

UNITED STATES OF AMERICA
BEFORE THE NATIONAL LABOR RELATIONS BOARD
REGION 13

CVS,)	
PETITIONER,)	Case No. 13-UC-266228
And)	
)	
TEAMSTERS LOCAL 727)	
RESPONDENT.)	
)	

**INTERNATIONAL BROTHERHOOD OF TEAMSTERS LOCAL 727'S STATEMENT
IN OPPOSITION TO PETITIONER'S REQUEST FOR REVIEW**

Pursuant to Section 102.71 of the National Labor Relations Board's Rules and Regulations, Respondent, Teamsters Local 727 ("the Union") hereby files its statement in opposition to the petitioner's request for review (hereinafter "RFR"). Petitioner ("CVS") seeks review of the Regional Director's ("RD") decision to administratively dismiss CVS's unit clarification petition ("UC Petition") which found that CVS's petition was untimely filed and that further proceedings were therefore, unwarranted. Petitioner contends that the RD erred in dismissing the UC Petition and concluding that the UC Petition was untimely. CVS in its RFR cited its bases for review under 102.67(d)(1)(ii) but requests for review of administrative dismissals are not governed by 102.67 and instead are governed by 102.71. As such, the Petitioner failed to raise any claim under 102.71 and the request should be denied on that basis alone. Without waiving this position, the sole basis cited by CVS under 102.67 in its RFR is that, "a substantial question of law or policy is raised because of a departure from officially reported Board precedent."¹ See page 2 of CVS's RFR. As will be for fully detailed below, CVS's arguments are

¹ CVS did not cite to any other grounds outlined in 102.67(d)(1)(i), (2), (3), or (4) of the Rules and Regulations to support its filing or 102.71. Additionally, CVS presented no facts or arguments concerning the additional grounds outlined in the Rules and Regulations. Although CVS alleged in Section V of its RFR that the RD's decision, "would be injurious to sound labor relations policy," such a claim does not provide a sufficient ground or basis for a request for review under the Rules and Regulations. Furthermore, CVS provided no facts or arguments beyond its conclusory statement of "injury" to support its claim. As such, CVS's contention is entirely without merit. Ironically, it is not the

wholly without merit.

ARGUMENT

I. The Petitioner's Request Was Accompanied By No Documentary Evidence And The Factual Findings of the Regional Director Must Therefore Stand As Uncontested

Pursuant to Rule 102.71(a) (3) of the NLRB's Rules and Regulations, where a petitioner is contesting a factual finding of the Regional Director, the request must be, "accompanied by documentary evidence previously submitted to the Regional Director raising serious doubts as to the Regional Director's factual findings, thus indicating that there are factual issues which can best be resolved upon the basis of the record developed at a hearing." *Id.*² Here, the Petitioner seemingly attempts to raise doubt about a factual finding of the RD that the "there have been no substantial changes to the classification" of Team Leaders without attaching a shred of documentary evidence to support its contention. Although CVS's footnote on page 5 of its RFR seems to imply that this finding of the RD was made in error, no such basis was actually alleged as a grounds upon which CVS filed its RFR in its actual request. In fact, CVS failed to attach any documentary evidence

RD's dismissal that would be injurious to sound labor relations but the failure of the Board to uphold the RD's well-reasoned decision that would be injurious to labor relations.

² Although Rule 102.67 cited by CVS in its RFR does not apply, the Rules applicable to those filings similarly states that requests for review may not, "raise any issue or alleged any facts not timely presented to the Regional Director." *Id.* Furthermore, requests for review under 102.67 "must be self-contained" in that review of the "record" is not necessary by the Board. *Id.* 102.71 similarly requires that documentary evidence relied upon by the Petitioner be attached to the RFR. In its RFR, CVS references an alleged email purportedly responding to the Union's position statement that allegedly explained why its Petition was timely. No such email was attached by CVS in its RFR and the Union is aware of no such email. In fact, it would seem that despite being order to provide its position statement and serve the Union with its statement of position addressing the issue of timeliness, as requested by the Region, CVS apparently contacted the Region *ex parte* to submit a reply which the Union was not afforded the opportunity to even respond to. The Union objects to any attempt by the Petitioner to raise facts not presented to the RD including any reference(s) to arguments or facts allegedly emailed to the Region that were not included in CVS's statement of position, were not served upon the Union, or attached to CVS's RFR should not be considered by the Board and should instead be dismissed outright. Additionally, it would seem that CVS had not one, but two, bites at the proverbial apple. Here, CVS not only filed its statement of position but also, by its own admission, contacted the Region *ex parte* after the Union's filing and submitted an additional statement of position which, if considered by the Region was inappropriate, but which the Region ultimately correctly denied. Therefore, any argument by CVS that the Region failed to properly consider and weigh the facts and case law raised by CVS is not only illogical but entirely unsupported by the procedural history as alleged by CVS in its own RFR.

raising any doubt whatsoever as to the RD's finding, likely because there is none. Furthermore, Petitioner seems to glaze over the additional finding which the Petitioner has not contested in its RFR that the, the "Petitioner [did] not assert that there have been recent changes to the job duties of Team Leaders." Exhibit 1 at page 2. The Petitioner did not contest this finding in its RFR, likely because it cannot as CVS has not once asserted that there were recent or substantial changes to the Team Leader classification. See, Exhibit 2. Instead, CVS's sole contention is that Team Leaders are allegedly supervisors. In fact, CVS contended numerous times that the duties of Team Leaders have existed for years. *Id.* Finally, as outlined in the Union's Position Statement submitted to the Region in this case, CVS also informed Region 13 Field Examiner, Michael Burros, that there have been no recent or substantial changes to the job duties/ responsibilities of Team Leaders or the corporate structure of CVS. See, Exhibit 3. Additionally, the fact that there have been no recent or substantial changes to the Team Leader job duties or responsibilities is further corroborated by the express language in the CBA itself which explicitly outlines the job duties of Team Leaders and which was produced to the Region. A simple review of the CBAs and Parties tentative agreements reveals that, not only has the list of job duties not changed in the prior CBAs, but the Parties again agreed to maintain current contract language for Article 11, including the existing list of job duties, during their most recent negotiations which remain ongoing.³ See, Exhibits 4-7. As such, CVS's statement that this factual question was not "addressed" or that the Region did not take evidence on this issue is wholly and entirely false. Notwithstanding the fact the CVS failed to provide any documentary evidence raising doubt as to the RD's findings, it is clear that the RD correctly found that there have been no recent or substantial changes to the classification.

³ Article 11 further requires CVS to, "notify the Union or Communication Committee of any major change of termination of the Team Leader program." From 2006 and continuing to date, the Employer has not notified the Union of any change, whatsoever, to the Team Leader program including changes to job duties or responsibilities of Team Leaders. This is a fact that continues to go uncontested by CVS.

II. No Compelling Reason Exists To Grant Review

In this case the Petitioner has alleged that only one ground exists here under 102.67, rather than 102.71. Namely, that, “a substantial question of law or policy is raised because of a departure from officially reported Board precedent.” See, RFR at page 2. This contention by the Petitioner is undeniably erroneous. As will be outlined bellowed, the RD did not depart from Board precedent but instead correctly applied Board precedent and longstanding principles of law governing the timeliness of UC petitions. Accordingly, no compelling reasons exists to disturb the RD’s decision.

In fact, compelling reasons exist for the Board to uphold the RD’s claim. Failure by the Board to uphold the RD’s dismissal would significantly disrupt the Parties negotiations and labor relations as large as outlined here. Specifically, failure to uphold the dismissal would grant CVS, an employer who has already been found to have violated the Act numerous times ⁴ during negotiations with the Union, the right to engage in further unlawful regressive bad faith bargaining by withdrawing tentative agreements reached by the Parties in negotiations. Such an action is not only contrary to Board Law but would create instability in labor relations at large as it would, in essence, permit employers to ignore the very agreements reached during bargaining which stabilize relationships. Such result is clearly not intended by Board precedent or policy and would not effectuate the purposes of the Act. See, *Wallace-Murray Corp*, 192 NLRB 1090 (1971).

III. The RD Correctly Concluded That The Unit Clarification Petition Was Untimely

Upon the RD’s review of the simple and indisputable documentary evidence in this case showing the 14-year historical recognition of Teamsters Local 727 and explicit inclusion of Team

⁴ See cases, 13-CA-234788, 13-CA-239819, 13-CA-239824, 13-CA-241598, 13-CA-244813 and 13-CA-249076. See also charge 13-CA-259770 which is currently pending appeal.

Leaders in the bargaining unit, the RD appropriately concluded that the petition was untimely and administratively dismissed it. Although the Union strongly disagrees that Team Leaders have authority to perform functions listed under 2(11) of the Act or that they exercise any independent judgment to take the action described by CVS in its RFR, given the untimely nature of the petition, the allegations raised by the Petitioner concerning the alleged supervisory status of Team Leaders are moot and require no further response.

A. The RD Correctly Found That Team Leaders Are Expressly Recognized As Bargaining Unit Employees

Article 1 of the CBA has recognized Teamsters Local 727 as the sole and exclusive collective bargaining representative of, “all registered pharmacists, graduate non-registered pharmacists, regularly employed part-time graduate and registered pharmacists and student pharmacy interns in the retail drugs stores operated by CVS/ pharmacy listed on Appendix E” of the Parties CBA (“the bargaining unit”), but excluding, “all store managers, assistant store managers, manager trainees, all supervisors and guards defined in the Act and all other employees,” since 2006.⁵ Team Leaders are, in fact, registered pharmacists and therefore clearly included in Article 1. Furthermore, Team Leaders inclusion in the recognition clause is made clear by Article 11 of the Parties CBA which clearly and unambiguously states that, “Team Leaders shall be bargaining unit members and shall perform bargaining unit work, primarily filling prescriptions.” This inclusion and recognition of Team Leaders has not changed at all since 2006 and is identical in each CBA executed between the Parties. Exhibits 4-6. As such, CVS’s representation in its RFR that the recognition clause is silent as to the status of Team Leaders is entirely false and unsupported by documentary evidence in this case which CVS did not contest.

⁵ As outlined in the Letter of Understanding attached to the Parties 2006-2010 CBA, the bargaining unit was transferred from Teamsters Local 714 to Teamsters Local 727 on July 1, 2009. See, attached Exhibit 4 at page 37.

B. The RD Appropriately Analyzed And Applied Applicable Board Law And the Principles Outlined Therein⁶

As the RD correctly stated, UC petition are not appropriate for upsetting the agreement or an established practice of the parties regarding the placement of existing classifications absent recent substantial changes in employees duties and responsibilities to existing classifications See, Exhibit 1 citing to *Union Electric Co.* 217 NLRB 666 (1975); *Robert Wood Johnson University Hospital* 328 NLRB 912 (1999); *Bethlehem Steel Corp.*, 329 NLRB 243 (1999); *Frontier Communications Corp.*, 217 NLRB LEXIS 580 (2017) (request for review of RD decision denied); *Dixie Electric Membership Corp. v. NLRB* 814 F.3d 756 (5th Cir. 2016) enforcing *Dixie Electric Membership Corp.*, 358 NLRB 1089 (2012), *upheld by* 361 NLRB No. 107 (2014); *CHS Inc.*, 355 NLRB 928 (2010). This holds true regardless of any alleged mistake by a petitioner or whether the practice was established by acquiescence rather than express consent. *Id.* Furthermore, the Board will “not entertain” UC petitions when there is an established practice or agreement of the parties like there has been here, “even if there has been a change in the Board’s decisional law.” *Caesar’s Palace*, 209 NLRB 950 (1974). As the Board has appropriately noted, adherence to these strict requirements on timeliness of a UC petition protects not only the parties’ expectations and agreements regarding employee classifications but also promotes stability in the industry. *Wallace-Murray Corp.*, 192 NLRB 1090 (1971).

In simply reviewing the Parties prior CBAs the RD was able to determine that the Parties have both a historical agreement and longstanding practice of including Team Leaders in the bargaining unit. See, Article 11, “Team Leaders *shall* be bargaining unit members” Exhibits 4-6

⁶Petitioner’s contention that the RD’s decision prevents the filing of the UC petition in perpetuity is simply unsupported by the RD’s decision itself which outlines instances where UC petitions will be considered timely. Exhibit 1.

(emphasis added). Although the prior CBAs are sufficient to render the instant petition untimely, the Parties recent negotiations, while ongoing, similarly establish explicit agreement of the Parties to include Team Leaders in the bargaining unit. A fact which the Petitioner has never contested. Specifically, CVS and Teamsters Local 727 are engaged in negotiations for a successor contract. Negotiations between the Parties began in 2016 and continues to date.⁷ Since day 1 of negotiations the Parties have been in agreement to include Team Leaders in the bargaining unit as neither party raised or proposed changes to the inclusion language in sentence two of paragraph 1 of Article 11. Additionally, in January of 2020, CVS withdrew the proposals it had to change Article 11 and, as a result, the Parties reached a tentative agreement on maintaining the current contract language and longstanding inclusion of Team Leaders in the bargaining unit. Exhibit 7 at page 6. Similarly, CVS withdrew its proposal to change the current contract language of paragraph 1 of Article 1 which codifies recognition of 727 as the representative.⁸ *Id.* When it withdrew its proposals on Article 11 and paragraph 1 of Article 1, CVS did not propose or reserve its right to file a UC

⁷ The Parties have met twice since the instant petition was filed on September 22nd and October 28th. During these sessions no changes were made to the tentative agreements reached on Articles 1 or 11 as outlined herein.

