designations, each store shall furnish to the Union an annual list of positions covered within the meaning of this provision and the names of the individuals filling those positions. Said list shall be mutually agreed upon for each store between a representative of the Union and a representative of the Employer, and in the event of their failure to agree to a settlement of the list, the matter shall be handled as a dispute in accordance with the grievance procedure.

2.08 Shop Stewards - The Union may designate member(s) of the bargaining unit as shop stewards for the purpose of communication and representation between the Union and its members. Duties of shop stewards will not include handling grievances, interpreting this Agreement, initiating strike action, slowdown or other interruptions or interference with the Employer's business. Notwithstanding the above limitations, when the employer conducts an interview that may or may not result in discipline of an associate, the Employer will allow the presence of a shop steward for representation purposes if the request does not cause floor coverage issues.

2.09 Shop stewards will not be discriminated against for the performance of their proper responsibilities under the above paragraph.

2.10 Shop stewards shall not conduct their activities during their working hours or so as to involve any other Associate during that Associate's working hours except at the request of management. Time spent on steward duties at the request of management shall be considered non-sell time.

2.11 The Employer agrees to allow Union Shop Stewards up to two (2) days of unpaid leave per year for the purpose of receiving Shop Steward training performed by the Union. The training will be one (1) full day at a time, but no more than twice per year and will only take place on mutually agreeable days. The Union agrees to provide the Employer with thirty (30) days notice of the training.

2.12 The Union will notify the Employer in writing of the names of any new Shop Steward prior to said Shop Steward assuming his/her duties. The Union shall furnish a list of authorized Shop Stewards to the Employer on a seasonal basis, no later than the last day of February and August.

2.13 There will be no discrimination by the Employer against any Associate for lawful Union membership or activities.

2.14 Union Activity - It is agreed that all Union activity will be conducted outside of working hours.

2.15 Union Visitation - For the purposes of seeing that the conditions under which members of this Union are working are in accord with this Agreement, officials of the Union who are not on the payroll of the Employer shall be permitted to visit any store covered by this Agreement. In making such visits, Union officials will notify the Human Resource Office and/or Senior Store Management on arrival and shall not interfere with customer service nor unreasonably interrupt any Associate's work.

2.16 Bulletin Boards - The Employer will provide bulletin board space for the posting of Union notices.

2.17 The Employer agrees to include a one page, non-adversarial union information sheet in new hire packets. The Vice President of Labor Relations or his/her representative must give prior approval of the information sheet.

2.18 Voluntary Political Action Fund Deduction. The Employer shall deduct the sum specified from the pay of each member of the union who voluntarily executes a political action contribution authorization form. The amount deducted and a roster of each employee authorizing assignment of wages will be transmitted to the Union. The Union and each employee authorizing the assignment of wages for payment of the voluntary political action contributions hereby undertakes to indemnify and hold the Employer harmless from all claims, demand, suits and other liability that may arise against the employer for or on account of any deduction made from the wages of such employee.

2.20 Negotiating team members (not to exceed 15) shall be given unpaid release time for joint negotiations of this agreement between UFCW local 21 and Macy's. Time spent during negotiations will be treated as time worked for the purposes of seniority and benefit hours accrual.

### ARTICLE 3 - DEFINITIONS

3.01 Regular Full-Time Associates - Associates who are regularly scheduled to work thirty (30) hours per week or more.

3.02 Regular Part-Time Associates - Associates who work a varied schedule of less than thirty (30) hours per week.

3.03 Department Associates - Regular Associates who are assigned to a department.

3.04 Flex Associates - Regular Associates who are self-scheduled in various departments of the store.

- Flex Associates must work a minimum of 20 hours each quarter (1<sup>st</sup> through 3<sup>rd</sup> quarter only).
- Flex Associates must work a minimum of 32 hours during the 4<sup>th</sup> quarter.
- Flex associates are expected to work 2 key days per quarter (1<sup>st</sup> through 3<sup>rd</sup> quarter)
- Flex associates are expected to work 3 key days per quarter in the 4<sup>th</sup> quarter.

Should a flex associate not meet the above requirements in a given quarter, they will be notified in writing and required to acknowledge that should any of the above requirements not be met during any one of the next two (2) quarters, the Flex Associate would be discharged as a voluntary resignation.

3.05 Extra Associates - Associates who work on call, subject to business fluctuations, special sales, etc., as needed by the store.

3.06 Regular Pay - Regular pay shall be defined as an Associate's current hourly rate or average earnings (measured over the most recent calendar year or part thereof exclusive of PM's, Spiff's, etc.)

#### ARTICLE 4 - WORKING HOURS

4.01 Working Hours - The straight time work week shall consist of not more than five (5) days, forty (40) hours per week, eight (8) hours per day, Sunday through Saturday, except as otherwise provided herein.

4.02 Schedules.

##### Sales Associates

Schedules for Sales Associates shall be posted nine (9) days prior to the scheduled work week.

##### Support Associates

Support Associates shall be placed on a straight-time schedule of hours, which shall be posted by 6:00 PM, Thursday, two (2) weeks prior to the scheduled work week unless it is a permanent core change which would require three (3) weeks prior to the scheduled work week.

No change shall be made in an Associate's work schedule after final posting time, unless by mutual agreement between the Employer and the Associate. However, schedules may change in the event of an emergency such as a snowstorm, fire, flood, power curtailment, or any other cause beyond the Employer's control; provided, that in the event of said emergency any affected Associate should be notified of a change in their schedule prior to reporting to work or they shall be entitled to pay for the entire scheduled shift. In the case of an emergency, employees are expected to make a good faith effort to call the emergency phone line at 1-877-463-6337 for instructions if, through prior understanding, and or public notice, they had reason to believe the store could be closed on their regularly scheduled day.

4.02.1  
Sales Associates

Sales Associates shall make requests for days off through MySchedule Plus.

Support Associates

Support Associates shall make requests for days off no later than Monday noon of the week prior to the posting of the schedule in which the day off is requested. Requests made between Monday, 12:00 noon and Thursday, 12:00 noon will be handled on a case-by-case basis and the Company will accommodate where possible. Requests for days off made more than thirty (30) days prior to the day off shall be approved or disapproved within fourteen (14) days of the request.

Shift Trades

4.02.2  
Sales Associates

Sales Associates may by mutual agreement trade single shifts through MySchedule Plus.

Support Associates

Support Associates may by mutual agreement trade single shifts provided the Employer has approved the trade. Support Associates may, by mutual agreement, trade a full core schedule (minimum Sunday through Saturday) for a period not to exceed three (3) months, provided the Employer has approved the trade. The Employer shall have no liability for violations of the Agreement which may arise from this temporary full-core schedule trade.

4.03 The Associate must keep the Human Resource Office informed in writing of his/her current address and telephone number in order to be entitled to the benefits of Section 4.02.

4.04 In the event any store should have particular operating problem necessitating certain individual or individuals to be employed regularly a greater or lesser number of hours per week than those established by this Agreement, special arrangements may be made therefore with the approval of the Employer and the Union.

4.05 There shall be a minimum of ten (10) hours between scheduled straight-time shifts. Work performed prior to the ten (10) hours between two (2) straight-time shifts, when scheduled by the Employer, shall be paid at the rate of time and one-half (1½) up to the end of the (10) hour rest period. Associates, by mutual agreement, may be scheduled to work with less than ten (10) hours rest between shifts during the Holiday Season and inventory, at the straight time rate of pay.

4.06 Overtime Work - Time worked in excess of eight (8) hours in any one (1) day or forty (40) hours in any one (1) week, shall be paid at the overtime rate. Time worked on the sixth (6th) day in a regular work week or on the fifth (5th) day in a holiday week may be worked at straight-time on a mutually agreeable basis between Associate and Employer.

4.07 Overtime Rate - Overtime will be paid at the rate of one and one-half (1½) times the Associate's regular basic wage rate, unless FLSA rules provide a different interpretation. Commission



Associates will be paid one and one-half (1½) times their average wage rate as required by Federal and State regulation.

4.08 Associates shall not be required to take time off in lieu of receiving overtime pay.

Preferred Day Off

4.09

Sales Associates

Sales Associates shall select preferred days off through MySchedule Plus.

Support Associates

Days off shall be designated by the Employer. All Associates shall have a preferred day off based on seniority.

4.10 Designation of daily hours to be worked within the limitations of this provision (Section 4.10) shall be at the discretion of the Employer; provided, however, that no Associate shall be laid off before his/her scheduled day's work is completed.

4.11 Associates shall properly serve customers who are in the store at closing time. Associates shall be compensated for time worked after shift ends.

4.12 Retirees and laid-off Associates called back for inventory work will be covered by the wage provisions of this Agreement. Current Associates shall have first call on straight-time inventory hours.

4.13 Meal and rest breaks - Daily working hours for Associates shall be consecutive, except that they shall have not less than forty-five (45) minutes nor more than one (1) hour for a meal, in cases of mutual agreement between the Employer and Associate a lunch period of thirty (30) minutes may be scheduled. Associates working a shift of six (6) hours or less shall have thirty (30) minutes for a meal. Meal periods for Associates shall be no earlier than two (2) hours nor later than five (5) hours from the beginning of the shift. No associate shall be required to work more than three (3) hours without a rest break, within a four (4) hour block. Rest breaks shall be fifteen (15) minutes in length. The employer agree to provide thirty (30) days notice to the Union and Associates of any significant changes made to the regular assignment of meal period lengths that affects a majority of the sales or support Associates at a specific store

Minimum Shifts

4.14

Sales Associates

Short-hour shifts beginning prior to 6:00 pm shall not be less than four (4) hours, and short-hour shifts beginning after 6:00 pm shall not be less than three and one-half (3½) hours.

Support Associates

Short-hour shifts shall be not less than four (4) hours.

4.15 Sunday Openings - Regular full-time and regular part-time Associates hired prior to May 1, 1987 shall be guaranteed time and one-half (1½) for all hours worked on Sunday. All Associates hired after May 1, 1987, but prior to July 25, 1996, shall be guaranteed one dollar (\$1.00) per hour premium for all hours worked on Sunday. All Associates hired after July 24, 1996, but prior to August

4, 2000 shall be guaranteed fifty cents (50¢) per hour premium for all hours worked on Sunday. All Associates hired after August 3, 2000 shall receive the straight time rate of pay for all hours worked on Sunday.

Within 45 days of the date of ratification (August 30, 2012) all Sales Associates who receive Sunday premium pay [T1/2, additional \$.50 per hour, or additional \$1.00 per hour] will have the hourly value of the premium [in the case of T1/2 it is the ½ time] ] added to their new base hourly rate effective on the date of the stores pay plan conversion [The total 2010, 2011 and 52 weeks prior to June 16, 2012 premium paid divided by the productive hours for the same period] Premiums for working on Sunday will then be discontinued for these Associates, as it is added to their base hourly rate.

(For Display Associates refer to Letter of Understanding #21)

### Sunday Voluntary Work

4.16

#### Sales Associates

Sales Associates hired prior to May 1, 1987 (Downtown Seattle, Northgate Mall, Southcenter Mall), May 15, 1987 (Commons Mall), or September 1, 1987 (ELB, AOB Everett Mall and Alderwood Mall), shall be given a one time opportunity to select to work or not to work on Sundays. Associates who choose not to work on Sunday shall not be discriminated against.

#### Support Associates

For Support Associates hired prior to May 1, 1987 (Downtown Seattle, Northgate Mall, Southcenter Mall), May 15, 1987 (Commons Mall), or September 1, 1987 (Everett Mall and Alderwood Mall), all work on Sunday shall be voluntary. Associates who choose not to work on Sunday shall not be discriminated against.

4.17 Consistent with the needs of business, the Employer shall make every effort to spread Sunday work among its Associates.

### Consecutive Days Off

4.18

#### Sales Associates

Sales Associates shall schedule all days off through MySchedule Plus.

#### Support Associates

Associates who work on Sunday as part of their five (5) day work week shall be allowed two (2) consecutive days off, Monday through Friday, unless mutually agreed otherwise between Employer and Associate.

4.19 a. [Downtown Seattle, Northgate Mall, Southcenter Mall only] Commission Associates hired prior to May 1, 1987 shall have only the straight-time charged against their commission and the half-time shall be figured separate and apart.

b. [Commons Mall, Everett Mall, Alderwood Mall only] Commission Associates shall have only the straight-time charged against their commission and the half-time shall be figured separate and apart.

## Sunday Opening Language

4.20 Should the store's open hours be extended on a Sunday, the lunch period shall be thirty (30) minutes.

## Limiting Availability

### ARTICLE 5 - SENIORITY

5.01 Probationary Period - The following provisions shall prevail upon completion of a probationary period of one hundred twenty (120) consecutive days. Termination during the probationary period shall not be subject to the provisions of Article 14.

5.02 Seniority shall be on a departmental or divisional basis, except for Cosmetics where seniority shall be by line. Where merit and ability are equal, an Associate's store seniority shall be recognized when it is necessary to decrease the number of regular Associates or their work hours. Where merit and ability are equal, an Associate's departmental/divisional seniority shall be recognized when it is necessary to increase the number of regular Associates or their work hours. Merit and ability means the merit and ability to do an available job in a good and proficient manner, taking into consideration an Associate's total conduct, performance, and contribution. Associates changing their availability shall notify the Human Resource office in writing.

5.02.1 The Employer shall be the judge of whether the merit and ability of the Associates are equal; but this judgment shall be fairly and reasonably exercised. If a senior Associate in a department is not returned to work or has his/her hours reduced or is laid off, and the Employer's judgment as to this Associate's merit and ability is challenged through the grievance procedure, it shall be the obligation of the Employer to demonstrate that the merit and ability of the senior Associate was not equal to that of the preferred junior Associate.

5.03 Seniority Rights shall terminate for the following reasons:

- a. Voluntary quit;
- b. Discharge in accordance with Section 13.01;
- c. Lay-off for six (6) months;
- d. Illness or injury for six (6) months, or a mutually agreed to longer period.
- e. Retirement
- f. Failure to return to bargaining unit position in accordance with article 5.07

5.04 Job Posting - Job openings will be posted for no less than seven (7) calendar days. Job opening notices shall include job title, classification, commission eligibility, anticipated hours, start date and closing date for application. Open positions will be posted at a designated location within each store. Associates who apply for an open position who are not interviewed shall be informed why they were not interviewed within seven (7) days of the closing date for application.

