

Agreement by and between
UFCW 3000
and
MACY'S, INC.

**FURNITURE GALLERIES -
TUKWILA & LYNNWOOD
& CLEARANCE CENTER**

Effective: 06-01-2021 – 02-17-2023

UFCW3000

Faye Guenther, President • Joe Mizrahi, Secretary-Treasurer

WEINGARTEN RIGHTS

Your Right to Union Representation

You have the right to union representation if you are called to a meeting with management that could lead to discipline.

“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.”

Weingarten rights were won in a 1975 Supreme Court decision with these basic guidelines:

-  You must make a clear request for union representation either before or during the interview. Managers do not have to inform employees of their rights.
-  Management cannot retaliate against an employee requesting representation.
-  Management must delay questioning until the union steward arrives.
-  It is against Federal Law for management to deny an employee’s request for a steward and continue with an interrogation. In this case, an employee can refuse to answer management’s questions.

Discipline? Contract violations?

Call the Member Resource Center

If you or a coworker need help regarding an Investigatory Meeting, are facing Discipline or Corrective Action, or need to report Contract Violations our MRC Representatives will work with you on a plan of action.

Call the Member Resource Center at: 1-866-210-3000

2021 – 2023 Agreement
Between UFCW Local 21
and

MACY’S, INC. FURNITURE GALLERY - TUKWILA
MACY’S, INC. FURNITURE GALLERY - LYNNWOOD
& MACY’S, INC. CLEARANCE CENTER

THIS AGREEMENT is made and entered into by and between UFCW Local 21, chartered by the United Food and Commercial Workers International Union, AFL-CIO, CLC, hereinafter referred to as the "Union", and: Macy’s, Inc. Furniture Gallery, 11750 Southcenter Parkway, Tukwila, Washington; Macy’s, Inc. Furniture Gallery, 2909 Alderwood Mall Blvd., Lynnwood, Washington; and Macy’s, Inc. Clearance Center, 17855 Southcenter Parkway, Seattle, Washington; 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 Colleagues coming under the classifications listed herein at the Employer's present retail establishments at 11750 Southcenter Parkway, Tukwila, Washington, 2909 Alderwood Mall Blvd., Lynnwood, Washington, and Macy’s Northwest Clearance Center, 17855 Southcenter Parkway, Seattle, Washington, 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 Colleagues 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 Colleagues who are not members of the Union in good standing on the latter of the aforesaid dates and all Colleagues 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 later.

2.01.1 Dues Deduction - During the term of this Agreement, the Employer shall deduct uniform 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 B to this Agreement. The amount deducted and a roster of

all employees using payroll deduction will be promptly transmitted 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.

2.02 The Employer agrees to provide a monthly status report of all new hires and terminated Colleagues to the Union at least once a month. The list of new employees shall include name, last 4 digits of 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. 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.

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

2.04 Supervisory Sales - See Letter of Understanding #1 attached hereto.

2.05 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 name(s) of the individual(s) 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.

2.06 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. By mutual agreement between the Union and the Employer, shop stewards may attend meetings between management and other Colleagues. Notwithstanding the above limitations, when the Employer conducts an interview that may or may not result in discipline of a Colleague, the Employer will allow the presence of a shop steward for representation purposes if the request does not cause floor coverage issues.

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

2.08 Shop stewards shall not conduct their activities during their working hours or so as to involve any other Colleague during that Colleague'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.

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

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

2.11 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 Human Resources and/or Senior Store Management on arrival and shall not interfere with customer service nor unreasonably interrupt any Colleague's work.

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

2.13 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

2.14 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.

2.15 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.

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.

2.16 Negotiating team members (not to exceed 5) 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 Colleagues - Colleagues who are regularly scheduled to work thirty (30) hours per week or more.

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

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

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

3.05 Regular Pay - Regular pay shall be defined as an Colleagues 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.

Posting of Schedules

4.02 Schedules

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

Support Colleagues: Regular Colleagues shall be placed on a straight-time schedule of hours, which shall be posted by 6:00 p.m. Thursday two 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 Colleague's work schedule after final posting time, unless by mutual agreement between the Employer and the Colleague, or 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 Colleague 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 case of an emergency, employees should 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.

Requests for Days Off

4.02.1

Sales Colleagues: Sales Colleagues shall make requests for days off through MySchedule Plus.

Support Colleagues: Requests for days off should be made 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 Colleagues: Sales Colleagues may by mutual agreement trade single shifts through MySchedule Plus.

Support Colleagues: Colleagues within the same department may by mutual agreement trade single shifts provided the Employer has approved the trade. Colleagues in the same department 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 Colleague must keep their MY-INSITE profile updated in order to be entitled to the benefits of Article 4.02.

4.04 In the event any store should have a 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 Rest Between Shifts - 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 (1^{1/2}) up to the end of the (10) hour rest period. Colleagues, 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 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 the Colleague and the Employer. By mutual agreement, Lynnwood Colleagues can waive overtime after eight (8) hours.

4.07 Overtime Rate - Overtime will be paid at the rate of one and one-half (1½) times the Colleague's regular basic wage rate, unless F.L.S.A. rules provide a different interpretation. Commission Colleagues will be paid one and one-half (1½) times their average wage rate as required by Federal and State regulation.

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

Preferred Day Off

4.09

Sales Colleagues: Sales Colleagues shall select preferred days off through MySchedule Plus.

Support Colleagues: Days off shall be designated by the Employer. All Colleagues 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 Colleague shall be laid off before his/her scheduled day's work is completed.

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

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

4.13 Meal and Rest Breaks - Daily working hours for Colleagues 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 Colleague a meal period of thirty (30) minutes may be scheduled. Colleagues working a shift of six (6) hours or less shall have thirty (30) minutes for a meal. Meal periods for Colleagues shall be no earlier than two (2) hours nor later than five (5) hours from the beginning of the shift. No Colleague will 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 agrees to provide thirty (30) days' notice to the Union and Colleagues, of any significant changes made to the regular assignment of meal period lengths that affects a majority of the sales or support Colleagues at a specific store.

Minimum Shifts

4.14 Sales Colleagues: 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.

More than Six (6) Hour Colleagues: Fifteen (15) minutes in each of the two shifts, which shall constitute the total time away from work station.

Six (6) Hour Colleagues: One fifteen (15) minute relief period in the longer shift, which shall constitute the total time away from work station.

Five (5) Hour Colleagues Who Do Not Take a Lunch Hour: Fifteen (15) minutes a shift.

Shifts of less than five (5) hours shall be entitled to one fifteen (15) minute relief period, which shall constitute the total time away from work station.

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

More than Six (6) Hour Colleagues: Fifteen (15) minutes in each of the two shifts, which shall constitute the total time away from work station.

Six (6) Hour Colleagues: One fifteen (15) minute relief period in the longer shift, which shall constitute the total time away from work station.

Five (5) Hour Colleagues Who Do Not Take a Lunch Hour: Fifteen (15) minutes a shift.

Shifts of less than five (5) hours shall be entitled to one fifteen (15) minute relief period, which shall constitute the total time away from work station.

4.15 All Sales Colleagues 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 first Sunday after the date of ratification [The total 2010, 2011 and 2012 premium paid divided by the productive hours for the same period] Premiums for working on Sunday will then be discontinued for these Colleagues, as it is added to their base hourly rate.