⁸ Because the Parties have reached a tentative agreement on including Team Leaders on January 30, 2020, the mere filing of the UC petition attempting to undo this tentative agreement is an act of unlawful regressive bargaining prohibited by the NLRA which cannot be upheld by the Board. See, *Valley Oil Co.*, 210 NLRB 370 (1974); *Union Plaza Hotel & Casino*, 296 NLRB 918, fn.4 (1989) enfd by *E.G.&H Inc. v. NLRB.* 949 F.2d 276 (1991). Here, the Parties have been engaged in negotiations for over four years and have slowly reached tentative agreements on remaining items which includes Article 11. Removing a tentative agreement on Article 11 and paragraph 1 of Article 1 at this late stage by processing the UC petition for the exclusion of Team Leaders will do nothing more than prolong negotiations, push the Parties further apart, and prevent reaching a successor agreement. Reaching an overall agreement is the very thing that stabilize labor relations. As the Board appropriately noted *Edison and E.G. & H.*, processing the UC petition should be avoided in circumstances such as these where it. "would be... destructive of stable bargaining relationships." *Id.* at 280; see also *Dixie Electric Co.*, 358 NLRB 1089 (2012); *Edison Sault Electric Co. and United Steelworkers*, 313 NLRB No. 129 (1994); *Wallace-Murray Corp.*, 192 NLRB 1090 (1971). Additionally, Team Leaders have actively participated in the ongoing negotiations since 2016. In fact several Team Leaders have participated as members of the Union's bargaining committee including three Team Leaders who participated in the ongoing negotiations. Many of the proposals, movement, and agreements reached by parties in negotiations is a direct result of the Team Leaders inclusion in the bargaining unit and participation. As such, excluding them now would have a catastrophic impact on the progress made by the Parties in negotiation as it would make several of the agreements and proposals which resulted from the usual give and take process that occurs in bargaining potentially invalid and moot. This would likely have an unavoidable domino effect on the parties' negotiations. This is the very instability Board law protects against. *Id.*

petition at a later date concerning Team Leaders nor have the Parties agreed to such.⁹ Board law is clear that the agreements of the parties reached during negotiations even where the contract has not been finalized or signed which include a classification should be honored. *Edison Sault Electric Co*, 313 NLRB 753 (1994); *Wallace-Murray Corp*, 192 NLRB 1090 (1971). In *Edison* the Board specifically extended the holding of *Wallace-Murray* to prevent an employer from attempting to exclude employees on the grounds that they are supervisors after reaching agreement on the issue during bargaining. *Id* at 754. Here the Parties have clearly and undisputedly reached an agreement on Article 11 of the CBA which explicitly includes Teams Leaders, thereby extending the over 14-year inclusion of Team Leaders whose classification has not recently or substantially changed. Even if CVS had reserved its right to dispute the classification of Team Leaders during bargaining, a fact which the Union strongly denies, CVS's filing here is still untimely as the petition was filed over 9 months after reaching a tentative agreement on including Team Leaders. Filing 9 months after reaching an agreement to continue the historically included classification of Team Leaders undeniably exceeds the Board's established outer limit of filing. *Dixie Electric v. NLRB*, 814 F.3d. at 757.

Additionally, the RD was correct in finding that the *Washington Post*¹⁰ does not, "stand for the proposition that supervisory status must be determined whenever it is raised," as CVS again

⁹ Similarly, no election petition has been recently filed nor has the Region granted the employer the right to file a UC petition contesting this unit post-election. As such the exceptions to contesting supervisory status outlined in *Washington Post Co.*, 254 NLRB 168 (1981), and *Goddard Riverside Community Center*, 351 NLRB 1234 (2007) are distinguishable from the facts of this case and therefore do not apply. See, *Granicare, Inc.*, 331 NLRB 123 (2000); *I.O.O.F. Home of Ohio, Inc.*, 322 NLRB 921, 922-923 (1997); *Baltimore Sun Co*, 296 NLRB 1023 (1989).

¹⁰ *Bhd. Of Locomotive Firemen*, 145 NLRB 1521 (1964) similarly does not stand for the proposition that UC petitions raising 2(11) issues may be filed at any time. In fact, in that case, the employer, unlike CVS here, raised the issue during bargaining which the parties did not resolve. Here, the Parties had agreement on including Team Leaders on day 1 of negotiations as neither party proposed changing the second sentence of Article 11. The Parties further reached overall agreement to maintain existing contract language on Article 11 on January 30, 2020. Unlike the employer in *Locomotive*, CVS never raised the issue of excluding Team Leaders from the bargaining unit during bargaining, and instead sprung a UC petition on the Union four years into bargaining and after resolving the issue in negotiations (a fact which CVS does not contest).

contends in its RFR. Instead, the Board, in *Washington Post* ordered a hearing on a UC petition because the petition involved supervisory status *and* was timely filed. *Washington Post Company*, 254 NLRB 168 (emphasis added). In finding the petition timely, the Board specifically relied upon the fact that the employer had not, “abandoned its unit composition contentions” and had instead explicitly reserved its right to raise the issue later during an RC hearing. *Id.*¹¹ In fact, where a party, like the Petitioner here, has not reserved the right to contest the supervisory status and has instead agreed to include the classification, the Board has found petitions filed after agreement untimely. *Arthur C. Logan Memorial Hospital*, 231 NLRB 778 (1977).

In *Arthur Logan* the Board specifically held that, where, the parties were “fully aware” of uncertainty surrounding the supervisory status of a classification and agreed to the inclusion of the classification anyway, UC petitions filed after reaching agreement on the issue are untimely as they would, “tend to undermine the parties' collective-bargaining relationship.” *Id.* at 779. This is the case here. Here, there have been no changes to the Team Leader classification and CVS was well aware of the job duties of Team Leaders when the Parties began negotiations and reached agreement on Article 11 to include them. In reaching agreement on January 30, 2020, CVS did not reserve its right to contest the status of Team Leaders via a UC petition and never even raised the issue in bargaining. CVS does not have the right to, in essence, contest supervisory status at any time and after reaching agreement with the Union on the issue. See, *Granicare Inc.*, 331 NLRB 123 (2000) rejecting the respondents contention that the “board is required to determine supervisory status of job classifications in bargaining units at any time.” Instead, the Board has consistently forced employers to honor their agreements and representations to the Union

¹¹ The same holds true for *Baltimore Sun Co.* 296 NLRB 1023 (1989) upon which CVS relies. In that case, the employer, unlike CVS, specifically informed the Union that it intended on filing a UC petition if the parties could not reach agreement.

concerning unit inclusion.¹² See, *HIOF Home of Ohio*, 322 NLRB 921 (1997). In fact, there is no case, whatsoever, where the Board has found a UC to be timely where the petitioner had agreed to inclusion during bargaining and did not raise or reserve the issue during bargaining.¹³ Although the Petitioner claims there are only “two situations” where a UC petition raising 2(11) issues will be untimely, no such standard has ever been outlined by the Board.¹⁴ Instead, the Board has consistently upheld the longstanding principle of stability in the industry by holding employers, like CVS, to their representation and agreements made during bargaining. The RD therefore appropriately found that CVS, is not permitted under Board Law to untimely rescind its agreement to include Team Leaders including the parties most recent tentative agreement reached during ongoing negotiations. Instead, CVS must wait until the Parties negotiate their next contract to raise the issue if it so chooses.

¹² In analyzing the timeliness of the petition the Board in *Washington Post* specifically addressed the issue of whether there were substantial changes to the classifications job duties. As such, the RD consideration of that fact is consistent with Board precedent. *Washington Post Co.*, 254 NLRB 168 (1981).

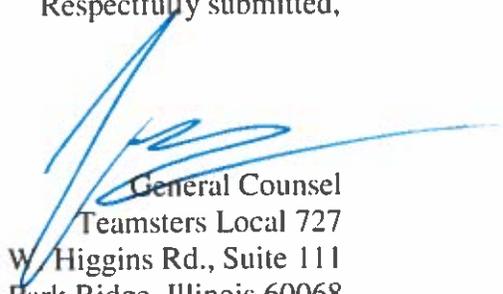
¹³ The Petitioner’s reliance on *Frontier Hotel & Casino* is misplaced and not applicable here. First, *Frontier* is a CA case, not a UC case. 318 NLRB 857, 868 (1995). Additionally the citation relied upon by Petitioner is most certainly dicta and not a precedential holding. *Id.* Finally, the Board made clear that while an employer could “seek to modify the collective bargaining unit to comport with the statute,” via a UC petition, that petition would still have to be “timely file[d].” *Id.*

¹⁴ The Petitioner’s citation to *Firestone Tire & Rubber Co.*, 185 NLRB 63 (1970) is inapplicable as the very proposition upon which CVS cites to was overruled by the Board in *Kirkhill Rubber*, 306 NLRB 559 (1992). Similarly, *Shop Rite Foods, Inc.*, 247 NLRB 883 (1980) and *Baltimore Sun Co.*, 296 NLRB 1023 (1989) are also inapplicable as the facts are entirely distinguishable from the facts in this case. Unlike *Shop Rite*, CVS did not raise this issue of Team Leaders shortly before the parties current CBA expired or when the parties were preparing for negotiations. Instead, CVS said nothing during the four years of negotiations. In fact, CVS never even proposed changing the second sentence of Article 11 (i.e. the very clause which makes states that Team Leaders “shall be bargaining unit members”). The parties have therefore arguably been in agreement on Team Leader’s inclusion since day 1 of negotiations in 2016. CVS and 727 reached complete agreement on the entirety of Article 11 in January of 2020 and CVS again waited over 8 months to pass before filing the instant petition.

CONCLUSION

For all of the aforementioned reasons, the Union respectfully requests that Board deny CVS's Request for Review and uphold the Regional Director's dismissal.

Respectfully submitted,



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Filed November 10, 2020 (via electronic submission)

STATEMENT OF SERVICE

I Jayna Brown, state under oath that on November 10, 2020, I caused a copy of the International Brotherhood of Teamsters Local 727 Statement in Opposition to Petitioner's Request For Review in Case 13-UC-266228 to be e-filed with Executive Secretary of the National Labor Relations Board and with Region 13 of the National Labor Relations Board.

Copies of these filings have been served upon the following individuals by email:

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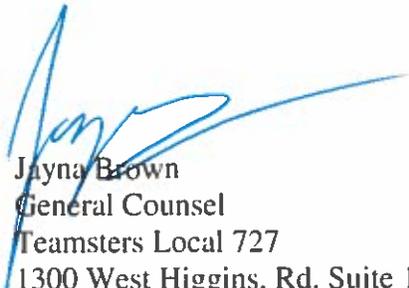
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Exhibit 1



UNITED STATES GOVERNMENT
NATIONAL LABOR RELATIONS BOARD

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October 23, 2020

Via Electronic Service Unless Otherwise Indicated

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Re: CVS/pharmacy
Case 13-UC-266228

Dear Mr. Bucking:

On September 17, 2020, CVS/pharmacy filed the above captioned case petitioning for an investigation and determination of representative under Section 9(c) of the National Labor Relations Act. Specifically, the Employer sought to exclude the role of Team Leader from the bargaining unit represented by Teamsters Local 727. The above-captioned case has been carefully investigated and considered.

Decision to Dismiss: As a result of the investigation, I find that further proceedings are unwarranted. The investigation disclosed that the CVS petition for Unit Clarification is not timely for the reasons discussed below.

Background

In general terms, UC petitions are appropriate for resolving 1) ambiguities concerning unit placement, or 2) placement of an existing classification that has undergone recent, substantial changes in employee duties and responsibilities. See *Union Electric Co.*, 217 NLRB 666, 667 (1975). Clarification is not appropriate for upsetting an agreement between a union and employer concerning unit placement of various individuals. *Id.*

UC petitions are timely if the petition is intended to clarify employees performing newly created operations or there are new classifications that were not in existence at the time the contract was signed or where those classifications were not considered in the contract. Petitions

will also be entertained shortly after a contract is executed (or an RC election is held) when the parties could not reach agreement on a disputed classification.

Board precedent also dictates that UC petitions are untimely when the objective is to change the composition of a contractually agreed-upon unit by the exclusion or inclusion of employees¹. To grant the petition at such a time would be disruptive of a bargaining relationship voluntarily entered into by the parties when they executed the existing contract².

Facts and Argument

The parties are currently negotiating a successive collective bargaining agreement to their agreement that expired in 2016. Under the terms of the expired agreement, Team Leaders are expressly recognized as bargaining unit employees³. Through this petition, the Petitioner seeks to change the composition of the contractually agreed-upon unit by excluding Team Leaders from the unit.

Petitioner does not assert that there have been recent changes to the job duties of Team Leaders. Instead, Petitioner argues that Team Leaders are statutory supervisors as defined by Section 2(11) of the National Labor Relations Act and have been for several years. Petitioner asserts that the Board is required to determine supervisory status any time the issue is raised because supervisory status is a statutory exclusion. To support its legal argument Petitioner cites *Washington Post Company*, 254 NLRB 168 at 168-169 (1981).

In *Washington Post Company*, the UC petition was filed immediately after an election in which the issue of the supervisory status of the challenged employees was raised and not waived by the Employer. Based on the employer's reservation of its contention to the unit placement issues in the recent representation proceeding, the unit clarification petition filed shortly thereafter was timely. The *Washington Post Company* case does not stand for the proposition that supervisory status must be determined whenever it is raised. Rather it stands for the proposition that, when timely filed, the Board may process an appropriate UC petition seeking to exclude a classification based on supervisory status even though the disputed classification has been historically included in the unit.

A petition may also be entertained shortly after a contract is executed when the parties could not reach agreement on a disputed classification and the UC petitioner did not abandon its position in exchange for contract concessions. *St. Francis Hospital*, 282 NLRB 950, 951 (1987).

¹ *Edison Sault Electric Co.*, 313 NLRB 753 (1994) "In other words, the Board has held that to permit clarification during the course of a contract would mean that one of the parties would be able to effect a change in the composition of the bargaining unit during the contract term after it agreed to the unit's definition".

² *Arthur C. Logan Memorial Hospital* 231 NLRB No 119 (1977) the parties agreed that the disputed classifications were part of the current collective-bargaining agreement as well as by all predecessor agreements. UC Petition found not timely filed because it would tend to undermine the collective-bargaining relationship. See, *Wallace-Murray Corp.*, 192 NLRB 1090 (1971)

³ "The Employer may designate staff pharmacists as Team Leaders. Team Leaders shall be bargaining unit members and shall perform bargaining unit work, primarily filling prescriptions." CBA, Article 11

See also *Goddard Riverside Community Center* 351 NLRB 1234 (2007). The parties in the instant case have not recently executed a contract as they are currently in negotiations for a successive collective bargaining agreement.

The instant petition is not timely filed inasmuch as there is no ambiguity of the placement of Team Leaders, there have been no substantial changes to the classification, and the parties are currently in negotiations. The inclusion of the Team Leader classification in the bargaining unit is a result of negotiations between the parties and this agreement has been embodied in multiple collective bargaining agreements.

Accordingly, I am dismissing the petition in this matter.

Right to Request Review: Pursuant to Section 102.67 of the National Labor Relations Board's Rules and Regulations, you may obtain a review of this action by filing a request with the Executive Secretary, National Labor Relations Board, 1015 Half Street SE, Washington, DC 20570-0001. A copy of the request for review must be served on each of the other parties, as well as on the undersigned, in accordance with the requirements of the Board's Rules and Regulations. The request for review must contain a complete statement of the facts and reasons on which it is based.

