

UNION VOTING INFORMATION

The following document represents the Tentative Agreements reached between **IKEA** and **IAMAW Local Lodge 701**. This agreement will need to be voted and passed by the Membership to be accepted as the Collective Bargaining Agreement. Please review the document and call or email me with any questions you may have.

VOTING INSTRUCTIONS

A vote will be held on **April 24, 2020 between the times of 12pm (noon) and 5pm at Joliet and Minooka locations. ONLY** Co-workers who signed an application to join the Union will be eligible to vote. (There will be applications available the day of the Vote for people to sign up).

Your ballot will have two places to vote:

The top area will and have two boxes, YES to accept, or NO to reject the CONTRACT.

The bottom area will have two boxes, YES to strike, or NO to not strike.

The contract will pass with a vote of 50% + 1 of those that vote. If the contract is rejected the strike vote must carry by a 66 2/3% majority or the contract is accepted.

CONTRACT HIGHLIGHTS

- Grievance Procedure - 7 days to file complaint
- Paid Bereavement Leave – up to 40 hrs.
- Call in pay – 4 hrs. guaranteed if not notified prior to shift start
- Co-worker discount
- No changes in Health Insurance
- Increase Holiday Flex Tertian hours, 30 hours per Tertian
- 2- paid 15-minute breaks
- Overtime protections and rules
- Joint Health and Safety Committee, Labor Management Committee
- Seniority – Promotions, Job Openings, Transfers, Shift Bids
- Shift Premiums
- 40hrs paid sick time per year
- Tuition Reimbursement
- Vacation; 5 weeks after 10 years - Carry over vacation time – Paid out vacation time
- A bring to minimum \$18.40 wage increase
- Weekly payday
- Up to \$125.00 for safety shoes
- Attendance Policy Guidelines

THE UNION RECOMMENDS AND ENDORSES THIS TENTATIVE AGREEMENT.

Questions, call or email: Rich Handler – 708.296.1291 – rhandler.mech701@gmail.com

Collective Bargaining Agreement Between
IKEA Distribution Services, Inc.

And

Local Lodge 701
International Association of Machinists and
Aerospace Workers

Effective Date: April _____, 2020

Expiration Date: April _____, 2023

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Preamble

This Agreement was made and entered into by and between IKEA Distribution Services, Inc., at its Minooka and Joliet Distribution Centers (hereinafter referred to as the “Company”) and the International Association of Machinists and Aerospace Workers, Local Lodge 701, affiliated with the AFL-CIO (hereinafter referred to as the “Union”) on behalf of itself and the bargaining unit co-workers identified in the Recognition Article employed by the Company at its Minooka and Joliet Distribution Centers. Together, the Company and the Union may be referred to herein as the “Parties.”

ARTICLE 1 – RECOGNITION

The Company recognizes the Union, its designated agents and representatives, its successors and/or assigns, as the sole and exclusive collective bargaining agent on behalf of all of the co-workers of the Company within the bargaining unit as hereinafter defined with respect to wages, hours and other terms or conditions of employment.

The bargaining unit is as certified by the National Labor Relations Board as found in Case No: 25-RC-242242, which includes: All full-time and regular part-time warehouse co-workers, stock controllers and supply quality coordinators employed by the Employer at its Minooka and Joliet facilities; excluding all safety and security coordinators, office clerical co-workers, professional co-workers, managerial co-workers, guards and supervisors as defined in the Act, and all other co-workers.

The word co-worker or co-workers as used in this Agreement will refer only to those individuals employed in the classifications covered by the paragraph above.

The words “full-time” (HL3) co-worker will mean those co-workers who regularly are scheduled to work 30 or more hours per week.

No current full-time co-worker (or subsequently hired full-time co-workers who have completed the probationary period) will be laid off as to create one or several part-time positions. This does not restrict an co-worker from requesting a change (with notice to the Union) to a part-time position if such position is available and consistent with Company needs.

A temporary co-worker is one who works up to 120 calendar days and is so informed at the time of hire. The Employer may in its discretion, with verifiable notification to the Union prior to the 120 calendar days, extend the temporary period for another 60 calendar days. Temporary co-workers will not be considered co-workers under this Agreement. After the end of the temporary period (as extended) if the Temporary co-worker is then retained, (s)he will have a seniority date beginning their first day as a regular Company co-worker and then serve the regular Probationary period called for in this Agreement.

Temporary co-workers will not exceed 20% of the full-time bargaining unit workforce. In the event the Company has a business need to reduce the hours of work (less than forty (40) hours for full-time bargaining unit co-workers), the company will end the assignments of all temporary co-workers prior to reducing the full-time bargaining unit workforce.

The temporary co-workers will be used to supplement the existing full-time bargaining unit workforce after start up with the intent of utilizing the temporary co-workers to fill job assignments left vacant by call outs, vacations, leave of absences or other changing business needs.

For the purpose of preventing erosion of the bargaining unit, upon ratification and during the terms of this Agreement, in the event a full-time co-worker resigns, is terminated or ceases employment, the Company will fill the full-time bargaining unit position if operationally necessary or otherwise create a full-time bargaining unit position within 30 working days from the time of termination.

Recognition Side Letter

In the event IKEA has hit the 20% limit on use of temp co-workers as set forth in Recognition, and a significant portion of the temps in use are for the purpose of covering co-worker leaves (excluding intermittent leaves), IKEA shall be permitted to reasonably exceed the 20% consistent with the number of leaves (excluding intermittent leaves) being covered by temps. In the event the Company exceeds the 20% cap, the allowance in excess of that cap shall be reassessed between the parties every thirty calendar days.

ARTICLE 2 – UNION SECURITY

a.) Co-workers Who Are Union Members When Agreement Becomes Effective. An co-worker employed at the time this Agreement becomes effective who is a member of the Union at such time will, not later than the fifteenth (15th) calendar day of each calendar month of employment, tender to the Union an amount of money equal to the monthly dues uniformly charged by the Union to all co-workers who are members of the Union.

b.) Co-workers Who Are Not Union Members When Agreement Becomes Effective. An co-worker employed at the time this Agreement becomes effective who is not a member of the Union at such time will, not later than the thirtieth (30th) day of employment or the effective date of this Agreement, whichever is later, if still employed, tender to the Union: (1) an amount of money equal to the initiation fee uniformly charged by the Union to all co-workers who become members of the Union, unless the co-worker has, at any previous time, tendered such an amount of money to the Union; and (2) the pro rata share of an amount of money equal to the monthly dues uniformly charged by the Union to all co-workers who are members of the Union. Thereafter, such an co-worker will, not later than the fifteenth (15th) day of each calendar month of employment, tender to the Union an amount of money equal to the monthly dues uniformly charged by the Union to all co-workers who are members of the Union.

c.) Co-workers Hired After Agreement Becomes Effective. An co-worker who is initially employed or re-employed after the time this Agreement becomes effective will, not later than thirty (30) calendar days after the commencement of employment, if still employed, tender to the Union: (1) an amount of money equal to the initiation fee uniformly charged by the Union to all co-workers who become members of the Union, unless the co-worker has, at any previous time, tendered such an amount of money to the Union; and (2) the pro rata share of an amount of money equal to the monthly dues uniformly charged by the Union to all co-workers who are members of the Union. Thereafter, such an co-worker will not later than the fifteenth (15th) day of each calendar month of employment, tender to the Union an amount of money equal to the monthly dues uniformly charged by the Union to all co-workers who are members of the Union.

d.) Determination of Pro Rata Share. For the purposes of paragraphs b) and c) of this Section the “pro rata share” to be tendered to the Union will be determined by dividing the monthly dues uniformly charged by the Union to all co-workers who are members of the Union by the total number of days in the month and multiplying the result by the number of days remaining in the calendar month after the co-worker is required to pay such share.

e.) Co-workers Holding Certain Religious Beliefs. An co-worker who, because of sincerely held religious beliefs, as determined by the I.A.M.A.W., objects to joining or financially supporting labor organizations will comply with the provisions of this Section a), b) or c), whichever is applicable; except that, in lieu of tendering monthly payment to the Union, such an co-worker will pay the amount of monies specified under such paragraphs monthly either to Wrenching for a Cause, at an address to be provided by the Union; Mechanics Local 701 Training Fund, at an address to be provided by the Union; Guide Dogs of America, 13445 Glenoaks Boulevard, Sylmar, CA 91342; Feed the Children, Inc., P.O. Box 36, Oklahoma City, OK 73101-0036; or the American Red Cross, National Headquarters, 2025 E Street, NW, Washington, D.C. 20006 (all of which are 501c(3) charities), as selected by the co-worker. Not later than the end of the first (1st) working day after the tender dates specified in this Section b) or c), the co-worker will deliver monthly to the co-worker's Union shop steward a dated receipt from the charity indicating that payment of the required amount was received by the charity on or before the applicable tender date.

