

**Alternative Dispute Resolution (“ADR”) Agreement
for Workers’ Compensation Claims**

Between

United Food & Commercial Workers – Locals 8-GS, 135,
324, 770, 1167, 1428, 1442

and

Albertsons & Vons

This ADR Agreement is made and entered into on May 1, 2013, by and between ALBERTSONS & VONS (hereinafter “the Employer” or “the Employer Association”) and United Food & Commercial Workers-Locals 8-GS, 135, 324, 770, 1167, 1428, 1442 (hereinafter “the Union”). The term “parties”, as used herein, shall refer to the Employer and the Union. This ADR Agreement shall apply only to the Employer and the Union who have signed a Labor Management ADR Agreement under California Labor Code Section 3201.7, negotiated separate and apart from any Collective Bargaining Agreement (hereinafter “CBA”) covering affected Employees.

ARTICLE I

PURPOSE

1.1 It is the intent of this ADR Agreement to provide Employees, who claim to have sustained occupational injuries or illnesses arising out of and occurring in the course of employment (hereinafter “injuries”) under the California Workers’

Compensation Law, California Labor Code Section 3600 et. seq. (hereinafter “the Law”), with improved access to high-quality medical care, to reduce the frequency and severity of disputes, and to provide an efficient and effective method of dealing with disputes that do arise resulting from such injuries by utilizing the provisions of SB 228, chapter 639 of the 2003 session of the State of California Legislature, Labor Code Section 3201.7. The program fulfilling the above purpose shall hereinafter be referred to as the “ADR Program.”

ARTICLE II

SCOPE OF ADR AGREEMENT

2.1 This ADR Agreement, which was negotiated by the Employer and the Union, shall apply only to the Employer who signs this ADR Agreement. The term “Employer” as used herein, shall refer to such firm.

2.2 This ADR Agreement shall apply only to injuries, as defined by the Law, sustained by Employees covered by the relevant Collective Bargaining Agreement(s) during their employment by an Employer in California during the term of this ADR Agreement. An Employer and an employee may opt to have an injury that occurred prior to the term of this agreement be subject to the terms of this ADR Agreement.

2.3 This ADR Agreement shall apply to all claims, causes of action and affirmative defenses, including Serious and Willful claims under Labor Code Sections 4551, et seq.

2.4 This ADR Agreement shall remain in effect until March 2, 2014 from the date of its execution by the parties. It shall continue in effect from year to year thereafter unless terminated by either party to this ADR Agreement with a 90-day written notice. Any individual Employer wishing to withdraw from this ADR Agreement may do so upon notifying the Joint Labor Management Committee in writing 90 days prior to the termination date. Upon termination or withdrawal, any case involving an injury which occurred during the term of the ADR Agreement, or during the term this ADR Agreement was applicable to the withdrawing Employer, shall continue and be resolved subject to the terms of this ADR Agreement and the withdrawing Employer shall continue to be responsible for the costs of those cases involving its employees.

2.5 This ADR Agreement represents the complete understanding of the parties with respect to the subject matter dealt with herein.

2.6 It is noted that the Joint-Labor Management Committee established herein will receive annually, or more frequently if requested and feasible, data which shows the savings, if any, realized by participating Employers.

2.7 In any instance of conflict, the provisions of the ADR Agreement shall take precedence over provisions of the Law, so far as permitted by the provisions of Labor Code 3201.7 of the State of California.

ARTICLE III

ROLE OF JOINT LABOR-MANAGEMENT COMMITTEE

3.1 There shall be a Joint Labor-Management Committee and referred to in the alternative herein as the "JLM Committee". The JLM Committee shall have full authority to operate and manage this ADR Program, including the obligation to promulgate rules for its operation. The JLM Committee shall have an equal number of members representing the Employer and the Union. The terms of the appointees shall run concurrent with the term of this ADR Agreement. The JLM Committee will be chaired jointly by Employer and Union Co-Chairpersons.

3.2 Meetings will be held every three (3) months unless the parties mutually agree otherwise and/or when called by the Chairperson. The parties agree, wherever possible, they will notify each other of items to be included on the agenda for the meeting no less than three (3) days prior to the scheduled meeting date.

3.3 The JLM Committee shall supervise all matters involving implementation and conformity with the provisions of this ADR Agreement and California Workers' Compensation Law and Labor Codes. The JLM Committee shall have

full power and authority to develop and implement any procedures the JLM Committee deems necessary to carry out, or affect the purpose and scope of this ADR Agreement. In case of a deadlock, the matter in dispute shall be referred to the American Arbitration Association, (AAA), for expedited adjudication. The Arbitrator's decision shall be final and binding upon both parties hereto.