Procedures for Filing Request for Review: Pursuant to Section 102.5 of the Board's Rules and Regulations, a request for review must be filed by electronically submitting (E-Filing) it through the Agency's web site (www.nlr.gov), unless the party filing the request for review does not have access to the means for filing electronically or filing electronically would impose an undue burden. A request for review filed by means other than E-Filing must be accompanied by a statement explaining why the filing party does not have access to the means for filing electronically or filing electronically would impose an undue burden. Section 102.5(e) of the Board's Rules do not permit a request for review to be filed by facsimile transmission. A copy of the request for review must be served on each of the other parties to the proceeding, as well as on the undersigned, in accordance with the requirements of the Board's Rules and Regulations. The request for review must comply with the formatting requirements set forth in Section 102.67(i)(1) of the Board's Rules and Regulations. Detailed instructions for using the NLRB's E-Filing system can be found in the [E-Filing System User Guide](#).

A request for review must be received by the Executive Secretary of the Board in Washington, DC, by close of business (**5 p.m. Eastern Time**) on **November 5, 2020** unless filed electronically. If filed electronically, it will be considered timely if the transmission of the entire document through the Agency's website is **accomplished by no later than 11:59 p.m. Eastern Time on November 5, 2020**.

Filing a request for review electronically may be accomplished by using the E-Filing system on the Agency's website at www.nlr.gov. Once the website is accessed, click on **E-File Documents**, enter the NLRB Case Number, and follow the detailed instructions. The responsibility for the receipt of the request for review rests exclusively with the sender. A failure

to timely file the request for review will not be excused on the basis that the transmission could not be accomplished because the Agency's website was off line or unavailable for some other reason, absent a determination of technical failure of the site, with notice of such posted on the website.

Upon good cause shown, the Board may grant special permission for a longer period within which to file a request for review. A request for extension of time, which must also be filed electronically, should be submitted to the Executive Secretary in Washington, and a copy of such request for extension of time should be submitted to the Regional Director and to each of the other parties to this proceeding. A request for an extension of time must include a statement that a copy has been served on the Regional Director and on each of the other parties to this proceeding in the same manner or a faster manner as that utilized in filing the request with the Board.

Any party may, within 5 business days after the last day on which the request for review must be filed, file with the Board a statement in opposition to the request for review. An opposition must be filed with the Board in Washington, DC, and a copy filed with the Regional Director and copies served on all the other parties. The opposition must comply with the formatting requirements set forth in §102.67(i)(1). Requests for an extension of time within which to file the opposition shall be filed pursuant to §102.2(c) with the Board in Washington, DC, and a certificate of service shall accompany the requests. The Board may grant or deny the request for review without awaiting a statement in opposition. No reply to the opposition may be filed except upon special leave of the Board.

Very truly yours,

/s/Peter Sung Ohr

Peter Sung Ohr
Regional Director

cc: Office of the Executive Secretary (by e-mail)

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Exhibit 2

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September 30, 2020

Via E-Filing and E-mail

Peter Sung Ohr, Regional Director
National Labor Relations Board
Region Thirteen
Dirksen Federal Building
219 South Dearborn Street, Suite 808
Chicago, IL 60604-2027

Re: CVS/pharmacy, Case No. 13-UC-266228

Dear Mr. Ohr:

CVS/pharmacy ("CVS") submits the following statement in support of its Unit Clarification Petition filed on September 16, 2020 seeking to exclude the role of Team Leader from the bargaining unit represented by Teamsters Local 727 ("Union"). The current bargaining unit consists of pharmacists, including staff pharmacists, floater pharmacists, and graduate student pharmacists (pharmacy interns). Excluded from the unit are supervisors and other categories of employees. For the reasons described below, CVS seeks to clarify this unit to exclude pharmacists who are in the role of Team Leader based on their supervisory status under Section 2(11) of the National Labor Relations Act, 29 U.S.C. § 152(11). Team Leaders are responsible for supervising pharmacy technicians, a non-unit position in the pharmacy.

Under longstanding Board law, supervisors are not covered employees under the NLRA and must be excluded from any bargaining unit. This is true whether the affected individuals were organized yesterday or decades ago. *See Washington Post Company*, 254 NLRB 168, 168-69 (1981). So long as the individuals meet just one of the supervisory factors set out in Section 2(11) of the Act, then their exclusion is required. *Oakwood Healthcare, Inc.*, 348 NLRB 686, 687 (2006).

Here, Team Leaders satisfy several of the Section 2(11) criteria. They are responsible – and held accountable – for hiring, disciplining, promoting, transferring, directing and assigning technicians' work. Beyond that, Team Leaders meet several secondary indicia of supervisory status, including developing and executing business plans

for the pharmacy; attending management-only meetings and trainings; and being entrusted with access to parts of CVS's systems which are limited only to management.

Below is a summary of the evidence CVS is ready to present in support of its petition.

Facts

I. Background

The Union is the recognized bargaining representative of pharmacists in certain designated CVS pharmacies throughout the greater Chicago area. The current collective bargaining agreement between the Union and CVS expired on May 7, 2016. Exhibit A. Since its expiration the parties have been engaged in successor negotiations but have not reached agreement.

Neither CVS nor the Union was involved in the initial organization of this bargaining unit. Originally, Teamsters Local 714 successfully organized pharmacists working at Chicago area stores owned by Osco Drug. In 2006, CVS purchased these stores from Osco Drug and assumed its 2006-2010 collective bargaining agreement with Local 714. In 2009, Local 714 transferred representation to the Union. CVS and the Union have since negotiated two successor agreements, one from 2010-2013 and another from 2013-2016.

The bargaining unit includes registered pharmacists and non-registered graduate student pharmacists, excluding managers and supervisors as defined under the Act:

The Employer recognizes the union as the sole collective bargaining agent for all registered pharmacists, graduate non-registered pharmacists, regularly employed part time graduate and registered pharmacists and student pharmacy interns in the retail drug stores operated by CVS/pharmacy listed on Appendix E, excluding, however, all store management, assistant store managers, manager trainees, all supervisors and guards as defined in the Act and all other employees.

Exhibit A at Article 1.

At issue in this petition is the Team Leader role, which is held by registered pharmacists.

II. Pharmacy Staffing

Each Local 727 pharmacy has one Team Leader, one or more staff pharmacists, and pharmacy technicians. Team Leaders and staff pharmacists typically split most of the pharmacies' open hours. Additionally, floater pharmacists move between pharmacies covering certain shifts and pharmacist absences. Pharmacists and pharmacy interns are part of the 727 bargaining unit. Pharmacy technicians are part of a separate bargaining unit.

Technicians report to Team Leaders. Team Leaders and other pharmacists report to District Leaders.

III. Team Leaders Regularly Perform Statutory Supervisory Functions

Section 2(11) of the NLRA defines “supervisor” as “any individual having authority, in the interest of the employer, to hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward, or discipline other employees, or responsibly to direct them, or to adjust their grievances, or effectively to recommend such action, if in connection with the exercise of such authority is not of a merely routine or clerical nature, but requires the use of independent judgment.” 29 U.S.C. § 152(11). Team Leaders perform most of these functions on a regular basis and thus must be excluded from the bargaining unit, as a matter of law.

CVS is prepared to present testimony from several witnesses to address the specific ways in which Team Leaders supervise technicians and the extent to which these supervisory duties are a regular part of Team Leaders’ jobs. Further, CVS is prepared to submit hundreds of documents from the past several years corroborating its witnesses’ testimony. These documents include:

- Hiring requisitions showing Team Leaders creating job openings and listing Team Leaders as hiring managers;
- Disciplinary documents created and delivered by Team Leaders to technicians;
- Performance reviews given by Team Leaders to technicians;
- Disciplinary documents given to Team Leaders by District Leaders showing Team Leaders being held accountable for fulfilling, or failing to fulfill, supervisory functions;
- Performance reviews given by District Leaders to Team Leaders likewise showing their being held accountable for fulfilling, or failing to fulfill, supervisory functions;
- CVS scorecards given only to Team Leaders in the pharmacy showing pharmacies’ profit and loss and other performance metrics;
- Business action plans prepared by Team Leaders describing the ways in which they will improve the profitability, and other metrics, in their pharmacies; and
- Management-only trainings delivered to Team Leaders.

Below is a detailed summary of the evidence as to the specific supervisory functions Team Leaders perform.

A. Hiring

Witnesses will testify that Team Leaders are solely responsible for hiring pharmacy technicians at their stores, and that Team Leaders do not need permission from anyone to post a job opening or to extend an offer to a new technician. The witnesses will explain that Team Leaders determine:

- When to open a job requisition to hire new technicians;
- Whether to hire for a part-time or full-time role;
- How to conduct the interview process, including who will participate in interviews, what questions to ask, and the number of interviews to conduct;
- Whether to extend an offer; and
- Whether to look for more candidates.

In support of this testimony, CVS will also submit over 200 job requisitions opened by Team Leaders from the past seven years (as far back as the system goes), demonstrating that hiring is a regular and constant responsibility for Team Leaders. An example of one such requisition is attached here at Exhibit B.

Further, witnesses will testify, with supporting documentation, that Team Leaders are held accountable for their ability to independently and successfully meet their pharmacies' hiring needs and that their failure to do so effectively can result in disciplinary action. The supporting documentation includes:

- Monthly scorecards for the pharmacy measuring, among other metrics, Team Leaders' ability to manage staffing levels appropriately. Specifically, CVS creates a monthly scorecard for how pharmacies are performing against projected goals. One of the scores relates to how well Team Leaders are meeting hiring needs for their stores. Team Leaders receive a scorecard each month and are required to make action plans addressing areas where they need improvement. An example of this scorecard is attached here at Exhibit C (the staffing metric is referred to as myTeam Health).
- Team Leaders can and have been disciplined for not meeting their pharmacies' hiring needs. The discipline can be a stand-alone document (called a counseling at CVS) or can be delivered as part of a Team Leader's annual performance review. An example performance review directing the Team Leader to improve on staffing is attached here at Exhibit D ("I think cross sourcing, hiring, developing talent and holding them to a higher

standard is the opportunity that we left on the table in 2018 and WeCare and Patient Care struggled due to the aforementioned gaps.”).

B. Discipline

Team Leaders are responsible for disciplining technicians who violate company policies or who fail to fulfill their expected job responsibilities. CVS will submit over 50 disciplinary documents from the past five years issued by Team Leaders to technicians, as well as over 100 performance reviews issued last year by Team Leaders to technicians. Further, CVS will offer testimony confirming the following:

- Only Team Leaders, and no one else (including other pharmacists and District Leaders), can create or add discipline to a technician’s personnel record in CVS’s performance management system.
- Team Leaders have complete discretion as to when they will formally discipline someone for violating CVS’s policies versus using informal coaching or counseling as a corrective measure. Team Leaders make this determination without input or recommendation from their District Leaders.
- Team Leaders have complete discretion as to whether they will issue discipline for performance-related matters. For instance, on one occasion, two technicians and a floater pharmacist were on duty together when an issue arose relating to customer service. After the incident was reported to corporate, the District Leader encouraged the Team Leader to discipline the technicians, but the Team Leader decided that discipline was not appropriate under the circumstances. The Team Leader made the final decision not to discipline the technicians, and this Team Leader was neither disciplined nor penalized for not following his District Leader’s recommendation.
- Team Leaders can also place technicians on a corrective action plan by giving them a “needs improvement” ranking on their annual performance review. This ranking means that absent certain improvements in the areas of deficiency, the technician will be terminated. In this way, the performance review is treated by CVS as a disciplinary document. Team Leaders have full discretion to use this tool to improve technicians’ performance; they do not need approval and permission to do so from anyone else.

C. Promotions

Team Leaders are responsible for promoting technicians to Lead Technicians. Lead Technicians earn higher pay than technicians and are responsible for engaging other technicians to stay on task and completing tasks delegated to them, including scheduling, printing reports, and inventory work. Lead technicians are usually promoted from within a store, rather than hired externally. Testimony on this factor will show that:

- Team Leaders determine if and when a technician is ready for a promotion;
- Team Leaders manage the promotion process on their own;
- Team Leaders do not need permission or input from anyone to promote a technician; and
- Team Leaders also have authority not to promote individuals if there is no one capable of fulfilling the additional responsibilities.

D. Responsible Direction

Team Leaders are responsible for directing the work of technicians and are held accountable by their District Leaders for doing so effectively. CVS will show that Team Leaders direct work in two distinct ways. First, witnesses will testify that Team Leaders direct technicians throughout the course of the day, determining what work the pharmacy technician will perform and at what times, including setting breaks and directing technicians to perform tasks which are separate from their prescription-filling duties. For instance, a Team Leader will direct a technician to assist customers looking for front-store items, or to do cleaning in the pharmacy. Team Leaders will also determine where in the pharmacy to station various technicians based on their skill sets and abilities and the overall business of the pharmacy at a given time.

Second, witnesses will testify that Team Leaders are responsible for directing technicians on completing the pharmacy's regular tasks, in addition to filling prescriptions. Team Leaders have full discretion to determine when during technicians' shifts the below tasks should be completed. Much of this direction happens when the Team Leader is not on duty, as the Team Leader will tell technicians that when he or she is not present they are still expected to complete certain specific tasks. Team Leaders direct tasks such as:

- restocking prescriptions not picked up by customers within 14 days of ordering (often done daily);
- returning unused and expiring medications to CVS's warehouse (done weekly);
- unloading deliveries of new medications and stocking the shelves (done weekly);
- counting inventory of medications (done daily); and
- making calls to customers to remind them to pick up or renew their prescriptions (done weekly).

Witnesses will testify as to various strategies Team Leaders use in getting this work done. Some Team Leaders assign the same technician to perform certain tasks, since that

person becomes trained and more efficient at getting it done. Others rotate the responsibilities so no one person has more work to do than others. Specific examples of strategies include:

- One Team Leader previously assigned specific shelves to technicians and told them they were responsible for pulling the expired medications on their assigned shelves. This Team Leader recognized that this work was not getting done on time. The Team Leader responded by creating a new process where all technicians would spend the first five minutes of their shifts pulling expired medications. The Team Leader communicated this plan to his Lead Technician and instructed the Lead Technician to execute on it. The Team Leader had full authority to devise this plan and to delegate its execution to his Lead Technician.
- One Team Leader created a new process for handling outside vendor deliveries. The Team Leader realized that daily deliveries were sitting on an empty shelf for hours each day, rather than being processed. This shelf is nearest to the drive thru station, so the Team Leader made it a requirement that whoever was working at drive thru was responsible for processing this delivery. Again, the Team Leader had full authority to set this direction.
- At a pharmacy trying to improve its customer service rankings, the Team Leader created a group messaging system where he encouraged technicians to provide the best customer service possible and directed them (even when the Team Leader was not there) to stop what they were doing and help customers if a line started to form.