2.1 Discharge of Co-worker for Failure to Comply with this Section

Co-workers who are Union members on the effective date of the Agreement will continue to pay the dues amount in accordance with this Section a) above to the Union as a condition of continued employment while in the bargaining unit and on the active payroll as long as they remain members of the Union. Other co-workers within the bargaining unit who after the effective date of this Agreement become members of the Union will continue to pay the dues amount in accordance with this Section b) or Section c) above, as applicable, to the Union as a condition of continued employment while in the bargaining unit and on the active payroll as long as they remain members of the Union. Other co-workers within the bargaining unit who after the effective date of this Agreement tender payments to the Union in accordance with this Section b) or Section c) above, as applicable, will continue to pay the fee amount in accordance with Section b) or Section c) above, as applicable, to the Union as a condition of continued employment while in the bargaining unit and on the active payroll.

Notwithstanding any of the foregoing, the Company will not terminate any co-worker for non-payment of dues without written notification from the Union as to the violation. Any co-worker facing possible termination for non- payment of dues will have a period of no less than 60 calendar days to remit the requisite dues in this Section b) or c) above to the Union before the Employer is required to terminate the co-worker for non-payment. The Union agrees to indemnify, save and hold the Company harmless against all loss, costs, and expenses, including court costs and reasonable attorney's fees and other legal expenses, arising out of or in connection with claims resulting from any action taken or not taken by the Company in effort to comply with its obligations set forth in this subsection. Nothing contained herein shall be construed to create any financial responsibility on the part of the Company.

ARTICLE 3 – CHECK-OFF (Dues)

In the event by reason of Illinois law prohibiting the Union shop, then the Parties will substitute an agency shop provision for the Union shop provision if such substitution can lawfully be made. Such agency shop provision, if legal, would require all co-workers in the bargaining unit to pay the Union an amount equal to Union dues, initiation fees and assessments.

The Company agrees to deduct from a co-worker's payroll check Union dues on a weekly proportionate basis, initiation fees, assessments or agency fees for all co-workers covered by this Agreement, provided that the Union or the co-worker delivers to the Company a written authorization to make such deductions, signed by the co-worker irrevocable for one year or the expiration date of this Agreement, whichever will

occur sooner. The Company will make deductions for each member or agency fee payer on a weekly proportionate basis of such member or agency fee payer for each month.

Such payroll deductions referred to above will be remitted to the Secretary Treasurer of the Union no later than the fifteenth (15th) day of the month following the month in which the deduction was made and will include all deductions made in the previous month. The Company will provide the Secretary Treasurer of Local 701 with a listing, on a monthly basis, of all newly hired or laid-off co-workers. The Company shall notify the Union (by e-mail or by fax), on a monthly basis prior to the 15th of each month, of the name, classification and date of hire of all newly hired co-workers within the bargaining unit covered by this Agreement.

The parties agree that check-off authorization will be on a form provided by the Union. If, due to a non-compensible illness, a co-worker's dues are not checked off for each respective week, such deduction(s) will be made no later than the fifteenth (15th) day of the month following his/her return to work. The Company shall deduct dues from vacation week checks, as necessary to cover monthly dues.

In the event a co-worker does not have sufficient earnings on a regular payday to cover the amount of said deductions for the payday, the Company will make such deduction from the earnings due the co-worker on the next regular payday (or subsequent paydays).

In no such event will the Company make any deductions if to do so would otherwise violate federal, state or local law.

The Company will be relieved from making such payroll deductions for any co-worker upon any of the following: (a) termination of employment of the co-worker, (b) transfer of the co-worker to a job outside the bargaining unit, (c) layoff from work of the co-worker, or (d) revocation of the deduction authorization by the co-worker in accordance with its terms or with applicable law. When ceasing to deduct applicable service fees or dues for reasons cited in this Section, the Company will submit to the Union the names of all such co-workers.

The Union agrees to indemnify and save harmless the Company against all loss, costs and expenses, including court costs and reasonable attorney's fees and other legal expenses, arising out of claims resulting from any action taken or not taken by the Company in attempting to comply with its obligations set forth in this Article. Nothing contained in this Article will obligate the Company to make payment of any sums to the Union other than such sums as are actually retained by the Employer for Union dues and fees and under no circumstances will this Article create any financial responsibility on the part of the Company.

ARTICLE 4 – MANAGEMENT RIGHTS

Except to the extent expressly limited by a specific provision of this Agreement the Company reserves and retains all rights which existed prior to the execution of this Agreement to manage its business, operation and the Distribution Center, including without limitation, the sole and exclusive rights to manage and direct the workforce and to execute the various duties, functions and responsibilities incident thereto, to determine the products to be handled or, to require and schedule reasonable overtime within the terms of the Agreement, to establish qualifications and job descriptions for all work, to schedule the work, to determine methods, processes and means of accomplishing the work, to conduct co-worker satisfaction or related surveys, to maintain or implement co-worker feedback or complaint processes which address issues

outside of this Agreement, to determine the quality and quantity of work to be performed, to introduce new or improved methods, equipment or facilities for accomplishing the work, to change or discontinue existing work methods, products, material or facilities, to establish, revise or add reasonable work rules, policies and procedures which the Company deems necessary to ensure the safety and efficiency of the facility and its co-workers by which all co-workers must abide, to decide the number of co-workers and the number and location of its facilities, to hire, promote and or transfer co-workers by seniority, to demote, discipline or discharge co-workers for just cause, to involuntarily relieve co-workers from duty because of lack of work, and to exercise such other rights as may be necessary for the proper management of the Distribution Center that are not in conflict of any provisions or articles of this Agreement.

It is agreed that the management rights described and specified herein, except those rights expressly abridged or limited by a specific provision of this Agreement, may not be limited by arbitration or an Arbitrator, or by any other means except by mutual written agreement of the Parties.

It is understood and agreed that the exercise of management rights by the Company is not subject to prior notice, discussion or negotiation with the Union, except to the extent expressly required by a specific provision of this Agreement, or as required by law.

The Company has the sole right to subcontract, contract or outsource any work, and to have work performed outside of the Distribution Center either by third Parties or other facilities, including bargaining unit work, at any time and for any reason except that the intent cannot be to erode the bargaining unit.

The Company also has the sole right to transfer work, and determine the location of the business, including the establishment of new distribution centers, facilities, departments, divisions or subdivisions and to relocate, sell, lease or close the same.

At least ten (10) working days prior to revising or adding reasonable work rules or personnel policies, the Company agrees to notify the Union. The Union will have the right to challenge the reasonableness of any new rule and/or penalty through the Grievance and Arbitration Procedure.

With a minimum of ten (10) working days prior to implementation, the Company will distribute revised or newly implemented work rules or personnel policies to bargaining unit co-workers and provide a copy to the Union.

ARTICLE 5 – 401(k)

The Company will provide the same access and contribution levels of the 401(k) to bargaining unit co-workers as provided to non-bargaining unit hourly co-workers.

ARTICLE 6 – ALTERATION OF AGREEMENT

No agreement, alteration, understanding, variation, waiver or modification of any of the terms, conditions of covenants contained herein will be made by any co-worker or group of co-workers with the Company and in no case will it be binding upon the Parties hereto unless such agreement is made and executed in writing between the Parties hereto, as represented by the Illinois Manager or his/her designee for IKEA, and the Local Lodge 701 Union Business Representative or his/her designee for the Union.

The waiver of any breach or condition of this Agreement by either Party will not constitute a precedent in the future enforcement of all the terms and conditions herein.

ARTICLE 7 – DISCIPLINE AND DISCHARGE

Disciplinary action will only be initiated by the Company for just cause. All disciplinary action must be presented to the Local Lodge 701 Union Representative, the Chief /Shop Steward, and the affected co-worker within fifteen (15) days of the incident or reasonable discovery thereof. If not presented to the stated parties within the fifteen (15) days allotted, no disciplinary action will be taken. Excluding the Powered Industrial Truck Operator Point System Program , the principles of progressive discipline (Counseling, Written Warning, Final Warning/Suspensions (suspensions limited to two days) and Discharge) will be followed except in circumstances in which other discipline, up to and including immediate termination, is necessary due to the nature and severity of the co-worker's conduct. Suspensions in conjunction with final warnings will not be viewed as a mandatory separate step prior to discharge. For purposes of this article, IKEA's Send Home Pending Investigation protocol shall not be considered a Suspension.