3.4 The JLM Committee is hereby instructed and authorized to select and hire an ADR Program Administrator, a Nurse Advocate(s) and an Ombudsperson(s). The Ombudsperson(s) shall be paid by the JLM committee. The JLM Committee shall delegate, to the Ombudsperson the responsibility and authority deemed necessary by the JLM Committee.

ARTICLE IV

AUTHORIZED MEDICAL PROVIDERS

4.1 All medical and hospital services required by Employees, subject to this ADR Agreement, as the result of a compensable injury, shall be furnished by health care professionals and facilities selected by the Employee from a list of health care professionals and facilities authorized by the JLM Committee. This list, hereinafter referred to as "Exclusive Medical Providers List," shall constitute an exclusive list of all medical providers eligible to treat employees under the jurisdiction of this ADR Agreement. This list can be changed at any time by the JLM Committee. Any health care professionals not listed on the approved list of

authorized providers may be submitted to the JLM Committee for review and inclusion. All authorized providers shall be Board Certified in their respective specialties assuming such is available in the geographical area.

4.3 In case of emergency, when no authorized provider is available, the Employee may seek treatment from a health care professional or facility, not otherwise authorized by this ADR Agreement, to provide treatment during the emergency. Responsibility for treatment shall be transferred to an authorized provider as soon as possible consistent with sound medical practices.

4.4 When referred by the authorized provider, to another provider in a particular specialty, the Employee may also change once to another authorized provider in such specialty. Additional changes may be made in accordance with the rules promulgated by the JLM Committee.

4.5 The Employer shall not be responsible for the cost of medical services furnished by a health care professional, or facility not authorized pursuant to the ADR Agreement. Nothing in this Article shall be construed to create a right for an Employee to receive care at Employer expense that is not reasonably required to cure or relieve a work related injury.

4.6 The list of authorized providers shall include, but not be limited to, providers within the following specialties:

Audiology

Cardiology
Chiropractic
Dermatology
General Practice
Internal Medicine
Neurosurgery
Neurology
Occupational Medicine
Oncology
Ophthalmology
Orthopedics
Psychiatry
Pulmonary/Respiratory
Radiology

4.7 The parties to this ADR Agreement may include providers from additional specialties, or providers who are not specialists on the list of authorized providers furnishing treatment to an Employee. If the authorized provider determines consultation or treatment is necessary from a specialty for which no authorized provider has been selected through this ADR Agreement, or in the event the distance makes it impractical for treatment from the authorized provider, the

authorized provider and injured Employee shall propose an additional specialist or provider, who offers the necessary treatment at a distance that is as close as reasonably possible for the Employee. The person authorized by the JLM Committee shall either approve or deny the proposed provider.

4.8 Both the Employer and the Employee may request a second opinion from an authorized provider regarding diagnosis, treatment and evaluation of a related issue.

ARTICLE V

MEDICAL EVALUATORS

5.1 All eligible medical evaluators to be accessible to the parties in workers' compensation claims shall be selected and listed by the JLM Committee. This list, hereinafter referred to as the "Authorized Medical Evaluators List," shall list all of the physicians that may serve as medical evaluators. The list may be changed by the JLM Committee as necessary.

5.2 When an unrepresented worker requires a medical legal evaluation, the Ombudsperson shall select the evaluator from the Authorized Medical Evaluators List. When a represented worker requires a medical legal evaluation, the parties shall select the evaluator from the Authorized Medical Evaluators List. If an agreement cannot be reached, the Ombudsperson shall select the evaluator from the Authorized Medical Evaluators List.

ARTICLE VI

DISPUTE RESOLUTION

6.1 The parties hereto acknowledge the provisions of California law governing the adjudication of disputed Workers' Compensation claims have resulted in delay, increased expenses, and other inefficiencies which result in undue detriment to Employees and Employers. In recognition of the foregoing, the parties hereby establish the exclusive Alternative Dispute Resolution Program (hereinafter "Program") set forth below.

6.2 The Alternative Dispute Resolution Program will consist of three components:

Ombudsperson

Mediation

Arbitration

6.3 This Program shall replace all of those dispute resolution processes, to the maximum extent permitted by law, including those authorized pursuant to California Labor Code Section 3201.7, except for disputes between a party to this ADR Agreement and a person or entity who is not subject to the provisions of this ADR Agreement by subscription or law, unless such third party or entity agrees in writing to submit to the jurisdiction of this Alternative Dispute Resolution Program.