Witnesses will testify that Team Leaders are regularly and consistently held accountable for their direction of technicians. The evidence on this point will include testimony about informal coaching and formal discipline issued to Team Leaders. Further, CVS will submit over 50 disciplinary documents and over 100 performance reviews issued to Team Leaders over the last seven years. The subject matter varies across discipline and reviews, but they consistently demonstrate that Team Leaders are held accountable for managing their technicians' work effectively. Examples attached here include:

- Exhibit E is a discipline issued to a Team Leader for failing a Loss Prevention Baseline audit, because the Team Leader allowed technicians to keep personal items in an unauthorized area of the pharmacy. The counseling concluded with a warning that "if further baseline or regulatory failures occur additional accountability up to and including termination may occur."
- Exhibit F is an annual performance review issued to a Team Leader outlining her many supervisory duties, including her responsibility to direct technicians' work. The review states, in part: "PIC is accountable for management, oversight, and operation of all aspects of the pharmacy within

his store including: pharmacy professional practice, regulatory requirements, quality assurance, customer service, personnel management, inventory management, financial profitability and loss prevention.... PIC's are also responsible for the development and performance management of all technicians, identification of critical business opportunities, establishing meaningful solutions to drive performance and growth and successfully implementing those plans by managing the Pharmacy Staff to accomplish these goals."¹ The Team Leader was further told that failure to meet these objectives could result in termination.

E. Assignment of Work

Team Leaders are responsible for setting technicians' work schedules on a weekly basis. Witnesses will testify as to this factor that:

- The Team Leader is the only one held accountable for weekly assignments being done on time and in line with the pharmacy's budgeted weekly hours and staffing needs.
- Team Leaders determine who to assign at what times of day. For example, Team Leaders assign technicians whom they deem as more skilled to work at peak busy hours.
- Team Leaders determine the number of people to assign at a given time. For example, Team Leaders may decide to assign more technicians on inventory day and fewer people on other days.

As described above, failure to properly staff and schedule the pharmacy will result in discipline for Team Leaders, which is reflected in Team Leader disciplines and their performance reviews, referenced above. An example of a discipline relating to assignment of work is attached here at Exhibit G ("You are expected to be properly use the mySchedule tool and meet financial responsibilities by scheduling at or below technician demand allocated with proper optimization.... Continued misses on meeting demand for the month will result[] in further disciplinary action up to and including termination.").

F. Transfers

Team Leaders are responsible for approving or denying technicians' requests to transfer from one store to another. Testimony will show that transfers typically arise where a technician asks to relocate to another location for personal reasons, such as moving. The Team Leader will contact the Team Leader at the other store to discuss the technicians' skills

¹ "PIC" refers to Pharmacist in Charge and is another way of referring to a Team Leader.

and abilities. Testimony will show that Team Leaders have full discretion to accept or reject a transferee, without input from their District Leaders.

Team Leaders are also entrusted to access CVS's personnel management system. Access to this system, which includes transfer information, is limited only to CVS's managers.

G. Additional Indicia of Supervisory Status – Business Strategy and Leadership Responsibilities

1. Business Action Plans

A Team Leader is the only person in the pharmacy responsible for developing a business action plan to align with CVS's management objectives for its pharmacy business. On this point, CVS will present testimony as to the following:

- As referenced in the section above on hiring, each month CVS circulates a profit and loss statement for the pharmacy and a scorecard evaluating the pharmacy's performance in areas like customer service, prescription volume, and personnel matters. Team Leaders are expected to review this paperwork and to develop monthly action plans describing the ways in which the Team Leader is going to improve his/her pharmacy's performance going forward.
- Team Leaders are independently responsible for determining what action items they want to focus on and how they will accomplish their goals.

CVS will also submit a sampling of 34 action plans, covering all of the pharmacies in the bargaining unit. An example of one action plan is attached here at Exhibit H. In this action plan, a Team Leader observed that her prescription count was down, and she came up with a three-part strategy for improving this area: (1) require technicians to make more patient care calls reminding patients to get their refills; (2) remind technicians to offer customers auto-refills (a prompt at the register); and (3) set up off-site flu clinics (since a flu shot is counted the same as filling a prescription).

Additionally, Team Leader performance reviews confirm that Team Leaders are fully responsible for coming up with their action items and executing on them – a District Leader or staff pharmacist can give their input, but the Team Leader is the person held accountable for making the changes. An example of a performance review addressing this supervisory responsibility is attached here at Exhibit I ("Being a business owner is the mentality and expectation that I have for all managers. . . . Understanding P&Ls and what levers you can pull to achieve superior outcomes is going to be key in 2019. Having a solid action plan utilizing the quadrant approach and executing on it will allow you and the store team to succeed.").

2. Management Training

Additionally, Team Leaders participate in CVS's company-wide management trainings. Testimony will show that throughout the year District Leaders host meetings for their managers, including Team Leaders. Material covered in these meetings includes overall business objectives and exercises aimed at improving effective management and leadership, separate from any pharmacy-related duties. An example of such training is attached at Exhibit J. Here, a District Leader ran a simulation with her managers, including Team Leaders, on opening a lemonade shop, staffing it with the right people, and learning how to manage it effectively. Topics at the simulation included how to make effective hires, how to motivate employees, and how to train colleagues to get the best results. Testimony will show that the focus of this exercise was to align Team Leaders with CVS's management objectives to improve the growth and success of their pharmacies.

Legal Argument

IV. Unit Clarification is Appropriate in this Case

The NLRA excludes from its coverage certain types of workers, such as agricultural, domestic service, independent contractors, and supervisors. 29 U.S.C. § 152(3) (defining "employee"). Where such worker is currently recognized as part of an existing bargaining unit, either employers or unions can seek their exclusion pursuant to 29 U.S.C. § 159(b), by filing a unit clarification petition requesting that the position at issue be excluded from the unit. Clarification is appropriate where, as here, the parties' collective bargaining agreement is expired and the basis for exclusion is rooted in a statutory exemption. *Washington Post Company*, 254 NLRB at 169 ("While it may be that certain of the positions sought to be excluded by a unit clarification petition have long been included under previous contracts, and the job duties of those positions have remained unchanged, nonetheless, if it can be shown that the persons in such positions meet the test for establishing supervisory, managerial, or confidential status, we are compelled to exclude them.").

Here, CVS seeks to exclude the Team Leader role, because they are statutory supervisors.

V. Legal Standard for Establishing Supervisory Status under the NLRA

Employees classified as "supervisors" are expressly excluded from coverage under the NLRA. As stated above, Section 2(11) of the NLRA defines "supervisor" as "any individual having authority, in the interest of the employer, to hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward, or discipline other employees, or responsibly to direct them, or to adjust their grievances, or effectively to recommend such action, if in connection with the exercise of such authority is not of a merely routine or clerical nature, but requires the use of independent judgment." 29 U.S.C. § 152(11).

Under Board and Supreme Court precedent, in order to be a statutory supervisor, an individual must have the authority to effectuate or effectively recommend at least one of the

supervisory indicia enumerated in Section 2(11) of the Act, using independent judgment in the interest of the employer. *Oakwood Healthcare, Inc.*, 348 NLRB at 687 (citing *NLRB v. Kentucky River Community Care*, 532 U.S. 706 (2001)).

Most cases dealing with supervisory status concern supervision within the same bargaining unit. *See, e.g., Oakwood Healthcare, Inc.* 348 NLRB at 686 (charge nurses in the same bargaining unit as all registered nurses). In that scenario, the Board employs a three-part test: (1) does the employee hold the authority to engage in any one of the twelve listed supervisory functions in Section 2(11); (2) is such authority “not of a merely routine or clerical nature, but requires use of independent judgment;” and (3) is the authority held in the interest of the employer. *Id.* at 687.

The Board held in *Detroit College of Business*, 296 NLRB 318, 321 (1989), that individuals exercising supervisory authority over non-unit employees can likewise be excluded under Section 2(11). The inquiry here is similar to the three-part test described above. The factors considered in the non-unit supervision context include

the business of the employer, the duties of the individuals exercising supervisory authority and those of the bargaining unit employees, the particular supervisory functions being exercised, the degree of control being exercised over the non-unit employees, and the relative amount of interest the individuals at issue have in furthering the policies of the employer as opposed to those of the bargaining unit in which they would be included.

Id. at 321.

In *Detroit College*, a union sought to organize department coordinators who were appointed by university deans to oversee various academic departments. *Id.* at 318. The coordinators spent a majority of their work time teaching students, and only part of their time hiring and evaluating faculty and scheduling faculty courses. *Id.* The degree of independence and discretion exercised by the coordinators in making hiring and evaluative decisions and the weight management afforded their decisions established that they fulfilled at least one of the twelve Section 2(11) functions. *Id.* at 319. Further, the Board ruled that the coordinators were supervisors even though they spent only a fraction of their time on hiring and evaluating faculty, since these duties were a regular and frequent part of the jobs which they were hired to perform. *Id.* at 321.

The Board has since applied *Detroit College* to a case with nearly identical facts to those at issue here. In *Rite Aid Corp.*, 325 NLRB 717 (1998), the employer, Rite Aid pharmacy, sought to exclude pharmacy managers from the all-pharmacists bargaining unit on the ground that they were statutory supervisors over non-unit pharmacy technicians. The Regional Director held that the pharmacy managers should not be excluded, and the Board reversed. The Board relied on the following facts:

- Pharmacists are professional employees.

- Pharmacy manager duties included:
 - Filling prescriptions, taking physician orders, ringing up sales, dealing with customers, ordering merchandise, implementing price changes and submitting reports.
 - Hiring, firing, disciplining, evaluating and scheduling pharmacy technicians.

- Pharmacy technician duties included:
 - Assisting pharmacists on duty with taking prescriptions and typing labels.
 - Waiting on customers and ringing up sales, including prescriptions and store items.

- 65 of the 175 stores within the pharmacy bargaining unit employed technicians. Staffing at these stores ranged from one technician to six technicians.

Id. at 717-18.

For the 65 stores in which pharmacy managers supervised technicians, the Board held that these pharmacists must be excluded from the unit. Here, the pharmacy managers were hired, in part, to *manage* the pharmacy, which included hiring, firing, disciplining, evaluating and scheduling pharmacy technicians. This was true even though other of their responsibilities included pharmacy-related work. As the Board explained:

These supervisory duties constitute regular and frequent portions of the pharmacy managers' responsibilities. Therefore, we find that the pharmacy managers have two primary work products--one of them having to do with their work as pharmacists, and the other one having to do with their work as managers of the pharmacy. The supervision of the technicians includes supervision of their performance of duties which are not directly related to the pharmacists' role of filling prescriptions. In sum, supervision is part and parcel of the pharmacy managers' role as managers, and that supervision extends to technician duties that are beyond those that are merely adjunct or ancillary to the pharmacy managers' professional duties as pharmacists.

Id. at 718 (citations omitted). Accordingly, the pharmacy managers in the 65 stores with technicians were excluded from the unit.

Since the Board's 1998 *Rite Aid* decision, Region One of the NLRB decided a similar case with the same outcome. *Shaw's/Star Market*, Case No. 01-RC-144611. In 2015, the Teamsters sought to organize a unit of pharmacy managers, plus staff and floater pharmacists at Osco pharmacies within Shaw's/Star Market grocery stores. Shaw's sought to exclude the pharmacy managers on the ground that they supervise both staff pharmacists and pharmacy technicians. The Regional Director relied on the *Detroit College* factors, as well as *Rite Aid*, as relevant for assessing the pharmacy managers' status vis-à-vis the non-unit technician employees. The Regional Director found that the pharmacy managers were "hired both to fill prescriptions and to manage the pharmacy, including hiring of pharmacy

technicians.” *Id.* at *13. Specifically, the pharmacy managers interviewed and selected technicians for hire, without approval from their boss. *Id.* at *12-13. On occasion, potential technicians were referred from store management, but this did not detract from the fact that the final decision remained with the pharmacy managers. *Id.* Based on hiring alone (as to non-unit staff), the Regional Director ruled that the pharmacy managers were exempt from the statute.

The most recent Board case applying *Detroit College* was decided in 2018 in *Dura Line Corp.*, 366 NLRB No. 126. Here the dispute mostly concerned unfair labor practice charges, but a piece of the analysis turned on whether a quality manager was a statutory supervisor of five, non-unit quality technicians. Because a regular function of the quality manager’s job was to hire, discipline and fire non-unit staff, he was deemed a statutory supervisor. *Id.* at 24.

VI. Team Leaders Should Be Excluded as Statutory Supervisors

Team Leaders easily meet several of the Section 2(11) criteria for establishing supervisory status, requiring their exclusion from the bargaining unit. *See Union Square Theatre Mgmt., Inc.*, 326 NLRB 70, 71 (1998) (“The possession of even one of [the Section 2(11)] attributes is enough to convey supervisory status, provided the authority is exercised with independent judgment, not in a merely routine or clerical manner.”).

As to hiring, the evidence will undisputedly show that Team Leaders are responsible for finding, interviewing and selecting who to hire for the technician position. Team Leaders are free to conduct interviews in the manner they see fit. District Leaders do not get involved in when to hire, how the interviews are conducted or the specifics of how many people are considered for an open position. Most importantly, Team Leaders have the final say on who does and does not get hired in the pharmacy. *See Union Square Theatre Mgmt., Inc.*, 326 NLRB at 71 (finding supervisory status because “the technical directors’ exercise of hiring authority is neither routine nor clerical in nature, but involves the use of independent judgment [and] the technical directors have complete discretion to decide whom to hire, based on their own assessments of what skills are needed for the particular job and whether the individuals they are considering hiring have the appropriate skills or qualifications.”).

Hiring is also a constant responsibility in the pharmacy. Witnesses will testify that Team Leaders hire technicians multiple times per year, which is consistent with the hiring requisitions that CVS plans to submit into the record. Performance reviews for Team Leaders also confirm that hiring is a key requirement of their job – even one review attributed lack of hiring as the reason for the store’s underperformance for that year.

While hiring alone is sufficient to warrant Team Leaders’ exclusion under Section 2(11), *see Shaw’s/Star Market, supra* at *12-13, the fact is that Team Leaders engage in various other types of supervisory functions on a regular and routine basis, including discipline, transfers, promotions, direction and assignment of work.