Sunday Voluntary Work

4.16 Sales Colleagues: Sales Colleagues hired prior to May 1, 1987 shall be given a one time opportunity to select to work or not to work on Sundays. Colleagues who choose not to work on Sunday shall not be discriminated against.

Support Colleagues: For Support Colleagues hired prior to May 1, 1987 all work on Sunday shall be voluntary. Colleagues 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 it Colleagues.

Consecutive Days Off

4.18 Sales Colleagues: Sales Colleagues shall schedule all days off through MySchedule Plus.

Support Colleagues: Colleagues 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 Colleague.

4.19 Commission Colleagues shall have only the straight-time charged against their commission, and the half-time or other premium(s) shall be figured separate and apart.

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. This provision is effective August 19, 2001.

5.02 Seniority shall be on a departmental or divisional basis. Where merit and ability are equal, a Colleague's store seniority shall be recognized when it is necessary to decrease the number of regular Colleagues or their work hours. Where merit and ability are equal, a Colleague's departmental/divisional seniority shall be recognized when it is necessary to increase the number of regular Colleagues 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 a Colleague's total conduct, performance, and contribution. Colleagues changing their availability shall notify Human Resources in writing. Selling Colleagues changing their availability shall update their availability via MY-INSITE, support Colleagues must submit these changes in writing to their supervisor.

5.02.1 The Employer shall be the judge of whether the merit and ability of the Colleagues are equal; but this judgment shall be fairly and reasonably exercised. If a senior Colleague 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 Colleague'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 Colleague was not equal to that of the preferred junior Colleague.

- 5.03** Seniority rights shall terminate for the following reasons:
- a. Voluntary Quit;
 - b. Discharge;
 - 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. Colleagues 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 - A Colleague'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, a Colleague's store seniority shall be recognized when considering a Colleague's written request for transfer to job openings. A Colleague 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 Colleagues 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 Transfer to Job Openings

Sales Colleagues: A Colleague'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, a Colleague's store seniority shall be recognized when considering a Colleague's written request for transfer to job openings. A Colleague 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 Colleagues allowed under this provision. All such transfers shall be voluntary.

Support Colleagues: An Colleague'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 Colleague's store seniority shall be recognized when considering an Colleague's

written request for transfer to job openings. An Colleague 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 Colleagues 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, a Colleague'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 Colleagues shall be assigned considering their preference in accordance with store seniority. The seniority rosters will then be maintained separately for each department.

5.06 Colleagues 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. Colleagues 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 the twenty cents (\$.20) per hour above the then current Washington State minimum wage.

6.02 Department Sales Colleague Rates:

Step	Year 1	Year 2
In-Hire	\$13.89	\$14.69

****No colleague will suffer a reduction in their current rate due to the above rate changes.**

Each Big Ticket Sales Colleague with one (1) year or service or more shall receive a lump sum payment as follows:

- \$0.50 for each hour worked the 52 weeks prior to the Sunday prior to June 1, 2021, to be paid within one month of ratification.

- \$0.25 for each hour worked the 52 weeks prior to the Sunday prior to June 1, 2022, to be paid within one month of June 1, 2022
- \$0.25 for each hour worked the 52 weeks prior to the Sunday prior to November 27, 2022, to be paid within one month of November 27, 2022.

6.03 Non-Sales Colleague Rates:

Non DvC Colleagues will Transition from Hourly to Annual Progression based on the steps outlined below:

- All colleagues will convert to the annual progression scale based on their existing classification and length of service. For purposes of transitioning over to an annual progression only, colleagues will be placed one step above the step their length of service corresponds to (see example below). Year 2 and Year 3 progressions will be determined by their exact length of service at the time of calculation.
- Progressions will be calculated on 6/1 annually based on length of service until they reach the Thereafter rate. Increases will be processed and paid retroactively to the Sunday prior to 6/1.

Support Colleague Rates

Step		2021	June 2022	November 2022
0	In-hire	\$ 13.69	\$ 14.69	\$ 14.69
1	75%	\$ 14.01	\$ 14.69	\$ 14.69
2	80%	\$ 14.94	\$ 15.14	\$ 15.34
3	85%	\$ 15.88	\$ 16.09	\$ 16.30
4	90%	\$ 16.81	\$ 17.04	\$ 17.26
5	95%	\$ 17.75	\$ 17.98	\$ 18.22
6+	Thereafter	\$ 18.68	\$ 18.93	\$ 19.18

6.05 Commissions: Furniture, Clearance Furniture, Decor Accessories, Floor Coverings

See LOU #13 regarding Big Ticket Tiered Commission Program

Draw VS Commission Policies:

- Commissions will be paid weekly
- Returns will not be charged back if 180 days or more from date of purchase

Deficit Wipe Off

- Colleagues hired before June 1, 2012: Current Deficit wipe-off provisions retained.
- Colleagues hired after June 1, 2012: \$100 maximum wipe off the last week of each quarter.
- Newly hired or placed Colleagues will have a full deficit wipe off 60 days following hire

Draw Rate Reduction

- Current Colleagues: Draw rates will not be reduced
- Colleagues hired after DOR (June 1, 2012): Seasonal review: If selling rate for the season is below the draw rate [and end of season deficit of \$200+], draw rate will be reduced to selling rate – not to exceed 10% reduction. Effective no later than week 2 of the second month following fiscal season.

Draw Rate Increase

- Current Colleagues: Draw rates will continue to be increased, without regard to selling history. Current draw vs commission Colleagues below the thereafter rate are eligible for the rate progression increases without regard to their selling rate. Colleague request February & August – increase up to their progression rate, not to exceed their selling rate for the prior season
- Colleagues hired after DOR (June 1, 2012): Same – not to exceed 80% of selling rate for the prior season

6.06 Commission Colleagues - 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 40 hours. Commission calculated during a period of absence, other than vacation, shall be charged against the Colleague's last draw period, unless the Colleague's failure to earn full draw during such period was due to unusual circumstances. Commissions will be paid on non-commission merchandise sold by commission sales persons if the sale is an intra department sale, or a follow-through for a customer having made a purchase in the commission department.

6.06.1 The Employer will provide Colleagues 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 a Colleague 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 Chargebacks - Upon request, the Employer will furnish Colleagues in contractual commission departments information on chargebacks, including transaction number, store, date of return, article, amount, and ringing Colleague 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 Colleagues within that department, or, by other reasonable means which will supply the information to the Colleagues. 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.

6.08 For Colleagues hired before September 1, 2012, Commission deficits shall be wiped out quarterly at the end of the following fiscal months (March, June, September, and December). Deficits are to be adjusted as herein provided. Summarized statement of department sales are to be furnished each salesperson. Returns are not to be deducted after 180 days from date of sale, except those sales Colleagues identified in section 6.08. 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.

6.09 Non-Sell Time - Non-selling time will not be charged against commission quota for purposes of calculating commission when, during business hours, the salesperson is required by management to perform stock keeping duties that prohibit their availability to customers. Hours worked outside of normal shift schedules except as provided in Section 12.05, will not be charged against commission quota.