The Parties understand and agree that for misconduct of a willful, malicious and intentional nature such as the following, the Company may impose an immediate suspension or discharge:

- Workplace Violence or Severe Safety Violations
- Theft of Company Property
- Violation of Drug and Alcohol Policy
- Proven and intentional Falsification of Records
- Criminal Activity on Company Premises
- Sexual Misconduct or Sexual Harassment as defined by E.E.O.C. or N.L.R.A.
- Intentional and Willful Damage to Company Property
- Intentional and Willful Damage to Co-worker Property on Company Premises
- Theft of Co-worker property on Company Premises

All written discipline given to co-workers may be signed by the co-worker. A refusal to sign the disciplinary notice will be so noted. The Union will receive a copy of the disciplinary form via email, to both the Chief Steward and the Local Lodge 701 Union Representative, thereafter, the Company will issue a copy of the corrective action form to the affected co-worker, within twenty four (24) hours of issuing the same to the Union.

In accordance with Weingarten, a co-worker will have the right to be represented by a Union representative or Shop Steward during any investigation or interview that may lead to their own discipline if requested by the co-worker.

Any list of issues, infractions or misconduct set forth in this Article is not intended to be all inclusive. Rather, the foregoing list above is used to illustrate the nature of willful, malicious and/or intentional misconduct falling within the jurisdiction of correctable offenses under this article The Company will follow the principles of Industrial Due Process in all cases of Discipline and Discharge.

Except where the Powered Industrial Truck Operator Point System Program defines a length of time, Corrective Actions are "Actionable" for a specified period of time. The term Actionable means that a corrective action can automatically contribute to further corrective action, up to and including termination of employment, if another infraction occurs within the time-periods established here:

Counseling	= actionable for 3 months from the date of issuance
Warning	= actionable for 6 months from the date of issuance
Final	= actionable for 9 months of the date of issuance

All discipline will be placed in the following separate categories:

- Offenses
- Attendance
- Powered Industrial Truck Operator Point System

While on a leave of absence, a co-worker's actionable corrective actions will "freeze" and not count towards time served.

ARTICLE 8 - GRIEVANCE & ARBITRATION PROCEDURE

GRIEVANCE PROCEDURE: For the purpose of this Agreement, the term "grievance" means any dispute between the Company and the Union or between the Company and any co-worker concerning the effect, interpretation, application, claim or breach or violation of this Agreement. Any such grievance will be settled in accordance with the following grievance procedure.

Grievance Steps – All grievances will be in writing on grievance forms provided by the Union and will be signed by all co-workers claiming rights thereunder. In an effort to adjust co-worker grievances by mutual agreement, they will be presented in the following order within the following time limits:

Step 1: The co-worker(s), with their steward, will promptly bring a written grievance to their Shift Manager/Department Manager within seven (7) working days following the event or discovery of the event (or an event which should have been reasonably known to the grievant) giving rise to the grievance. To obtain a Shop Steward for this Step 1, the co-worker will make a verbal request to his/her Shift Manager/Department Manager for the Shop Steward. Such requests will not be unreasonably delayed. Reasonable time spent by co-workers in such Step 1 meetings with the Shift Manager/Department Manager will be considered paid time. The Shift Manager/Department Manager will provide a written response within five (5) working days. If such grievance is not settled, then:

(The term "working days" as applied to any timelines in this Agreement will be defined as Monday through Friday exclusive of holidays established under this Agreement. This definition does not establish or pertain to any otherwise negotiated work hours, shifts or schedules under this Agreement.)

Step 2: Within ten (10) working days of the Step 1 response, a written grievance containing the Article or Section which is claimed to be violated and the remedy requested must be signed by the co-worker(s) and submitted by the Chief Steward or designee and taken up with the Site People & Culture Manager or his/her designee. A meeting between the Chief Steward and the Site People & Culture Manager will be scheduled within five (5) working days. If no resolution has been reached at such meeting, within five (5) working days, the Company will reply in writing to the Chief Steward. If the written reply is not satisfactory, the Union may move to Step 3.

Step 3: Within ten (10) working days of the Step 2 reply, the grievance will be moved to Step 3 by written appeal to the Location Site Manager or his/her designee. The Location Site Manager or designee and the Local Lodge 701 Business Representative or designee of the Union and one (1)

Grievance Committee member will meet within fifteen (15) calendar days after receipt of the grievance into a third step. A written reply from the Location Site Manager will be given to the Union within ten (10) working days after the meeting. If no resolution has been reached from the Step 3 meeting, the grievance may, at the request of either party, be submitted for arbitration

Step 4: Arbitration Any grievance which remains unsettled after having been fully processed pursuant to the first three steps in the grievance procedure may be submitted to arbitration. Either party may submit the grievance or dispute to arbitration by serving written notice of its intent to arbitrate the matter to the other party, while simultaneously submitting written notice to the Federal Mediation and Conciliation Service (FMCS). This written notice must be filed by the aggrieved party within five (5) working days after the written response is issued as a result of the Step 3 meeting.

There will be no submission of multiple grievances to arbitration in one demand, nor will separately submitted grievances be consolidated and/or merged before the same Arbitrator, absent mutual written consent between the Parties. Accordingly, in the absence of mutual consent of the Parties, an Arbitrator may not be presented with or rule upon more than one grievance.

Filing for Arbitration – Any grievance not settled in accordance with the Grievance Procedure, above, may be submitted to arbitration at the option of either party, consistent with the timelines set forth above.

Selection of the Arbitrator – In the event a party submits a grievance or dispute to arbitration, the FMCS shall provide a panel composed of seven (7) arbitrators (from Chicagoland area only) from which the Parties will select the arbitrator by each alternately crossing off a name. The arbitrator left shall be designated as Arbitrator for the dispute. The party issuing the appeal for the arbitrator shall make the first strike. Thereafter, the parties shall alternate from one arbitration to the next who shall be required to strike the first name from the list.

Arbitrator’s Authority – The arbitrator shall consider only those grievance or grievances submitted, and the issues raised therefrom, including any amendments to a grievance that were timely submitted pursuant to the grievance procedures. The jurisdiction of the arbitrator and his/her decision shall be solely confined to a determination of the facts and the interpretation or application of this Agreement. The arbitrator shall be bound by the terms and provisions of this Agreement. The arbitrator shall have no authority to add to, subtract from, modify or amend any terms or provisions of this Agreement. The arbitrator will confine his/her judgment to the facts submitted in the hearing, the evidence presented to him/her at the hearing, and the express terms and provisions of this Agreement.

At the conclusion of closing arguments, the hearing shall be declared closed unless so otherwise ordered by the Arbitrator.

Fees – The fee and expense of the Arbitrator – will be borne equally by the Union and the Company. The expense of witnesses for either side will be paid by the Party producing the witnesses. The Company will honor reasonable requests from the Union to release co-workers from work to testify as witnesses. The Party requesting a stenographer shall pay for the stenographer services unless it is mutually agreed upon to have one present at the hearing. If a stenographic record is made, either Party may order a transcript thereof and the full cost will be paid for by the Party ordering the same.

Union Access to Facility. Upon issuing prior notice to the Company’s Site Manager or designee, a Union representative, subject to the location’s visitor protocol, shall be permitted access to the Company's premises for the purpose of adjusting complaints individually or collectively.

Grievance Meetings – The Parties will have the right to call such witnesses as are reasonably necessary to fully present their case during all grievance meetings. When it is necessary for a co-worker to leave their job for the purpose of attending a grievance meeting, they will be notified by their supervisor of the appropriate time to attend the hearing. All grievance hearings will be held during the grievant’s regular work hours.

Final Decision – Unless the Parties agree otherwise in writing, a settlement or compromise made with respect to any grievance will apply to that grievance only and will not become a binding precedent in the case of other grievances nor a precedent which will bind the Parties as an interpretation of the Agreement.

Extension of Time Limits – Time Limits will be strictly construed. If the Union fails to comply with the time limits, unless extended, the grievance will be considered withdrawn. If the Company fails to meet the time limits, unless extended, the grievance will be automatically sustained. Extension of Time Limits – Time limits may be extended only by mutual written agreement of the Parties.

Grievance Representation – Any aggrieved co-worker and Union Representative will have the right to be present at any stage of the grievance procedure in which the grievance is being considered. No co-worker may leave the job, take up, or handle a complaint or grievance without requesting permission from their immediate supervisor. Such permission will not be reasonably withheld.

Group Grievance – The Union reserves the right to file a general grievance claiming a breach of this Agreement. A grievance on behalf of three (3) or more co-workers will be filed at Step 2 of the Grievance Procedure and consistent with the applicable Step 2 timeframes.

Applicable Contract Terms – Grievances filed under the terms of this Agreement will be processed, up to and including arbitration, under the language in the Agreement at the time the grievance was filed even though a new agreement has been negotiated subsequent to the grievance being filed, unless otherwise agreed by the Parties.

ARTICLE 9 – AVAILABILITY OF AGREEMENT

This Agreement will be printed at a Union shop with the costs being split evenly between the Union and the Company. This Agreement will be printed by the Union at a shop of the Union’s choice and furnished to co-workers. Until the Union furnishes the printed agreements, reference copies will be provided by the company, and these reference copies will be respected by all parties during discussions regarding this agreement.