## Transfers Prior to Implementation of MySchedule Plus

5.04.1 Transfer to Job Openings - An Associate's written request for transfer to job openings, or to other stores of the Employer under contract with UFCW Local 21 will be given fair and reasonable consideration. Where merit and ability are equal, an Associate's store shall be recognized when considering an Associate's written request for transfer to job openings. An Associate transferring from one department/division or store to another, will carry his/her

store seniority to the new department/division for the purposes of determining vacation, holidays, decrease in hours, and layoff. There is no bumping of Associates allowed under this provision. Any subsequent increase in hours or preferred day off selection will be based on departmental/divisional seniority. All such transfers shall be voluntary.

#### Transfers Post Implementation of MySchedule Plus

##### 5.04.1

##### Sales Associates

Transfer to Job Openings - An Associate's written request for transfer to job openings, or to other stores of the Employer under contract with UFCW Local 21 will be given fair and reasonable consideration. Where merit and ability are equal, an Associate's store shall be recognized when considering an Associate's written request for transfer to job openings. An Associate transferring from one department/division or store to another, will carry his/her store seniority to the new department/division for the purposes of determining vacation, holidays, and layoff. There is no bumping of Associates allowed under this provision. All such transfers shall be voluntary.

##### Support Associates

Transfer to Job Openings - An Associate's written request for transfer to job openings, or to other stores of the Employer under contract with UFCW Local 21 will be given fair and reasonable consideration. Where merit and ability are equal, an Associate's store shall be recognized when considering an Associate's written request for transfer to job openings. An Associate transferring from one department/division or store to another, will carry his/her store seniority to the new department/division for the purposes of determining vacation, holidays, decrease in hours, and layoff. There is no bumping of Associates allowed under this provision. Any subsequent increase in hours or preferred day off selection will be based on departmental/divisional seniority. All such transfers shall be voluntary.

5.05 If two (2) or more existing departments are merged, an associate's store seniority shall likewise be merged and recognized for the purposes of determining vacation, holidays, decrease in hours or layoff. Any subsequent increase in hours or preferred day off selection shall be based on departmental seniority from the prior department. If an existing department splits into two or more departments Associates shall be assigned considering their preference in accordance with store seniority. The seniority rosters will then be maintained separately for each department.

5.05.1 In the event of a merger or split of selling departments or the establishment of a new leased department, the employer will give the union reasonable notice.

5.06 Associates will be given fair and reasonable sales opportunity during all working hours.

5.07 If a bargaining unit employee transfers to a non-bargaining unit position within Macy's, Inc. stores represented by UFCW Local 21 and returns to the bargaining unit within one hundred and eighty (180) days, the employee's seniority, store and department provided they return to the same department, and benefit accrual will not be affected. Associates below the thereafter rate will be credited for all hours worked in the above positions toward their current hourly progression

## ARTICLE 6 - WAGES AND CLASSIFICATIONS

6.01 All rates shall prevail as the basic hourly wage rates with the exception of Holiday Season hires. In no event shall any wage classification be less than twenty cents (\$.20) per hour below the then current Washington State minimum wage.

6.02 Every associate (except those whose rate is determined by sections 6.10.1 or 6.10.2) at or above the Thereafter rate will receive general wage increases to their existing wage rates, as follows:

- May 03, 2015 (Sunday) - \$0.35 per hour (paid retroactively)
- May 29, 2016 (Sunday) - \$0.20 per hour
- November 27, 2016 (Sunday) - \$0.25 per hour
- May 28, 2017 (Sunday) - \$0.45 per hour

Wage progressions attached as Appendix B

6.03 Associates assigned prior to September 8, 2003 in the Intimate Apparel Department who have successfully completed the Fitting Training Course, shall be paid a premium of thirty-five cents (35¢) per hour above contractual minimums. In order to qualify for this premium, the Associate must have twelve (12) months of experience in fitting. Notwithstanding the above, any employee receiving this premium prior to the 2006 ratification date will be grandfathered as long as they continue to be assigned to the Intimate Apparel Department.

6.03.1 Counter Managers, defined as having one (1) or more beauty advisors assigned to their line, shall receive an additional one dollar and fifty cents (\$1.50) per hour above ~~the~~ their wage scale.

6.04 Department Commission Rates:

All Commission eligible sales associates will receive commission at no less than the minimum commission rates for their assigned department or as an on-call (Flex Associate or Extra), per the commission rate chart below.

### Commission Rate Schedule

<u>Merchandise</u>	<u>Assoc A/AS</u>	<u>Pay Plan</u>	<u>Rate</u>
Women's Shoes	05xx, 732	Draw vs Commission	8.50%
Men' Shoes	05xx, 732	Draw vs. Commission	8.50%
Men's Tailored	05xx, 732	Draw vs. Commission	6.50%
Men's Furnishings	05xx, 732	Commission	4.00%
Other*	05xx, 732	Draw vs Commission	3.00%
<hr/>			
Furniture	12xx, 14xx	Draw vs. Commission	6.00%
Mattresses	12xx, 14xx	Draw vs.	6.00%

Floor Covering	12xx, 14xx	Commission Draw vs. Commission	6.00%
Fine Jewelry	40xx	Base Plus Commission	1.00% < 1 year, 2.00% Year 2 +
Cosmetics	04xx	Base Plus Commission	2.77%

\*Other = Intersell of merchandise not listed above

6.05 The Employer will furnish parking for Associates who are required to use their cars for work, at the Employer's request. Associates required to use their cars for work will be reimbursed at the IRS rate.

6.06 It is understood and agreed that drawing accounts or guarantees specified in this Agreement shall be considered and calculated as minimum rates of pay for services performed during straight-time hours of work on a basic work week of forty (40) hours. Commission calculated during a period of absence, other than vacation, shall be charged against the Associate's last draw period, unless the Associate's failure to earn full draw during such period was due to unusual circumstances. Overtime pay for commission sales people shall not be charged against earned commission

6.06.1 The Employer will provide associates on a Commission pay plan with weekly reporting on their commission eligible sales and commission calculation, including sales and returns by department and class, and a listing of transactions by day.

When an associate enters a commission eligible position, the Employer shall provide him/her with the Understanding Commission document, which outlines how their pay plan works and how to access and read the available reporting

6.07 [Downtown Seattle, Southcenter Mall, Northgate Mall and Commons Mall only] It is agreed that where commissions are now paid to individuals in other merchandise classifications or departments, the rates for people presently employed shall remain as they were on May 15, 1978.

Returns are not to be deducted after 180 days from date of sale. The date of sale is determined by when the merchandise is delivered to and accepted by the customer, be it in-store, or by delivery outside of the store.

6.08 Chargebacks - Upon request the Employer will furnish Associates in contractual commission departments information on charge backs, including transaction number, store, date of return, article, amount, and ringing associate number. This information will be provided no later than two weeks from the date of request. This may be done by means of a monthly departmental list available to all Associates within that department, or, by other reasonable means which will supply the information to the Associates. The purchase date of the original transaction(s) and a photocopy of all credits in excess of one hundred dollars (\$100.00) shall be furnished upon written request. There shall be no chargebacks of Macy's Dollars, Holiday Dollars, Opportunity Dollars and the like.

6.09 Unidentified returns shall not be charged back to Associates in any manner. Where there is positive proof of previous consummation, Associates shall be given credit for any of their own special

orders which are written up while they are on vacation.

**6.10** Commissions are to be paid weekly. For associate hired August 30, 2012 or before, deficits are to be adjusted as herein provided. Summarized statements of department sales are to be furnished each salesperson. Deficits will be wiped out bimonthly for all associates except Big Ticket where deficits will be quarterly (March 31, June 30, September 30, and December 31). Associates hired after August 30, 2012 will have a one hundred dollar (\$100) maximum wipe off the last week of each quarter. Newly hired or placed associates will have a full deficit wipe off sixty (60) days following date of hire.

**6.10.1** Draw Rate Reduction- Associates hired after August 30, 2012 will have a seasonal review to determine their draw rate. If the selling rate for the season is below the draw rate, and have an end of season deficit of two hundred dollars (\$200) or more the draw rate will be reduced to the selling rate, not to exceed a 10% reduction, effective no later than week two (2) of the second month of the following fiscal season.

**6.10.2** Draw Rate Increase- Associates hired August 30, 2012 or after who are below the thereafter rate may request in February and August of each year an increase in their draw rate up to their progression rate not to exceed their selling rate for the prior fiscal season. Associates hired after August 30, 2012 may request the same as above not to exceed 80% of the selling rate for the prior fiscal season.

**6.11** Non-Productive Time - Non-Productive Time shall be defined as time during store open hours when the Employer restricts the Associates from selling opportunities and will not be charged against commission. Time worked in excess of thirty (30) minutes prior to store opening or thirty (30) minutes after store closing will be considered non-sell time for commission purposes.

**6.12** Service Professional Guidelines - Associates assigned the designation of Service Professionals will not have a sales goal. Service Professionals will be expected to meet Macy's credit performance standard. Service Professionals shall not take/receive sales credit on their own number. Sales associates will receive credit for all their personal sales rung by a Service Professional. Within 60 days of the ratification of this Agreement, the parties shall hold a Labor Management Committee Meeting to determine an appropriate method of tracking sales.

**6.13** Service Professionals will have a separate seniority within their assigned departments.

**6.14** Display work includes but is not limited to:

1. Select and/or coordinate apparel and accessories to use in windows and/or displays; list merchandise selected according to color, styles and general background for use in advertising;
2. Select and dress mannequins;
3. Keep track of mannequins and send out for repair as needed;
4. Artist;
5. Responsible for installing fashion platforms and departmental displays;
6. Responsible for installing windows and escalator displays;
7. Building, installing, maintaining, storing and issuing of display properties;
8. Responsible for maintenance, storage and transportation of mannequins, display props and paper work (record keeping) connected therewith;
9. Installing displays of furniture for windows, escalators and platforms; and doing the required transportation of furniture and heavy properties when making said installations;

10. All display work performed outside of the store, including Fashion Shows, Outside Decorating, Warehouse Sales. Exhibits, etc.

6.15 Display Associates will be paid double-time for all hours worked after 16 hours until shift terminates.

6.16 Display Associates shall have the right to overtime by seniority within their location, provided they have the merit and ability to do the job.

6.17 Display Associates shall be given at least forty-eight (48) hours advance notice of overtime to be worked or they may refuse the overtime work, provided that Associates may be required to work over-time by inverse seniority if an adequate number of Associates do not accept the overtime (except in cases of operational emergency).

6.18 Display Associates may be required to work overtime to finish a job which has been started by them and must be finished before they leave. The forty (48) hour notice does not apply to these cases.

6.19 Merit Plan and Over-Scale Associates - Except as otherwise provided, the terms herein are intended to cover only minimums in wages. The Employer may place merit increases in effect and may reduce the same to the minimums herein prescribed should performance become unsatisfactory. The Employer shall exercise fair and reasonable judgment.

6.20 All employees paid above the "Thereafter" rate shall receive the same increases (including lump sums) as the "Thereafter" rate for their classification each year of the agreement. Maintenance of Associates at over scale rates shall be at management's discretion.

6.21 No Associate included within the terms of this Agreement enjoying higher wages or more liberal vacation privileges shall receive a reduction in basic wages or vacation privileges; provided, however, that when a change in classification or hours occurs, this shall not apply as to wage rates.

6.22 Associates shall receive their usual compensation when they handle mail order and telephone transactions.

6.23 Previous Experience - Associates with Macy's Department Stores experience in a like position, within the previous two (2) years from date of hire shall be hired or transferred at a wage rate no less than their base wage rate during their prior employment period with Macy's.

Associates hired at an over scale rate of pay, including those paid over scale due to changes in the Washington State Minimum Wage, shall be given credit for hours as though worked in the previous steps. In the case of an increase to the Washington State Minimum Wage, Associates shall be placed one step higher than the Minimum Wage.



Illustrative examples:  
Progression Schedule:

HOURS	RATE
0	1200 \$ 9.67
1201	2400 \$ 9.95
2401	3600 \$ 10.25
3601	4800 \$ 10.55
4801	6000 \$ 11.00
6001	7200 \$ 11.50
7201	8400 \$ 12.05
8401	9600 \$ 12.55
9601	10800 \$ 12.95
10801	12000 \$ 13.45
12001	13200 \$ 13.95

**Scenario 1: New Associated Hired at \$10.75**

- Hours credit granted to bring accumulated hours to 3,601 hours

**Scenario 2: Minimum Wage increases to \$10.00**

- Rate increased to \$10.25.
- Hours credit granted to bring accumulated hours to 2,401 hours

**Scenario 3: Associate transfer to new grade**

- Former rate of \$10.00.
- Hours credit granted to bring accumulated hours to 1,201 hours

6.24 Any new Associate may be given up to twenty-four (24) hours non-floor training at the first apprentice bracket wage rate.

6.25 Determination of Classification - Fifty-one percent (51%) of the time spent in employment under any classification for which provision is made in this Agreement shall determine the classification of the Associate for the purpose of this Agreement; provided, however, that in the event more than two (2) classifications are involved the classification shall be settled on the basis of job analysis made by a representative of the Union and a representative of the Employer.

6.26 Lead Premium - Any non-commission Associate assigned to perform lead duties shall receive an additional one dollar (\$ 1.00) per hour. For those Associates regularly assigned lead duties, this premium will be part of their regular rate of pay. Should the Company implement a twenty-four (24) hour sales operation; the parties will meet and bargain over the effects.

6.27 Effective July 1, 2009, the GSST program shall be eliminated. Should Macy's wish to implement the program in the future, Macy's will negotiate with the Union over the implementation.

6.28 Shift Premium- Associates who work a shift beginning on or after 11:00 PM shall receive a premium for all time worked between 12:00 midnight and 4:00 AM. Hourly Associates or bas plus commission Associates shall receive a premium equal to 10% of the employees base hourly rate of pay. Draw VS Commission Associates shall receive a premium calculated at 10% of their draw rate. This premium shall not be included in commission calculations.

ARTICLE 7 - HOLIDAYS

7.01 The following days shall be considered holidays:

- New Year's Day
- Presidents' Day
- Memorial Day
- Independence Day

Labor Day  
Thanksgiving Day  
Christmas Day

In addition to the holidays referenced above, an additional holiday may be scheduled in recognition of Martin Luther King Day for associates who are eligible for holiday pay under 7.02 if employed on the observed Martin Luther King Holiday.