For example, Team Leaders direct technicians' work throughout the day, as well as assigning them tasks on a daily, weekly and monthly basis. Team Leaders are empowered to use their own approaches to meet their pharmacies' needs, including Team Leaders delegating duties to Lead Technicians (an act in and of itself representing supervisory authority), and requiring that certain tasks be done by certain technicians in certain timeframes, including when the Team Leader is not at work. Team Leaders' direction also extends to non-pharmacy related tasks, such as cleaning, ringing up customers at the register, and directing customers to non-pharmacy products in the front store. There is no policy or directive telling Team Leaders how to manage their teams. Rather, Team Leaders' plans are based on their own evaluation of their teams' strengths and weaknesses and are aimed at improving the performance of the pharmacy overall, rather than completing their own individual tasks. *See Oakwood Healthcare, Inc.*, 348 NLRB at 698 (finding as persuasive indicia of statutory supervisory discretion an employee's consideration, when making assignments, of factors such as the amount of time required to perform a specific function, competence levels, personalities and compatibility of staff members). Moreover, CVS will present substantial evidence showing that failure to direct and assign the work of technicians has resulted in disciplinary action for Team Leaders.

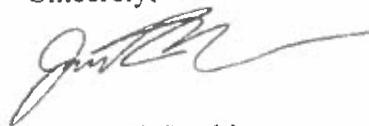
Importantly, Team Leaders' supervisory duties are distinct from their pharmacy-related responsibilities. As the evidence will show, Team Leaders are expected to hire, discipline, direct, assign, promote, and transfer technicians based on the needs of the business. Team Leaders evaluate profit and loss statements, develop business action plans, and participate in management training all in furtherance of being able to better manage their pharmacies. In these circumstances, there can be no question that Team Leaders' supervision of technicians is not "merely adjunct or ancillary" to their professional duties as pharmacists (e.g., filling prescriptions and counseling patients). Rather, these are independent management functions. *See Rite Aid*, 325 NLRB at 718.

Ultimately, this case is similar to the other pharmacy cases that the Board has decided. CVS's Team Leaders, like the pharmacy managers in *Rite Aid* and *Shaw's/Star Market*, have two primary jobs: (1) pharmacy duties and (2) supervising technicians. Due to their regular responsibility to supervise, Team Leaders' interests are so aligned with management that they must be exempt under the Act.

Conclusion

For the foregoing reasons, CVS requests that the Regional Director clarify the bargaining unit to exclude the Team Leader role. Please contact us at the number listed above to provide any additional information necessary to adjudicate CVS's petition.

Sincerely,



James W. Bucking
James S. Fullmer

UNITED STATES OF AMERICA
BEFORE THE NATIONAL LABOR RELATIONS BOARD
REGION 13

CVS ,)	
PETITIONER,)	Case No. 13-UC-266228
and)	
)	
TEAMSTERS LOCAL 727)	
RESPONDENT.)	
)	

RESPONDENT, TEAMSTER LOCAL 727'S POSITION STATEMENT AND MOTION TO DISMISS 13-UC-266228

Pursuant Field Examiner Michael G. Burros request, Teamsters Local 727 ("the Union") was asked to file a position statement in case 13-UC-266228 on or before 4:30 p.m. on September 30, 2020. Accordingly, the Union hereby timely files its position statement and motion to dismiss in the instant matter.

I. The Unit Clarification Petition Is Untimely and Should Be Dismissed

Upon review of the simple and indisputable documentary evidence in this case showing the 14-year historical recognition of Teamsters Local 727 and explicit inclusion of Team Leaders¹ in the bargaining unit, it is clear that the instant petition is untimely and should be dismissed. Failure to dismiss the petition would be inconsistent with not only longstanding Board law, but also previous decisions of Region 13. Given the untimely nature of the petition, as further detailed below, any allegations raised by CVS in its petition concerning the supervisory status of Team Leaders are not moot and should not be considered, whatsoever, by the Region.

¹ Team Leaders are referred to internally as Pharmacists in Charge (i.e. PICs).

A. The Position of Team Leader Has Not Recently and Substantially Changed Since 2006²

CVS has recognized Teamsters Local 727 as the sole and exclusive collective bargaining representative of, “all registered pharmacists, graduate non-registered pharmacists, regularly employed part-time graduate and registered pharmacists and student pharmacy interns in the retail drugs stores operated by CVS/ pharmacy listed on Appendix E” of the Parties CBA (“the bargaining unit”), but excluding, “all store managers, assistant store managers, manager trainees, all supervisors and guards defined in the Act and all other employees.” since 2006.³ See, Article 1 of attached Exhibits 1 at page 4, Exhibit 2 at page 6, and Exhibit 3 at page 4. Team Leaders are registered pharmacists and are not now, nor have they ever been, store managers, assistant store managers, manager trainees, supervisors, or guards. This fact, and the Parties agreement to include Team Leaders in the bargaining unit, are made clear by Article 11 of the Parties CBA which has clearly and unambiguously stated since 2006 that, “Team Leaders shall be bargaining unit members and shall perform bargaining unit work, primarily filling prescriptions.” *Id.* In fact, the language of Article 11 outlined above has not changed at all since 2006 and is identical in each CBA executed between the Parties. Exhibit 1 at page 27; Exhibit 2 at page 26; Exhibit 3 at page 26. Similarly, the language of Article 1 has not changed since 2010. *Id.* Furthermore, there have been no changes, whatsoever, and certainly no recent changes in the duties and responsibilities of

² On September 23, 2020, Field Examiner Michael Burros informed the Union that CVS admitted that there have been no recent or substantial changes to the job duties/ responsibilities of Team Leaders or the corporate structure of CVS. Given this admission it puzzles the Union as to why the petition has not been dismissed already. Additionally, the fact that there have been no recent or substantial changes to the Team Leader job duties or responsibilities is further corroborated by the CBA language itself and bargaining history as further outlined herein.

³ The bargaining unit was transferred from Teamsters Local 714 to Teamsters Local 727 on July 1, 2009. See, attached Exhibit 2 at page 37.

Team Leaders which are also clearly outlined in Article 11 of the CBA. Article 11 states that,

“Team Leaders shall perform those duties as may be assigned by the Employer. Such duties may include: budget responsibilities, work flow supervisor, directing the pharmacy staff, monitoring product sources, generic utilization, marketing promotions, competitor pricing, inventory control, pharmacy reports, administration of company programs/policies, training, recommending personnel related action, communication to the pharmacy staff, and other duties.”

Id. Furthermore, Article 11 states that, “Team Leaders shall not be responsible for the decision to hire, discharge or otherwise discipline other pharmacists.” *Id.*

A simple comparison of the job duties listed in Article 11 in each CBA between the Parties reveals that the duties and responsibilities have not change by one letter in the CBAs since 2006.

Id. The fact that there have been no changes to the job duties is further corroborated by paragraph 4 of Article 11 which requires the Employer to, “notify the Union or Communication Committee of any major change of termination of the Team Leader program.” *Id.* It likely goes without saying that changing the job duties of Team Leaders in a way that would render them no longer eligible to remain in the bargaining unit would, under any logic, constitute a major change requiring notice to the Union. Regardless of this point, the fact remains that from 2006 and continuing to date, the Employer has not notified the Union of any change, whatsoever, to the Team Leader program including changes to job duties or responsibilities of Team Leaders.⁴ To the extent the Employer attempts now to make substantial changes such action would not only constitute an unlawful unilateral change but also regressive bargaining as outlined in section C below.

⁴ While the CBA grants CVS has the right to, “develop, modify, or terminate the *incentive pay plan* for Team Leaders” CVS may not make modifications to the Team Leader program itself that are specifically limited in Article 11. Article 11 specifically limits the job duties of Team Leaders and therefore CVS could not add to those duties absent agreement by the Union and certainly could not add job duties that are expressly prohibited (i.e. duties to hire, discharge, discipline or schedule). *Id.* Accordingly, CVS could not change the Team Leader position to be supervisory absent agreement from the Union and such a change would constitute an unlawful unilateral change and regressive bargaining as the Parties have reached a tentative agreement to make no changes to Article 11, including the duties of Team Leaders. See, the Company’s January 30, 2020 proposal attached as Exhibit 4 at page 6 within which the Company withdrew its proposal on Team Leaders and proposed current contract language for Article 11.

As has been regularly and routinely enforced by Region 13, well-settled Board law requires that, absent a new classification or recent substantial changes to existing classifications⁵ a UC petition are not appropriate for upsetting either, “an agreement of the Parties or an established practice of the parties regarding the placement of existing classifications.” See, Regional 13’s Decision in case 13-UC- 239758 (May 21, 2019) citing to *Robert Wood Johnson University Hospital* 328 NLRB 912 (1999) and *Union Electric Co.* 217 NLRB 666 (1975); See also, Decision and Order of Regional Director Ohr in *Sears Roebuck & Co.* 13-UC.170794 (May 18, 2016); *Bethlehem Steel Corp.* 329 NLRB 243 (1999); *Frontier Communications Corp.*, 217 NLRB LEXIS 580 (2017) (request for review of RD decision denied); *Dixie Electric Membership Corp. v. NLRB* 814 F.3d 756 (5th Cir. 2016) enforcing *Dixie Electric Membership Corp.*, 358 NLRB 1089 (2012), *upheld by* 361 NLRB No. 107 (2014); *CHS Inc.*, 355 NLRB 928 (2010). This holds true regardless of any alleged mistake by a petitioner or whether the practice was established by acquiescence rather than express consent. *Id.* Furthermore, as the Regional Director correctly observed in prior decisions, the Board will “not entertain” UC petitions when there is an established practice or agreement of the parties like there has been here, “even if there has been a change in the Board’s decisional law.” *Caesar’s Palace*, 209 NLRB 950 (1974). As the Board has appropriately noted, adherence to these strict requirements on timeliness of a UC petition protects

⁵ The Region should not be distracted by any late attempt by CVS to allege that there have been recent or substantial changes to the employer’s operation or corporate structure as no such basis was presented in its petition and is therefore not before the Region now. Without waiving this position the Region should note that, like the job duties and responsibilities of Team Leaders there have, similarly, been no recent or substantial changes to the employer’s operation of pharmacies or corporate structure from 2006 to date. This is a fact well known to Region 13 as has been investigated in previous charges in cases: 13-CA-234788, 239819, 239824, 241598, 244813, and 249076. Furthermore, even assuming *arguendo* that there were changes to the corporate structure, which the Union vehemently denies, any alleged changes have had no impact on the duties, responsibilities or job practices of Team Leaders which have not changed since 2006 as detailed explicitly in the CBA. Team Leaders continue to perform the same job functions within the same business and under the same supervisory structure reporting to District Leaders as has been the case since 2006. See, 13-UC-170794 citing to *Batesville Casket Co.*, 283 NLRB 795 (1987). While Team Leaders are assigned additional job duties outlined in Article 11, those job duties are not recent and do not impact or change the community of interest they share with other pharmacists, students and interns.

the not only the parties' expectations and agreements regarding employee classifications but also promotes stability in the industry. *Wallace-Murray Corp.*, 192 NLRB 1090 (1971).

In simply reviewing the Parties prior CBAs it is clear that the Parties have both a historical agreement and longstanding practice of including Team Leaders in the bargaining unit. This historical agreement and longstanding practice should not be untimely disturbed now. Similarly, a review of the prior CBAs shows no changes whatsoever to the job duties or responsibilities of Team Leaders to date as not one job duty has been added or removed from Article 11 since 2006. Accordingly, applying the above standards to the facts here, it is clear that the petition is untimely and should be dismissed by the Regional Director. Failure to do so would cause unnecessary upheaval and substantial disruption to ongoing negotiations and the Parties bargaining relationship.

B. CVS and the Union Reached An Agreement Again Continue Inclusion of Team Leaders in the Bargaining Unit During Negotiations

Although the prior CBAs are sufficient to render the instant petition untimely, the Parties recent negotiations, while ongoing, similarly establish agreement of the Parties to include Team Leaders in the bargaining unit. As this Region is aware, CVS and Teamsters Local 727 are engaged in negotiations for a successor contract. Negotiations between the Parties began in 2016 and continues to date.⁶ During negotiations, CVS withdrew proposals it had to change Article 11 and, as a result, the Parties reached a tentative agreement on maintaining the current contract language and longstanding inclusion of Team Leaders in the bargaining unit. Exhibit 4 at page 6. Similarly, CVS withdrew its proposal to change the current contract language of paragraph 1 of Article 1 which codifies recognition of 727 as the representative. *Id.* When it withdrew its proposals on

⁶ The Parties met for negotiations as recently as September 22nd and are scheduled to meet again on October 28th.

Article 11 and paragraph 1 of Article 1. CVS did not propose to or reserve its right to file a UC petition at a later date nor have the Parties agreed to such.⁷ In fact, CVS has made no mention of a UC petition at all during bargaining.⁸ Board law is clear that the agreements of the parties reached during negotiations even where the contract has not been finalized or signed which include a classification should be honored. *Edison Sault Electric Co.*, 313 NLRB 753 (1994); *Wallace-Murray Corp.*, 192 NLRB 1090 (1971). In *Edison* the Board specifically extending the holding of *Wallace-Murray* to prevent an employer from attempting to exclude employees on the grounds that they are supervisors after reaching agreement on the issue during bargaining. *Id* at 754. Accordingly, CVS has abandoned⁹ its right to contest the inclusion of Team Leaders and should be precluded by the Region from asserting it now or attempting to resurrect an issue that has been resolved since 2006.

C. The Filing of the Petition By CVS Constitutes Unlawful Regressive Bargaining and Further Processing of the Petition by Region 13 Would Therefore Be Unlawful and Would Not Effectuate the Purposes of the Act

It is the Union's position that the mere filing of the instant petition is nothing more than a clear act of unlawful regressive bargaining by CVS in violation of the Act. As such, failure by the Region to appropriately dismiss the petition in this instance would render an absurd result as it would allow CVS to, in essence, undo the agreements reached by the Parties 3 years into negotiations on both Article 11 and Article 1. Such an action constitutes unlawful regressive

⁷ Similarly no election petition has been recently filed nor has the Region granted the employer the right to file a UC petition contesting this unit post-election. As such the exceptions to contesting supervisory status outlined in *Washington Post Co.*, 254 NLRB 168 (1981), and *Goddard Riverside Community Center*, 351 NLRB 1234 (2007) are distinguishable from the facts of this case and therefore do not apply. See, *Grancare, Inc.*, 331 NLRB 123 (2000); *I.O.O.F. Home of Ohio, Inc.*, 322 NLRB 921, 922-923 (1997); *Baltimore Sun Co.*, 296 NLRB 1023 (1989).