As a part of a new co-worker(s) orientation for bargaining unit co-workers, the new co-worker(s), as a group, will be introduced to the Local 701 Union Representative as designated by the Union. The Union Representatives will have up to thirty (30) minutes to explain to the group the Collective Bargaining Relationship at the Distribution Center. The time afforded to the union for this purpose shall be agreed on and scheduled ahead of time with the Company.

ARTICLE 10 – BENEFITS AND POLICIES EXTERNAL TO THE AGREEMENT

The Parties acknowledge that they have negotiated over many mandatory subjects of bargaining and have agreed to them as set forth in this collective bargaining agreement (the “Agreement”). The Parties further acknowledge that IKEA currently provides a number of benefits and applies policies to bargaining unit

co-workers which have not been specifically addressed in the negotiation of this Agreement at the choice of the Parties. As to those benefits and policies (including Drug/Alcohol Testing) not specifically addressed in the Agreement, the Company may alter, the benefit or policy at issue (or eliminate it) or the Company, or other appropriate person with respect to the applicable benefit management, policy or practice in its sole and exclusive discretion may modify the benefits or policies, change the insurance carrier and/or administrator, add or delete investment/benefit options offered to participants and beneficiaries, change funding vehicles, investment advisers and managers, and service providers and/or (without any limitation arising from the foregoing enumeration) make any other changes as it determines in its sole and exclusive discretion, provided the change is not a mandatory subject of bargaining, to any such benefit or policy provided. The Union acknowledges and waives its right to negotiate over any changes for the duration of this Agreement. However, any such amendment, modification, change or termination of any such benefit or policy that occurs will apply equally to bargaining co-workers as occurs and applies to similarly situated non- bargaining unit hourly co-workers at any/all other IKEA location(s). This provision does not apply to any benefit and/or policy that has been specifically agreed to in this Collective Bargaining Agreement (CBA).

ARTICLE 11 – BEREAVEMENT

Co-workers will be compensated for their scheduled shift at base rate plus any premium the co-worker receives for each day's absence during the scheduled workweek for bereavement as follows:

Relationship	Paid Bereavement
Spouse, child, mother, father, brother, sister, domestic partner, stepchild, grandchild, foster child who dies while placed in the co-worker’s home by a State Agency, stepparents, (great) grandparents, stepbrother, stepsister, half-brother, half-sister	Forty (40) Hours
Mother-in-law, father-in-law, brother-in-law, sister-in-law, spouse’s grandparents, domestic partner’s parent(s)-in-law, siblings-in-law	Thirty (30) Hours
Niece, nephew, aunt, uncle or cousin	Ten (10) Hours

If you are on vacation at the time of the death of your family member, you may notify your supervisor to cancel your vacation and change it to bereavement pay.

An additional leave, using personal, vacation or unpaid leave, may be granted by the sole discretion of the Company. The requested time must be submitted in advance, so far as is reasonably practical, and sufficient documentation may have to be provided.

Co-workers may be required to submit sufficient documentation to substantiate the relationship claimed and notice of the death. Acceptable documentation includes:

1. Form from Funeral Director;
2. Obituary linking co-worker to deceased; or
3. Any Official Government paperwork showing relationship to deceased

ARTICLE 12 – BULLETIN BOARDS

The Company will provide three (2) enclosed bulletin boards of reasonable size for the exclusive use of the Union in the main co-worker hallway to the warehouse where other employment postings to co-workers are located and in the startup locations. The bulletin board is for the purpose of official Union notices. The Union agrees not to post any notice which is offensive, derogatory, or inflammatory, or in violation of any other Company policy.

Examples of postings include, but are not limited to - Notices of Union recreational affairs, Notices of Union elections and election results, Notices of Union appointments, Notices of Union meetings or any other such notices as may be deemed appropriate by the Union.

ARTICLE 13 – CALL IN PAY

Any co-worker reporting for work and who has not previously been notified that work has been cancelled will be paid four (4) hours pay.

In circumstances of inclement weather, co-workers are expected to call the main number for the Company two hours before their scheduled shift. A co-worker is deemed to have received notice even if they fail to call in as per this requirement.

When there are extreme situations other than weather, the Company will use a call blast service to contact the co-worker two hours before their scheduled shift. A co-worker is deemed to have received notice by this call blast if made at least two hours before the scheduled shift.

Should the Company need to close the facility, such closure is not a paid event. However, co-workers can use any accrued vacation or flex hours for the duration of the closure.

If the closure is due to operation needs such as technology or other servicing of the building or equipment as determined by IKEA, the co-worker denied a shift as a result, shall be given the opportunity to make up the lost scheduled hours in the week in which the closure occurred up to 2 times per contract year. This does not apply to closures due to emergencies/inclement weather, etc.

The following will not be recognized as attendance occurrences:

Absences due to location closure;

Absences resulting from a state of emergency declared by the Governor or other state/county or municipal official, for which order places a restriction on non-government personnel's travel and applies to individual co-worker's route to the Distribution Center;
or

Absences deemed an exception by the location management because the severe weather or emergency impacted the ability of a significant number of co-workers to report to work.

Co-workers can use any accrued vacation or flex hours for absences resulting from the events listed above.

ARTICLE 14 – CO-WORKER DISCOUNT

Bargaining unit members and their dependents (defined by the IRS standard) will receive the same discount as all other IKEA co-workers. There is no discount on Restaurant and Bistro products.

ARTICLE 15 – HEALTH INSURANCE

The Company will provide the same access to, benefit levels, costs and contribution levels for health insurance coverage to bargaining unit co-workers as provided to non-bargaining unit hourly co-workers.

ARTICLE 16 – HOLIDAYS

For the Holidays listed below, IKEA will post volunteer only schedules, with the workforce required thereon subject to business needs. Volunteers selected to work on the aforementioned shifts will be selected in accordance with Seniority. Hours worked during the Holidays below will be paid at one and a half times (1.5 times) the co-worker's base rate of pay, plus any premiums the co-worker regularly receives. Alternatively, instead of volunteering to work on the named Holidays, co-workers may elect to waive pay or submit accrued time off, including the Flex Holiday time, below.

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

In addition to the above, IKEA will provide additional Flex Holiday hours in accordance with the Tertian schedule below. Flex Holiday time must be submitted and approved in advance by management. For purposes of this article, Flex Holiday hours allotted by Tertian are as follows:

- Tertian 1 – September 1 through December 31st = 30 Flex Hours
- Tertian 2 – January 1 through April 30th = 30 Flex Hours
- Tertian 3 - May 1 through August 31st = 30 Flex Hours

Flex Holidays may not be carried over from one Tertian to another. Flex Holiday Hours will expire in accordance with the table below, if not used within the designated Tertian.

- Tertian 1 forfeit date: January 1
- Tertian 2 forfeit date: May 1
- Tertian 3 forfeit date: September 1

No co-workers will be scheduled on Thanksgiving or Christmas days. If the co-worker is normally scheduled on the days on which these two holidays fall, the co-workers may use their accrued paid time off, including the Flex Holiday Time above. If a co-worker works and starts a shift the day before a holiday per the above and works into a holiday's hours, the co-worker receives holiday pay for the hours that belong to the holiday. If the co-worker starts a shift that is on the actual holiday, then the holiday premium applies to the entire shift.

ARTICLE 17 – HOURS OF WORK

The Company will retain the rights to set schedules below:

a.) Work Week:

First Shift: Monday, Tuesday, Thursday, Friday
Second Shift: Monday, Tuesday, Thursday, Friday
1A: Sunday through Wednesday
1B: Wednesday through Saturday
2A: Sunday through Wednesday
2B: Wednesday through Saturday

All first shift schedules start at 5 a.m. and stop no later than 3:30 p.m.

All second shift schedules start at 4 p.m. and end no later than 2:30 a.m.

- b.) The Company retains the right to set long-term schedules upon serving a minimum of twenty-one (21) calendar days' notice to the Union, subject to the limitations set forth below:
- i. All long term schedules may be changed at the discretion of the Company with a minimum of twenty-one (21) calendar days' notice to the Union and co-workers. During the notice period, the Parties will discuss the carrying out of scheduling changes and the application of any other relevant articles, although, the Company reserves the final discretion to determine the work times, hours, shifts and schedules. New schedules shall be filled by volunteers in accordance with seniority. If not enough volunteers are received necessary to fill the scheduled shifts, openings shall be filled by inverse seniority.
 - ii. Notwithstanding any other language in this Agreement, the Company may create short-term scheduling changes, not to exceed six (6) consecutive weeks. The Company shall provide seven (7) days' notice to the Union and co-workers for any short-term scheduling change. This article is not intended to apply to any overtime provisions contained in this Agreement.
 - iii. The company will make every reasonable effort to maximize the number of week-day only shifts available to co-workers.