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

6.11 Merit Plan and Over-scale Colleagues - Except as otherwise provided, the terms herein are intended to cover only minimums in wages. The Employer may reduce the same to the minimums herein described should performance become unsatisfactory. The Employer shall exercise fair and reasonable judgment.

6.12 Wage increases are to the classification only and would not automatically apply to over scale Colleagues. Maintenance of over scale Colleagues at over scale rates is at management's discretion.

6.13 No Colleague 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.

6.14 Previous Experience - Colleagues with Federated Department Stores experience within the previous two (2) years from date of hire shall be given full credit up to the highest apprentice rate (this shall include Bon March, Bon-Macy's and other former Federated Department stores).

6.15 Any new Colleague may be given up to 24 hours non-floor training at the first apprentice bracket wage rate.

6.16 Colleagues who handle telephone transactions and mail order sales shall receive their usual compensation.

Shift Premium

Colleagues 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 Colleagues or base plus commission Colleagues shall receive a premium equal to 10% of the employee's base hourly rate of pay. Draw VS Commission Colleagues shall receive a premium calculated at 10% of their draw rate. This premium shall not be included in commission calculations

ARTICLE 7 - HOLIDAYS/PERSONAL TIME OFF

7.01 Holidays/Personal Time off - The maximum annual PTO days available to an eligible Colleague is eleven (11).

7.02 The following days will continue as fixed holidays, and if worked be paid at time and one half (1½x) for Colleagues hired after May 1, 1988, and double time (2x) for Colleagues hired prior to May 1, 1988:

Thanksgiving
Christmas

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

7.02.2 Colleagues 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 Colleague fails to work any of the above days without permission of the Employer or its representative, the Colleague 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 Colleague 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 Colleague to provide satisfactory evidence of any illness or accident claimed above.

7.03 Paid Time Off will be calculated the first of the fiscal year following the Colleague's date of hire. Colleagues with less than one (1) year of service as of the first of the following fiscal year will have PTO calculated on a prorated basis. For those Colleagues who have met the criteria of one (1) year of service, all (11) PTO days are available annually as of the first of the fiscal year. Six (6) of these PTO days may be used to continue pay when away from work due to holidays, approved vacation, sickness, family illness, medical appointments or personal business. These six (6) days do not require advance notice to be paid and will not count as absenteeism. No more than two (2) PTO days may be taken in any one (1) month. PTO may be combined with vacation only when, mutually agreeable between the Colleague and management. PTO is available for use during the company's fiscal year (approximately February 1 through January). Colleagues may use more than two (2) unscheduled personal days in any month with prior management approval.

BHB Colleagues who elected to keep their traditional holiday schedule will continue to enjoy this benefit throughout the life of this agreement.

7.04 Calculation for Holiday and Personal Days: PTO and Holidays are paid at the Colleague's average hourly rate. All Colleagues shall be paid regular pay for the holiday on the basis of the Colleague's PTO average hours compensated during the previous fiscal year.

7.05 Colleagues leaving the company shall be paid at their then current straight-time base rate at 50% of a prorated basis for all unused PTO days for then current fiscal year, provided, however, that no payment shall be allowed for involuntary terminations of employment. A like payment shall be made for all days unused at the end of the fiscal year.

7.06 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 shifts still unfilled they will be assigned by inverse seniority by store.
4. 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.
5. 10% shift differential for all hours worked on Thanksgiving between 10:00 pm of Thanksgiving and 6:00 am of the Friday following Thanksgiving.
6. No shift less than 5 hours on Thanksgiving
7. All these Thanksgiving shift rules are a supplement to section 7.02 and only apply to Thanksgiving.
8. Will receive incentives no less than stand-alone Furniture Galleries in the State of Washington.

ARTICLE 8 - VACATIONS

Colleagues hired February 9, 2013 and later will be subject to current vacation and holiday contractual benefits with the following modification:

- Vacation hours will accrue, as indicated in the collective bargaining agreement for each fifty-five (55) hours compensated

8.01 Vacations shall be calculated on a fiscal year from February through the following January. Colleagues shall be provided in writing their vacation entitlement for the current year no later than March 1st. Vacations requests submitted by March 15 will be approved or disapproved within thirty (30) days. Vacations requested by March 15th may be for up to two (2) weeks consecutively, based on seniority.

Vacation requests made after March 15th must be made at least thirty (30) days in advance of the requested vacation. The Employer will approve or disapprove vacation requests made after March 15th within fourteen (14) days of the receipt of the request.

8.01.1 Colleagues at the Furniture Galleries will be permitted scheduled vacations anytime, except for the week of the Thanksgiving holiday and a declared period of two (2) individual weeks preceding or during each of the two major home sales events, usually

held during February and August. The Company may declare one additional week in which Colleagues shall not be permitted to take vacation unless the vacation has received prior approval. The Company shall provide thirty (30) days advance notice of the additional week. The Company may prohibit vacation for a total of four (4) weeks per year. The Company agrees to approve any vacation request outside these times as long as 80% of the sales staff is scheduled to work. Colleagues at the Clearance Center will be permitted scheduled vacation anytime.

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 Colleague who has been compensated a total of eight hundred sixty-six (866) total hours or more by the completion of the fiscal year shall receive paid vacation in accordance with the schedule hereinafter set forth. Colleagues who regularly work ninety percent (90%) of the fiscal year, inclusive of paid holidays, vacations and overtime, shall not have vacation pro-rated due to temporary layoffs.

8.03 Colleagues with more than one 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 26 weeks or more (not necessarily consecutive), during the year shall be paid vacation in accordance with the formula hereinafter set forth.

8.04 Colleagues 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 Vacation Entitlement

Length of Service	Entitlement	Maximum
0 – 2 years	1 hour regular pay per 40 hours compensated	40 hours
2 – 8 years	2 hour regular pay per 50 hours compensated	80 hours
8 – 12 years	3 hour regular pay per 50 hours compensated	120 hours
12 – 20 years	4 hour regular pay per 50 hours compensated	160 hours

8.06 All Colleagues hired on or before February 15, 1997 will continue to be eligible for five (5) weeks' vacation.

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

8.08 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.

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

8.10 Colleagues 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 Colleagues in a given department, if any, who can be on vacation during any particular week.

8.11 Extended Vacations - Colleagues with three (3) years or more service may take an extended vacation once in each three-year period of employment without breaking seniority. The length of extension beyond any accrued paid vacation shall be by mutual agreement between the Colleague and the Employer.

8.12 Regarding Washington State Safe/Sick – Both parties agree that the following language and modifications to Article 8 apply to all Colleagues and will bring this policy in full compliance with Washington State Safe/Sick:

Eligibility - Washington State Paid Sick/Safe Time is available for Colleagues who:

- Work in the State of Washington; and
- Have worked at least 90 days for the Company.

Usage – Colleagues may use Washington Sick/Safe Time for all uses approved under the law.

Maximum Sick/Safe Time Earned and Usable Per Year:

- Eligible Colleagues earn Washington State Paid Sick/Safe Time at the rate of one hour for every 40 hours worked with no maximum accrual. There is no cap on usage of Washington State Paid Sick/Safe Time; Colleagues may take any number of hours of Washington State Paid Sick/Safe Time that they have accrued.
- Carryover - Colleagues may carry over accrued but unused Washington State Paid Sick/Safe Time each fiscal year up to a total cap of 40 hours.