Any claim subject to this ADR Agreement filed with the Workers' Compensation Appeals Board ("WCAB") for Resolution will immediately be removed and placed within the program established by this ADR Agreement. This is the sole means of dispute resolution and no dispute shall proceed to the California WCAB until it has completed the Ombudsperson, mediation, and arbitration processes defined by this ADR Agreement. Except where provided otherwise in this ADR Agreement, the mediation and arbitration processes shall be conducted in accordance with the program's Rules for Alternative Dispute Resolution. The Rules of Practice and Procedure of the WCAB may supplement the program's rules where necessary. Any disputes over discovery shall be submitted to the dispute resolution process called for under this ADR Agreement and shall be determined in accordance with the applicable discovery rules for proceedings before the WCAB.

6.4 The Ombudsperson shall receive complaints from Employees who have filed claims for Workers' Compensation benefits, subject to this Article, and upon request of the Employee shall assist the parties in attempting to resolve those disputes subject to this Article. The Ombudsperson shall, upon request of an Employee, assist the Employee in filing the request for mediation and arbitration related to alleged work-related injuries subject to this Article. The Employer may also file a request for mediation and arbitration and may seek the assistance of the Ombudsperson, if necessary, for that purpose.

6.5 An Employee covered by this ADR Agreement who believes that he/she is not receiving compensation to which he/she is entitled, including medical and hospital services, shall notify the Ombudsperson immediately. It is expected that the Employee will contact the Ombudsperson immediately. If the issue cannot be resolved to the satisfaction of the Employee within thirty (30) days, the Employee shall apply for mediation on a form provided (Mediation Request Form). This thirty (30) day period may be extended upon a showing of good cause. The Ombudsperson shall assist the Employee in filing the application for mediation. No issue will proceed to mediation without first being presented to the Ombudsperson. The response of the Ombudsperson to the Employee shall be explained in terms which are readily understandable by the Employee, to the greatest extent possible. The Ombudsperson shall maintain a log recording all Ombudsperson activity including the date of each notification and the date of each response. The Employer shall also be allowed to file a written request with the Ombudsperson to assist in resolving a dispute involving either or both of the parties hereto, provided the dispute is related to a claim of industrial injury covered by this ADR Agreement.

6.6 Any application for mediation shall be immediately assigned to a mediator, selected under this ADR Agreement. The mediator will contact the parties to the

dispute and take whatever steps the mediator deems reasonable to bring the dispute to an agreed conclusion.

6.7 The mediator, subject to this ADR Agreement, shall be from a list mutually agreed to by the parties to this ADR Agreement and who has experience and is knowledgeable in the Workers' Compensation Industry. As needed, this list may be modified by the JLM Committee.

6.8 Mediation shall be completed as expeditiously as possible. In no event shall an issue be permitted to proceed beyond the mediation unless and until the parties cooperate with the mediator and the mediation process.

6.9 Upon the request of any party or the mediator, the nurse advocate may be invited to attend the mediation.

6.10 Nothing in this ADR Agreement shall be interpreted so as to deny, to any Employee, the right to representation by counsel at all stages during the Alternative Dispute Resolution process.

6.11 Within thirty (30) days after completion of the mediation process, any party not satisfied with the outcome shall file with the Ombudsperson a request in writing that the dispute be referred for arbitration on a form provided (Arbitration Request Form). This time period may be extended by the Ombudsperson by a showing of good cause. Upon receipt of such a request, the Ombudsperson shall immediately refer the dispute for arbitration as provided herein.

6.12 The arbitrator shall have experience in Workers' Compensation. The arbitrator shall be assigned by the Ombudsperson, or its designee for such purpose, from the list of arbitrators agreed to by the JLM Committee (Arbitrators List). As needed, this list may be modified by the JLM Committee. In any case which has been regularly assigned to an arbitrator for hearing hereunder, the arbitrator shall have full power, jurisdiction, and authority to hear and determine all issues of fact and law presented and to issue interim, interlocutory, and final orders, findings, decisions, and awards as may be necessary, to the full adjudication of the case. The decision of the arbitrator is subject to review by the WCAB, in the manner required by Labor Code Section 3201.7, and shall have the same force and effect as an award, order, or decision of a Workers' Compensation Judge.

6.13 Arbitration will be conducted pursuant to the program's Rules for Alternative Dispute Resolution, supplemented by the Workers' Compensation Appeals Board's Rules of Practice and Procedure. The arbitrator's decision shall be written in a form consistent with the WCAB practices.

6.14 No written, or oral offer, finding, or recommendation made during the mediation process by any party, or mediator, shall be admissible in the arbitration proceedings except by mutual agreement of the parties.