For employees hired February 1, 2013 and later President's day will be excluded as a holiday. One additional personal holiday will be added to their Personal Day entitlement under 7.01.1.

7.01.1 Personal Days - In addition to the holidays referenced in Article 7.01, Associates on the payroll six (6) months or more shall receive one (1) personal day which may be taken on a scheduled or unscheduled basis. Associates on the payroll one (1) year or more shall receive three (3) additional personal days which may be taken on a scheduled or unscheduled basis for a total of four (4) days annually thereafter. Scheduled days will be paid at the regular pay rate and unscheduled days will be paid at the current hourly rate. There is no carryover of personal days from one year to the next and unused days are not paid out at termination. Unscheduled days may be taken for any reason and will not result in an occurrence. No more than two (2) unscheduled days may be taken in a fiscal month. Associates may use more than two (2) unscheduled personal days in any month with management approval.

Scheduled Personal Days may be taken as an additional day's vacation or at any other time mutually agreeable.

7.02 Associates who have completed their probationary period shall be entitled to holiday pay, provided they work the holiday if scheduled, and the last day of their schedule before and the first day of their schedule following the holiday. If the Associate fails to work any of the above days without permission of the Employer or its representative, the Associate shall forfeit holiday pay, with the exception that bona fide illness or accident or use of a personal day shall be deemed an excused absence, provided that the Associate works within either the ten (10) calendar day period prior to or the ten (10) calendar day period following the holiday. The Employer may require the Associate to provide satisfactory evidence of any illness or accident claimed above.

7.03 All Associates shall be paid regular pay for the holiday on the basis of one-fifth (1/5) of the Associate's average hours compensated per week in the four (4) pay periods immediately preceding the holiday week. Time off for bona fide illness or accident shall be treated as compensated hours for the purpose of calculating average hours compensated. Associates hired for the Holiday season as defined in this contract, shall not be entitled to holiday pay under this agreement.

7.04 Any Associate laid off the day prior to or the day following a holiday shall receive pay for such holiday provided the associate is otherwise eligible for holiday pay.

7.05 During the week in which a holiday falls, the work week shall be four (4) days excluding the holiday.

7.06 All Associates who work on the fifth (5th) day, excluding the holiday, in a holiday week shall be paid at the rate of time and one-half (1½) of the regular straight-time rate of pay.

7.07 If the Employer elects to remain open for business on the day of observation of New Year's Day, Presidents' Day, Memorial Day, Fourth of July, and/or Labor Day, and/or Thanksgiving, the Employer will compensate Associates working on those days in the following manner:

a. [Downtown Seattle, Southcenter Mall and Northgate Mall only] Associates hired prior to May 1, 1988, who work on the above holidays will be compensated for hours worked at the rate of double-time, in addition to holiday pay. Associates hired after May 1, 1988 who work on the above holidays will be compensated at the rate of time and one-half (1½) for all hours worked. Commission Associates will have the straight-time rate, for working on the holiday, charged against draw.

b. [Alderwood and Everett only] Associates hired prior to September 1, 1988, who work on Presidents' Day will be compensated for hours worked at the rate of double time (2x), in addition to holiday pay. Associates hired after September 1, 1988 who work on Presidents' Day will be compensated at the rate of time and one-half (1½x). Each Associate who works on the remaining holidays will be compensated for hours worked at the rate of time and one-half (1½x), in addition to the holiday pay. Each Associate transferring from a Bon establishment which was affiliated with the former Seattle Department Stores Association Agreement will continue to receive double time (2x) for hours worked on the above holidays in addition to their regular holiday pay. Commission Associates will have the straight-time rate for working on the holiday, charged against draw.

c. Commons Mall Associates hired prior to May 1, 1988, who work on the above holidays will be compensated for hours worked at the rate of double-time, in addition to holiday pay. Associates hired after May 1, 1988 who work on the above holidays will be compensated at the rate of time and one-half (1½) for all hours worked. Commission Associates will have the straight-time rate, for working on the holiday, charged against draw.

d. Employees hired February 1, 2013 and later who work on the third Monday of February will be paid at the rate of time and one-half (1 ½) of the regular straight time rate of pay.

Each employee who works on the remaining holidays will be compensated for hours worked at the rate of time and one half (1½), in addition to the holiday pay. Commission employees will have their straight-time rate charged against draw.

Each employee transferring from a Bon establishment which was affiliated with the former Seattle Department Stores Association Agreement will continue to receive double time (2x) for hours worked on the above holidays in addition to their regular holiday pay.

7.08 Regular Associates shall have the choice to work or not work on any holiday based upon seniority and those who do work shall be allowed to work either the full shift the store is open, or a full eight (8) hour shift if the store is open for eight (8) hours or longer. However, in the cases in which the number of Associates volunteering to work on a holiday is less than the number needed to staff the department, the Employer shall have the right of requiring the Associates to work in the order of inverse seniority.

7.09 It is understood and agreed that the Employer shall not be open on Christmas Day, or Easter Sunday.

Regarding work on Thanksgiving:

1. Working shifts on Thanksgiving is voluntary.
2. If not enough shifts are available due to an excess of volunteers, shifts will be assigned by seniority, by department.
3. If enough Associates don't volunteer, Macy's will then assign Holiday Hire Associates to unfilled shifts
4. If shifts still unfilled they will be assigned by inverse seniority by store (inclusive of Flexible Work Team), except departments that are commission. Fine Jewelry associates must be Fine Jewelry security cleared.
5. Thanksgiving day holiday pay (1.5 times pay) will be applied to all hours worked on the shift beginning on Thanksgiving day and ending on Thanksgiving day or ending on the Friday following Thanksgiving.
6. 10% shift differential for all hours worked on Thanksgiving between 10:00 pm of Thanksgiving and 6:00 am of the Friday following Thanksgiving.
7. No shift less than 5 hours on Thanksgiving
8. All these Thanksgiving shift rules are a supplement to section 7.07 and only apply to Thanksgiving.

7.10 It is understood that the principle of holiday pay is to insure that no individual shall lose by virtue of an Employer's place of business being closed.

#### ARTICLE 8 - VACATIONS

8.01 Vacations shall be calculated on a fiscal year from February through the following January. Associates shall be provided in writing their vacation entitlement for the current year no later than March 1st.

Vacation requests should be submitted by March 15th and approval or disapproval must be provided within thirty (30) days. Vacations requested by March 15th may be for up to two (2) weeks consecutively based on seniority. All vacation requests received after March 15th will be scheduled at least thirty (30) days after the request date and will be approved or disapproved within fourteen (14) days of the request date.

8.02 Vacation hours shall be allocated after the completion of each fiscal year based on the total hours compensated in the previous fiscal year. Any Associate who has been compensated a total of eight hundred and sixty six (866) total hours or more by the completion of fiscal year shall receive paid vacation in accordance with the schedule hereinafter set forth. Associates who regularly work ninety percent (90%) of the fiscal year, inclusive of paid holidays, vacations, overtime shall not have vacation prorated due to temporary layoff.

8.03 Associates with more than one (1) year who do not qualify for vacation under Article 8.02 but who have worked by the end of the January period, an average of eight (8) hours or more per week for twenty-six (26) weeks, or more (not necessarily consecutive), during the year shall be paid vacation in accordance with the formula hereinafter set forth.

8.04 Associates who do not receive vacation pay for the original fiscal year in which they were employed because of not qualifying under either Articles 8.02 or 8.03 shall receive vacation pay for the period and their current period if they qualify for vacation in the current period based upon the formula in Article 8.05.

8.05 Associates with up to Two (2) Years of Service - One (1) hour's regular pay for each fifty (50) hours compensated for (maximum of forty (40) hours for one (1) year of service.)

8.06 Associates with Two (2) Years but less than Eight (8) Years' Service - Two (2) hours regular pay for each fifty (50) hours compensated for from the preceding fiscal year (maximum of eighty (80) hours.)

8.07 Associates with Eight (8) Years but less than Twelve (12) Years' Service - Three (3) hours regular pay for each fifty (50) hours compensated for from the preceding fiscal year (maximum 120 hours).

8.08 Associates with Twelve (12) Years but less than Twenty Years of Service - Four (4) hours regular pay for each fifty (50) hours compensated for from the preceding fiscal year (maximum 160 hours).

8.09 Associates with Twenty Years or More Service - All Associates hired on or before July 24, 1996, or September 1, 1996 for AOB and ELB associates, will be eligible for five (5) weeks of vacation, accrued as five (5) hours regular pay for each fifty (50) hours compensated for from the preceding fiscal year (maximum 200 hours).

8.10 Associates employed February 1, 2013 and later will be subject to current vacation and holiday benefits referred to in Articles 8.05, 8.06, 8.07 and 8.08 with the following modification: Vacation hours shall accrue at the rate of one (1) hours regular pay for each fifty-five (55) hours compensated.

8.11 In case of bona fide sickness or disability for a period not exceeding 60 days per year, the vacation shall not be affected.

8.12 Any vacations earned under the above provisions, but not taken, shall be allowed in full upon resignation or discharge; provided, however, that no vacations shall be allowed for removal from the payroll for dishonesty. Accrued vacation that has not been earned shall be forfeited.

8.13 In the event a contractual holiday (as defined in Article 7) falls during an Associate's paid vacation, an additional day's pay or an additional day's vacation, at the Employer's option, shall be given.

8.14 Associates shall be permitted to take earned vacation weeks consecutively subject to seniority, with the understanding that nothing in this Agreement is intended to interfere with the Employer's right to reasonably determine the number of Associates in a given department, if any, who can be on vacation during any particular week.

8.15 Extended Vacations - Associates with three (3) years or more service may take one (1) extended vacation once in each three (3) year period of employment without breaking seniority. The length of extension beyond any accrued vacation shall be by mutual agreement between the Associate and the Employer and must be requested in writing.

## ARTICLE 9 - LEAVES

9.01 Jury Duty - Associates called to jury duty shall receive the difference between their regular pay and the pay received for jury duty during the period of actual jury service, up to forty-five (45) days per year. When an Associate is excused from jury service, either temporarily or permanently,

on any scheduled work day, the Associate shall promptly return to the store and complete any remaining hours of his scheduled work day, if four (4) remain.

9.02 Witness Pay - Associates who are called to be a witness on behalf of their Employer shall receive regular pay for such time as though it is work time.

9.03 Death in Family - Upon request of a regular Associate, the Associate may choose up to three (3) regular shifts off with pay for the loss of normally scheduled shifts in the event of a death in the immediate family. Immediate family shall be defined as husband, wife, son, daughter, mother, father, brother, sister, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepparents, stepchildren, grandparents, grandchildren, and domestic partner (Domestic Partner defined in accordance with City of Seattle ordinance.). In addition, if the Associate is notified of the death while he/she is working, he/she will be excused from work and be paid for the balance of that working shift and that time shall not be charged against the applicable funeral leave. Associates may choose one (1) day to attend the funeral of an uncle, aunt, nephew or niece. This day shall be taken without pay and shall not result in an attendance occurrence.

9.04 In case of commission Associates, time shall not be charged against quota.

9.05 Family and Medical Leave Act (FMLA) - FMLA entitles employees who have been employed for at least twelve (12) consecutive months and worked at least 1,250 hours during the twelve-month period immediately preceding the commencement of family leave is entitled to twelve (12) weeks of family leave. This leave may be used for the following reasons:

1. The birth of the employee's child or to care for the employee's newborn child;
2. Placement of a child with an employee for adoption or foster care;
3. To care for a spouse, child, or parent who has a serious health care condition;
4. The employee's own serious health condition when that health condition makes the employee unable to perform job functions.

The Employer also allows family leave to care for an employee's domestic partner who has a serious health condition. (Domestic partner shall be defined as in the City of Seattle ordinance concerning domestic partners.)

Employees may be required to exhaust all paid vacation leave before utilizing unpaid leave.

9.06 USERRA - A military leave of absence is granted in conjunction with National Guard Duty, or when inducted into military service in all instances where military service is non-voluntary. A military leave of absence under this section does not apply to an employee who enlists for full time duty.

Employees enlisting or entering military service of the United States, pursuant to the provisions of the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) shall be granted all rights and privileges provided by the Act.

## ARTICLE 10 - HEALTH AND WELFARE, DENTAL AND VISION

10.01 For the term of this Agreement the employer shall provide group medical insurance plans including dental and vision care. The benefits for each of the Group Health Plans in effect as of July 1, 2012 shall remain substantially the same for the term of this agreement, subject to changes made by the vendor in its sole discretion or as required to comply with the Affordable Care Act or similar

legislation. Should the vendor for the Group Health Plans no longer offer such a product, the Company shall secure plans that are similar to those of the Group Health Plans. The benefits [including contribution rates] must at all times remain the same as the benefits for Macy's Management employees in the locations with employees represented by UFCW Local 21. This agreement shall not preclude the Employer from making changes such as a new carrier or utilization of a high performance network.

The medical plan shall provide an annual pre-deductible physical examination and certain laboratory tests and X-rays, including mammograms as required by a physician as part of the physical.

The Company will make available additional Full-Time medical plan options [currently referred to as "choice" options]. Plan design and coverage levels of these options will be the same as those made available to Macy's Management employees in the locations with employees represented by UFCW Local 21.

All participants in Full-Time medical plans are subject to the Tobacco surcharge under the same terms and conditions as Macy's Management employees in the locations with employees represented by UFCW Local 21.

Affordable Care Act. It shall not be a violation of this Agreement for the Employer to amend, modify or administer its health care plans to meet the requirements of the Affordable Care Act ("ACA") or similar legislation. The parties agree to establish a Labor-Management Committee to study and review the possible changes to the Plans that may need to occur in order to comply with the ACA or similar legislation. Changes to the Plans, or to the administration of the Plans, that are required for compliance with the ACA or similar legislation, may be implemented without bargaining.

Associates participating in the Full-Time Choice Plans may participate in "live healthy" incentive programs provided by the Company and Associates participating in all Full-Time medical plans are subject to a Tobacco surcharge. Both the "live healthy" incentives and the Tobacco Surcharge will apply under the same under the same terms and conditions as Macy's Management employees in the locations with employees represented by UFCW Local 21. Associates who are subject to the Tobacco Surcharge, but agree to try the smoking cessation program and remain tobacco free for six months will have the surcharge waived. An overview of the Live Healthy Initiative for 2012-2013, which is subject to modification in future years at the discretion of the carrier, is included in this agreement to illustrate some of the features of the current program.