Full-time (HL3) co-workers will not be scheduled for more than forty (40) hours in a week. This limit does not prohibit a co-worker from working additional hours by volunteering for overtime work. In the event there are insufficient volunteers for overtime work, the Company can utilize temporary co-workers. If additional co-workers are needed, the Company reserves the right to utilize inverse seniority to fill the needs.

Full-time co-workers will have a minimum of thirty-two (32) hours scheduled per week. The co-worker must be ready, willing and able to work the thirty-two (32) hours and the Distribution Center must be in regular operation. This minimum schedule of thirty-two (32) hours for full-time co-workers does not otherwise limit the Company's rights regarding layoffs as otherwise established in this Agreement.

Breaks: Consistent with Company policy, the following breaks will be in effect:

1. There will be an unpaid thirty (30) minute lunch break at or around the mid-point of the co-worker's scheduled shift, as scheduled by the supervisor.
2. For First and Second shift co-workers there will be two (2) fifteen (15) minute paid breaks. The first paid break will be taken at or around the mid-point of the first half of the co-worker's shift as scheduled by the supervisor. The second paid break will be taken at or around the mid- point of the second half of the co-worker's shift as scheduled by the supervisor.

ARTICLE 18- JURY DUTY/WITNESS

Any co-worker required to report to any city, state or federal court or proceeding as a witness for IKEA or as a jury and/or grand jury member will be paid for all time the day/days (s)he is required to be in attendance. Co-workers will be paid only for the amount of hours missed for their scheduled shift at their base pay rate and any applicable premiums.

ARTICLE 19 – LEAVE OF ABSENCE

Upon written notification at least five (5) business days in advance, Union Stewards, Union Committee Persons and Elected Officials will be granted unpaid time off for the purpose of attending training related to the performance of their Union duties. If the requested number of Union Stewards, Union Committee Persons and Elected Officials that will be off work for training causes the total number of co-workers scheduled off work to exceed the maximum number allowed off for that shift, then the union and company will agree on a solution that allows for the training and the business needs to be met.

The Company agrees to comply with the provisions of the Family Medical Leave Act (FMLA), and to afford the benefits provided by the Act to all co-workers who have worked at least 1,250 hours in the last twelve (12) months immediately preceding the month in which the leave is requested.

It is not until Short term disability (STD), FMLA and/or ADA exhaust that any procedures would be initiated toward termination of STD, FMLA and/or ADA eligible co-workers.

It is not until worker's compensation settles that any procedures would be initiated toward termination of eligible co-workers.

ARTICLE 20 – NO STRIKE/NO LOCKOUT

For the duration of this Agreement, the procedures described herein for settlement of grievances will serve as the means for peaceful settlement of all disputes that may arise between the Parties regarding this Agreement.

During the term of the Agreement or extension thereof, the Union will not collectively concertededly, or individually, call, engage in, participate, directly or indirectly in, work stoppages, slowdowns, strikes, sympathy strikes, or any other interference with or interruption of work, and will at all times cooperate with the Company in maintaining complete operations. The Company agrees that it will not lock out its co-workers during the term of this Agreement.

In the event that the co-worker or co-workers engage in any of the actions set forth in this Article, which the Union has agreed not to call, authorize, condone or support, such co-worker and those participating with him or her may be disciplined to the extent determined by the Company, in its sole discretion. The term "slowdown" will mean an intentional or willful act on the part of the co-worker to restrict the operations of the Company by the use of any means within the co-worker's reasonable control.

In the event that either Party's investigation has determined that there is significant evidence that the co-worker(s) engaged in any of the actions set forth in the above, the Union, as soon as possible and within forty-eight hours upon receipt of such written or e-mail notice from the Company, will be obligated to:

- 1.) advise the Company, in writing or e-mail, that the strike, slowdown, stay-in, sympathy strike or picket line has not been called or sanctioned by the Union; and
- 2.) pursuant to the investigation results, advise the co-workers that such actions are unauthorized and unprotected and illegal, and the Union will further and immediately order the co-worker(s) to return to work.

The obligation of the Union will be limited to the performance of the acts required by the above, and upon compliance by the Union with the provisions of the above, the Union and its officers, agents, and members will have no further liability during the term of this contract and thereafter, for any damage suffered by the Company arising from or out of any stoppage or strike.

In the event the Union fails to take the actions described in the above, the Union will be held liable and responsible for the actions of its members. If the Union, either directly or indirectly, authorizes, supports, promotes or condones any violation of this Article, the Company will have all rights the law provides, including, but not limited to, entitlement to injunctive relief, court costs and attorney's fees.

Neither the violation of any provisions of this Agreement nor the commission of any act constituting an unfair labor practice or otherwise made unlawful by any federal, state or local laws will excuse co-workers or the Parties from their obligations under this Article's provisions.

Unless specifically limited by this Article, nothing in this Article will preclude the Union from lawful concerted activity. The Union retains its right to engage in informational picketing so long as the purpose and issues addressed by the informational picketing are not amenable to resolution under the Grievances and Arbitration clauses in this Agreement.

ARTICLE 21 – NON-DISCRIMINATION

The Company and the Union will not interfere with, restrain or coerce the co-workers covered by this Agreement because of membership in, or activity on behalf of the Union. The Company will not discriminate in respect to hire, tenure of employment or any term or condition of employment against any co-worker covered by this Agreement because of membership in or activity on behalf of the Union, nor will it discourage or attempt to discourage membership in the Union or attempt to encourage membership in the Union.

The Company agrees that it will not discriminate against any co-worker in payment of wages, assignment to jobs, seniority, promotion, training, transfer, layoff, recall, discipline, discharge, benefits, working hours, physical facilities, retirement age, insurance coverage, job classification, testing or any other term, condition or privilege of employment because of race, color, religion, sex, national origin, veteran status

or physical or mental disabilities.

In Compliance with the Americans with Disabilities Act, the Company will make reasonable accommodations for its co-workers on a case by case basis, based on recommendations by his or her provider for the known physical or mental limitations of an otherwise qualified individual with a disability.

ARTICLE 22 – OVERTIME

Hourly co-workers will be paid for overtime when they work more than forty (40) hours in one work week. Overtime pay will be at the rate of one and one half (1.5) times their base rate and one and one half (1.5) times any premium they receive.

Posted overtime will follow these procedures:

1. Overtime sheet will be posted one week in advance. Co-worker signs.
2. Confirmation sheet will be posted the Wednesday prior to the overtime week. Co-worker confirms by signing again.
3. The co-worker will bid on the slots posted by management. The slots will be listed at either a five (5), eight (8) or ten (10) hour shift, based on business need. Co-workers will be selected to fill the posted slots in accordance with seniority. The company will make a good faith effort to offer overtime in different increments.
4. Confirmation sheet comes down twenty-four (24) hours prior to day being worked.
5. In the event all of the co-workers who initially signed up for the overtime shift do not sign the confirmation list, the Company reserves the right to run the overtime shift with only the co-workers that have signed the confirmation sheet. Alternatively, if the business needs persist, the Company will solicit additional co-workers in accordance with seniority.
6. If a co-worker is unable to work the previously bid overtime opportunity, the co-worker shall not be subject to any attendance infraction provided such notification is given to the company twenty-four (24) hours or more in advance of the start time of the overtime shift.
7. On the overtime day, all co-workers will report to the startup area. Based on business needs co-workers will be placed where overtime is needed.
8. When the building will be in operation during a holiday, sign-up sheets will be posted near the posted schedules.

ARTICLE 23 – PROBATIONARY PERIOD

All regular full-time co-workers and all regular part-time co-workers who are hired on or after the effective date of this Agreement, whether or not previously employed by the Company and regardless of whether they are or are not members of the Union, will be subject to a probationary period and will be deemed probationary co-workers for a period of ninety (90) calendar days to commence from the date first worked after hire.

Seniority will not accrue to probationary co-workers during the probationary period. However, at the successful completion of the probationary period, the co-worker's seniority will be considered to commence from the date first worked after hire.

Notwithstanding any other provisions of this Agreement, the Company may at any time during or at the end of the probationary period, lay-off, discharge or discipline probationary co-workers at its sole discretion, with or without just cause, and no claim may be made by the Union or any probationary co-worker that the lay-off, discharge or discipline was improper. Moreover, the Company's action with respect to such probationary co-workers will not be subject to the grievance or arbitration provisions of this Agreement.

The Parties may mutually agree in writing on a case by case basis to extend the probationary period for an additional ten (10) calendar days if the Parties determine extenuating circumstance exist.

If an individual takes a leave of absence during their probationary period, the time period that they are on leave will not count as time served towards their probationary period.