How Sick/Safe and Vacation Time Work in the MTO System

- The MTO system displays two-line items:
 - “Sick-Safe Washington State/Vacation.” This is systemically allocated time that may be used as sick/safe time or as vacation time.
 - “Vacation.” This is systemically allocated time that may only be used as vacation time and which is subject to Section 8.01.

The combination of these two-line items is the total annual Vacation amount. For example, a twelve-year Colleague with a total annual vacation entitlement of 150 hours would see a “Sick-Safe Washington State/Vacation” line item of 40 hours and a “Vacation” line item of 110 hours. The Colleague could use all 150 hours as vacation. Or she or he could use up to 40 hours as Washington Sick-Safe and the remainder as vacation.

- After a Colleague has worked enough hours to have earned 40 hours of systemically allocated sick/safe time, he/she will begin to accrue *additional* paid sick/safe time at the rate of one hour per 40 hours worked. This additional accrued time can only be used as Washington State Sick/Safe time.
- This means a Colleague who works over 1600 hours in the year will earn an additional one hour of Washington State Sick/Safe time for every 40 hours worked above 1600.

Rate of Pay

- A Colleague's "Sick-Safe Washington State/Vacation" is paid at an hourly rate equal to the Colleague's total pay divided by total hours worked for the 90-day period immediately before the Colleague takes the Sick-Safe Washington State/Vacation. This is true whether the time is taken as paid sick time or as vacation.

NEW or CURRENT Colleagues Not Eligible for Vacation:

- New or Current Colleagues not eligible for vacation will begin accruing Washington Sick/Safe Time at a rate of 1 hour per 40 hours worked from their hire date and will be eligible to use any accrued Washington Sick/Safe Time upon working 90 days for the company. These Colleagues may carry over accrued but unused Washington State Paid Sick/Safe Time each fiscal year up to a total cap of 40 hours.

ARTICLE 9 – LEAVES

9.01 Jury Duty - Colleagues at the Furniture Galleries called to jury duty shall receive the difference between their regular pay, up to a maximum of \$18.00 per hour, and the pay received for jury duty during the period of actual jury service, up to 45 days per year. When a Colleague is excused from jury service, either temporarily or permanently, on any scheduled work day, the Colleague shall promptly return to the store and complete any remaining hours of his scheduled work day, if four (4) remain.

9.02 Witness Pay - Colleagues 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 Colleague, the Colleague 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, daughter-in-law, son-in-law, sister-in-law, brother-in-law, grandparents, grandchildren, stepparents, stepchildren and domestic partner (Domestic Partner as defined in accordance with City of Seattle ordinance). In addition, if the Colleague 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. Colleagues 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 Colleagues, time shall not be charged against quota.

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 Kaiser 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 Kaiser Plans no longer offer such a product, the Company shall secure plans that are similar to those of the Kaiser Plans. The benefits [including contribution rates] must at all times remain the same for 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 Full-Time medical plan 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.

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. 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.

Colleagues participating in the Full-Time Medical Plans are subject to a Tobacco surcharge. The Tobacco Surcharge will apply under the same terms and conditions as Macy's Management employees in the locations with employees represented by UFCW Local 21. Colleagues who are subject to the Tobacco Surcharge, but agree to participate in a smoking cessation program within the next twelve months will have the surcharge waived.

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 a Colleague is actively at work.

10.03 Disability Insurance - For the term of this Agreement, Colleagues shall be covered under the National Short Term Disability Plan. Colleagues 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 Colleague is actively at work.

10.04 Colleague

Colleagues who average 20 – 29.99 hours paid hours per week will be offered the opportunity to enroll annually in Dental, Vision, Group Life, AD&D, Short Term and Long Term Disability, and Flexible Spending Account coverage.

Colleagues who average 30 hours or more per week will have the opportunity to enroll in Dental, Vision, Group Life, AD&D, Short Term and Long Term Disability, and Flexible Spending Account coverage effective the first month following one month of service. Medical coverage in the PPO plan options or HMO becomes effective the first of the month following six (6) months service for new hires. Thereafter medical coverage will be based average hours paid and will be measured during the annual measurement period that runs from April 2nd through the following April 1st each year.

Additionally, newly hired colleagues covered under this agreement will initially be offered benefits based on standard hours associated with the position in which they are hired. If the position has standard hours of 30 or more per week, all health and welfare benefit options (medical, dental, vision, HSA/FSA, life, AD&D, Short Term Disability, Long Term Disability, voluntary benefits) will be offered on the effective date of hire. If the position has standard hours of 20 – 29.99 hours per week, all other welfare benefit options (FSA, dental, vision, life, AD&D, Short Term Disability, Long Term Disability, voluntary benefits) will offered on the effective date of hire.

Support Colleagues enrolled in benefits as of the ratification date of October 6, 2015, shall remain eligible for all health and welfare benefit options (medical, dental, vision, HSA/FSA, life, AD&D, Short Term Disability, Long Term Disability, voluntary benefits) as long as the Colleague maintains unlimited availability.

10.05 The parties shall comply with all laws and regulations which may become effective requiring that individual Colleagues 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 Colleague 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.

10.07 Credit shall be extended in lieu of hours compensated for worker compensation for industrial injury or illness, Washington State Paid Family Leave, and Disability Insurance towards eligibility for all benefits contained in this article and in Articles 8 and 9.

ARTICLE 11 – RETIREMENT

11.01 The Employer shall cover Colleagues 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. *(Refer to LOU #4)*

ARTICLE 12 - GENERAL CONDITIONS

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 - Colleagues 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 Colleagues are authorized to use their cars on Company business. Reimbursements for parking fees, bridges, and ferry tolls for those Colleagues 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. Colleagues 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 Colleagues for just cause. Colleagues shall be subject to Macy's as outlined below.

13.02 Coaching conversation

If your performance or conduct falls short, your People Leader 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 colleagues, hopefully this will be all that's needed in meeting expectations of successful job performance. Colleagues 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.

13.03 Formal Warning

If after your coaching conversation your performance or conduct doesn't improve to the expected level, you and your People Leader 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 your People Leader will communicate the difference between the expected performance and/or conduct and the actual performance and/or conduct; and a clear statement identifying the actions that you must take in order to meet expectations. Colleagues are required to acknowledge receipt of the Formal Warning with their signature. This will be placed in your file and remains active for 6 months.

13.04 Final Warning

Finally, if after the coaching conversation and formal warning you don't meet expectations your people leader may meet with you again and talk with you about your responsibility to meet all of Macy's expectations as earlier discussed. If the final warning is administered during the first half of the scheduled shift the colleague may request to take the remainder of their shift off with pay as a "cool off" period not to exceed four (4) hours. If the final warning is administered during the second half of the scheduled shift the colleague may request to the first half of their next scheduled shift off with pay as a "cool off" period, not to exceed four (4) hours. If the colleague is scheduled off the following day after the administration of a final warning that will serve as their "cool off" period.