10.02 Life Insurance, Accidental Death and Dismemberment - For the term of this Agreement, the Employer shall provide the life insurance plan in effect in July 1996 (or a plan providing equal or better benefits) as noted in the company Health & Welfare Plan booklet. Coverage under the plan will be terminated on the last day on which an Associate is actively at work.

10.03 Disability Insurance - For the term of this Agreement, Associates shall be covered under the National Short Term Disability Plan. The Employer shall contribute fifty (50) percent of the contribution for this Plan for the duration of the Collective Bargaining Agreement. Effective April 30, 2012, Associates shall contribute one hundred (100) percent of the cost of the Plan.

Coverage under the plan will terminate on the last day on which the Associate is actively at work.

10.04 Associates who work an average of 30 hours per week will be offered the opportunity to enroll in Medical, Dental, Group Life, AD&D, and Flexible Spending Account coverage effective the first of the month following one month of service. LTD and medical coverage in the PPO plan options or

HMO becomes effective on the first of the month following six (6) months service for all new hires. For those electing the Choice option, a high deductible health plan, Associates may also elect to participate in a Company sponsored Health Savings Account.

Support Associates enrolled in benefits as of the ratification date of October 6, 2015, shall remain eligible for benefits as long as the Associate maintains unlimited availability.

10.05 The parties shall comply with all laws and regulations which may become effective requiring that individual Associates be permitted to opt for coverage through a qualified HMO. The law currently provides that the Employer will pay the amount of premium to the HMO that would have been paid to the Employer's Health and Welfare coverage. The Associate will pay the balance, if any, of the HMO premium.

10.06 National Health Legislation - In the event of enactment of National Health Legislation, the Employer shall not be obligated to provide benefits in the Employer's health and welfare plans, dental care program, or vision care plan which duplicates benefits under such legislation.

#### ARTICLE 11 - RETIREMENT

11.01 The Employer shall under the terms of Macy's Inc. 401(k) Retirement Investment Plan. As these plans are from time to time modified or terminated, the Union will be given notice of any plan modification or termination as soon as practicable after such modification is adopted.

#### ARTICLE 12 - GENERAL CONDITION

12.01 Uniforms and Protective Clothing - Uniforms or other special wearing apparel not suitable for street or general wear shall not be required unless furnished and laundered by the Employer. Protective garments will be provided when work may damage personal clothing.

12.02 Counter and Stock Cleaning - Associates shall not be required to do scrubbing or any other heavy cleaning, provided, however, that dusting or cleaning counters or stock with a dry or damp cloth shall not be construed as scrubbing or heavy cleaning.

12.03 Mileage - Upon notification to the Employer, the Internal Revenue Service Standard for mileage reimbursement shall be paid on a total store basis where Associates are authorized to use their cars on Company business. Reimbursements for parking fees, bridges, and ferry tolls for those Associates who are authorized to use personal vehicles on Company business shall be reimbursed on a weekly basis.

12.04 Bonding - Where a fidelity or guaranty bond is required by the Employer, the premium on such bond shall be paid by the Employer.

12.05 Store Meetings - Time spent attending required meetings, whether during the shift or before or after the shift, shall be considered working time. Associates shall not be compensated for attendance at voluntary meetings.

#### ARTICLE 13 - DISCIPLINE AND DISCHARGE

13.01 The Employer shall have the right to discipline or discharge Associates for just cause. Associates shall be subject to Macy's "Responsibility Based Performance" policy.



13.02 Polygraph Testing - Polygraph (lie detector or other like device) shall not be used in initial employment interviews or testing nor shall any Associate be required to submit to the use of such machine as a condition of continued employment.

13.03 No Discrimination - To the extent provided by law, no Associate shall be discriminated against because of race, color, religion, creed, gender, sexual orientation, national origin, age, or disability as defined under the ADA.

13.04 Upon implementation of MySchedule Plus, Associates shall be subject to Macy's "Attendance Credit Program." At the time of the conversion, all occurrences shall be cleared from an Associate's attendance record. Except, however, Associates on Final Warning shall be placed on Reminder One status.

#### ARTICLE 14 - GRIEVANCE AND ARBITRATION

14.01 Any dispute or grievance arising between the parties to this Agreement as to the proper interpretation or application of the Agreement shall be adjusted by the accredited representative of the Employer and the accredited representative of the Union. If the parties fail to reach an agreement within forty-five (45) days from the date the grievance was filed in writing, as required by Section 14.05, the moving party must request arbitration within fifteen (15) days or the grievance shall be waived. In the event either party requests arbitration, the parties shall select an arbitrator and request hearing dates within fifteen (15) days of the arbitration request.

14.02 If arbitration is requested, the arbitrator shall be chosen from the arbitration panel contained herein. The method of selecting an arbitrator shall be by alternately striking a name from the panel until one (1) name remains as the arbitrator chosen by the parties. The panel shall consist of the following:

Michael H. Beck  
Joe Duffy  
Alan R. Krebs  
Kathryn Whalen  
Marsha M. Saylor  
Eric Lindauer  
Jane Wilkinson  
Tim D.W. Williams  
Janet Gaunt  
Sandra Gangle  
Mike Cavanaugh

14.03 The parties shall notify the arbitrator at time of selection of the requirement that he or she must render a final and binding decision within thirty (30) days from the close of the arbitration hearing, or from the arbitrator's receipt of post-hearing briefs, whichever is later. In the event the selected arbitrator is unable to agree to such requirement, the parties shall contact the remaining arbitrators on the panel in inverse order of their striking until agreement to comply with the above condition is obtained. Upon proper receipt, the decision of the arbitrator shall be final and binding upon both parties to this agreement.

14.04 Either party may obtain a transcript of the arbitration at the party's expense for its sole use, unless the other party wishes a copy, in which case, the expense of the transcript shall be shared equally. The fees of the arbitrator shall be borne by the losing party. The arbitrator shall have the

authority to appropriately apportion costs between the parties in the event of a split decision/award.

14.05 Except in the case of grievances arising from errors in pay calculations or where a grievance has been suppressed, the following time limits shall apply:

14.05.1 Grievances shall not be recognized unless received in writing by the accredited representative of either party, describing as fully as possible the matter at issue and the section(s) of the Agreement allegedly violated, within thirty (30) calendar days from the date the grieving party knew or should have known of the occurrence causing the complaint or grievance, except as otherwise provided herein.

14.05.2 The party upon whom the grievance was filed shall respond to the grievance in writing within thirty (30) days.

14.05.3 For the purposes of filing and responding to grievances, the postmark on the envelope and/or fax confirmation shall be considered the date a grievance is filed or a response is sent.

14.05.4 Following the filing and the response to the grievance, neither party is permitted to add to, subtract from, modify, or change its contractual position, as required by this Section, at any time prior to the final decision by an arbitrator, except where newly acquired evidence is documented. In such case, either party shall have the right to modify its contractual position in writing based upon the newly-acquired evidence; provided that in any event, it is prior to requesting arbitration, as provided for under Section 14.01.

14.06 Any grievance not originally filed in accordance with the time limits of Article 14 shall be deemed waived. Any time limitation established herein may be extended only by mutual agreement of the parties. Time constraints are reciprocal for both parties. If the Union does not respond within such time limits, the grievance shall be deemed satisfied and dropped. If the Employer does not respond within such time limits, the grievance shall be deemed sustained.

14.07 The parties to the Agreement have the right to request and receive information needed to investigate grievances. The rights and obligations of the parties shall be governed by Federal law.

## ARTICLE 15 - RIGHTS AND OBLIGATIONS

15.01 Rights of the Parties - The Union retains all rights given it by the provisions of this Agreement or by law. Management of each store retains all rights except as those rights may be limited by this Agreement or by law.

15.02 The parties recognize that the commission/draw system is an important element to the Company's business and to providing Associates with sales performance incentives.

In this spirit, the parties agree that nothing in this agreement shall prevent the Employer from raising departmental commission rates, the Employer will not decrease a commission rate following an increase for at least six (6) months.

Moreover, if either party believes that a commission/draw rate or a commission's application or lack thereof to a particular department fails to accomplish the intended purposes or is otherwise

unacceptable, the parties agree to negotiate any change and the effects of any change to commission or a commission's application to a department.

If the parties fail to reach agreement after a good faith effort to do so, the current method of compensation identified in the collective bargaining agreement shall remain in effect.

15.03 Should the Employer wish to implement a substance abuse program during the term of this Agreement, it shall be discussed in the labor management committee.

15.04 Americans with Disabilities Act - In the event of a disagreement arising as to the applicability of the Americans with Disabilities Act of 1990 to this Agreement, the issue will be subject to the grievance and arbitration clauses.

15.05 Labor/Management Committee - The Employer has agreed that a Labor/Management Committee will be established to take up issues of concern. This committee will meet a minimum of two (2) times per year if needed.

15.06 No Strike or Lockout - There shall be no strike or lockout during the life of this Agreement. The Union must notify the Employer six (6) working days, excluding Saturday, Sunday, and holidays, prior to observing any lawful, primary picket line. The refusal of any Associates covered by the terms of this Agreement to pass through a picket line after the above-mentioned notice is given shall not constitute a violation of this understanding.

#### ARTICLE 16 - TERM OF AGREEMENT

16.01 This Agreement shall be in full force and effect from May 1, 2015, up to and including May 31, 2018, and shall continue from year to year thereafter unless written notice of desire to cancel or terminate this Agreement is served by either party upon the other at least 60 days prior to date of expiration.

16.02 Where no such cancellation or termination notice is served and the parties desire to continue said Agreement but also desire to negotiate changes or revisions in this Agreement, either party may serve upon the other a notice at least 60 days prior to May 1, 2015, or May 1 of any subsequent contract year, advising that such party desires to revise or change terms or conditions of such Agreement.

16.03 Revisions or changes agreed on shall be effective as of May 1, 2015 or May 1 of any subsequent contract year, except where otherwise specified. The respective parties shall be permitted all legal or economic recourse to support their requests for revisions if the parties fail to agree thereon.

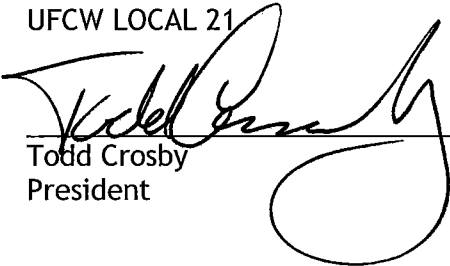
16.04 In the event of an inadvertent failure by either party to give the notice set forth in 16.01 and 16.02 of this Article, such party may give such notice at any time prior to the termination or automatic renewal date of this Agreement. If a notice is given in accordance with the provisions of this Article, the expiration date of this Agreement shall be the 61st day following such notice.

16.05 Both sides shall endeavor to present their full and complete demands 60 days prior to the anniversary date of this Agreement. Within thirty (30) days thereafter negotiations shall begin and at this time each side shall present to the other their reply or counter-proposal to any demands made.

FOR AND ON BEHALF OF:  
MACY'S

 5-13-16  
\_\_\_\_\_  
Kevin Sears Date  
Vice President of Labor Relations

FOR AND ON BEHALF OF:  
UFCW LOCAL 21

 3/24/16  
\_\_\_\_\_  
Todd Crosby Date  
President

APPENDIX A  
By and Between  
UFCW Local 21  
And  
Macy's

Regarding Health & Welfare, Dental, and Vision

Group Health HMO

- a. Associates will contribute 30% (Employer will contribute 70%) to the cost of the plan for the life of the agreement for employee only, dependent/spouse and employee + child coverage.

Other Full-Time medical plans [including Group Health Select]

- a. Associates will contribute 50% (Employer 50%) to the cost of the plan for the life of the agreement for employee only, dependent/spouse and employee + child coverage.

Regular [low option] Dental Plans

- a. Associates will contribute 50% (Employer 50%) to the cost of the plan for the life of the agreement

High Option Dental Plan: Additional cost of the High Option Dental Plan will continue to be borne by the Associates

Dental coverage will be fully employee funded if the Associate does not participate in Full-Time medical plans

**APPENDIX B  
By and Between  
UFCW Local 21  
And  
Macy's**

**Regarding Wage Progressions**

**Group 1 Stores: Alderwood, Everett, Southcenter, SeaTac and Bellingham**

**6.02 Non Commission and DvC Sales**

HOURS		10/6/2015	5/29/2016	11/29/2016	5/28/2017
-	600	\$9.67	\$9.86	\$9.86	\$10.05
601	1,200	\$9.80	\$9.95	\$9.95	\$10.15
1,201	1,800	\$9.95	\$10.10	\$10.10	\$10.30
1,801	2,400	\$10.10	\$10.25	\$10.25	\$10.40
2,401	3,000	\$10.25	\$10.40	\$10.40	\$10.55
3,001	3,600	\$10.40	\$10.55	\$10.55	\$10.65
3,601	4,200	\$10.55	\$10.70	\$10.70	\$10.80
4,201	4,800	\$10.70	\$10.85	\$10.85	\$10.95
4,801	6,000	\$11.00	\$11.00	\$11.00	\$11.05
6,001	7,200	\$11.50	\$11.50	\$11.50	\$11.50
7,201	8,400	\$12.05	\$12.05	\$12.05	\$12.05
8,401	9,600	\$12.55	\$12.55	\$12.55	\$12.55
9,601	10,800	\$12.95	\$13.05	\$13.05	\$13.05
10,801	12,000	\$13.45	\$13.55	\$13.55	\$13.55
12,001	13,200	\$13.95	\$14.05	\$14.05	\$14.05
Thereafter		\$15.55	\$15.75	\$16.00	\$16.45

6.05 Big Ticket

HOURS		10/6/2015	5/29/2016	11/29/2016	5/28/2017
-	1,200	\$10.00	\$10.00	\$10.00	\$10.00
1,201	2,400	\$10.50	\$10.50	\$10.50	\$10.50
2,401	3,600	\$11.25	\$11.25	\$11.25	\$11.25
3,601	4,800	\$11.75	\$11.75	\$11.75	\$11.75
4,801	6,000	\$12.25	\$12.25	\$12.25	\$12.25
6,001	7,200	\$12.75	\$12.75	\$12.75	\$12.75
<b>Thereafter</b>		<b>\$13.85</b>	<b>\$14.05</b>	<b>\$14.30</b>	<b>\$14.75</b>