ARTICLE 24 – SAFETY AND HEALTH

The Union and the Company are committed to working together to maintain a healthy, safe and environmentally responsible workplace. Both Parties agree that all co-workers should be actively involved in creating a safe workplace and complying with all applicable safety, health and environmental rules, policies and procedures. Both Parties commit to work together to ensure an environment which promotes a positive approach to processes, attitudes and activities that help to achieve a workplace free of incidents, accidents and injuries and help protect the environment.

Both Parties recognize that good physical health and being prepared to do physical work may reduce injuries, and together, the Parties will explore methods to promote health and safety programs.

- a) Should an co-worker believe that there is imminent danger due to work required to be performed, the co-worker should promptly inform his/her immediate supervisor and/or Location Manager or a designee identified by the Location Manager.
- b.) Where an co-worker believes there is imminent danger due to work required to be performed, the work will not continue until the responsible Safety and Security Manager or a designee and the Union Safety Representative or designee makes a final determination concerning the safety of the individual and the work to be performed.

The Parties agree to create and maintain a Joint Health and Safety Committee (hereinafter the "Safety Committee"). The Safety Committee will be composed of a minimum of three (3) co-worker representatives for the Union and three (3) representatives from the Company. The Union will advise the Company of their representatives for the Safety Committee. The Safety Committee's purpose is to explore ideas and methods to promote health and safety in the facility.

- a.) The Safety Committee will meet monthly at the dates and times established for the meeting.
- b.) The Safety Committee may make recommendations for the correction and elimination of conditions or practices the Safety Committee perceives to be unsafe or harmful.
- c.) The Safety Committee may make monthly inspections of the facility, alternating the selection

of the locations to be inspected. The Safety Committee may further report their observations from the inspections to the Location Manager or designee.

- d.) The Safety Committee may recommend to the Company that the Company utilize the services of CREST (the Corporation for Re- Employment and Safety Training) for advice and training.
- e.) Time spent in Safety Committee meetings and performing the Safety Committee functions will be considered paid time. No Safety Committee member, however, will perform any functions on behalf of the Safety Committee unless prior approval is obtained from his/her supervisor, which approval will not be unreasonable denied.

A contact listing of the responsible site Location Manager or designee and the Safety Committee members will be posted at locations conveniently accessible to co-workers.

The Safety Committee will not have authority to make changes to or interpret the terms of this Agreement, nor to alter the terms and conditions of this Agreement.

The Company will provide up to forty (40) hours of on-the-company-site safety related training to the Safety Committee members on an annual basis to be determined by the Company, which may consider the safety training recommendations of the Safety Committee. The time spent in such training by the Safety Committee members will be considered time spent performing Safety Committee functions.

The Company will regularly provide necessary safety related training to co-workers at reasonable intervals, such as through Safety Talks.

ARTICLE 25 – SAVINGS CLAUSE

In the event that any federal or state legislation, governmental regulations or court decisions cause invalidation of any Article or Section of this Agreement, all other Articles and Sections not so invalidated will remain in full force and effect.

Within thirty (30) calendar days, the Company and Union will meet to negotiate new contract language to replace the particular Clause(s) which were invalidated by federal or state legislation.

ARTICLE 26 – SENIORITY

Union seniority, as the term is used herein, means the length of continuous service of any co-worker from the co-worker's last date of hire in the bargaining unit. Company seniority, means the length of continuous service of any co-worker from his/her original date of hire with the Company. Union seniority shall be the determining factor for all benefit entitlement(s) outlined in this Agreement including, but not limited to, vacation selection, promotion, selection of overtime, job openings, as well as layoff. Company seniority shall be the determining factor solely for total vacation accrual.

Promotions shall be made by the Company based on ability, knowledge, skill and training and when all is equal, seniority shall prevail.

When multiple co-workers are hired on the same day, seniority shall be determined by the co-worker's month and date of birth. The most senior co-worker being January 1 and the least senior being December 31.

Co-workers in a layoff status continue to accumulate seniority as defined in this Article. For purposes of

layoff and recall, seniority will be determined by a co-worker's date of hire.

When the need to reorganize resources becomes apparent after the start of the shift, the Company will determine the departments that can spare resources and ask for qualified volunteers. These volunteers will be selected by seniority. If an insufficient number of volunteers are obtained, the Company will utilize inverse seniority to meet the function needs.

Qualifications – “Qualified” or “qualifications”, unless otherwise specified elsewhere in this Agreement, will mean the co-worker meets or is able to meet, with a minimum of two (2) weeks training, the requirements of the job description.

When co-workers are reclassified in accordance with provisions of this Agreement, they will be given such guidance, training and orientation as are reasonably necessary to perform the work of the classification and/or job assignment.

Breaking Seniority – A co-worker's seniority will be considered broken and all rights under this Agreement forfeited only when a co-worker:

- a.) Resigns or is discharged for just cause or accepts employment in a position with the Company that is outside of the bargaining unit defined by this Agreement.
- b.) Fails or refuses to call or confirm their return to work five (5) working days after being recalled and actually returns to work within ten (10) working days of receiving the notice of recall, unless extended by the Company. If the co-worker cannot return due to medical reasons, they may remain on medical leave of absence limited by provisions of this Article. Notification of recall for the purpose of this Section will be made by regular mail addressed to the co-worker's last known address as shown on the Company's records with a copy sent to the Union. The notice is considered received as of three (3) working days from the date of the notice. The co-worker will keep the Company informed of their current address. Failure to notify the Company with a change in address, co-workers may forfeit recall rights at the time of recall.
- c.) Fails to return at the end of a short term disability up to a nine (9) month period.
- d.) Failure to return at the end of a leave granted under this Agreement.
- e.) Co-worker is on layoff for a period up to eighteen (18) months.

Layoff – If the Company determines it is necessary to lay off any member of its workforce, then the Company will do so by job category as set forth in the seniority table below using the following procedures. For the purpose of a layoff, co-workers in the bargaining unit will be laid-off in the following order:

- a.) Temporary co-workers will be displaced prior to any layoff of bargaining unit co-workers in any category where layoffs are occurring.
- b.) Sub-contractors in the category where layoffs are occurring will be displaced prior to any layoff of bargaining unit co-workers, unless such co-workers possess special skills not possessed by bargaining unit co-workers but deemed to be necessary by the Company.
- c.) Probationary co-workers (if any), as defined in Article 24 of the Agreement, will be displaced prior to any layoff of full seniority co-workers in any category where layoffs are occurring.
- d.) Co-worker(s) within the affected category who desire to be laid off will be permitted to submit a written request to be laid-off. Such co-worker(s) will be laid off first, provided the remaining co-workers in the category have the immediate ability and qualifications to

perform the remaining work. If there is a conflict among those co-workers requesting layoff, seniority will prevail and the co-worker(s) who is more senior will have their request honored. Co-workers who are laid off will have the option to use vacation time during the layoff. Voluntary laid-off co-workers cannot revoke their laid-off status.

- e.) If there are no volunteers for layoff, co-workers, in any category where layoffs are occurring will be laid-off on the basis of least seniority first.
- f.) In the event co-workers are scheduled to be laid off in one category and there exists a vacant position(s) in another category, such co-workers may bid on such vacancies. In the event there are no such vacancies, such co-workers to be laid off in the category may displace the least senior co-worker in the other categories provided the co-worker is qualified to perform the position and has more seniority than the person being displaced.

Notification of Layoff – Unless otherwise required by applicable law, the Company will give the Union and the affected co-workers(s) twenty-one (21) working days’ notice prior to the effective date of the layoff. The notice will state the date the layoff will become effective and the expected date of return, if any or if known. Co-workers who are affected by a layoff and are on a leave of absence or other excused absence at the time the layoff notice is given will be notified of the layoff by regular mail sent to their last known address as shown on company records.

Recall – Co-workers in layoff status will continue to accumulate seniority. Co-workers will be recalled within their category, in order of seniority. The Company will send recall notices by regular mail to the co-worker(s) last official address of record as provided by the co-worker at the time of layoff or after a change of address has been submitted, with a copy sent to the Union. The notice is considered received as of three (3) working days from the date of notice. The co-worker has five (5) working days after the recall notice was received by the co-worker to call to confirm their acceptance of recall and actually return to work within ten (10) working days of receiving the notice of recall, unless extended by the Company. If a co-worker declines to return as recalled, then (s)he is terminated and the next co-worker in order of seniority within the category will be offered recall.

Seniority List – The Company will furnish an updated seniority list by the 5th day of each month to the Local 701 Business Representative and Chief Steward. An updated seniority list pursuant to a layoff situation will be furnished to the Local 701 Business Representative and Chief Steward when requested. Seniority list to include, name (at hiring date), co-worker number, seniority date.