- If the colleague demonstrates improvement, has met Company's expectations and meets the objectives outlined in the Final Warning for a period of 6 months, they will be considered in good standing.
- If the colleague's performance and/or conduct initially improves after the Final Warning but subsequently falls below expectations at a later point in the 6 months period following the Final Warning, the People Leader will partner with Colleague Support Advisor to determine if termination is warranted.

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.

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

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

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

ARTICLE 14 - GRIEVANCES 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 Federal Mediation and Conciliation Service (FMCS). 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.

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 FMCS for a new arbitrator panel and begin the striking process again.. The Arbitrator shall not have the power to add to, modify or change any of the provisions of this agreement. 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 email and/or USPS 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 email/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 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.

15.03 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 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.

15.05 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 Colleagues 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 – WorkPlace Safety

16.01 The Company will provide and maintain sanitary, safe and healthful conditions in all places in which colleagues perform services, in accordance with applicable law. In the event the Union notifies the Company that it believes a hazardous condition exists, the Company will investigate without delay; and if such condition exists, the Company will promptly remedy it.

16.02 Safety Committees will be held in accordance with applicable laws.

16.03 Safety Committees shall include three (3) bargaining unit staff members. The bargaining unit committee members shall be elected by staff to serve one (1) year terms in accordance with state law.

16.04 The parties agree that no party shall retaliate against any employee for bringing forward safety issues.

Article 17 – Pandemic

During COVID-19 (or any other Pandemic), Macy's will implement a series of safety measures to ensure the safety of both colleagues and customers and will at all times comply with CDC guidelines which may continue to change. In the event there is a change of CDC guidance that alters anything below the Company will meet with the Union and discuss such changes. These measures will include, but not limited to:

1. Macy's will provide face masks for each colleague on duty who do not have their own mask. The expectation is that the colleagues are responsible to care for the company issued masks. In the event the mask gets damage during the colleagues working shift, the colleague will be able to exchange the damaged mask for a replacement. Colleagues who do not comply with the Company's Face Mask policy will not be allowed work and will be subject to discipline up to termination. This is deemed a violation of company policy.
2. Distribution of gloves and/or aprons for select colleagues based on the nature of work (i.e. colleagues who are processing multiple goods or interaction with customers at high-traffic registers.)
3. Increased and expanded cleaning protocols which will be the responsibility of all colleagues to some extent.
4. Installations of plexi-glass sneeze guards at cash wrap areas.
5. Social distancing indicators will be added as part of store signage.

6. Aligned to our current company practice, colleagues can excuse themselves to leave the floor and wash their hands at any time for a reasonable amount of time; the colleague should notify their People Leader in advance to ensure there is adequate coverage to support customer needs.
7. All colleagues will be required to wipe down and sanitize any equipment that the colleague is being required to use. The Company will provide hand sanitizer at every register, building entrance, lounge, breakroom, or display area for colleague and/or customer use.
8. Housekeeping and store leadership teams will ensure all cleaning products and sanitizer are replenished through-out the day. Housekeeping will maintain their typical daily cleaning operations which include disinfecting.
9. If a store is subject to closure, upon store reopening, the Company will provide the colleagues with the safety protocols via My Insite prior to returning to their respective store with 1:1 People Leader reinforcement, signage will be posted at all colleague and customer entrances outlining the established safety protocols and practices as per the CDC and local government.
10. Our in-house Plumbers/Steamfitters will continue to perform necessary maintenance to HVAC systems inclusive of review and changing of filters as needed.
11. Macy's will comply with Washington state government guidance regarding customers wearing masks when visiting the store. The Company will have visual signage and placard that encourages personal protection equipment (PPE). Macy's will comply with all additional government and CDC guidelines as required. This policy requiring masks will be jointly reviewed by the Company and the Union on an ongoing basis to determine the need for the length of such policy however the final decision is the company's.
12. In the event a colleague is uncomfortable with servicing a customer who is not wearing a mask, as per our established practice, the colleague should politely step away and contact the appropriate people leader for customer assistance such colleague will not be disciplined for politely stepping away and contacting the appropriate People Leader to service the customer.
13. Before and after handling the phone for Macy's Credit Services, colleagues will wipe down the phone with the appropriate disinfectant wipes and upon return of the phone the colleague will wipe the phone down before placing on the receiver.
14. Wellness Checks during COVID 19:
 - a. During COVID 19, Macy's colleagues must complete wellness checks before each shift.

- b. Colleagues must take their temperature at home. If the temperature is 100.4°F or higher or if the colleague is experiencing flu-like symptoms or otherwise feeling unwell, the Colleague may not work their shift. The Colleagues may use paid time off or in certain locations, available sick/safe time and may reach out to Colleague Support for assistance. The colleague's attendance will not be adversely affected.
- c. Colleagues will be required to complete temperature checks at home and self-report during their wellness check. In the event, a colleague forgets to take their temperature check at home they will have their temperature check completed at the store in an effort to allow the colleague to work that particular shift. Such colleague will be reminded of the expectations so they can work their assigned shift. If such colleagues continuously, defined as in excess of once per week or in excess of 4x/mo., reports to work without completing the required temperature check such colleague will not be allowed work and will be subject to discipline up to termination. This is deemed a violation of company policy.
- d. When colleague arrives to work, a wellness check will be conducted and recorded.
- e. The questionnaire portion of the wellness check will be completed while the colleague is on the "on the clock".
- f. Colleagues will be required to respond to a series of questions – known as Wellness Check(s) – to ensure the safety of everyone in the store:
 - #1. Did you take your temperature before you left for work today?
 - #2. Was your temperature below 100.4°F/38°C?
 - #3. Are you free from all of the following symptoms: new or worsening cough, shortness of breath, sore throat, new loss of taste or smell, chills, muscle pain, headache, or runny nose?
 - #4. Can you confirm that you have NOT had close and prolonged contact with a person who was lab-confirmed to have COVID-19 to your best knowledge? (The CDC defines close contact as being within 6 feet of someone with a confirmed case of COVID-19 for a prolonged period of time, 10 minutes or more, within the last 14 days)
 - #5. Can you confirm that you have NOT tested positive for COVID-19 in the past 14 days?

If the colleague answers "yes" to all five questions, they should immediately wash or sanitize their hands, ensure they have a face mask on, and proceed to their work area. If the colleague answers no to any one of the four (#2- #5) questions, they are to be sent home and should be paid for the time it took to conduct the wellness check. If a colleague is sent home due to the outcome of the four questions (#2 - #5) wellness check, the colleague's attendance will not be adversely affected.