6.06 Placement, Signing, Merchandise Processor  
Specialist, Price Change, ALD & EVT Processing

HOURS		10/6/2015	5/29/2016	11/29/2016	5/28/2017
-	600	\$9.67	\$9.86	\$9.86	\$10.05
601	1,200	\$9.80	\$9.95	\$9.95	\$10.15
1,201	1,800	\$9.95	\$10.10	\$10.10	\$10.30
1,801	2,400	\$10.10	\$10.25	\$10.25	\$10.40
2,401	3,000	\$10.25	\$10.40	\$10.40	\$10.55
3,001	3,600	\$10.40	\$10.55	\$10.55	\$10.65
3,601	4,200	\$10.55	\$10.70	\$10.70	\$10.80
4,201	4,800	\$10.70	\$10.85	\$10.85	\$10.95
4,801	6,000	\$11.50	\$11.50	\$11.50	\$11.50
6,001	7,200	\$12.50	\$12.50	\$12.50	\$12.50
7,201	8,400	\$13.00	\$13.00	\$13.00	\$13.00
8,401	9,600	\$13.50	\$13.50	\$13.50	\$13.50
9,601	10,800	\$14.00	\$14.00	\$14.00	\$14.00
10,801	12,000	\$14.50	\$14.50	\$14.50	\$14.50
12,001	13,200	\$15.00	\$15.00	\$15.00	\$15.00
<b>Thereafter</b>		<b>\$15.78</b>	<b>\$15.98</b>	<b>\$16.23</b>	<b>\$16.68</b>

**6.08 Cosmetics Associates**

HOURS		10/6/2015	5/29/2016	11/29/2016	5/28/2017
-	1,200	\$10.00	\$10.20	\$10.20	\$10.40
1,201	2,400	\$11.00	\$11.20	\$11.20	\$11.40
2,401	3,600	\$12.00	\$12.20	\$12.20	\$12.40
3,601	4,800	\$13.00	\$13.20	\$13.20	\$13.40
4,801	6,000	\$14.00	\$14.20	\$14.20	\$14.40
6,001	7,200	\$15.00	\$15.20	\$15.20	\$15.40
7,201	8,400	\$16.00	\$16.20	\$16.20	\$16.40
Thereafter		\$17.50	\$17.70	\$17.95	\$18.40

**6.08 Cosmetics Associates in Bellingham**

HOURS		10/6/2015	5/29/2016	11/29/2016	5/28/2017
-	1,200	\$10.00	\$10.20	\$10.20	\$10.40
1,201	2,400	\$11.00	\$11.20	\$11.20	\$11.40
2,401	3,600	\$12.00	\$12.20	\$12.20	\$12.40
3,601	4,800	\$13.00	\$13.20	\$13.20	\$13.40
4,801	6,000	\$14.00	\$14.20	\$14.20	\$14.40
Thereafter		\$15.75	\$15.95	\$16.20	\$16.65

**6.17 Fitting Room / Recovery Associates**

HOURS		10/6/2015	5/29/2016	11/29/2016	5/28/2017
-	1,200	\$9.67	\$9.86	\$9.86	\$10.05
1,201	2,400	\$9.95	\$10.10	\$10.10	\$10.30
2,401	3,600	\$10.25	\$10.35	\$10.35	\$10.55
3,601	4,800	\$10.55	\$10.60	\$10.60	\$10.80
4,801	6,000	\$11.00	\$11.00	\$11.00	\$11.05
6,001	7,200	\$11.25	\$11.25	\$11.25	\$11.55
7,201	8,400	\$11.50	\$11.50	\$11.50	\$11.80
Thereafter		\$12.05	\$12.25	\$12.50	\$12.95



### 6.18 Fine Jewelry

HOURS		10/6/2015	5/29/2016	11/29/2016	5/28/2017
-	1,200	\$10.00	\$10.25	\$10.25	\$10.50
1,201	2,400	\$10.50	\$10.75	\$10.75	\$11.00
2,401	3,600	\$11.00	\$11.25	\$11.25	\$11.50
3,601	4,800	\$11.50	\$11.75	\$11.75	\$11.75
4,801	6,000	\$12.00	\$12.25	\$12.25	\$12.25
6,001	7,200	\$12.50	\$12.75	\$12.75	\$12.75
7,201	8,400	\$13.00	\$13.25	\$13.25	\$13.25
<b>Thereafter</b>		<b>\$16.25</b>	<b>\$16.45</b>	<b>\$16.70</b>	<b>\$17.15</b>

### 6.19 Service Professionals & Housekeeping

HOURS		10/6/2015	5/29/2016	11/29/2016	5/28/2017
-	1,200	\$9.67	\$9.86	\$9.86	\$10.05
1,201	2,400	\$9.95	\$10.10	\$10.10	\$10.30
2,401	3,600	\$10.25	\$10.35	\$10.35	\$10.55
3,601	4,800	\$10.55	\$10.60	\$10.60	\$10.80
4,801	6,000	\$10.85	\$10.85	\$10.85	\$11.05
6,001	7,200	\$11.15	\$11.15	\$11.15	\$11.30
7,201	8,400	\$11.45	\$11.45	\$11.45	\$11.55
<b>Thereafter</b>		<b>\$14.15</b>	<b>\$14.35</b>	<b>\$14.60</b>	<b>\$15.05</b>

### 6.24 Receiving

*Alderwood/ Everett ONLY*

HOURS		10/6/2015	5/29/2016	11/29/2016	5/28/2017
-	1,200	\$9.67	\$9.86	\$9.86	\$9.86
1,201	2,400	\$10.17	\$10.17	\$10.17	\$10.17
2,401	3,600	\$12.50	\$12.50	\$12.50	\$12.50
3,601	4,800	\$13.00	\$13.00	\$13.00	\$13.00
4,801	6,000	\$13.50	\$13.50	\$13.50	\$13.50
6,001	7,200	\$14.00	\$14.00	\$14.00	\$14.00
<b>Thereafter</b>		<b>\$17.87</b>	<b>\$18.07</b>	<b>\$18.32</b>	<b>\$18.77</b>

**6.25 Display Specialist**

HOURS		10/6/2015	5/29/2016	11/29/2016	5/28/2017
-	1,200	\$10.50	\$10.75	\$10.75	\$10.75
1,201	2,400	\$11.50	\$11.75	\$11.75	\$11.75
2,401	3,600	\$12.50	\$12.75	\$12.75	\$12.75
3,601	4,800	\$13.50	\$13.75	\$13.75	\$13.75
4,801	6,000	\$14.50	\$14.75	\$14.75	\$14.75
<b>Thereafter</b>		<b>\$18.40</b>	<b>\$18.60</b>	<b>\$18.85</b>	<b>\$19.30</b>

**NEW: Wedding and Gift Registry**

HOURS		10/6/2015	5/29/2016	11/29/2016	5/28/2017
-	1,200	\$10.75	\$11.00	\$11.00	\$11.25
1,201	2,400	\$11.00	\$11.25	\$11.25	\$11.50
2,401	3,600	\$11.25	\$11.50	\$11.50	\$11.75
3,601	4,800	\$11.50	\$11.75	\$11.75	\$11.75
4,801	6,000	\$12.00	\$12.25	\$12.25	\$12.25
6,001	7,200	\$13.50	\$13.75	\$13.75	\$13.75
7,201	8,400	\$13.75	\$14.00	\$14.00	\$14.00
<b>Thereafter</b>		<b>\$16.70</b>	<b>\$16.90</b>	<b>\$17.15</b>	<b>\$17.60</b>

**Group 2 Stores: Seattle Downtown and Seattle Northgate**

**6.02 Non Commission and DvC Sales**

HOURS		10/6/2015	5/29/2016	11/29/2016	5/28/2017	
-	600	\$11.00	\$13.00	\$13.00	\$15.00	
601	1,200	\$11.00	\$13.00	\$13.00	\$15.00	
1,201	1,800	\$11.00	\$13.00	\$13.00	\$15.00	
1,801	2,400	\$11.00	\$13.00	\$13.00	\$15.00	
2,401	3,000	\$11.00	\$13.00	\$13.00	15.00	
3,001	3,600	\$11.00	\$13.00	\$13.00	\$ 15.00	
3,601	4,200	\$11.00	\$13.00	\$13.00	\$ 15.00	
4,201	4,800	\$11.00	\$13.00	\$13.00	\$ 15.00	
4,801	6,000	\$11.00	\$13.00	\$13.00	\$ 15.00	
6,001	7,200	\$11.50	\$13.00	\$13.00	\$ 15.00	
7,201	8,400	\$12.05	\$13.00	\$13.00	\$ 15.00	
8,401	9,600	\$12.55	\$13.00	\$13.00	\$ 15.00	
9,601	10,800	\$12.95	\$13.05	\$13.05	\$ 15.00	
10,801	12,000	\$13.45	\$13.55	\$13.55	\$ 15.00	
12,001	13,200	\$13.95	\$14.05	\$14.05	\$ 15.00	
<b>Thereafter</b>		<b>\$15.55</b>	<b>\$15.75</b>	<b>\$16.00</b>	<b>\$ 16.45</b>	

**6.05 Big Ticket**

HOURS		10/6/2015	5/29/2016	11/29/2016	5/28/2017	
-	1,200	\$ 11.00	\$ 13.00	\$ 13.00	\$ 15.00	
1,201	2,400	\$ 11.00	\$ 13.00	\$ 13.00	\$ 15.00	
2,401	3,600	\$ 11.25	\$ 13.00	\$ 13.00	\$ 15.00	
3,601	4,800	\$ 11.75	\$ 13.00	\$ 13.00	\$ 15.00	
4,801	6,000	\$ 12.25	\$ 13.00	\$ 13.00	\$ 15.00	
6,001	7,200	\$ 12.75	\$ 13.00	\$ 13.00	\$ 15.00	
<b>Thereafter</b>		<b>\$ 13.85</b>	<b>\$ 14.05</b>	<b>\$ 14.30</b>	<b>\$ 15.00</b>	

6.06 Placement, Signing, Merchandise

Specialist, Price Change

HOURS		10/6/2015	5/29/2016	11/29/2016	5/28/2017
-	600	\$11.00	\$13.00	\$13.00	\$15.00
601	1,200	\$11.00	\$13.00	\$13.00	\$15.00
1,201	1,800	\$11.00	\$13.00	\$13.00	\$15.00
1,801	2,400	\$11.00	\$13.00	\$13.00	\$15.00
2,401	3,000	\$11.00	\$13.00	\$13.00	\$15.00
3,001	3,600	\$11.00	\$13.00	\$13.00	\$15.00
3,601	4,200	\$11.00	\$13.00	\$13.00	\$15.00
4,201	4,800	\$11.00	\$13.00	\$13.00	\$15.00
4,801	6,000	\$11.50	\$13.00	\$13.00	\$15.00
6,001	7,200	\$12.50	\$13.00	\$13.00	\$15.00
7,201	8,400	\$13.00	\$13.00	\$13.00	\$15.00
8,401	9,600	\$13.50	\$13.50	\$13.50	\$15.00
9,601	10,800	\$14.00	\$14.00	\$14.00	\$15.00
10,801	12,000	\$14.50	\$14.50	\$14.50	\$15.00
12,001	13,200	\$15.00	\$15.00	\$15.00	\$15.00
<b>Thereafter</b>		<b>\$15.78</b>	<b>\$15.98</b>	<b>\$16.23</b>	<b>\$16.68</b>

6.08 Cosmetics Associates

HOURS		10/6/2015	5/29/2016	11/29/2016	5/28/2017
-	1,200	\$11.00	\$13.00	\$13.00	\$15.00
1,201	2,400	\$12.00	\$13.50	\$13.50	\$15.25
2,401	3,600	\$13.00	\$14.00	\$14.00	\$15.50
3,601	4,800	\$14.00	\$14.50	\$14.50	\$16.00
4,801	6,000	\$15.00	\$15.00	\$15.00	\$16.50
6,001	7,200	\$16.00	\$16.00	\$16.00	\$17.00
7,201	8,400	\$17.00	\$17.00	\$17.00	\$17.50
<b>Thereafter</b>		<b>\$17.50</b>	<b>\$17.70</b>	<b>\$17.95</b>	<b>\$18.40</b>

**6.17 Fitting Room / Recovery Associates**

HOURS		10/6/2015	5/29/2016	11/29/2016	5/28/2017	
-	1,200	\$11.00	\$13.00	\$13.00	\$15.00	
1,201	2,400	\$11.00	\$13.00	\$13.00	\$15.00	
2,401	3,600	\$11.00	\$13.00	\$13.00	\$15.00	
3,601	4,800	\$11.00	\$13.00	\$13.00	\$15.00	
4,801	6,000	\$11.00	\$13.00	\$13.00	\$15.00	
6,001	7,200	\$11.25	\$13.00	\$13.00	\$15.00	
7,201	8,400	\$11.50	\$13.00	\$13.00	\$15.00	
<b>Thereafter</b>		<b>\$12.05</b>	<b>\$13.00</b>	<b>\$13.00</b>	<b>\$15.00</b>	

**6.18 Fine Jewelry**

HOURS		10/6/2015	5/29/2016	11/29/2016	5/28/2017	
-	1,200	\$11.00	\$13.00	\$13.00	\$15.00	
1,201	2,400	\$11.00	\$13.00	\$13.00	\$15.00	
2,401	3,600	\$11.00	\$13.00	\$13.00	\$15.00	
3,601	4,800	\$11.50	\$13.00	\$13.00	\$15.00	
4,801	6,000	\$12.00	\$13.00	\$13.00	\$15.00	
6,001	7,200	\$12.50	\$13.00	\$13.00	\$15.00	
7,201	8,400	\$13.00	\$13.00	\$13.00	\$15.00	
<b>Thereafter</b>		<b>\$16.25</b>	<b>\$16.45</b>	<b>\$16.70</b>	<b>\$17.15</b>	