Job Openings and Promotions – All Union job vacancies and all newly created job openings will be posted in the main hallway. Such postings will remain posted for five (5) business days internally. The Parties understand and agree, the Company may post job vacancies internally and externally simultaneously, with the understanding that all internal applicants will have prior consideration over any external candidates. The posting will state the job to be filled, the scheduled location of the job, the shift, the pay grade of the job and description of work required. Any application must be filed online with the Company through the “Open IKEA” process or any similar electronic system established by the Company. If no Illinois co-worker applies for the job within the five (5) business days, then the Company may post externally and all applicants may be considered with the selection fully within the discretion of the Company.

Any bargaining unit co-worker in the Illinois location where a vacancy exists may apply for the transfer or job if he/she is not on a last chance agreement. A co-worker applying for more than one vacancy will indicate the order of preference for each job. If he or she is selected for more than one vacancy, he or she will accept only for the job ranked highest in his or her preference. The senior person that is qualified as

described in this Section under Qualifications will fill the vacancy for any transfer or promotion within the bargaining unit. Any transfer or promotion to a position outside the bargaining unit will be determined at the full discretion of the Company.

Co-workers on an approved leave of absence will be notified of a vacancy and allowed to bid. The co-worker will have thirty (30) minutes to call back should he/she be unable to be contacted via phone after a message is left on his/her voicemail. If they bid timely, their bid will be held for the duration of the approved leave.

Any bargaining unit co-worker who seeks and receives a transfer for which they applied shall be precluded from applying for any further transfer for six (6) months except in the case of shift bid.

Any additional openings which arise after the Shift Bid Period will be filled consistent with the Seniority provision of this Agreement.

Annual Shift Bids

Any co-worker who wishes to change their shift, shall notify the company between October 1st and October 10th of each calendar year of their intent to relinquish their shift. The company will then post all the shifts available from those desiring to switch their shift. Each available shift shall be bid and awarded in accordance with the co-worker's seniority. Each shift bid shall become effective on the first payroll of the next calendar year.

Co-workers on an approved leave of absence will be notified of shift bid in advance of the bid and allowed to designate their choice(s) in advance; or, the Company will call the co-worker when the choice is the co-worker's on leave to designate his/her choice at that time. The co-worker will have thirty (30) minutes to call back should he/she be unable to be contacted via phone after a message is left on his/her voicemail. If they bid timely, their shift will be held for the duration of the approved leave. No bumps shall apply if no vacancy are available.

SENIORITY TABLE:

- Category 1 - Warehouse Coworker (Operations Department)
- Category 2 - Stock Control (Stock Control Department)
- Category 3 – Supply Quality Coordinator (Quality Department)

ARTICLE 27 – SHIFT PREMIUMS

Shift premiums are as follows for all bargaining unit co-workers. In order to receive the premium, at least half of the co-worker's time must have been worked on the shift where the premium is available. Shift premiums are as follows for co-workers working on the respective shifts below:

- 1A: Sunday through Wednesday {First Shift} = \$0.50 for hours on Sunday
- 1B: Wednesday through Saturday {First Shift} = \$0.50 for hours on Saturday
- 2A: Sunday through Wednesday {Second Shift}= \$0.75 and \$1.10 for hours on Sunday
- 2B: Wednesday through Saturday {Second Shift}= \$0.75 and \$1.10 for hours on Saturday

(Second shift) Monday through Friday = \$0.75

All shift premiums will part of base wage and will be used for all compensable hours, and overtime calculations if the co-worker works within the shift with the premium.

ARTICLE 28 – SICK PAY

Each co-worker will accrue up to forty (40) hours of paid sick time off per year. Sick time will accrue on a weekly basis. Full-time co-workers will receive forty (40) hours of accrued sick pay per calendar year. Co-workers will be paid sick pay at their base wage rate plus any premium pay the co-worker regularly receives. Co-workers may bank any unused sick pay for future use up to two (2) times the co-worker's eligibility.

Sick time will not accrue after thirty (30) days of any leave, with the exception of military leave subject to the accrual limits set forth above.

Sick time can only be used after ninety (90) days of employment and once accrued.

Sick time is accrued based on regular hours worked from the first day of regular employment.

Sick time can be used in one (1) hour increments.

ARTICLE 29 – TECHNOLOGICAL CHANGE

The Company agrees that when technological changes take place that require additional knowledge and/or skill on the part of its co-workers, such co-workers will be given reasonable opportunity to acquire the knowledge and skill necessary to perform the new tasks assigned if such knowledge and skill is acquirable through on the job training. In such cases, the Company agrees to furnish the necessary instruction at the co-workers' current rates of pay. Such training will not include the pursuit or need for a degree to perform the new tasks or such training that is outside the expertise of the Company to provide.

Co-workers who are displaced from their job classifications as a result of technological changes and are assigned to available lower job classifications will be paid the applicable rate of pay or their seniority in the classification to which they have moved. If no available positions exist the co-worker may exercise their rights under the seniority/layoff provisions and be paid at the applicable rate for the classification they move to.

When a new job is introduced into the plant or the content of a job is significantly changed as a direct result of the introduction of either new equipment, materials or methods which are normally within the scope of the bargaining unit or they are combined with duties which are not normally within the bargaining unit, the Company will furnish reasonable information related to the duties of the new job for the purpose of bargaining over the effects of such change.

ARTICLE 30 – TUITION REIMBURSEMENT

The Company will provide the same IKEA Education Assistance benefit for the bargaining unit co-workers as provided to all other IKEA co-workers

ARTICLE 31 – UNION REPRESENTATIVES

The Company recognizes and will work with all accredited Union Representatives in all matters relating to grievances or interpretations of the Agreement. Union Representatives are defined as Bargaining Committee members, Shop or Chief Stewards and other bargaining unit co-workers who hold elected positions in Local 701.

A written list of Union Representatives will be furnished to the Company immediately after their designation and the Union will notify the Company promptly of any changes.

The Company will agree to such arrangements as may be necessary for the Union Representatives to properly and expeditiously carry on their Union duties. Such arrangements will include permission for Union Representatives to leave their department to go to any other department, etc., within the bargaining unit to address a grievance or complaint. Union Representatives are encouraged to conduct such meetings during non-work times. Union Representatives will not leave their department for such purposes until they have given proper notification to their supervisor, and have given their supervisor time to replace them in their work assignment if the supervisor deems necessary.

Time spent by Union Representatives engaged in such matters during work time will be paid for up to thirty (30) minutes per day for matters relating to grievances or interpretations of the Agreement unless it involves an arranged direct meeting with Company representatives, in which case all time in the meeting will be paid.

The Union may not, without authorization from the Company, consume an unlimited amount of time conducting such matters of investigations.

ARTICLE 32 – VACATION

Vacation will be based on the co-worker’s hire date and the co-worker’s years of service as follows:

0 - 2 years	=	80 hours (2 weeks)
3 - 4 years	=	120 hours (3 weeks)
5 - 9 years	=	160 hours (4 weeks)
10 + years	=	200 hours (5 weeks)

Vacation pay will be based upon the co-worker’s base pay plus any premium pay the co-worker receives. Vacation must be taken in a minimum of 4 hour increments (as per regular schedule)

Co-workers are required to schedule out vacation fourteen (14) days in advance and it must be approved before taken. If there are any remaining time-off slots available, they may be filled on a first come, first serve basis three (3) days in advance and it must be approved before taken.

Unused vacation hours can be carried over to the next year to a maximum of two (2) times their eligibility. Co-workers can only begin taking their vacation time after six (6) months from date of hire. Co-workers are paid out their vacation time at termination but not in lieu of vacation while currently employed.

While on short term disability, vacation time will accrue for thirty (30) days but not beyond.

ARTICLE 33 – VISITATION BY UNION REPRESENTATIVES

Officers and/or accredited representatives of the Union will be admitted to the Distribution Center by the Company during working hours after notifying the Company prior to entrance for the purpose of ascertaining whether or not this Agreement is being observed by the Parties or for assisting in the adjusting of grievances. All such officers or representatives, who are not employed by the Company, will comply with the security regulations as required of all other Distribution Center visitors.

If it is necessary for a full-time Union Representative to meet with any single co-worker and any Shop Steward to discuss a complaint or grievance, the co-worker’s and the Shop Steward’s time will be company paid providing that he or she first notifies the Location Manager or designee. The contacts on company time will not be more frequent and no longer than the matter for discussion reasonably requires.