6.15 The mediator, or arbitrator, may in his sole discretion appoint an authorized health care professional to assist in the resolution of any medical issue, the cost of which is to be paid by the Employer.

6.16 The parties may submit a proposed settlement to the Ombudsperson, at any time, for assignment to an arbitrator for expeditious issuance of award and/or order. Any such settlement shall be in the form of a Compromise and Release Agreement or in the form of Stipulations with request for Award. The settlement shall be filed on a pre-printed form approved by the JLM Committee. The JLM Committee may create a separate list of arbitrators to handle settlements under separate contract(s) and change such list at their discretion.

6.17 It is agreed that the JLM Committee may assign the Ombudsperson, mediator, and arbitrator to geographical areas in order to better serve injured workers.

6.18 Ombudsperson services may be provided by individuals, corporations, or other business entities formed for the purpose of providing such services. Ombudspersons shall have experience in the field of workers' compensation.

ARTICLE VII

MISCELLANEOUS ISSUES

7.1 All payments required to be made by the Employer pursuant to this ADR Agreement shall be in accordance with California law.

7.2 Upon termination of this ADR Agreement, the Union and the Employer shall take whatever steps necessary to insure all obligations under this ADR Agreement are fulfilled until all claims subject to this ADR Agreement are resolved.

7.3 This Agreement hereby provides for the establishment, maintenance and administration of a joint labor-management trust known as the Grocery Workers' Compensation Benefits Trust ("Trust"). The general purpose of the Trust is to hold funds In Trust, which will be used to achieve the purposes of this Agreement.

7.4 If any provision of this ADR Agreement or its application to any person or circumstance is held invalid, the invalidity shall not affect any other provisions or applications of this ADR Agreement that can be given effect without the invalid provisions or application and to this end, the provisions of this ADR Agreement are declared to be severable.

7.5 The parties mutually represent and warrant they have complied with the requirements of Labor Code Section 3201.7. The parties specifically agree to hold harmless and indemnify each other against any and all claims, actions, or complaints arising from a failure to comply with any obligation under Labor Code Section 3201.7. The mutual duty to indemnify includes the obligation to make the other party whole for any loss or damage arising from a claim, action, or complaint and specifically includes the payment of attorney's fees and costs incurred in the

defense of such claim, action, or complaint. Each party shall retain the right to conduct its own defense of any claim, action, or complaint arising under this provision and shall retain the right to select counsel of its choosing for such defense. The right to indemnify, provided under this provision, shall extend to the right to recover attorney's fees and costs incurred to enforce the rights set forth herein.

Signed and agreed this 11th day of April, 2013:

FOR THE EMPLOYER:

Brent Bohn, Albertsons
Director of Labor Relations

Frank Jorgensen 5/1/13

Frank Jorgensen, Vons
VP Labor Relations

FOR THE UNION:

Mickey Kasparian
President UFCW Local 135

Greg Conger

Greg Conger
President UFCW Local 324

Ricardo Icaza

Ricardo Icaza
President UFCW Local 770

Bill Lathrop

Bill Lathrop
President UFCW Local 1167

Connie Leyva

Connie Leyva
President UFCW Local 1428

Michael Straeter

Michael Straeter

President UFCW Local 1442

Jay S. Loveall

Jacques Loveall

President UFCW Local 8GS

LETTER OF AGREEMENT
BETWEEN
UFCW LOCALS 324, 770, 1167 and 1442
AND
SUPER A FOODS

THIS AGREEMENT is entered into by and between UNITED FOOD & COMMERCIAL WORKERS UNION LOCALS 324, 770, 1167 and 1442, hereinafter referred to as the Union, and SUPER A FOODS, hereinafter referred to as the Employer.

The following understanding will apply to the Super A Food and Meat Agreement effective November 5, 2010, as well any extensions thereto:

Consistent with California state law, the Employer and the Unions agree to discuss changes to the manner in which Workers' Compensation Benefits are provided to the bargaining unit employees and to adopt an Alternative Dispute Resolution program ("ADR" program) applicable to bargaining unit employees governing disputes between employees and the Employer or its insurer that supplements or replaces all or part of those dispute resolution processes pursuant to the California Division of Workers' Compensation, including, but not limited to, an ombudsman function, mediation and arbitration.