**6.19 Service Professionals**

HOURS		10/6/2015	5/29/2016	11/29/2016	5/28/2017	
-	1,200	\$11.00	\$13.00	\$13.00	\$15.00	
1,201	2,400	\$11.00	\$13.00	\$13.00	\$15.00	
2,401	3,600	\$11.00	\$13.00	\$13.00	\$15.00	
3,601	4,800	\$11.00	\$13.00	\$13.00	\$15.00	
4,801	6,000	\$11.00	\$13.00	\$13.00	\$15.00	
6,001	7,200	\$11.25	\$13.00	\$13.00	\$15.00	
7,201	8,400	\$11.50	\$13.00	\$13.00	\$15.00	
<b>Thereafter</b>		<b>\$14.15</b>	<b>\$14.35</b>	<b>\$14.60</b>	<b>\$15.05</b>	

6.25 Display Specialist

HOURS		10/6/2015	5/29/2016	11/29/2016	5/28/2017
-	1,200	\$11.00	\$13.00	\$13.00	\$15.00
1,201	2,400	\$12.00	\$13.50	\$13.50	\$15.50
2,401	3,600	\$13.00	\$14.00	\$14.00	\$16.00
3,601	4,800	\$14.00	\$15.00	\$15.00	\$16.50
4,801	6,000	\$15.00	\$16.00	\$16.00	\$17.00
<b>Thereafter</b>		<b>\$18.85</b>	<b>\$19.05</b>	<b>\$19.30</b>	<b>\$19.75</b>

**NEW: Wedding and Gift Registry**

HOURS		10/6/2015	5/29/2016	11/29/2016	5/28/2017
-	1,200	\$11.00	\$13.00	\$13.00	\$15.00
1,201	2,400	\$11.00	\$13.00	\$13.00	\$15.00
2,401	3,600	\$11.25	\$13.00	\$13.00	\$15.00
3,601	4,800	\$11.50	\$13.00	\$13.00	\$15.00
4,801	6,000	\$12.00	\$13.00	\$13.00	\$15.00
6,001	7,200	\$13.50	\$13.75	\$13.75	\$15.00
7,201	8,400	\$13.75	\$14.00	\$14.00	\$15.00
<b>Thereafter</b>		<b>\$16.70</b>	<b>\$16.90</b>	<b>\$17.15</b>	<b>\$17.60</b>

Letter of Understanding #1  
By and Between  
UFCW Local 21  
And  
Macy's

It is agreed and understood that for the duration of this Agreement (2015-2018), the following terms and conditions will apply to Selling Department Managers:

1. Managers, unless they were previously members of the Union, will be excluded from Union membership.
2. Managers will be scheduled separately from Sales Associates, and their hours are not to exceed 20 hours per week, excluding major sales.
3. Managers and trainees will not be scheduled to replace regular Associates, except for absenteeism or emergencies, and are not to be scheduled alone in a department except for on an occasional and sporadic basis.
4. Managers' sales will not be used in production or performance reviews of Sales Associates for the purpose of discipline or termination.
5. All mail order (PSMO) and telephone order transactions which the Selling Managers are engaged in will be distributed among the Associates in the department as outlined in this letter.
6. Department Sales Managers shall not intentionally take sales from any sales Associate in order to increase their personal sales nor shall Department Manager be on any walk up list.
7. Department Sales Managers shall not direct sales Associates to perform tasks, i.e., stock, merchandising, change runs, paperwork, etc., so that the Department Sales Manager would be the primary person on the selling floor ringing personal sales.
8. During the Department Manager's scheduled selling hours, they will also perform such tasks as returning merchandise from the dressing rooms to the sales floor, handling returns, and other sales support functions.
9. The number of management trainees will not exceed fifteen (15) for all Local 21 stores combined.

Letter of Understanding #2  
By and Between  
UFCW Local 21  
And Macy's

Regarding Bonus Incentive

The Employer agrees to grandfather, effective May 1, 1993, the Mattress Bonus Incentive program for Associates receiving mattress bonus incentives prior to that date. Associates placed in the Mattress Department after May 1, 1993 will not receive Mattress Bonus Incentive payments.

Associates covered by this Agreement shall be entitled to receive the same merchandise incentives, merchandise discounts, vendor incentives and contest promotions under the same terms and policies that apply to a majority of the Macy's stores in the State of Washington. All other Bonus Incentive programs will be at the sole discretion of management to implement or terminate.

The Mattress Bonus Incentive will be paid to grandfathered Associates for sales of Sealy Posturepedics, Serta Perfect Sleepers, Simmons Beautyrest, Masterpiece, and Stearns & Foster mattress sets.

Additionally, incentives will only be paid to Associates with return rates below 15% of sales

Twin Sets		Full & TXL Sets		Queen Sets		King Sets	
499 - 599	5.00	649 - 749	5.00	699 - 799	5.00	899 - 999	5.00
600 - 699	8.00	750 - 949	10.00	800 - 999	10.00	1,000 - 1,299	15.00
700 - 799	12.00	950 - 1,449	20.00	1,000 - 1,499	25.00	1,300 - 1,799	30.00
800 - UP	20.00	1,450 - UP	30.00	1,500 - 1,999	40.00	1,800 - 2,299	50.00
				2,000 - UP	50.00	2,300 - UP	70.00



Letter of Understanding #3  
By and Between  
UFCW Local 21  
And  
Macy's

Regarding Cosmetics

During the term of this Agreement (2015-2018), the following provision will be in effect for Cosmetic Associates:

1. Vendor commissions will be processed through Macy's payroll system.
2. Overtime will be calculated based on the monthly average rate as required by Federal and State regulations.
3. The equivalent of the "Employer" FICA will be deducted from vendor commission earnings. During payroll processing the "Associate" FICA and required Federal income tax withholding amounts will be deducted from vendor commission earnings according to IRS regulations.
4. Identified returns will be applied to the Associate's sales totals of the Associate who sold them.
5. Cosmetic Associates who do not receive commission compensation during vacations and holidays will receive compensation based on their annual average rate. Payment of the annual average rate will be in accordance with current policies and procedures utilized for Associates in all other retail departments.

Cosmetic Associates who currently receive commission compensation for vacations and holidays will not be compensated using the annual average rate but will continue to receive vacations and holiday commission compensation as they have in the past.

Letter of Understanding #4  
By and Between  
UFCW Local 21  
And  
Macy's

Regarding Support Team

Regarding START Team (Signers, Placement and Price Changers)

1. Signing and Merchandising (aka Placement) employees will be on a single seniority list with no bumping.
2. A sign up process for weekly additional hours will be maintained. Employees who sign up for additional hours will be offered those additional hours by seniority, provided they have demonstrated the knowledge, skill and ability.
3. A Labor/Management Committee will monitor progress on START specific issues.
4. Prior to the conclusion of the Spring 2013 season and each successive Spring season Signing, Merchandising (aka Placement) Regular F/T and P/T associates and on-call associates will be cross trained over a 6 month period for cross function support in the event of an unplanned need for additional hours.
5. Should the company deem overtime necessary, it will be offered on a voluntary basis by seniority. If there are not enough volunteers, the company may assign overtime by inverse seniority. Associates may not claim hours if those hours would put them into overtime.
6. The Company will ensure regular full-time and regular part-time associates signers and merchandisers are scheduled prior to calling in on-call associates. As an example, the company will not call in an on call merchandiser or signer when a regular full-time and regular part-time associate has not been scheduled to work. This shall not preclude the company from calling in an on call associate if the regular full-time and regular part-time associate so scheduled is not available
7. Holiday Hours: Beginning with the 2013 holiday season, Signing, Merchandising (aka Placement) and Price Change Regular F/T and P/T associates will be surveyed during a two week window beginning 30-45 days prior to the declared support period to confirm in writing by a procedure to be determined by the company, what days and hours they are available to work additional holiday hours. The Company is not required to assign additional hours to employees who have not given notification to Macy's within 2 weeks of the start of the survey period. Prior to assigning additional holiday hours to holiday temporary associates holiday hours will be assigned to existing Signing, Placement and Price Change Regular associates first, by seniority and availability, not to exceed 40 hours in a week. Any remaining hours will be assigned to holiday temporary associates.
8. The process to incorporate the existing Price Change employees into the Signing, Merchandising (aka Placement) classifications, shall commence as soon as reasonably practical following the training referenced in #4.

Regarding Receiving:

1. A sign up process for weekly additional hours will be maintained. Employees who sign up for additional hours will be offered those additional hours by seniority.
2. A Labor/Management Committee will monitor progress on START specific issues.
3. Should the company deem overtime necessary, it will be offered on a voluntary basis by seniority. If there are not enough volunteers, the company may assign overtime by inverse seniority. Associates may not claim hours if those hours would put them into overtime.
4. The Company will ensure regular full-time and regular part-time associates Receivers are scheduled prior to calling in on-call associates by classification. As an example, the company will not call in an on call Receiver when a regular full-time and regular part-time associate has not been scheduled to work. This shall not preclude the company from calling in an on call associate if the regular full-time and regular part-time associate so scheduled is not available
5. Holiday Hours: Beginning with the 2013 holiday season, Receiving Regular F/T and P/T associates will be surveyed during a two week window beginning 30-45 days prior to the declared support period to confirm in writing by a procedure to be determined by the company, what days and hours they are available to work additional holiday hours. The Company is not required to assign additional hours to employees who have not given notification to Macy's within 2 weeks of the start of the survey period. Prior to assigning additional holiday hours to holiday temporary associates holiday hours will be assigned to existing Receiving Regular associates first, by seniority and availability, not to exceed 40 hours in a week. Any remaining hours will be assigned to holiday temporary associates.

Regarding Processing:

1. A sign up process for weekly additional hours will be maintained. Employees who sign up for additional hours will be offered those additional hours by seniority.
2. A Labor/Management Committee will monitor progress on START specific issues.
3. Should the company deem overtime necessary, it will be offered on a voluntary basis by seniority. If there are not enough volunteers, the company may assign overtime by inverse seniority. Associates may not claim hours if those hours would put them into overtime.
4. The Company will ensure regular full-time and regular part-time associates processors are scheduled prior to calling in on-call associates by classification. As an example, the company will not call in an on call processor when a regular full-time and regular part-time associate has not been scheduled to work. This shall not preclude the company from calling in an on call associate if the regular full-time and regular part-time associate so scheduled is not available.
5. Holiday Hours: Beginning with the 2013 holiday season, Processing Regular F/T and P/T associates will be surveyed during a two week window beginning 30-45 days prior to the declared support period to confirm in writing by a procedure to be determined by the company, what days and hours they are available to work additional holiday hours. The Company is not required to assign additional hours to employees who have not given notification to Macy's within 2 weeks of the start of the survey period. Prior to assigning additional holiday hours to holiday temporary associates holiday hours will be assigned to existing Processing Regular associates first, by

seniority and availability, not to exceed 40 hours in a week. Any remaining hours will be assigned to holiday temporary associates.

Regarding Recovery:

1. Recovery associates shall be added to the Fitting Room wage scale and will be considered one department

Any Recovery Associate paid over scale will continue to receive the general wage increase for Fitting Room/Recovery associates

Letter of Understanding #5  
By and Between  
UFCW Local 21  
And  
Macy's

Regarding Health and Welfare Eligibility

Each month, the Employer shall provide the Union a report reflecting available hours that were not selected by Associates through the MySchedule Plus program. Each quarter, the Employer shall provide the Union with a list of Associates in jeopardy of losing health and welfare coverage. If it is determined that there are mitigating circumstances such as no available hours to select through MySchedule Plus, the Associate will not lose coverage.

Letter of Understanding #6  
By and Between  
UFCW Local 21  
And  
Macy's

Holiday Shift Change

Until MySchedule Plus is implemented, during the defined holiday season, when store hours are expanded, Associates may switch out up to three (3) late night shifts, or early shifts with those shifts assigned to holiday hires. If a conflict arises, seniority shall prevail.

Letter of Understanding #7  
By and Between  
UFCW Local No. 21 and Macy's

Regarding Retirement Plan Modifications

Under the terms of Article 11 - Retirement, the Employer is providing the Union with notification of the following plan modifications:

- A. Effective January 1, 2018, a single 401(k) plan will be provided to eligible employees for the purposes of accumulating post-employment retirement income; highlights as follows:

Eligibility: Age 21 and 1 year of service of 1,000 hours paid in the first year, or any calendar year thereafter.

Maximum Employee Contribution: IRS Contribution Limit.

Vesting: Employees are 100% vested upon reaching two years of vesting service. Company

Match: 100% match of the first 1% [one-percent] of pretax employee contribution; 50% match of the next 5% [five-percent] of pretax employee contribution.

- B. After December 31, 2017, additional benefits in the Macy's Inc., Cash Account Pension Plan are discontinued [this includes the May Department Stores Company Retirement Plan].

1. After December 31, 2017, vesting service counts only for the purpose of becoming fully vested
2. Participants retain all benefits earned through December 31, 2017.
3. Benefits from the Cash Account Pension Plan will be paid during retirement in accordance with the rules of the plan.

Letter of Understanding #8  
By and between  
UFCW Local 21  
And  
Macy's

Employee Security

Within 90 days after ratification, a labor management committee will be scheduled to discuss the security of employee personal belongings.



Letter of Understanding #9  
By and between  
UFCW Local 21  
And  
Macy's

MSP Enhancements

A labor management committee will meet within 60 days of the end of the holiday season to discuss MSP enhancements proposed by Macy's but not agreed to by the Union during the 2012 contract negotiations.

Letter of Understanding #10  
By and Between  
UFCW Local 21  
And  
Macy's

Full Time Positions Under MySchedule Plus System

The MySchedule Plus scheduling system is not designed or intended to reduce full time positions as defined in Full Time Option One or Full Time Option Two.

Letter of Understanding #11  
By and Between  
UFCW Local 21  
And  
Macy's

Grievances and MySchedule Plus

1. Issues arising from the selection of additional shifts through MySchedule Plus shall not be subject to the grievance and arbitration procedure of the Agreement, except with respect to a dispute described in paragraph 2 below. Any grievance concerning a dispute described in paragraph 2 shall be subject to all conditions and limitations of paragraph 2.
2. In the event that the Company is notified by the Union of an Associate who has violated shift pick up provisions related to 5 year FT or PT Associates, and the Company has failed to investigate the matter with the individual cited and, if appropriate discipline the Associate, said failure to investigate or take disciplinary action is subject to the grievance procedure, provided that the jurisdiction of the arbitrator shall be limited solely to making a determination that discipline of the employee is or is not warranted. Any disciplinary action taken by Macy's pursuant to such an award shall not be subject to the grievance and arbitration provisions of the Agreement. The union may grieve only the failure of Macy's to investigate and/or fail to take action to address the Associate who has violated this provision. The parties understand that the union can file a grievance if management takes disciplinary action in violation of the just cause provision of this contract.