ARTICLE 34 – WAGES

Job Titles PAY GRADE 1

		Y1 JAN	Y2 JAN	Y3 JAN
Warehouse Co-Worker				
Recovery	Min	\$18.40	\$18.40	\$18.40
	Max	\$23.85	\$23.85	\$23.85
	Raise	3%	2%	2%

Job Titles PAY GRADE 2

		Y1 JAN	Y2 JAN	Y3 JAN
Stock Control	Min	\$20.20	\$20.20	\$20.20
Quality Supply Coordinator	Max	\$25.93	\$25.93	\$25.93
	Raise	3%	2%	2%

Additional Details

- a) Upon ratification, co-workers with a base pay rate below the minimum pay for their paygrade will receive a *bring-to-minimum* wage adjustment for year 1 (one). Coworkers at or above the new minimum base pay rate will receive the year 1 (one), 3% increase. For years 2 (two) and 3(three) every co-worker receives the percentage increase regardless of their individual wage.
- b) Minimum and maximum pay applies to base pay only.
- c) Upon reaching the max pay rate, a co-worker receives a lump sum payment in lieu of an hourly raise. (Increase X 2080 hours).
- d) Co-workers will receive the negotiated wages each year of this Agreement until co-workers reach the Max pay rate as outlined above.
- e) Increases will become effective on the first full payroll following ratification, then January 1, 2021 and January 1, 2022.
- f) Weekly payday will occur on each Friday.

- g) No co-worker whose current wages are higher than listed above will suffer any reduction in their current wages each year of this Agreement.
- h) A \$1.00 premium to be applied to base rate for IVES trainers

ARTICLE 35 – SAFETY SHOES

The Company will provide an annual allowance (one purchase per calendar year) of up to \$125 to co-workers who are required by the Company to wear safety shoes in the performance of their job duties. Co-workers exercising this allowance may purchase their safety shoes through the Grainger Portal System that is accessed from the Company's intranet. Purchase through this Portal System does not require an out of pocket expense for purchases made up to the annual purchase cap. Co-workers may elect to make annual purchases in excess of the cap listed above, however, co-workers will be responsible to cover the costs of their purchase in excess of the cap, without that excess amount available for reimbursement.

Alternatively, co-workers will be allowed to use the allowance asserted above at a store of their choice. Co-workers electing to purchase their safety shoes at a store of their choice must submit to the Company an original receipt which captures their safety shoe purchase in order to be reimbursed the purchase price, up to the cap asserted above.

Co-workers must submit a receipt for reimbursement and complete the Safety Shoe Reimbursement Form.

ARTICLE 36 – MISSING PUNCHES

Co-workers will use their ID badge to punch in and out at the start and end of their shift and the start and end of their meal period.

If an co-worker does not have his or her badge, the co-worker will fill out a Missing Punch form and turn it into their supervisor by the end of their shift.

If a badge has been verified by the Company as damaged, the missing punch will be excused and the co-worker will be sent to Safety and Security for a new badge and a missing punch form will be filled out.

The Employer will post next to all time clocks detailed instructions on how co-workers can check their punches.

Cameras can be used for any dispute concerning a missing punch.

Once memorialized, co-workers who accrue three (3) missing punches within a ninety (90) calendar day period will be subject to corrective action.

ARTICLE 37 – ATTENDANCE POLICY

Regular attendance and punctuality are essential for the smooth operation of this Company. We want to establish uniform guidelines that will ensure a consistent and fair approach to solving attendance problems. Therefore, we have developed the following attendance policy:

Definitions

- 1.) **Absence:** An absence from work is defined as the failure of any co-worker to report to work when scheduled or working less than half of your shift. This applies to any assignment, be it a regular shift or overtime work. One day of absence will be considered one (1) occurrence. A second day of absence is considered a second occurrence, and so on. If an co-worker is out for three or more consecutive scheduled shifts, the co-worker will be required to submit written documentation from his/her medical provider, and these occurrences will be capped at one (1).
- 2.) **Tardy:** Reporting to work six (6) minutes or more after the scheduled shift start time and/or missing a time period less than half the scheduled shift. There will be a half (1/2) occurrence assessed for a tardy. (There is a five (5) minute grace period).
- 3.) **Leave Early:** Leaving prior to the scheduled end of shift and working more than half your shift. There will be a half (1/2) occurrence assessed for a leave early.
- 4.) **Shift Interruption:** Leaving for a period of time during a shift, other than rest breaks, meal periods or Union business.
- 5.) **Paid Sick Time:** A bank of hours from which an co-worker can draw from at the co-worker's discretion to take time off from work.
- 6.) **No Call/No Show:** Co-workers must report their absence each day; failure to do so is considered a no call/no show. Also, failure to report one's absence within three (3) hours after the start of his/her shift will be regarded as a no call/no show.

A no call no show will result in corrective action of a warning. If the co-worker is already in the progressive discipline process it will result in the next level of discipline. A no call no show is considered a policy violation and not an attendance violation.

Exceptions: Vacations, Paid Sick Time, Jury Duty, Bereavement Leave, lack of work, days that the DC is closed, military leave, voluntary time off (offered by the Company) and layoff will not count as occurrences. Pre-approved time off and pre-approved leave of absence (such as worker's comp. and on the job injuries) will not count as occurrences.

Any co-worker who fails to call in and report to work for three (3) consecutive workdays is VOLUNTARILY terminating their employment. When a co-worker leaves the work premises prior to the scheduled end of the shift without notifying a manager, this event will be considered job abandonment, a voluntary resignation (walking off the job).

Reporting Requirements

Co-workers must notify the Company via the location's Call out Procedure as defined in this article at least 30 minutes prior to the start of their shift for an absence.

Guidelines for Attendance Control

Based on the number of occurrences in a twelve (12) month rolling period, an co-worker will be subject to corrective action under the following guidelines:

- 1.) Co-workers are allowed eight (8) occurrences in a rolling twelve (12) month period.
- 2.) Exceeding eight (8) occurrences in a rolling twelve (12) month period will result in corrective action.

When an attendance policy violation corrective action is actionable, subsequent infractions may result in the next level of corrective action. When a decision to terminate employment is based on exceeding eight (8) occurrences in a rolling twelve (12) month period, one (1) full occurrence (one absence or two half occurrences) must occur since the date of the Final Warning for Attendance Policy Violations.

All co-workers are required to report their absence using the following method:

Leave a message on the callout box. Proper call out procedure is:

- a) Call the main telephone number (815) - 774 -1019 (For Minooka call (815)-467-0111
- b) Follow the voicemail prompt that directs you to the call out box
- c) Leave your name, supervisor's name, date and time you called, department and shift, co-worker ID.

Co-workers who fail to follow the above procedure within the time limits specified by the Collective Bargaining Agreement will be subject to corrective action.

ARTICLE 38 – LABOR MANAGEMENT COMMITTEE

The Employer and Union agree to establish a Labor Management Committee (“LMC”) to address issues or concerns that lie outside the scope of the Agreement but nonetheless are worthy of discussion. This forum should serve for the discussion and attempted resolution of issues which are matters of concern.

The LMC will be composed of up to three (3) representatives by the Union and up to three (3) representatives designated by the Employer. All members must be current co-workers as defined in this Agreement as outlined in the Recognition Section. The LMC shall meet 1 time per month for the first 3 months following ratification and then quarterly thereafter (as a minimum) on a mutually agreeable date and time and the meetings will last no more than 90 minutes. Bargaining unit members will be paid for their time spent at such meetings up to 90 minutes.

An agenda of topics to be addressed for discussion via the LMC must be submitted via email at least 10 workdays prior to the scheduled meeting. If neither Party submits agenda topics, the meeting for that month or quarter is deemed cancelled.

The parties acknowledge and agree the LMC is not a substitute for, nor may it be used to address issues which should be addressed through the Grievance and Arbitration process. Moreover, even if any issue is covered at the LMC, this does not constitute a proper or timely filing of the issue in accordance with the Grievance and Arbitration Procedure outlined in this Agreement. Finally, Grievances nor Arbitration issues shall be considered an appropriate subject for discussion at LMC meetings, however, the subject matter which lead to Grievance or Arbitration can be discussed to attempt to avoid repeated filings of such grievances unless the subject is specifically addressed under the CBA.

The Labor Management Committee is not authorized to make changes to the terms of the CBA, or adopt a change in policy, protocol or practice thereof, unless said amendment(s) are made in accordance with Article 6, Alteration of the Agreement.

ARTICLE 39 – DURATION OF AGREEMENT

This Agreement shall remain in effect from _____, 2020 until midnight on _____, 2023 without reopening rights for any purpose except by mutual consent of the Parties' authorized agents or except as otherwise specified in this Agreement, and shall automatically renew itself from year to year thereafter unless written notice of desire to amend, modify or terminate the Agreement is given by either party at least sixty (60) days prior to the expiration date above, or at least sixty (60) days prior to any annual expiration date thereafter.

If such written notice of desire to amend, modify or terminate the Agreement is given, the parties may nevertheless mutually agree, in writing, to an extension of this Agreement for a specified length of time beyond the expiration date.

In Witness whereof, the parties have caused this Agreement to be executed by their authorized representatives on this the _____th day of _____, 2020.

Bjorn Westerberg
DS Area Manager
President, IKEA DS, Inc.

Rich Handler
Local Lodge 701 Business Representative
IAM&AW, AFL-CIO