15. Macy's will provide face masks for each colleague on duty who does not have their own mask. As noted above, in the event the colleague's mask gets damage during the colleague's working shift, the colleague will be able to exchange the damaged mask for a replacement. Distributed masks will meet the CDC guidelines and are to be worn at all times while at work. The colleague is expected to retain, clean and reuse the masks. This process will continue until further notice. The Company will advise the Union prior to implementing the change.
16. During the period of an emergency, catastrophe, or severe economic crisis which so affects the Company's operation as to result in extraordinary decrease of gross sales affecting the employment of such employee. No act or event within the Company's control shall be considered an emergency or catastrophe. A labor dispute to which the Company is not a party, and in which the Company has no control, or the adoption of any law or regulation, which is the cause of an extraordinary decrease in gross sales shall be considered an emergency. The Company will effects bargain the impact of the emergency, catastrophe, or severe economic crisis with the Union.
17. In order to address the current COVID-19 Pandemic, or in order to address any future Pandemic emergency where the City, State, or Federal Government deems it a pandemic, issues a stay at home order, or recommends a stay at home order the agreed to conditions will apply as follows:
 - A. If an employee has contracted COVID 19 illness and is required to quarantine as per the state, local government or CDC or any future pandemic emergency that requires quarantine they shall be entitled to pay at their paid time off rate of pay x their weekly scheduled hours for the week(s) they are required to quarantine, up to two weeks of the Quarantine period. Quarantine periods will adhere to CDC, state, or local government requirements.
 - B. In the event that the employee has not fully recovered, after the two week period, during COVID-19 pandemic or any future pandemic the employee may apply for a Leave of Absence, utilize any sick pay, or earned PTO time that they are entitled to under the collective bargaining agreement.
 - C. In the event the employee has to care for a family member who is required to quarantine, during COVID-19 pandemic or any future pandemic, the employee can apply for a Leave of Absence.
 - D. The employee is required to immediately notify the Company of the need for leave for either A, B or C above through their supervisor.
 - E. Any employee who is required to quarantine as per the state, local government or CDC or on a Leave of Absence, during COVID-19 pandemic

or any future pandemic emergencies, Attendance policies will be suspended for the duration of that time.

- F. For employees who are quarantined, during COVID-19 pandemic or future pandemic emergencies, medical benefits eligibility requirements and PTO eligibility requirements will be reviewed to support continued eligibility for impacted employees.
- G. During the current COVID-19 Pandemic or any future pandemic emergency the Company agrees to meet and confer with the Union on safety, cleaning, or any other discussion item to address the emergency on an as needed basis.

ARTICLE 18 - TERM OF AGREEMENT

16.01 This Agreement shall be in full force and effect from June 1, 2021, to and including February 17, 2023, and shall continue from year to year thereafter unless written notice of desire to cancel or terminate the 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 February 17, 2023 or February 17 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 June 1, 2021, or June 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 sixty-first (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 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.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement:

MACY'S INC.

UFCW LOCAL 21

APPENDIX A
by and between
UFCW Local 21
and
Macy's

Regarding Health & Welfare, Dental, and Vision

Kaiser Gold HMO

- a. Colleagues 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.

Colleague

Other Full-Time medical plans

- a. Colleagues will contribute 50% (Employer 50%) to the cost of the plan, excluding Platinum plans, for the life of the agreement for employee only, dependent/spouse and employee + child coverage. Company contributions to Platinum plans will terminate at the end of the 2021-2022 plan year.

Regular [low option] Dental Plans

- a. Colleagues 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 Colleagues

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

MEMORANDUM OF UNDERSTANDING #1
By and Between
UFCW LOCAL 21
And
Macy's, Inc. Furniture Galleries - Tukwila & Lynnwood
& Macy's, Inc. Clearance Center

Re Selling Department Managers

It is agreed and understood that for the duration of this Agreement (2018-2021), 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 Colleagues, 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 Colleagues, 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 Colleagues for the purpose of discipline or termination.
5. If Selling Manager answers a sales call and there is an Colleague available, the call shall be referred to the available Sales Colleague. Such referrals shall be equitably distributed among employees. If no Sales Colleague is available and a sale results, the Manager receives credit for the sale.
6. Department Sales Managers shall not intentionally take sales from any sales Colleague 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 Colleagues 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 handling returns, and other sales support functions.
9. The number of management trainees will not exceed 15 for all Local 21 stores combined.

MEMORANDUM OF UNDERSTANDING #2
By and Between
UFCW LOCAL 21
And
Macy's, Inc. Furniture Galleries - Tukwila & Lynnwood

Regarding Mattress Bonus Incentive

The Employer agrees to grandfather, effective September 1, 1993, the Mattress Bonus Incentive program for Colleagues receiving Mattress Bonus Incentives prior to that date. Colleague placed in the Mattress Department after September 1, 1993 will not receive Mattress Bonus Incentive payments. Upon ratification of the 2009-2012 Collective Bargaining Agreement, Colleagues hired prior to September 1, 1993 who have received the Mattress Bonus Incentives shall be given a one time opportunity to choose to remain in the Mattress Bonus Incentives or to participate in other mattress vendor incentive programs. Colleagues not eligible for the Mattress Bonus Incentive program shall be permitted to participate in other mattress vendor incentive programs.

All other Bonus Incentive programs will be at the sole discretion of management to implement or terminate.

Additionally, incentives will only be paid to Colleagues 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

MEMORANDUM OF UNDERSTANDING #3
By and Between
UFCW LOCAL 21
And
Macy's, Inc. Furniture Galleries - Tukwila & Lynnwood
Macy's, Inc. Clearance Center

Regarding Rug Commission Rate:

The Employer is considering adjusting the rug department commission percentage on a trial basis at selected Furniture Gallery(s) for approximately six (6) months. If the higher percentage positively impacts sales, service and retention, and the employer decides to implement the higher percentage in other furniture galleries, the employer shall extend the higher percentage at the same time to the Lynnwood and Tukwila Furniture Galleries.

Regarding Jury Duty Pay:

Article 9.01 - Jury Duty shall apply as written to all Clearance Center Colleagues, except that there shall be no maximum pay per hour limitation.

Regarding the Clearance Center and Holidays:

Colleagues on the payroll August 20, 2001 shall have a one time choice to determine under which holiday system they shall work. The choice shall be one of the following:

- A. Colleagues shall be governed by all the provisions of Article 7 - Holidays of the 1996-2000 agreement by and between UFCW Local 1001 and BON-Macy's, with the addition of one (1) personal day added as a result of the interim agreement voted on November 15, 2000.
OR:
- B. Colleagues shall be governed by all the provisions of Article 7 - Holidays/Personal Time Off of the 2003-2006 agreement by and between UFCW Local 1001 and BON-Macy's Furniture Galleries and Clearance Center.

The one time choice shall be effective the beginning of fiscal year 2002. All Colleagues hired after August 20, 2001 shall fall under the provisions of choice B.

MEMORANDUM OF UNDERSTANDING #4
By and Between
UFCW LOCAL 21
And
Macy's, Inc. Furniture Galleries - Tukwila & Lynnwood
Macy's, Inc. Clearance Center

Retirement

Regarding Retirement Plan Modifications

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

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.

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].

After December 31, 2017, vesting service counts only for the purpose of becoming fully vested

Participants retain all benefits earned through December 31, 2017.

Benefits from the Cash Account Pension Plan will be paid during retirement in accordance with the rules of the plan.

MEMORANDUM OF UNDERSTANDING #5
By and Between
UFCW LOCAL 21
And
Macy's, Inc. Furniture Galleries - Tukwila & Lynnwood
Macy's, Inc. Clearance Center

Selling Schedules

Full-Time Option 1 (GRANDFATHERED)

Current Colleagues may select a 5-day per week assigned work schedule. Shift length shall be 7.5 hours per day (37.5 hours per week).

Full-Time Option 1A (NEW)

You'll be assigned 5 days with 35-40 hours per week assigned. Shift length shall be 6-8 hours per day (5.5 – 8 hours per day on Sundays).