Letter of Understanding #12  
By and Between  
UFCW Local 21  
And  
Macy's

Selling Schedules

Associates employed within four (4) weeks of implementation of MySchedule Plus:

Full-Time Option 1

Current Associates may select a 5-day per week assigned work schedule. Shift length shall be 7.5 hours per day (37.5 hours per week). Associates who have been compensated an average of 39 to 40 hours per week over the past 52 weeks shall continue to work a 40 hour per week schedule should they choose to do so. Associates who work more than six hour shifts but less than eight hour shifts shall no longer be paid for time not actually worked. However those Associates may choose to work a 40 hour per week work schedule.

Full-Time Option 2

Current Associates may select a 4-day per week assigned work schedule. Shift length shall be 7 to 7.5 hours (28 to 30 hours per week). Associates selecting this option shall have the ability to test this schedule for a period not to exceed six (6) months. Upon giving the Company four (4) weeks notice, the Associate may opt to select Full-Time Option 1 and be assigned 37.5 hours per week. In the event that the Associate is participating in Full-Time medical and dental plans, the Company will grandfather participation in that plan if the Associate continues to work a minimum of 28 hours per week.

Part Time Option 1

Current Associates will have the option to choose a weekly work schedule with a maximum of four days assigned. Associates shall be assigned 12-20 hours per week. Shifts length shall be 3.5 to 7.5 hours.

Associates hired after implementation of MySchedule Plus:

Full Time Option 1

Associates hired after implementation of MySchedule Plus may have a Company assigned 4 day per week schedule. Shift lengths shall be 7 to 7.5 hours (28 to 30 hours per week).

Part Time Option 1

Associates hired after implementation of MySchedule Plus may have a Company assigned weekly work schedule with a maximum of 4 days assigned. Associates shall be assigned 12-20 hours per week. Shifts lengths shall be 3.5 to 7.5 hours.

## Holiday Hire Associates

Seasonal Associates who are hired for the defined Holiday Season. These Temporary Associates will be excluded from UFCW Local 21 membership until reaching eligibility as defined in Article 2.02. Holiday Hires will also participate in performing the same duties as regular sales associates. These Associates may begin shift pick up on Sunday at 6:00pm.

## Schedule Options & Process for Selling Associates Effective Upon Implementation of MySchedule Plus:

- I. Full-Time Option 1 Associates will choose one preferred day off Monday through Thursday by seniority. They may also choose one preferred morning off Monday through Friday by seniority, and will not be scheduled to work prior to 1:00 on that day.
- II. Full-Time Option 2 Associates may select up to 5 mornings off Monday through Friday or select up to 4 evenings off Monday through Thursday or select 2 full days off Monday through Thursday by selecting 2 mornings and 2 evenings on the same day. Conflicts in selections shall be resolved by seniority.
- III. Full-Time Option 1 and Full Time Option 2 Associates will be scheduled a maximum of 2 late shifts per week. A late shift is defined as any shift ending after 7:00 p.m.
- IV. Full-Time Option 1 and Full Time Option 2 Associates will have three (3) unavailable days to use per month January thru October in any combination, two (2) of which can be utilized on Saturday/Sunday
- V. Part-Time Option 1 Associates may select up to 5 mornings off Monday through Friday or select up to 4 evenings off Monday through Thursday or select 4 full days off Monday through Thursday. Conflicts in selections shall be resolved by seniority.
- VI. Part-Time Option 1 Associates will be scheduled a maximum of 4 late night shifts per week. A late night shift is defined as any shift ending after 7:00 p.m.
- VII. Full-time benefits eligibility, including medical, shall be 32.0 average weekly hours paid [with the exception of Associates referenced above who moved from Full-Time Option 2 to Full-Time Option 1 and continue to work a minimum of 28 hours per week).
- VIII. Overtime hours shall be by seniority.

## Temporary Requests and Selection of Shifts

1. 3 weeks prior to the live schedule, All Selling Associates shall indicate their paid time off and temporary requests for that week [a temporary request is a particular day they would need to be off in addition to their regular day off). These temporary requests are designed to be for periodic needs (as opposed to weekly) and will be accommodated whenever possible. If a conflict arises regarding requests of multiple individuals, the day off shall be resolved by seniority. Preferences shall be considered during non-peak times and shall be ignored during events or busy days in accordance with the needs of the Company.
2. 9 days prior to the live schedule, Associates will view the Company generated schedule, inclusive of paid time off and temporary requests.

3. Beginning that day - and for the first 24 hours, the FT Associate is provided available shifts to pick up in his or her selling zone [prior to them being made available to Part-Time, Flex and temporary employees]. For the next 24 hours, the FT Associate and PT Associates will be provided available shifts to pick up in his or her selling zone [prior to them being made available to Flex and temporary employees]. During the holiday season, holiday associates, with some exceptions that will be communicated to the Union at the time of the holiday season selection, will be hired as "Holiday" Flex associates and may begin picking up shifts under the terms of this agreement.
4. For the first six hours following the posting of the schedule, selection of additional shifts shall be limited to Associates provided with five or more years of service (Bellingham three or more years of service) plus all other Associates who had the option the prior 24 hours. Holiday Associates may begin picking up shifts after every regular associate pick up time period has been initiated. Auditing of this process shall be at the sole discretion of the Company. Associates determined to have violated this provision may be subject to discipline.
5. Following this two-day limit period, and up to the actual work day, all Associates can pick up additional shifts.
6. In accordance with current practice, with management approval Associates may exchange shifts with other Associates.
7. If no additional shifts are made available to any Associate, 9 days prior to the live schedule, conflicts concerning the number of assigned hours shall be resolved by seniority.

Letter of Understanding #13  
by and between  
UFCW Local 21  
and  
Macy's

Disciplinary Action

Coaching conversation

If your performance or conduct falls short, your manager will meet with you and talk with you about what is needed to meet expectations-that is the difference between the desired performance or conduct and the actual performance or conduct. For most associates, hopefully this will be all that's needed in meeting expectations of successful job performance. Associates are required to acknowledge receipt of the coaching conversation with their signature. This will be placed in your file and remains active for 6 months.

Reminder

If after your coaching conversation your performance or conduct doesn't improve to the expected level, you and your manager may revisit your earlier conversation about performance expectations. Hopefully, this will help you better understand what your focus should be to improve your performance or conduct. During this step you will be reminded that it is your responsibility to bring your performance up to expectations and to maintain that level. Associates are required to acknowledge receipt of the Reminder with their signature. This will be placed in your file and remains active for 6 months.

Responsibility Based Performance-Decision Making Leave

Finally, if after the coaching conversation and reminder you don't meet expectations; your manager may meet with you again and talk with you about your responsibility to meet all of Macy's expectations as earlier discussed. You may be asked to think over whether or not you want to continue your employment with Macy's. You may be given a decision making leave with pay (no more than 1 shift) to think about this and make a decision:

Choices at this point include:

- You want to continue working at Macy's. In this case, you'll need to agree that it is your responsibility to meet expectations and that you commit to making a change. If your performance or conduct does not meet all of Macy's expectations it may result in immediate termination. If you satisfy all performance or conduct expectations for six months, your record will show that you have met your commitment. If your performance or conduct falls below standard within six months, the process may be reentered at an appropriate level or your employment may be terminated.
- Your employment will be terminated.

Responsibility Based Performance is a "TEAMS WIN" process that includes steps your manager may take to help you achieve your responsibilities at Macy's. Your Manager may not necessarily use all of these steps and under certain circumstances immediate termination may be appropriate if your behavior is considered a significant disregard of your commitment to the expectations of the Macy's values.

Letter of Understanding #14  
 By and Between  
 UFCW Local 21  
 And  
 Macy's

Until the implementation of the Company Attendance Policy, it is understood that the provisions of the 2012-2015 collective bargaining agreement apply.

**MY DAY, MY WAY**

As an hourly Employee (full time, part time, flex time & seasonal), you receive a "bank" of Attendance Credits to use as desired and needed to help you take ownership of your day-to-day schedule, as well as to cover any unexpected last-minute absences and late arrivals. Attendance Credits, MySchedulePlus ("MSP" - our electronic scheduling system), and our Paid Time Off program, are all designed to give you flexibility while serving the customer best.

Lateness and absenteeism impact not only service to our customers, but your coworkers as well. Managing your time well is critical to everyone's success and your employment with Macy's. Macy's also recognizes that certain absences and late arrivals are protected by company policy or law. This means you don't have to use credits for pre-approved PTO, an approved leave of absence, or absences protected under federal, state or local laws (see Section II, below).

**I. Earning Credits**

Attendance credits are continuously earned and used and provide you the flexibility to take control of your schedule. Building your bank of credits through perfect attendance lets you build a "savings account" for when life events happen.

- *Initial Bank of Credits.* New Hires and Seasonal Employees are awarded nine (9) Attendance Credits at time of hire.
- *Accumulating Credits.* You can start earning extra credits during the first thirty (30) days of employment. For every two weeks of perfect attendance (i.e., no attendance credits used), a half (½) credit will be added to your bank.
- *Carryover:* You can carry over unused Attendance Credits from one fiscal year to the next.
- Associates who do not lose an attendance credit or any portion thereof at any point during one fiscal year shall be rewarded with an additional PTO for the next fiscal year.

**II. Using Credits**

You can use your credits when life's events happen. Here are some examples of how attendance occurrences (e.g., absences, late arrivals) impact your Attendance Credits:

USING ATTENDANCE CREDITS	
½ credit used	<ul style="list-style-type: none"> <li>• Arriving 10 minutes or more late</li> </ul>
1 credit used	<ul style="list-style-type: none"> <li>• Absent (Monday-Friday)</li> <li>• Consecutive absences during the week (Monday –Friday)</li> </ul>
2 credits used	<ul style="list-style-type: none"> <li>• Absent (Saturday or Sunday)</li> <li>• Consecutive absences (including a Saturday or Sunday)</li> </ul>

**III. YOU MAY NOT HAVE TO USE CREDITS IF THE ABSENCE OR LATE ARRIVAL IS:**



1. Note that if you use vacation to cover the absence, but the absence was not pre-approved, an Attendance Credit will be used UNLESS the absence is also covered by #2 or #3 below.

2. *Related to a company-approved leave of absence*

3. *Protected under the Family and Medical Leave Act (FMLA), Americans with Disabilities Act (ADA) or any other federal, state or local law that provides an Employee the legal right to take time off without a negative impact on employment. (This may include situations when the Employee is entitled to and receives FMLA and also chooses to use PTO to receive pay for the absence.)*

*Make sure you're aware of your responsibilities under any leave policy. In general, you must be on an approved leave of absence to have your time off excused. This requires more than just bringing in a doctor's note. You must comply with the leave of absence application and approval process. And if you are on an intermittent leave of absence you must promptly report your related absences or late arrivals, or they will be subject to the attendance policy (i.e. appropriate deduction(s) will be made from your bank of credits for each late arrival or absence). Schedule accommodations granted under the FMLA, ADA or other applicable laws will have no impact on your attendance, but make sure you have the proper approval by working with your Human Resources Manager.*

*If you are on an approved intermittent leave you must report your missed work time—if it is related to your leave—within two (2) business days of your return to work. Failure to report this time to HR Services via IN-SITE can result in having to use attendance credits.*

What are some situations where Attendance Credits are not used?

You don't need to use Attendance Credits for certain absences like these:

- Certified under the Family and Medical Leave Act.
- Resulting from health emergency where you are taken from work in an emergency vehicle.
- Certified as a work related illness or injury.
- Due to a death in the family as defined by the Bereavement policy.
- Resulting from responding to a subpoena to testify at a trial, hearing or other court process.
- In the case of hazardous weather conditions, if an Associate can demonstrate that he or she cannot safely report to work due to the weather.

And in all these cases, these absences will not impact your ability to continue to earn Attendance Credits.

### III. When You Can't Work a Shift

Reach out to one of your co-workers using the "Self Service Tools" of MSP. You'll have up to two (2) hours before your shift to "advertise" or "swap" the shift. You'll be responsible for your shift until you confirm someone has picked it up.

### IV. Termination Based on Zero Credits

Your manager may periodically remind you of your attendance credit balance. However, it is your responsibility to manage your credit bank, so you don't run out of credits. Reaching a credit balance of zero (0) will result in termination.

### V. Your Responsibility to Monitor Your Attendance Credit Balance

It's your responsibility to monitor your attendance credits both to make sure you don't run out, and to make sure the balance is correct. If you believe your balance is incorrect, it's your responsibility to

use your self-service tools and/or immediately let your manager know so your record may be reviewed and, if necessary, corrected.

## Creating an Everyday Magic Workplace

Remember... Absences and late arrivals that are potentially covered by federal, state or local laws may not require use of attendance credits. When absent or late for a legally protected reason, you must fully comply with the leave of absence/time off procedures and call-out/reporting procedures so credits are not used for the missed work time.

Remember... you will use attendance credits when you are late for or absent from a shift and you call out via phone (instead of using the "Call Out" feature on MyPage) since telephoning doesn't give another Employee the option to pick up your shift via My Page.

### VI. Chronic Absenteeism or Lateness

You may use your bank of credits for unexpected occurrences. However, when the occasional lateness or absenteeism becomes more frequent, your supervisor will discuss the situation with you and remind you of your commitment to Macy's using the Responsibility Based Performance Process. Here are some examples of recurring situations your supervisor may discuss with you:

- Repeatedly calling out for scheduled weekend shifts;
- Coming in late on multiple occasions during a short time period;
- Repeatedly calling out for holiday shifts;
- Repeatedly leaving early without manager approval;
- Repeatedly taking a longer meal period than your schedule allows; or
- Not taking your meal periods as scheduled.