⁸ CVS is well aware of these facts and yet filed its petition anyway and in bad faith shortly before the Parties met for bargaining on September 22nd and in retaliation against Team Leaders.

⁹ Although contesting a position that has been historically included since 2006 is untimely. Even if CVS attempted to resurrect this issue during bargaining, which they did not, filing the instant petition over 8 months after reaching a tentative agreement again on continuing to include Team Leaders would not be timely as it would exceed the Board's established outer limit of filing timelines. *Dixie Electric v. NLRB*, 814 F.3d. at 757.

bargaining in violation of 8(a) (1) and (5) of the Act. *Valley Oil Co.*, 210 NLRB 370 (1974); *Union Plaza Hotel & Casino*, 296 NLRB 918, fn.4 (1989) *enfd by E.G.&H Inc. v. NLRB*, 949 F.2d 276 (1991). As the Board appropriately noted *Edison* and *E.G. & H.* processing the UC petition in circumstances such as these, “would be... destructive of stable bargaining relationships.” *Id.* at 280; see also *Dixie Electric Co.*, 358 NLRB 1089 (2012). As has been made clear to the Region in prior CA charges, the Parties have been engaged in negotiations for over four years. Removing a tentative agreement on Article 11 and paragraph 1 of Article 1 at this late stage of negotiations will do nothing more than prolong negotiations and push the Parties further apart thereby preventing reaching a successor agreement and creating instability in the industry. See charges, 13-CA-234788, 239819, 239824, 241598, 244813, and 249076. Board law makes clear that such actions should be prevented. *Sault Electric Co. and United Steelworkers*, 313 NLRB No. 129 (1994); *Wallace-Murray Corp.*, 192 NLRB 1090 (1971). Additionally, Team Leaders have actively participated in negotiations since 2016. In fact several Team Leaders have participated as members of the Union’s bargaining committee including three Team Leaders who participated in the ongoing negotiations.¹⁰ These employee continue to express an emphatic desire for Local 727 to represent them and unlawful attempts by CVS to solicit decertification have regularly failed, only further proving the desire of Team Leaders to be represented. See charges, 13-CA-234788, 239819, 239824, 241598, 244813, and 249076. Accordingly, CVS has waived its right to contest the status of Team Leaders which has not substantially changed since 2006 and most certainly has not changed since the Parties reached a tentative agreement in January of 2020. CVS should instead be held accountable for its agreement and the petition should be dismissed. See, *Taos Health*

¹⁰ The two Team Leaders and bargaining committee members were recently terminated this spring by CVS retaliation for their participation in negotiations. See charge 13-CA-259770 which is still pending with appeals. CVS now seeks to deter the future union activity of Team Leaders by excluding them bargaining unit, negotiations and participation in unfair labor practice charges going forward.

System, 391 NLRB 1361 (1995).

II. Team Leaders Are Not Statutory Supervisors Under the Act

Because of the untimely nature of the instant petition the Region need not review or consider any allegations raised by CVS in its petition that Team Leaders are statutory supervisors under the Act. Without waiving that position, the Union denies that Team Leaders are statutory supervisors. First and foremost, the burden of proving supervisory status rests with the party asserting such—here, CVS. *NLRB v. Kentucky River Comm. Care*, 532 US 706 (2001); *Oakwood Healthcare, Inc.*, 348 NLRB 686 (2006). CVS must prove by a preponderance of the evidence that Team Leaders not only possess supervisory authority but they exercised that authority in the interest of CVS with independent judgment that was not of a mere routine or clerical nature. See, NLRA Section 2(11). *Providence Alaska Medical Center*, 320 NLRB 712 (1996). Conclusory statements or evidence do not satisfy the burden of establishing supervisory status. *Lymwood Manor*, 350 NLRB 489 (2007); *Brusco Tug & Barge, Inc.*, 359 NLRB No. 43, slip op. at 5 (2012) (holding that evidence of supervisory status must be specific and detailed).

CVS cannot meet this burden based on the facts of this case and simple review of the Parties CBAs and tentative agreement. Team Leaders do not now, nor have they ever, possessed any supervisory authority over bargaining unit employees or technicians. Additionally, both the Union and CVS have agreed in multiple CBAs to limit the job functions of a Team Leaders in Article 11 of the CBA. As previously stated herein, the language in Article 11 of the current CBA has not changed at all since 2006 nor has CVS provided any notice of recent changes to the Team Leader program as required under Article 11. Exhibit 1 at page 27, Exhibit 2 at page 26, Exhibit 3 at page 26. Furthermore, while the Parties are still negotiating a successor agreement, the Parties have a

tentative agreement to maintain the existing 2016 contract language for Article 11 with no changes to the job duties or responsibilities of Team Leaders. Pursuant to Article 11, the Parties agree that Team Leaders are “primarily” responsible for “filling of prescriptions.” See Exhibit 4 at page 6. As such, even assuming arguendo that Team Leaders did perform some supervisory functions, which the Union strongly denies, any such action would be ancillary to their primary job and is *de minimus*. Filling of prescriptions is the same primary job function of all other registered pharmacists, graduate non-registered pharmacists, regularly employed part-time graduate and registered pharmacists and student pharmacy interns which CVS admits are bargaining unit employees. See, CVS’s response to 6(a) on UC petition 13-UC-266228. Accordingly, Team Leaders are not supervisors and instead share a community of interest with the other members of the bargaining unit and should not be excluded.

CONCLUSION

For all of the aforementioned reasons, the Union respectfully requests that the Regional Director grant the Union’s motion to dismiss the instant petition and to take further action consistent with dismissal in the above-captioned petition.

Respectfully submitted
/s/ Jayna Brown
General Counsel
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Filed September 30, 2020 (via electronic submission)

STATEMENT OF SERVICE

I Jayna Brown, state under oath that on September 30, 2020, I caused a copy of the International Brotherhood of Teamsters Local 727 Position Statement in Case 13-UC-266228 to be e-filed with the Region 13.

Copies of these filings have been served upon the following individuals by email:

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PHARMACY EMPLOYEES
AND
TEAMSTERS LOCAL 714**

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CONTRACT BETWEEN CVS/PHARMACY

**PHARMACY EMPLOYEES
AND
TEAMSTERS LOCAL 7140**

Term: June 18, 2006 thru May 2, 2010

ARTICLES OF AGREEMENT

THIS AGREEMENT is entered into between CVS/pharmacy, a corporation hereinafter called the "Employer", and the TEAMSTERS LOCAL 714, a voluntary association, herinafter called the "Union".

**ARTICLE I
RECOGNITION**

The Employer recognizes the union as the sole collective bargaining agent for all registered pharmacists, head pharmacists, graduate non-registered pharmacists, regularly employed part-time graduate and registered pharmacists and student pharmacy apprentices in the retail drug stores operated by CVS/pharmacy listed on Appendix E, excluding, however, all drug managers, assistant drug managers, manager trainees, all supervisors and guards as defined in the Act and all other employees.

It is recognized that the Employer's managers, assistant managers, and management trainees who are registered pharmacists, may from time to time perform a limited amount of bargaining unit work; however, it is understood that the intent of the Employer is that such work will not be conducted to the extent of substantially depriving members of the bargaining unit work.

**ARTICLE II
GENERAL**

Section 2.1: Notices

All notices required under this contract shall be deemed to be properly served if delivered in writing personally or sent by certified or registered mail to the general office of the Union at 6815 West Roosevelt Road, Berwyn, IL, 60402, or the Employer at CVS Pharmacy, 1 CVS Drive, Woonsocket, RI, 02895, or to an employee at his home or residence address. Date of service of a notice served by mail shall be the date on which such notice is postmarked by a post office of the United States Post Office Department.

Section 2.2: Partial Invalidity

Nothing contained in this agreement is intended to violate any state or federal law, rule or regulation made pursuant thereto. If any part of this agreement is construed by a court or board of competent jurisdiction to be in such violation, then that part shall be null and void, but the remainder of the contract shall continue in full force. The parties will immediately begin negotiations to replace the void part with a valid provision.

Section 2.3: Marginal Headings

The captions of the several articles and sections of this contract are for convenience only and in no way limit, enlarge, define, or otherwise affect the scope or intent of the contract or any provisions thereof.

Section 2.4: Effective Date

Unless the context of the contract indicates otherwise, new provisions of the contract shall become effective the fourth (4th) Sunday following ratification.

Section 2.5: Amendments

This agreement is subject to amendment, alteration, or addition only by a subsequent written agreement between and executed by the Employer and the Union. The waiver of any breach, term, or condition of this agreement by either party shall not constitute a precedent in the future enforcement of all its terms and conditions.

Section 2.6: Definitions

1. Regular Full-Time Employee – An employee who has completed his probationary period and is regularly scheduled to work the full workweek.
2. Regular Part-Time Employee – An employee who is employed to work on a regular basis, less than the full workweek, and who averages not less than fifteen (15) hours per week during a payroll quarter.
3. Irregular Part-Time Employee – An employee who is employed to work on a regular basis, less than the full workweek, and who averages less than fifteen (15) hours per week during a payroll quarter.
4. Graduate Non-Registered Pharmacists – An employee who is not registered as a pharmacist but who is either a graduate of a college of pharmacy which is accredited by the American Council of Pharmacy Education or a graduate of a non-accredited college of pharmacy who has successfully passed an equivalency evaluation by the appropriate pharmacy board.
5. Part-Time Pharmacy Student – Any person enrolled in a pharmacy school and working part-time hours on a regular basis in the pharmacy while attending school regularly or working during his normal school vacation period.

6. Seasonal or Temporary Employee – An employee who is hired for temporary work or during peak seasons for a period of time not expected to exceed thirty (30) consecutive days. Such an employee may work either full time or part time. If such an employee works beyond this period, he shall be reclassified as a regular employee and his seniority shall date back to his last date of employment if he averages fifteen (15) hours or more per week during the next payroll quarter.

Section 2.7: Entire Agreement

This agreement constitutes the sole and entire existing agreement between the parties and supersedes all prior agreements, commitments and practices whether oral or written between the Employer and the Union or the Employer and any of the covered employees, and expresses all obligations of and restrictions imposed on the Employer and the Union.

Section 2.8: Waiver

The parties acknowledge that during the negotiations that resulted in this agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining and that the understandings and agreements arrived at by the parties after the exercise of that right and life of this agreement, each voluntarily and unqualifiedly waives the right and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter not specifically referred to or covered in this agreement even though such subject or matter may not have been within the knowledge or contemplation of either or both of the parties at the time they negotiated or signed this agreement.

Section 2.9: Equal Rights

The Employer and the Union reaffirm their mutual intent and current practice of opposing and refraining from discrimination against any employee for reason of sex, race, religion, color, national origin, age, or union activity in accordance with the requirements of Title VII of the Civil Rights Act of 1964, as amended, the Labor-Management Relations Act of 1947 as amended and the Age Discrimination in Employment Act of 1967.

Section 2.10: Standards

Work Standards

It is the mutual belief of the parties that when a pharmacist is performing up to reasonable work standards as established by the Employer, such a pharmacist's professional responsibilities include the evaluation of whether the rate at which he processes prescriptions is consistent with good professional judgment and ethics.

Pharmacists' Work Assignments or Tasks

The parties agree that the profession of pharmacy requires that the registered pharmacist devote his time and attention to the duties involving his special training and expertise; namely, receiving, filling and refilling prescriptions, consulting with physicians, patients, maintaining records, ordering prescriptions, and other pharmaceutical items involving professional competence.

Accordingly, a registered pharmacist will not be required to perform tasks or assignments outside of his prescription department unless necessary to the operation of the store, and then only to the extent that these other tasks or assignments do not substantially interrupt or interfere with duties involving his special training and expertise.

In no event shall a pharmacist be required to do any work demeaning to his professional status, namely mopping floors, cleaning toilets, washing windows, or performing "bus boy" services in the lunchrooms.

Pharmacy Standards

A registered pharmacist shall assure, to the extent of his authority, that the prescription department is operating in compliance with applicable law, professional ethics, and valid Employer rules.

ARTICLE III WORK HOURS AND OTHER CONDITIONS OF EMPLOYMENT

Section 3.1: Workday and Workweek

The basic contractual workweek shall consist of forty (40) hours to be worked within (5) days of a Sunday through Saturday workweek, to be administered in accordance with the Fair Labor Standards Act and regulations applicable to exempt employees. No employee shall be required to work more than nine (9) hours in any one (1) workday except to cover for emergencies and vacations. In any event, pharmacists shall not be required to work more than twelve (12) hours in a workday. A pharmacist who is required to perform extra work shall be compensated at an hourly rate, which will be equal to their base weekly salary divided by their base weekly hours. Any pharmacist who is required to perform extra work beyond 44 hours in a work week will be compensated an additional \$6/hr for such work.

Management may require approval of extra work before a pharmacist performs such work. If mutually agreed upon by a supervising manager and pharmacist, time off with pay in lieu of payment for an equivalent number of worked hours may be agreed upon.

Section 3.2: Work Schedule – No Split Shift

A work schedule showing the days and hours to be worked by full-time and regularly scheduled part-time employees shall be posted not later than 4:00 p.m. on Friday of the week preceding the week in which the schedule is to be effective; provided further that employees who are required to work on Sunday shall be so notified by not later than 4:00 p.m. the preceding Thursday. Posted schedules may be changed when emergencies make changes necessary or by agreement with the employees involved provided that indiscriminate changes shall not be made. The Employer agrees to a no-split-shift schedule within a particular store. In instances when a pharmacist is assigned to more than one location on a particular day, "travel time" between locations will be considered as compensable. The Employer further agrees that in stores where there is one (1) full-time registered pharmacist assigned, no more than forty (40) hours of paraprofessional work will be used before assigning a second full-time registered pharmacist.

Section 3.3: Meal and Rest Periods; Laundry

Each employee shall be given each day one (1) uninterrupted fifteen (15) minute paid rest period, including travel time to the break or rest area for each four (4) hours of work scheduled. No employee shall be required to work more than five (5) continuous hours without an unpaid lunch or dinner period which shall be not less than one-half (1/2) hour and not more than one (1) hours, as agreed upon with the employees. Lunch, dinner, and rest periods shall be taken as scheduled by the general manager or pharmacy manager. These periods may be posted by the pharmacist.

Any uniform deemed necessary by the Employer shall be furnished by the Employer. If the furnished uniform is not of a drip-dry or wash-and-wear variety, it shall be laundered by the Employer.