Full-Time Option 2 (GRANDFATHERED)

Current Colleagues 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). Colleagues 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 Colleague may opt to select Full-Time Option 1 and be assigned 37.5 hours per week. In the event that the Colleague is participating in Full-Time medical and dental plans, the Company will grandfather participation in that plan if the Colleague continues to be compensated a minimum of 28 hours per week.

Full-Time Option 2A (NEW)

You'll be assigned 4 days with 28-32 hours per week assigned. Shift length shall be 6-8 hours per day (5.5 – 8 hours per day on Sundays).

Part Time Option 1

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

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

- I. Full-Time Option 1 and 1A Colleagues 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 and 2A Colleagues 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 1/1A and Full Time Option 2/2A Colleagues will be scheduled a maximum of 2 late shifts per week. A late shift is defined as any shift ending after 7:30p.m.
- IV. Full-Time Option 1/1A and Full Time Option 2/2A Colleagues will have 3 unavailable days to use per month January thru October in any combination, two (2) of which can be utilized on Saturday/Sunday.

Minimum shift lengths for Furniture Gallery Colleagues apply with the exception of those days when regular store hours are less than the minimum shift length [i.e Sunday]. On those days, the shift length will be the maximum that can be accommodated by the store open and closed hours. Minimum weekly assigned hours shall remain unchanged.

- V. Part-Time Option 1 Colleagues 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 and 2 Colleagues will be scheduled a maximum of 4 late night shifts per week. A late night shift is defined as any shift ending after 7:30 p.m.
- VII. Full-time benefits eligibility, including medical, shall be 30 average weekly hours paid per week. Those Colleagues who moved from Full-Time Option 2 to Full-Time Option 1 in 2009 (original MSP implementation) and who work a minimum of 28 average weekly hours shall continue to be eligible for Full-Time benefits, including medical.
- VIII. Overtime hours shall be by seniority.
- IX. Grandfathered Colleagues (FT Option 1 and 2) will have the opportunity to select any NEW FT option provided. Colleagues who choose to leave their grandfathered option shall be prohibited from returning to a grandfathered option. Grandfathered Colleagues do not have the ability to move from one grandfathered option to another as they are closed for entry.

Temporary Requests and Selection of Shifts

- 1. Minimum 4 weeks prior to the live schedule, All Selling Colleagues 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. Minimum 9 days prior to the live schedule, Colleagues 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 Colleague 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 Colleague and PT Colleagues 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].
4. For the first six hours following the posting of the schedule, selection of additional shifts shall be limited to Colleagues with five or more years of service plus all other Colleagues who had the option the prior 24 hours. Auditing of this process shall be at the sole discretion of the Company. Colleagues 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 Colleagues can pick up additional shifts.
6. In accordance with current practice, with management approval Colleagues may exchange shifts with other Colleagues.
7. If no additional shifts are made available to any Colleague, minimum 9 days prior to the live schedule, conflicts concerning the number of assigned hours shall be resolved by seniority.

Memorandum of Understanding #6
by and between
UFCW Local 21
and
Macy's, Inc. Furniture Galleries - Tukwila & Lynnwood
& Macy's, Inc. Clearance Center

Full Time Positions Under MySchedule Plus

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.

Memorandum of Understanding #7
by and between
UFCW Local 21
and
Macy's, Inc. Furniture Galleries - Tukwila & Lynnwood
& Macy's, Inc. Clearance Center

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. The union may grieve only the failure of Macy's to investigate and/or fail to take action to address the Colleague 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.
3. Employees will be coded by status (FT, PT, etc.) to ensure that additional shift selection order is properly administered.

Memorandum of Understanding #8
by and between
UFCW Local 21
and
Macy's, Inc. Furniture Galleries - Tukwila & Lynnwood
& Macy's, Inc. Clearance Center

ATTENDANCE POLICY

Until the implementation of the Company Attendance Policy, it is understood that the provisions of the 2015-2018 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).

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.

Colleagues 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.

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

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

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.

Related to a company-approved leave of absence

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 Colleague 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.

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.

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.

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 responsibly 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.

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.

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.

Memorandum of Understanding #9

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 Colleagues per year may take union leave for up to three months. At the end of the leave period, the Colleagues 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 #10 – Commission Conversion

By and Between
UFCW Local 21
And
Macy's

The parties agree that when the decision is made to convert a department from DVC to Base (Hourly) rate or a Base plus Commission rate the following process will apply. The commission pay plan change shall not erode colleague's earnings if their sales per hour selling level remains consistent with prior selling levels. The union shall be notified of any decision to convert at minimum (30) days in advance of the implementation of such decision.

Draw Vs. Commission to Base (Hourly)

- a. At the date of conversion the employer will determine the Average Regular and Commission Pay Rate using total regular and commission earnings from either of the previous two (2) fiscal years or the previous 52 weeks, whichever is greater divided by productive hours for the same time period.
- b. The Average Regular and Commission Pay Rate will be compared to the colleague's current wage scale. The new base rate will be the higher of either the Average Regular and Commission Pay Rate or the current wage scale
- c. Colleagues with less than 12 weeks of experience at the time of the conversion shall have a base rate equal to their draw rate.
- d. Due to the calculation called out above, the new base hourly rate will provide a pay opportunity greater than or equal to the combined regular and commission earnings they experienced on the prior pay plan.
- e. Big Ticket departments will only convert to a Base (hourly) rate, if the employer can demonstrate that Colleagues working in that department will receive an overall increase in earnings. In such a circumstance the above formula shall apply.

Draw Vs. Commission to Base Plus

- a. At the date of conversion the employer will calculate the Average Regular and Commission Pay Rate using the method above
- b. The Average Regular and Commission Pay Rate will be compared to the colleague's current wage scale. The wage will be the higher of either the Average Regular and Commission Pay Rate or the current wage scale
- c. If the area operates at a base (hourly rate) plus commission program, the commission rate shall be no less than 2.0% on all eligible merchandise sales.
- d. If the area operates a base (hourly) rate plus tiered commission program, the lowest commission rate shall be no less than 1.5% on eligible merchandise department sales.

Letter of Understanding # 11
Non Public Personal Information and Security Agreement

By and Between
UFCW Local 21
And
Macys

The Union agrees to the following with regard to all non-public personal information the Company provides to the Union pursuant to Article 3 and this Agreement generally:

(a) Non-public personal information, or “PII” means personal information or data the Company provides to the Union that identifies, relates to, describes or could be reasonably used to identify, relate to or describe any natural person, including without limitation, a person’s first and last name, home or other physical address, telephone number, fax number, email address, Colleague number, financial account information, signature, driver’s license information, government issued identification card information, photographic image, dates of birth, and mother’s maiden name provided by the Company to the Union pursuant to the requirements of this Agreement.

(b) (i) The Union will use any PII it receives from the Company (i) solely to fulfill its obligations under this Agreement, or (ii) for other Union business, solely as authorized in writing by each Macy’s employee whose PII has been transmitted to the Union.

(c) (i) The Union will use commercially reasonable security measures and controls to ensure that the PII is protected from unauthorized disclosure. Further, destruction of PII will be conducted in a secure manner that ensures PII will not be disclosed to third parties or others in an unauthorized manner. For purposes of this paragraph, “Commercially reasonable” shall mean by a comparable nonprofit organization (with handsets of an amount similar to the financial and other assets of the Union) in support of that organization’s activities.