### VII. It's Your Responsibility to Let Us Know if You Will Be Late or Absent

If you are unable to come to work or are running late, use the "Call Out" self-service feature on your schedule on MyPage for the shift you won't be working, and the shift will automatically be advertised for other Employees to view and pick-up. The Store management team gets a report of this activity, so you don't have to telephone the store to call out. If another Employee picks up your shift, you won't have to use an attendance credit.

If you are running late or if you need to call out and do not have access to the online features on MyPage, you should call your location's "call out line" (if applicable) before the shift begins. If no call out line exists, personally call your manager before your shift begins to let your manager know you will not be reporting to work. If your manager is not working that day, call the Executive in Charge ("EIC").

If you cannot reach your manager or the EIC, leave a voicemail for the EIC and your manager. Text messages and emails to a manager are not acceptable call out methods.

If you are absent for three (3) consecutive scheduled work days without notifying the Company, this is considered job abandonment and will result in termination (unless state or local law prescribes a longer period) regardless of any remaining attendance credits in your bank.

TRANSITION TO THE COMPANY ATTENDANCE POLICY. At the point this bargaining unit transitions to the Company Attendance Policy, employees will start with 18 credits, with the following exceptions: Employees on a Reminder 2 for attendance at point of transition to the new policy will start with 9 credits; and Employees who are on DML for attendance at point of transition to the new policy will

start with 6 credits.

Letter of Understanding #15  
By and Between  
UFCW Local 21  
And  
Macy's

Regarding Re-Instituting Clearance Center Major Sales

This Memorandum of Understanding is entered into by and between UFCW Local 21 ("Union") and Macy's ("Employer") as of August 3, 2000.

In conjunction with the Bon Metro/Sea-Tac and UFCW Local 1001 negotiations in 2000, the parties agree as follows:

If the Employer wishes to reinstate major sales at the clearance center, they will meet with the Union prior to re-instituting such sales to negotiate on what basis Associates from other union stores will be allowed to work the sales.

Letter of Understanding #16  
By and Between  
UFCW Local 21  
And  
Macy's

Regarding Grandfathered Department Associates

This Memorandum of Understanding is entered into by and between UFCW Local 21 ("Union") and Macy's ("Employer") as of August 3, 2000.

In conjunction with the Bon Metro/Sea-Tac and UFCW Local 1001 negotiations in 2000, the parties agree as follows:

1. Grandfathered Department Associates who have unlimited availability shall be able to claim hours outside of their department by seniority in their Division.

Letter of Understanding #17  
By and Between  
UFCW Local 21  
And  
Macy's

Regarding Union Leave

This Memorandum of Understanding is entered into by and between UFCW Local 21 ("Union") and Macy's ("Employer") as of August 3, 2000.

In conjunction with the Bon Metro/Sea-Tac and UFCW Local 1001 negotiations in 2000, the parties agree as follows:

The Employer agrees that up to two Associates per year may take union leave for up to three months. At the end of the leave period, the Associates shall be returned to the same or comparable position and department from which they took leave, and their seniority date shall remain the most recent date of hire prior to the leave.

Letter of Understanding #18  
By and between  
UFCW Local 21  
And  
Macy's

Detached Departments

In any store with a detached department(s), the employer will post directions and hours in a prominent location, when those hours go beyond the normal mall hours, with the exception of those areas where postings are not permitted by the Mall or other third party.

Letter of Understanding #19  
By and Between  
UFCW Local 21  
And  
Macy's

Performance Appraisals

The Employer has proposed a new Sales Associate Semi-Annual Performance Appraisal. The parties agree to hold labor/management meetings to discuss the issue with a goal of reaching an agreement within ninety (90) days of ratification. As soon as the parties reach an agreement, the Employer will implement full credit for ANA's and RAV's on new performance evaluations.



Letter of Understanding #20  
 By and Between  
 UFCW Local 21  
 And  
 Macy's

Non Draw vs Commission in Draw vs Commission (DvC) Selling Zones

In DvC selling zones where non DvC merchandise listed below is part of the selling zone, the assigned DvC sales associate shall receive DvC at the commission rate listed below. As an example, if Mattresses and Luggage exist in the same selling zone, DvC Mattress sales associates assigned to that zone shall receive 6.0% DvC for mattress sales and 5.5.% for Luggage sales.

Description	Rate
Better Sportswear	5.50%
Collections 1	5.50%
Suits	5.50%
Bridge	5.50%
Moderate Sportswear	5.50%
Dresses	6.00%
Petites	5.50%
Collections 2	5.50%
Impulse	8.00%
Women's World	5.50%
Coats/Swim	5.50%
Intimate Apparel	6.00%
Accessories	7.00%
Jewelry	7.00%
Hosiery	7.00%
Handbags	6.00%
Watches	7.00%
Childrens	5.75%
Men's Sportswear	5.50%
Men's Active	5.50%
Men's Furnishings	5.50%
Men's Collections 1	5.50%
Men's Slacks	5.50%
Men's Collections 2	5.50%
Young Mens	5.50%
Textiles	5.00%
Bed Linens	5.00%
Bath Linens	5.00%
Tabletop	6.00%
Silver	6.00%
China	6.00%
Glassware	6.00%
Juniors	5.50%
Housewares	5.00%
Luggage	5.50%

Letter of Understanding #21  
By and Between  
UFCW Local 21  
And  
Macy's

Display Associates Sunday work

The following Letter of Understanding applies to Downtown Seattle, Southcenter Mall, Northgate Mall and Commons Mall only:

Display Associates hired prior to July 25, 1996 performing work on Sunday shall be paid at the rate of time and one-half (1 ½). Associates hired after July 24, 1996 but prior to August 4, 2000 shall be paid a Sunday premium of fifty cents (\$.50) per hour. Associates hired after August 3, 2000 shall receive the straight time rate of pay for all hours worked on Sunday.

Letter of Understanding #22  
By and Between  
UFCW Local 21  
And  
Macy's

**Fulfillment & Scheduling LMC's**

Labor management committees will meet within thirty (30) days of January 15, 2015 to further discuss Fulfillment and Scheduling issues discussed during the 2015 contract negotiations. The Scheduling LMC shall include a management representative from Macy's Selling Services (staffing). The parties will submit agenda items ten (10) days prior to the first meeting of each committee. Committees shall meet at least once per quarter for three (3) consecutive quarters, then on an as-needed basis. The parties agree to engage in non-binding FMCS mediation services if either side deems necessary. Both parties reserve all rights within the bargaining agreement.

The Parties hereby agree to the following Appendix, Letters of Understanding, and Memoranda of Understanding:

- |                              |  |
|------------------------------|--|
| Appendix A                   | Regarding Health & Welfare, Dental, and Vision             |
| Appendix B                   | Wage Progressions  |
| Letter of Understanding #1   | Regarding Bonus Incentive                                  |
| Letter of Understanding #2   | Regarding Cosmetics  |
| Letter of Understanding #3   | Regarding START Team                                       |
| Letter of Understanding #4   | Regarding Health and Welfare Eligibility                   |
| Letter of Understanding #5   | Holiday Shift Change                                       |
| Letter of Understanding #6   | Regarding Retirement Plan Modifications                    |
| Letter of Understanding #7   | Implementation of MySchedule Plus                          |
| Letter of Understanding #8   | Selling Zones  |
| Letter of Understanding #9   | Full Time Positions Under MySchedule Plus System           |
| Letter of Understanding #10  | Grievances and MySchedule Plus                             |
| Letter of Understanding #11  | Selling Schedules  |
| Letter of Understanding #12  | Responsibility Based Performance                           |
| Letter of Understanding #13  | Attendance Credit Program for Managing Attendance          |
| Letter of Understanding #14  | Regarding Re-Instituting Clearance Center Major Sales      |
| Letter of Understanding #15  | Regarding Grandfathered Department Associates              |
| Letter of Understanding #16  | Regarding Union Leave                                      |
| Letter of Understanding #17  | Dress Standards  |
| Letter of Understanding #18  | Performance Appraisals                                     |
| Letter of Understanding #19  | Non Draw vs Commission in Draw vs Commission (DvC) Selling |
| Letter of Understanding # 20 | Zones  |
| Letter of Understanding #21  | Display Associates Sunday work                             |
| Letter of Understanding #22  | Fulfillment and Scheduling LMCs                            |

FOR AND ON BEHALF OF:  
MACY'S, INC.

FOR AND ON BEHALF OF:  
UFCW LOCAL 21

 5-13-16  
Kevin Sears Date  
Vice President of Labor Relations

 3/24/16  
Todd Crosby Date  
President

BELLINGHAM ADDENDUM

By and Between  
Macy's, Inc.  
And  
UFCW Local 21

2015 -2018

Terms of the Macys 21/Metro Agreement shall apply to associates working in the Bellingham location with the following exceptions, additions, and deletions:

2.19 (addition) Employer Responsibilities - The Employer shall have the sole discretion in such matters as, but not limited to, selection of merchandise to be sold, setting of store opening hours, determining work methods, equipment and materials to be used, reclassifying employees in accordance with the nature of their work, establishing work schedules to satisfy customer service and store requirements, adjusting wages above contract minimums, adopting incentive or bonus systems and direction of store personnel, including the right to hire, train, employ, recall, transfer, and promote employees within the store, and other management functions not specifically mentioned herein.

7.02 (exception) All non-probationary regular full and regular part-time employees (on a prorated basis) shall be entitled to holiday pay, provided they work the holiday if scheduled, and the last day of their schedule before, and the first day of their schedule following the holiday. If absence on the holiday if scheduled, and the day before, or the day after the holiday, is due to express permission of the Employer or its representative, or bona fide illness or accident, proved to the satisfaction of the Employer, the employee shall be paid for the holiday. Employees hired on a day-to-day basis, or by the hour, employees hired for the Christmas season as specified in 2.02 of the Labor Agreement, and those short-hour employees whose regular schedule does not call for work on a day upon which a holiday may fall, shall not be entitled to holiday pay under the provisions of this contract.

8.09 (exception) Holidays: Associates with Twenty Years or More Service - Employees with twenty (20) years or more of service and who were hired prior to October 17, 1999, will be eligible for five (5) hours of pay for each fifty (50) hours worked in the previous fiscal year. (Employees hired on or after October 17, 1999, shall not be eligible for this vacation benefit.)

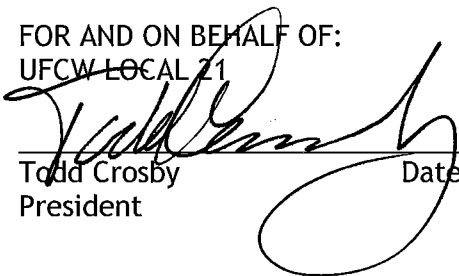
12.05 (exception) General Conditions: Store Meetings - A minimum paid call-in of one (1) hour will be paid if attendance is required and would apply only if the call-in was not connected to an employee's regular shift.

FOR AND ON BEHALF OF:  
MACY'S

  
\_\_\_\_\_  
Kevin Sears  
Vice President of Labor Relations

5-13-16  
Date

FOR AND ON BEHALF OF:  
UFCW LOCAL 21

  
\_\_\_\_\_  
Todd Crosby  
President

3/24/16  
Date

Letter of Understanding  
By and Between  
UFCW Local 21  
And  
Macy's

Working Hours For Bellingham Employees

Employees who choose not to work on Sunday shall not be discriminated against. All Sunday work shall be voluntary and those employees who choose to work shall be given the opportunity to work based on departmental seniority with present employees being given the first opportunity to work on a departmental basis. If enough volunteers are not available, the Employer shall have the right to staff the store by inverse seniority, provided an individual employee scheduled by inverse seniority be scheduled no more than two (2) consecutive Sundays if hired prior to September 1, 2006. Any employees who elect to work on Sunday, as part of their five (5) day workweek, shall be allowed two (2) consecutive days off, Monday through Friday.

FOR AND ON BEHALF OF:  
MACY'S

 5-13-16  
Kevin Sears Date  
Vice President of Labor Relations

FOR AND ON BEHALF OF:  
UFCW LOCAL 21

 3/24/16  
Todd Crosby Date  
President

# THE UNION DIFFERENCE

As a union member, you have certain rights at your workplace:

## A Voice at Work

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Because you have a union, you have a voice at work. A negotiating committee of union members and staff negotiate with management—as equals—over wages, benefits, working conditions, and other issues. The union committee pushes for the issues that union members choose. The result of negotiations is a proposed contract which members vote on before it takes effect.

## Right to Union Representation

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Every union member has the right to union representation during an investigatory interview that could lead to discipline. This is called your “Weingarten” right, after a Supreme Court case which established the right to representation.

## Just Cause for Discipline

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The just cause provision in your union contract ensures you have due process in cases of discipline. The just cause standard is a well-defined set of legal rules that involve several different “tests” of a disciplinary action. The tests of just cause provide considerable protection against retaliation, discrimination, or other unfair actions.

## The Security of a Union Contract

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As a union member, your wages and working conditions are spelled out in writing in a legally-binding union contract. You are not alone at the workplace—instead, you have the security of knowing that your rights are protected by your union contract and backed up by the 44,000 other members of UFCW 21.

## Statement of Your Right to Union Representation (Weingarten Rights)

*“I understand that this proceeding is for the purpose of investigating whether I may receive discipline. Therefore, I request that a union representative be present on my behalf before this proceeding continues. If you insist that the proceeding continue without allowing me union representation, I hereby protest your denial of rights guaranteed to me under federal labor law.”*

## Know Your Rights:

- Fair Treatment and Respect
- Family and Medical Leave
- Union Representation

**Learn more about your rights:**

[www.ufcw21.org](http://www.ufcw21.org)

***Our mission: building a powerful Union that fights for economic, political and social justice in our workplaces and in our communities.***

**VISIT [UFCW21.ORG](http://UFCW21.ORG):**

SCHOLARSHIP INFO | BARGAINING UPDATES | STEWARD TRAININGS | HELPFUL MEMBER RESOURCES | ACTIONS INFORMATION ON YOUR RIGHTS | AND MORE...

## **UFCW 21**

**Todd Crosby, President • Faye Guenther, Secretary-Treasurer**

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Phone 206-436-0210 / 800-732-1188, Fax 206-436-6700**

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Silverdale: 3888 NW Randall Way #105, Silverdale, WA 98383, Phone 360-698-2341, Fax 360-662-1979  
Spokane: 1710 N Calispel, Spokane, WA 99205-4808, Phone 509-340-7369, Fax 509-624-1188**