Section 3.4: Overtime Pay

All part-time employees shall be paid one and one-half (1-1/2) times their regular hourly rates for all hours worked over forty (40) hours in a week.

Section 3.5: Scheduling of Regular Part-Time Employees

An effort will be made to schedule part-time employees a minimum of seventeen (17) hours per week in the store in which they work. However, this shall not apply to an employee called in to replace another employee or to an employee whose available hours are beyond the Employer's control or to an employee called in to work when fewer than seventeen (17) available hours remain in the week. The Employer agrees that where appropriate it will attempt to schedule part-time pharmacists around the full-time pharmacists.

It is also understood and agreed that is additional part-time hours become available at the pharmacist's home store, and the part-time pharmacist is available to work the additional hours, the most senior part-time pharmacist in that store may request those hours prior to assigning those hours to someone not based in that location unless those hours are assigned to a full-time pharmacist. This provision shall not be considered a guarantee of hours or assignments.

ARTICLE IV COMPENSATION

Section 4.1: Guaranteed Minimum Weekly Salaries – Full-Time Pharmacists

During the term of this agreement, the Employer agrees to pay not less than the guaranteed minimum weekly salaries set out in Appendix A, attached hereto; provided however, that the guarantee shall not apply to an employee who is absent for personal reasons for an entire workweek or to an employee from whose salary FLSA permitted deductions are made, provided said deductions are not inconsistent with the provisions of this agreement. Such salaries are the consideration for the employee's performing service during a basic workweek as defined in Section 3.1.

Section 4.2: Extra Work – Full-Time Pharmacists

A pharmacist who is required to perform extra work shall be compensated at an hourly rate, which will be equal to their base weekly salary divided by their base weekly hours. Any pharmacist who is required to perform extra work beyond 44 hours in a work week will be compensated an additional \$6/hr for such work.

Each regular full-time employee who has worked a basic workweek as defined in Section 3.1 who reports for work on a sixth (6th) or seventh (7th) day of a workweek shall be guaranteed a minimum of one-half (1/2) day of work. The compensation for all such work and for time worked in excess of the basic workweek within workweeks as set forth in Section 3.1.

There shall be no mandatory overtime in excess of the maximum workday or standard workweek except for vacation coverage and emergencies. Moreover, when mandatory overtime in these situations would pose an undue hardship, the Employer may, at its option, assign management personnel who are registered pharmacists to perform such work.

Section 4.3: Hourly Wages – Part-Time Pharmacists

During the term of this agreement, the Employer agrees to pay not less than the minimum hourly rates set out in Appendix A attached hereto.

ARTICLE V
VACATIONS, HOLIDAYS, ABSENCE LEAVES

Section 5.1: Length of Vacation

Each regular employee covered by this contract who meets the qualifications shall be entitled to a vacation with pay in accordance with the following schedule:

Number of Completed Years of Continuous Service	Number of Weeks of Vacation With Pay
ALL REGULAR FULL-TIME EMPLOYEES	
1 – 4 Years Inclusive	2 Weeks
5 – 9 Years Inclusive	3 Weeks
10 – 19 Years Inclusive	4 Weeks
20 Or More Years	5 Weeks

As used above, continuous service means uninterrupted, complete years of service since the last employment date.

Section 5.2: Vacation Qualifications

1. First Vacation

Regular Full-Time Employees hired in the preceding year may take their first vacation in the current year ahead of their service anniversary date subject to their refunding all vacation payments in the event they do not complete a full anniversary year of employment.

2. Second and Succeeding Vacations

Regular Full-Time Employees – Once an employee has qualified for his first vacation, he shall thereafter qualify for all succeeding vacations as of January 1 of the current year for a vacation based on his length of service to be completed during the current year subject to the adjustments set out in Section 5.5 in the event the employee does not complete his anniversary year of service.

3. Extended Absences

A week's vacation pay for a regular full-time pharmacist shall be prorated (on the basis of a standard full-time workweek) if a full-time pharmacist works less than 1,600 hours in the preceding payroll year. Paid absence for vacation, funeral, and jury duty shall not be considered absences for purpose of this section. **This**

section is not intended to pro-rate vacation for those full-time pharmacists who worked less than 1,600 hours solely because they were hired in the prior year.

Section 5.3: Vacation Pay – Regular Full-Time Employees

A week's vacation pay for a regular full-time pharmacist shall be in the amount of his basic weekly salary in effect at the time the vacation is taken.

Section 5.4: Vacation Administration

1. Vacation Schedules

All vacations shall be subject to the necessary scheduling of replacements by the Employer, which may limit the number of employees who may be on vacation at any one time. Preference in the choice of earned vacation dates shall be given on the basis of seniority in the bargaining unit, within each cluster group. The Employer reserves the exclusive right to establish and to change cluster groups. The Union and the Employer shall work to establish a form or procedure to ease vacation administration.

2. Calendar Weeks

All vacations shall be for calendar weeks. Vacations of three (3) or four (4) weeks may be split by mutual agreement between the employee and the Employer but not into any period of less than one (1) week. Vacations of less than three (3) weeks duration may not be split except in unusual cases, and then only where the individual's application is approved by the Employer as consistent with efficient operation of the store. Choice of vacation dates shall be on the basis of seniority within the pharmacy.

3. Holidays Within Vacations

Whenever a holiday recognized under this contract falls within an employee's vacation period, the employee shall receive an extra day's pay or subsequent day off at the Employer's option.

Section 5.5: Adjustment of Vacation Pay in the Event of Layoff or Separation from Service

Any full-time employee who is laid off or who leaves service prior to his first service anniversary shall forfeit all vacation pay with respect to that year of service and shall refund any vacation pay with respect to such year.

Any full-time employee who is laid off or who leaves service after his service anniversary, unless he was discharged for gross misconduct in connection with his work

(namely stealing, malicious vandalism, or other serious misconduct), shall be entitled to vacation pay at the rate of one-twelfth (1/12th) of the vacation pay to which he was entitled at his last anniversary date for each full month of service completed since his last anniversary date plus any earned vacation not taken.

If a full-time employee is laid off or is separated from service and is entitled to vacation pay as set out above, he shall be paid such vacation pay within two (2) weeks following the layoff or separation from service.

If a full-time employee has received his vacation pay and is laid off or separated from service prior to his anniversary date, he shall refund the difference, if any, between the vacation pay received and the vacation pay to which he was entitled under the above schedule within two (2) weeks following the date of the layoff or separation from service.

Employees who resign their employment without giving two (2) weeks prior notice shall forfeit any and all vacation adjustments to which they would otherwise be eligible under this section.

Section 5.6: Regular Part-Time Employees – Vacation and Pay

A regular part-time employee who works 780 hours or more in the preceding payroll year shall be entitled to vacation pay in the amount of 1/52 of his prior payroll year's earnings paid as of January 1 of the current year. Computations of eligibility and payment shall be made by April 1 of the current year and shall be based on continuous service as of January 1. For those hired on or after October 10, 1999, the vacation will be paid pursuant to the following part-time schedule:

Number of Completed Years of Continuous Service	Number of Weeks of Vacation With Pay
1 Year	1 Week
2 – 4 Years	2 Weeks
5 – 14 Years	3 Weeks
15 – 24 Years	4 Weeks
25 Or More Years	5 Weeks

For those part-time employees eligible for vacation under this section who were hired before October 10, 1999, the vacation schedule under Section 5.1 shall continue to apply.

Section 5.7: Holidays Recognized

1. The following holidays shall be recognized holidays under this agreement:

New Year's Day	Fourth of July	Thanksgiving
Memorial Day	Labor Day	Christmas

No regular full-time pharmacist shall be required to work on Thanksgiving, Christmas, or New Year's Day, unless otherwise volunteered and except that full-time pharmacists hired after October 16, 1996 with less than five (5) years of continuous service may be required to work New Year's Day up to eight (8) hours, not to exceed 5:00 p.m. No more than one (1) regularly assigned full-time pharmacist, per pharmacy, shall be required to work up to four (4) hours or past 2:00 p.m. on Memorial Day, Fourth of July, or Labor Day unless otherwise volunteered, and except that full-time pharmacists hired after October 16, 1996 with less than five (5) years of continuous service may be required to work up to eight (8) hours, not to exceed 5:00 p.m. on such holidays.

Nothing herein shall limit holiday work by part-time pharmacists. No pharmacist shall be required to work past 6:00 p.m. on Christmas Eve or New Year's Eve, provided that such pharmacist will continue working until the customers at the pharmacy are served.

2. Holiday Qualifications and Holiday Pay

A. A Regular Full-Time Employee who does not work on a holiday will nevertheless receive holiday pay in an amount equal to twenty percent (20%) of his regular weekly salary for said holiday provided he works his scheduled workday before and after the holiday. Where a holiday falls on an employee's regular day off, he shall receive at the Employer's option either another day off during the holiday week or holiday pay in an amount equal to twenty percent (20%) of the regular weekly salary. An employee who works on a holiday shall receive, in addition to his regular weekly salary, compensation for such extra work in accordance with a bonus amount as follows:

- For each quarter day or portion thereof, five percent (5%) of the basic weekly salary;
- For each half day or portion thereof, ten percent (10%) of the basic weekly salary;
- For each three quarter day or portion thereof, fifteen percent (15%) of the basic weekly salary;
- For each full day or portion thereof, twenty percent (20%) of the basic weekly salary, whichever is greater.

B. Part-Time Employees (a) To qualify for holiday pay, a part-time employee must work both the regularly scheduled workdays before and after the holiday and the

holiday itself if scheduled, (b) In addition to meeting the preceding requirements, a part-time employee must also have worked:

1. An average of fifteen (15) hours per week in the payroll quarter preceding a National Holiday, and
2. An average of fifteen (15) hours per week in the accounting period preceding the accounting period in which the holiday falls.

Regular part-time employees who qualify shall receive holiday pay in the amount of twenty percent (20%) of their average weekly straight-time hours worked during the accounting period preceding the accounting period in which the holiday falls.

Section 5.8: Jury Pay

When any regular full-time employee who is covered by this agreement is summoned for jury service, he shall be excused from work for the days in which he reports for jury service and/or serves. He shall receive, for each week in which he otherwise would have worked, the difference between his basic salary for that week and the payment he receives for jury service, if any. Any employee summoned for jury service shall promptly notify the Employer of the receipt by him of such jury summons; in any event, no payment shall be made to any summoned employee under this section for any workweek in which he has not worked unless he has given such information to the Employer not later than the next regularly scheduled workday after receipt of such jury summons. Before any payment shall be made to any employee hereunder, he shall present to the Employer proof of his summons for service, and of the time served and the amount of pay received therefore, if he shall have served as a juror. The provisions of this section shall apply only when an employee is summoned for jury duty and shall not apply if an employee volunteers to serve as a juror. When an employee is released for a day or part of a day during any period of jury service, he shall report to his store for work.

Section 5.9: Funeral Leave

The Employer agrees to pay regular full-time employees for necessary absences from scheduled work on account of a death in the immediate family up to and including a maximum of three (3) scheduled workdays, provided the employee attends the funeral. For purposes of full-time employees, the term "immediate family" shall mean spouse, parent, stepparent, child, grandparents, brother, sister, sister-in-law, brother-in-law, father-in-law, mother-in-law, son-in-law, and daughter-in-law or any relative residing with the employee or with whom the employee is residing.

Section 5.10: Personal Day Off – Employee's Birthday

All regular full-time employees with one (1) continuous year of service shall be given an additional day off with pay each year in celebration of their birthday. This day off shall

be as mutually agreed upon by the Employer and the employee. Such full-time employees shall receive one-fifth (1/5th) of their basic weekly salary for such day off.

Section 5.11: Personal Day-Off – Employee’s Employment Anniversary

All regular full-time employees with one (1) continuous year of service shall receive an additional day off in celebration of their employment anniversary. This day off shall be taken on the employee’s actual anniversary date or during the week in which the anniversary occurs or as mutually agreed between the Employer and the employee. Each full-time employee shall receive one-fifth (1/5th) of his basic weekly salary for such day off.

Section 5.12: Personal Day Off – Full-Time With 3 Years

All regular full-time employees with three (3) continuous years of service shall receive an additional day off each calendar year effective January 1, 2000. This day off shall be taken as mutually agreed between the Employer and the employee. Each eligible full-time employee shall receive one-fifth (1/5th) of his basic weekly salary for such day off.

Section 5.13: Leaves of Absence – General

Regular full-time employees with one (1) or more years of continuous service may apply for unpaid leaves of absence. Leaves of absence not otherwise provided for in this agreement or by law shall be determined at the sole discretion of the Employer. All requests for leaves must be in writing and approved in writing through the personnel office.

The Employer shall provide military leaves of absence as provided by law.

Employees granted unpaid leaves hereunder shall not be eligible for any contract benefits during the period of such leaves, except as earned prior to the leave taking effect.

Section 5.14: Pregnancy Leaves

Pregnancy leaves of absence shall be granted in accordance with applicable laws.

Section 5.15: Family Medical Leave Act & Americans With Disabilities Act

The Employer and the Union agree to cooperate in enabling the Employer to meet its obligations under the federal Americans With Disabilities Act (ADA) and the Family Medical Leave Act (FMLA). Unless specifically required in this agreement, the Employer shall have no contractual obligations under the ADA or the FMLA beyond the minimum statutory requirements.

Section 5.16: Retirement/Discipline – Statement of Assurance

In response to Local 714's request for a statement of assurance with respect to the effect of that provision of its profit sharing plan regarding retirement of an employee after age 50 at the Employer's option, please be advised that said provision in no way affects the employee's protection under Section 8.11 of the contract not to be discharged without just cause.

ARTICLE VI
OTHER BENEFITS

Section 6.1: Various Employer Benefits

The Employer shall offer a profit sharing or pension plan, health care plan, employee discount plan, and stock purchase plan to eligible full-time and part-time employees on the same basis (except in regard to optical coverage) as said plans may be offered to store management and other hourly paid store employees, respectively. The Employer retains the right to amend, modify, or terminate said plans. In the event of any material amendment, modification, or termination, the Employer shall notify the Union of said amendment, modification, or termination.

Section 6.2: Optical Plan

Effective with January 1, 1985 hours, the Employer agrees to make a monthly contribution of \$6.00 for each full-time pharmacy employee who has completed one (1) year of service in order to provide cost free family membership in the Optical Program sponsored by Local 714 through the National Consolidated Industries, LTD., Chicago, Illinois. If at any time during the life of this agreement, the Union provides annual claim dollar information, or the equivalent, which demonstrates the Optical Plan is losing money on this bargaining group, the Employer will increase the monthly contribution up to an amount that will cover such increased claims, up to \$2.00 per month for all full-time eligible employees. In no circumstances will the contribution exceed \$8.00 per month for each eligible full-time employee.