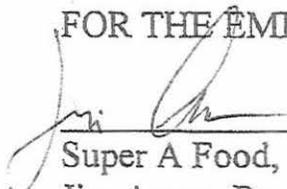
The Employer and the Unions further agree that they will establish an Alternative Dispute Resolution (ADR) program for workers' compensation in accordance with California Labor Code section 3201.7 and shall set forth the terms of such ADR Program more fully in an ADR Agreement signed by the Employer and Unions. The ADR Agreement shall establish a Joint Labor Management Committee that shall, among other things, implement the ADR Program, review state audits of the Employers' accounts, appoint an ADR administrator, and equally apportion (50/50) net medical, permanent disability, temporary disability, legal and vocational rehabilitation expense savings, or other mutually agreed to savings, generated by the implementation of the ADR program between the Employer and the Unions as provided for below. Notwithstanding the forgoing, nothing contained herein shall be construed as considering reduction in the employers' workers compensation reserve levels as savings for purposes of this provision. Notwithstanding the foregoing provisions, nothing contained herein shall prevent the parties from mutually agreeing to the sharing of savings resulting

from the application of past workers compensations claims and expenses (those arising prior to the implementation of the ADR) to the ADR process, provided it is legally permissible.

The Employers and the Unions further agree that, subject to state and federal law, the Unions' portion of savings in workers' compensation costs generated by the ADR Program as defined above and as may otherwise be defined by the ADR Agreement and/or Administrator Agreement, shall be placed into a Fund. The Union members of the JLM Committee of the ADR Program will decide whether the Unions' portion of such savings shall be applied either to pay additional bonus money to the bargaining unit employees and/or applied to the Health & Welfare Trust Fund reserves. Any monies placed into the Health & Welfare Trust Fund shall not offset any Employer contributions otherwise due under the existing Collective Bargaining Agreement.

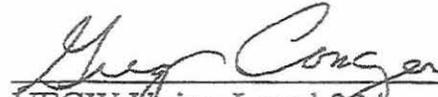
SIGNED THIS 26 DAY OF September, 2013.

FOR THE EMPLOYER:

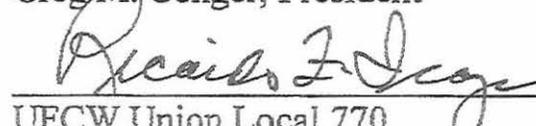


Super A Food, Inc.
Jim Amen, President

FOR THE UNION:



UFCW Union Local 324
Greg M. Conger, President



UFCW Union Local 770
Ricardo F. Icaza, President

UFCW Union Local 1167
Bill Lathrop, President

UFCW Union Local 1442
Michael Straeter, President

from the application of past workers compensations claims and expenses (those arising prior to the implementation of the ADR) to the ADR process, provided it is legally permissible.

The Employers and the Unions further agree that, subject to state and federal law, the Unions' portion of savings in workers' compensation costs generated by the ADR Program as defined above and as may otherwise be defined by the ADR Agreement and/or Administrator Agreement, shall be placed into a Fund. The Union members of the JLM Committee of the ADR Program will decide whether the Unions' portion of such savings shall be applied either to pay additional bonus money to the bargaining unit employees and/or applied to the Health & Welfare Trust Fund reserves. Any monies placed into the Health & Welfare Trust Fund shall not offset any Employer contributions otherwise due under the existing Collective Bargaining Agreement.

SIGNED THIS _____ DAY OF _____, 2013.

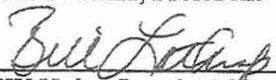
FOR THE EMPLOYER:

Super A Food, Inc.
Jim Amen, President

FOR THE UNION:

UFCW Union Local 324
Greg M. Conger, President

UFCW Union Local 770
Ricardo F. Icaza, President



UFCW Union Local 116
Bill Lathrop, President

UFCW Union Local 1442
Michael Straeter, President

from the application of past workers compensations claims and expenses (those arising prior to the implementation of the ADR) to the ADR process, provided it is legally permissible.

The Employers and the Unions further agree that, subject to state and federal law, the Unions' portion of savings in workers' compensation costs generated by the ADR Program as defined above and as may otherwise be defined by the ADR Agreement and/or Administrator Agreement, shall be placed into a Fund. The Union members of the JLM Committee of the ADR Program will decide whether the Unions' portion of such savings shall be applied either to pay additional bonus money to the bargaining unit employees and/or applied to the Health & Welfare Trust Fund reserves. Any monies placed into the Health & Welfare Trust Fund shall not offset any Employer contributions otherwise due under the existing Collective Bargaining Agreement.

SIGNED THIS _____ DAY OF _____, 2013.

FOR THE EMPLOYER:

Super A Food, Inc.
Jim Amen, President

FOR THE UNION:

UFCW Union Local 324
Greg M. Conger, President

UFCW Union Local 770
Ricardo F. Icaza, President

UFCW Union Local 1167
Bill Lathrop, President



UFCW Union Local 1442
Michael Straeter, President