(ii) Notwithstanding paragraph (c) (i), immediately above, the Union represents and warrants that it has taken and will continue to take certain measures to ensure the security of the PII. The union will provide the employer with a description of threat protection strategies upon request.

(iii) In addition, the Union represents, that, should any of the forgoing measures set forth in paragraph (c) (ii) become insufficient to protect the PII, it will take additional reasonable measures to ensure the PII is protected from unauthorized use or disclosure.

(d) The Union will ensure its collection, access, storage, use, disclosure, and destruction of PII complies with all applicable federal, state, and local laws, rules and regulations. Furthermore, the Union will not use or disclose the PII in violation of any law.

(e) The Union will maintain a written information security program, with administrative, technical, and physical safeguards designed to reasonably ensure the security, confidentiality, and integrity of PII and other data.

(f) The Union shall provide Company written notice of any actual unauthorized access, disclosure, or material modification of Company provided PII within ninety-six (96) hours. Such notice shall include the number and type of data compromised and the steps taken to remediate the cause(s) of the unauthorized activity.

Letter of Understanding # 12 – Dress Code

By and Between
UFCW Local 21
And
Macys

It is agreed and understood that for the term of this Agreement (2018-2021) Macy's Style at Work Policy will replace Macy's Tailored Professional Dress Standards (2006). Macy's will provide reasonable notice to the Union regarding any updates or enhancements to this program.

Letter of Understanding # 13 – Tiered Commission Program

**By and Between
UFCW Local 21
and
Macys**

OVERVIEW OF PROGRAM

To offer a competitive compensation program that supports growth and drives the Big Ticket businesses in large volume locations located in select locations in the Northwest Region. Colleagues hired 6/1/2012 or before receive a quarterly deficit wipe, while Colleagues hired after 6/1/2012 receive deficit forgiveness up to \$100 quarterly. Newly hired Colleagues will have a full deficit wipe off 60 days following hire.

COLLEAGUE ELIGIBILITY

Colleagues in a Big Ticket sales job code that work in the following areas in select locations are eligible to participate:

- a. Area Area Suffix 1401, 1407, 1499 (Furniture)
- b. Area Area Suffix 1412 (Mattresses)
- c. Area Area Suffix 1201 (Floor Coverings)

PERFORMANCE AND GOALING

- a. Colleagues are expected to cover their draw rate consistently with commissions
- b. Failure to consistently maintain this may result in corrective action
- c. The Tiered Draw Commission percentages are as follows:
 - 1) Elite 7.00%*
 - 2) Premier 6.25%*
 - 3) Standard 6.00%*

***Commission for Floor Coverings will be 1.0% greater than listed (i.e. Elite % will be 8.0%)**

- d. The following criteria determines the commission tier for the upcoming fiscal year

Furniture - 80% or more of Colleague's total net sales are Div 86 Merchandise Departments (*Area 14-01, 14-07, 14-99)

Level	Fiscal Net Sales	Fiscal WorryNoMore	New Commission %
Elite	1000k +	Achieve 45% total conversion rate	7.0%*
Premier	500k – 999.9k	Achieve 37% total conversion rate	6.25%*
Standard	Less than 500k	None	6.0%*

***Commission for Floor Coverings will be 1.0% greater than listed (i.e. Elite % will be 8.0%)**

Mattresses - 80% or more of Colleague's total net sales are Div 87 Merchandise Departments (*Area 14-12)

Level	Fiscal Net Sales	Fiscal WorryNoMore	New Commission %
Elite	1000k +	Achieve 35% total conversion rate	7.0%*
Premier	500k – 999.9k	Achieve 25% total conversion rate	6.25%*
Standard	Less than 500k	None	6.0%*

***Commission for Floor Coverings will be 1.0% greater than listed (i.e. Elite % will be 8.0%)**

Floor Coverings - 80% or more of Colleague's total net sales are Div 88 Merchandise Departments (*Area 12-01)

Level	Fiscal Net Sales	Fiscal WorryNoMore	New Commission %
Elite	1000k +	Achieve 35% total conversion rate	7.0%*
Premier	500k – 999.9k	Achieve 25% total conversion rate	6.25%*
Standard	Less than 500k	None	6.0%*

*Commission for Floor Coverings will be 1.0% greater than listed (i.e. Elite % will be 8.0%)

Fiscal Net Sales = Previous 52 Weeks of FEM Net Sales starting from the end of the fiscal year. Sales criteria will not be prorated based on hire date and or break in service.

Fiscal WorryNoMore = Previous 52 weeks of WorryNoMore total conversion rate starting from the end of the fiscal year on delivered net sales. Information is provided by Big Ticket Operations.

***Area Area Suffix** = The area the Colleague is assigned to should be the same as what the Colleague sells, however area/area suffix assignment does not determine tier eligibility. All Colleagues will default to their assigned area tier criteria, however if 80% or more of an Colleague's total net sales are from a different division then that tier eligibility will be applied.

This program will abide by all rules and guidelines of a Draw vs. Commission Pay Program laid out in the Understanding Commission Document for Local 21 locations. Program and Rates are subject to revision. Macy's will notify UFCW a minimum of 30 days in advance regarding implementation of any changes to this program. Commission rates under this program will not fall below 6% for the life of this agreement.

Where the decision is made to change compensation structures, the company will follow the process agreed upon in LOU # 10 (Commission Conversion).

**Letter of Understanding #14
Between
UFCW Local 21
and
Macys**

Labor Management Committee Regarding On-Line Sales

A Labor Management Committee will meet within six (6) months from signing of this agreement to discuss the opportunities and impact of on-line sales on Macy's colleagues. This committee shall consist of a representative from the Alderwood Gallery, Tukwila Gallery and a UFCW Representative in addition to Macy's Management representatives from Big Ticket to discuss the above issues.

THE UNION DIFFERENCE

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

A Voice at Work

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

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

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

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 50,000 other members of UFCW 3000.

Union Leadership

UFCW 3000 leadership is provided by the member-elected Executive Board. The Executive Board is made of rank-and-file UFCW 3000 members from diverse workplaces, income levels and backgrounds.

My Shop Steward is:

My Union Rep is:

*Building a powerful Union that fights for economic,
political and social justice in our workplaces
and in our communities.*

Seattle: 5030 First Ave S, Suite 200, Seattle, WA 98134-2438

Mt. Vernon: 1510 N 18th St, Mt Vernon, WA 98273-2604

Des Moines: 23040 Pacific Hwy S, Des Moines, WA 98198-7268

Silverdale: 3888 NW Randall Way, Suite 105, Silverdale, WA 98383-7847

Spokane: 2805 N Market St, Spokane, WA 99207-5553

Spokane: 1719 N Atlantic St., Spokane, WA 99205

Tri-Cities: 2505 Duportail St, Suite D, Richland, WA 99352-4079

Wenatchee: 330 King St, Suite 4, Wenatchee, WA 98801-2857

Yakima: 507 S 3rd St, Yakima, WA 98901-3219

WWW.UFCW3000.ORG

UFCW3000



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