ARTICLE VII
SENIORITY

Section 7.1: Seniority and Other Definitions

Seniority means the rights secured by a regular full-time employee by length of continuous employment service as provided herein. Seniority starts from the last day when the employee is hired by the Employer, except that new regular full-time employees shall not acquire any seniority rights until they have completed a probationary period of ninety (90) days.

An employee's seniority shall be broken if he: (1) quits; (2) retires; (3) is discharged; (4) fails to report after a layoff within seven (7) calendar days after the Employer sends, to the last known address, a written notification to return to work; or (5) has been out of employment by the Employer for a period of twelve (12) months.

When two (2) or more employees are hired on the same day, the Employer shall determine their relative seniority. The Employer agrees to submit to the Union, on a monthly basis, a list of all newly hired employees. The Employer agrees to submit to the Union a seniority list each six (6) months during the term of the union contract.

It is agreed that pharmacy students and pharmacy interns may rotate in and out of the bargaining unit without interruption of their seniority status, provided they are enrolled in an accredited pharmacy program to become a registered pharmacist. However, the employee must return to work for the Employer within a one-year period in order for bridging of seniority to apply.

Section 7.2: Layoffs and Recalls after Layoffs – Regular Full-Time Employees

When the employee's qualifications, such as skill, efficiency, physical and mental fitness, the ability to organize, direct, and supervise the work of others are relatively equal, seniority shall control the order of layoffs and recalls after layoffs of full-time employees within the following job classifications:

Registered Pharmacists
Non-Registered Graduate Pharmacists

The Employer shall determine the relative qualifications of employees, but when the qualifications of employees for the particular job or jobs are relatively equal, this seniority principle requires that:

- A. The employee with the lowest seniority in the job classification in the bargaining unit shall be the first laid off.
- B. An employee may, in lieu of accepting a layoff, opt to take the job of the least senior employee in the bargaining unit; provided, however, that in the event a vacancy occurs in the district from which the employee was laid off, he shall have preference for such vacancy over a new employee or less senior employee.
- C. Qualified laid-off employees shall be recalled in the order of their seniority in the bargaining unit.

Section 7.3: Selection of Employees for Full-Time Employment

The Employer will welcome applications for full-time employment from part-time employees with six (6) months or more continuous service. When a full-time pharmacist

is needed, the Employer will endeavor to fill said position by selecting from all applicants, the applicant whose qualifications, ability, and availability for work are the greatest; provided, however, that when qualifications are equal, preference shall be given to part-time applicants within the collective bargaining unit on the basis of their length of service. The determination of the relative qualifications of all applicants is expressly reserved to the Employer.

Section 7.4: Pharmacy Student Apprentices

In response to Local 714's request, the Employer will agree to annually review its payroll roster each January to identify and provide an opportunity for each senior pharmacy student to discuss employment opportunities with the Employer and to make application for employment as an R.Ph. upon graduation prior to the regularly scheduled recruiting season. It is further agreed that such applicants for employment will be notified of acceptance or rejection by the Employer on or before April 1 provided the applicant has given the Employer ample opportunity to review his or her application and work history prior to April 1.

Section 7.5: Promotion to Supervision

If an employee is promoted from a job within the bargaining unit to a supervisory position with the Employer he shall continue to accumulate seniority while working the supervisory position for a period of one (1) year, and if demoted to the collective bargaining unit within said one (1) year period, he shall commence work with the seniority rank he had at the time of his promotion plus the seniority accumulated while he was working the supervisory position.

Section 7.6: Seniority of Employees on Leaves of Absence

The seniority rights of an employee who, either by voluntary action or draft entered the Armed Forces of the United States, shall continue as though he had not been absent, and he shall have the right to be reinstated to his employment provided by law and regulation thereunder.

An employee who requests and is granted a personal leave of absence by the Employer shall have his seniority rights and provisions maintained for the duration of such leave of absence, provided the employee does not hold any other employment while on such personal leave.

Section 7.7: Transfer of Pharmacists

All new full-time staff positions and all full-time staff vacancies in existing positions **within the bargaining unit** will be filled after consideration of a pharmacist's written request for work at the applicable location. To be considered, the written request must be received by the Regional Pharmacy Manager at least four (4) weeks in advance of

filling the full-time staff opening. Selection will be based solely on seniority, except when justified by the special needs of the employer (i.e., bilingual). Provided however:

- a. Candidate pharmacist meets expectations on performance ratings in the last 12 months;
- b. No discipline in the last nine (9) months;
- c. Has not rejected a requested transfer during the last nine (9) months.

Bids will not be considered from pharmacists who have been assigned to their current location for less than the twelve (12) months preceding filling the opening, except when justified by the business necessity. Pharmacists may be transferred only for operational necessity. Pharmacists will not be transferred for disciplinary reasons, except for sexual harassment or inappropriate fraternization cases.

A pharmacist who is denied a transfer may request, in writing, a meeting with the Regional Pharmacy Manager to discuss the reason(s) for any such denial.

In the event a pharmacist may be transferred for a disciplinary reason, the Regional Pharmacy Manager will notify the Union. In the event a pharmacist who is notified of a non-disciplinary transfer is unwilling to be transferred, the Regional Pharmacy Manager will notify the Union office immediately. A meeting shall be held between the Regional Pharmacy Manager or Regional Personnel Manager and the Chief Union Steward or alternate steward to resolve the matter within two (2) working days after the notification of transfer.

If, after the meeting, but no more than two (2) working days after the Union has been notified, the Company's decision is to transfer the pharmacist and the pharmacist is not willing to transfer, the pharmacist involved may resort to the grievance procedure. In the interim, the pharmacist involved may be temporarily assigned to the new location until the grievance is resolved.

Family medical leave or any leave less than eighteen (18) weeks shall not result in loss of store position.

Semi-annually, the Company will distribute a list of upcoming new store locations and will provide a return form for requests to transfer. Such completed forms returned to the Regional Pharmacy Managers will be logged and updated semi-annually.

ARTICLE VIII UNION – MANAGEMENT RELATIONS

Section 8.1: Union Security

It shall be a condition of employment that all full-time employees of the Employer covered by this agreement who are members of the Union in good standing on the execution date of this agreement shall remain members in good standing and those

who are not members on the execution date of this agreement shall on the thirty-first (31st) day following the execution date of this agreement become and remain members in good standing in the Union. It shall be a condition of employment that all full-time employees covered by this agreement and hired on or after its execution date shall, on the thirty-first (31st) day following the beginning of such employment become and remain members in good standing in the Union. The Employer may secure new employees from any source whatsoever. During the first ninety (90) days of employment, a new employee shall be on trail basis and may be discharged at the discretion of the Employer.

The Union agrees to admit to and retain in membership all employees who have served a trial period of ninety (90) days and proven satisfactory to the Employer as prospective permanent employees without discrimination so long as such employees tender the initiation fees and periodic dues uniformly required for membership and maintain their membership in good standing with the Union. In the event that an employee fails to tender the initiation fee or periodic dues uniformly required as a condition of acquiring or retaining membership or if such employee fails to maintain membership in good standing, the Union shall notify the Employer in writing and the Union member will be given not less than two (2) weeks time in which to re-establish his membership in good standing before the Employer shall be called upon to release him.

Regular part-time employees, as defined in Section 2.6(2) shall become members of the Union in good standing, effective and during the payroll quarter following a payroll quarter in which fifteen (15) or more hours of work, per week, were averaged. Membership may cease during a payroll quarter, following a payroll quarter in which fifteen (15) or more hours of work, per week, were not averaged.

Section 8.2: Union Dues Checkoff

The Employer agrees to deduct the uniform dues and initiation fees from the paychecks of those covered employees whose individual written unrevoked authorizations are on file with the Employer and to transmit the amounts so deducted to the Union. Said deduction authorizations shall be in such form as to conform with Section 302 (c) of the Labor Management Relations Act of 1974 as amended.

Section 8.3: Indemnification

The Union agrees to defend, protect, indemnify, and save the Employer harmless against any claim, demand, suit, or liability that shall arise out or by reason of any action taken by the Employer in reliance upon a request made by the Union to discharge an employee for failure to maintain his membership in good standing pursuant to Section 8.1 or upon employee payroll deduction authorization cards submitted by the Union to the Employer under Section 8.2.

Section 8.4: Initiation Fee—Local 714

Local 714 confirms its commitment to the Employer, that for the duration of our new collective bargaining agreement, it will not raise its initiation fee above the present level of two hundred dollars (\$200.00) for full-time pharmacists, fifty dollars (\$50.00) for part-time pharmacists, and twenty-five dollars (\$25.00) for pharmacy students.

It is understood that the Employer's sole interest in this matter is the prevention of any impairment in its ability to hire new pharmacists.

This provision is not intended to be in derogation of any rights secured to the members of Local 714 by the Labor-Management Reporting and Disclosure Act of 1959, or any other applicable federal statutes.

Section 8.5: D.R.I.V.E. authorization and deduction

In addition to the terms and conditions contained in the above referenced collective bargaining agreement between the Employer and the Union, the Employer and the Union hereby further agree that:

The Employer agrees to deduct from the paycheck of all employees who submit authorization cards and are covered by this agreement voluntary contributions to D.R.I.V.E. D.R.I.V.E. shall notify the Employer of the amounts designated by each contribution employee that are to be deducted from his paycheck on a weekly basis for all weeks worked. The phrase "weeks worked" excludes any week other than a week in which the employee earned a wage. The Employer shall transmit to: D.R.I.V.E., international brotherhood of teamsters, 25 Louisiana Avenue, NW, Washington, DC, 2001. Send on a monthly basis in one check the total amount deducted along with the name of each employee on whose behalf a deduction is made, the employee's social security number and the amount deducted from the employee's paycheck. No such authorization shall be recognized if in violation of state and federal law. No deductions shall be made which is prohibited by applicable law.

Section 8.6: Union

The Union, for and on behalf of itself and its members, agrees that its members shall perform the work assigned to them from time to time by the Employer and shall work for the best interest of the Employer in every way just and lawful, giving honest and diligent service to the patrons of the Employer and to each other.

Section 8.7: Union Stewards and Business Representatives

The Union business representatives shall be admitted to the Employer's store premises during the hours employees are working for the purpose of ascertaining whether or not this agreement is being observed. Such activity shall be conducted in such a manner as not to interfere with the orderly operation of the Employer's business, it being further

agreed that lengthy discussions between employees and representatives of the Union, or among themselves, concerning disputes shall not take place during working hours.

In case of disputes as to wages, the Employer agrees to show an authorized representative of the Union bona fide copies of the employee's wage records.

Union Stewards, upon request made through Local 714 headquarters to CVS/Pharmacy management headquarters, shall be granted a leave of absence without pay to attend scheduled union business, provided that such a request is made in sufficient time in advance of the expected time of absence and further provided that such leave can reasonably be accommodated by CVS Pharmacy. The duration of such leave to be determined at the time of said request for such leave.

Section 8.8: Communications Committee

A mutually acceptable committee shall be established in order to foster improved communication between representatives of the Employer and pharmacists. Said committee shall not discuss contractual or grievance matters. Quarterly meetings with up to 3 Union and Employer representatives shall be held on mutually agreeable dates.

Section 8.9: Display of Union Shop I.D.

The Employer agrees to display a union shop identification card of reasonable size next to the pharmacy licenses.

Pharmacy Signs – The Employer agrees to post in each pharmacy with a cash register a sign which shall state: Prescriptions and related items may be checked out at the pharmacy.

Section 8:10: Reserved Rights

Except as expressly and specifically abridged, limited, or modified by this contract or any agreement that may hereinafter be made, the Employer and the Union retain all the rights, power, and authority exercised or had by them prior to the entering into of this collective bargaining agreement.

It is further understood the management rights expressly retained herein by the Employer shall include, but not limited to : the right to plan, determine, direct, and control store operations and hours; the right to study and introduce new methods, facilities, and products; the right to direct and control the work force, including the determination of its size and composition, the scheduling and assignment of work; the right to hire, assign, demote, promote, and transfer (provided, however, that scheduling, assignments, and transfers shall not be arbitrary, capricious, or coercive); to layoff or reduce the hours of work because of lack of work; to discipline, suspend, or discharge for proper cause; to establish rules and regulations governing the operations of the store, a violation of which shall be among the causes for discharge; the right to

subcontract all or part of the functions presently performed by the Employer; the right to terminate part of all of the present business activity conducted by the Employer; the right to terminate operations conducted by a lessee; the right to add additional business activities on the premises; the right to sell the assets of the business or to assign the leasehold interests of the Employer, shall all remain vested in the Employer except as expressly modified by this agreement, provided, however, that these rights shall be exercised with due regard for the rights of the employees and provided further that they will not be used for the purpose of discrimination against any employee, provided further, that no bargaining unit employee shall lose employment due to the use of paraprofessional personnel.

It is further understood that the preamble or recognition clause is not a modification of these rights nor the fact that an agreement has been entered into shall in any way be construed as a modification of the foregoing rights.

Whenever a final decision is made concerning the exercise of any significant reserved management right affecting all bargaining unit pharmacies, the Employer agrees to notify the Union when such final decision has been made as promptly as possible, but there shall be no obligation on the part of the Employer to collectively bargain about such final decisions and the Union and the employees covered by this agreement herein expressly waive any such right.

Section 8.11: Severance Allowance

Every regular full-time registered pharmacist who is permanently displaced from his employment by reason of subcontracting, sale of assets, or the closing of a pharmacy or other reasons, shall be compensated for such displacement providing he has been actively employed by his Employer for a period of at least three (3) years.

An eligible employee's compensation for such displacement shall be on the basis of one half (1/2) week's salary at the rate in effect at the time of such displacement, for each full year or major portion thereof of this active employment commencing with the fourth (4th) year following his most recent date of hire. Payment under this formula shall be limited to a maximum of ten (10) week's severance pay.

No severance pay will be paid to an otherwise eligible employee if:

- A. He is offered other employment by the Employer.
- B. Is voluntarily or involuntarily separated from his employment prior to the date he would otherwise be displaced for one of the reasons stated above; or
- C. Secures employment elsewhere prior to his scheduled date of displacement.

Section 8.12: Discipline

During an employee's probationary period, that is, during the first ninety (90) days of Employment, an employee may be discharged for any reason at the sole discretion of the Employer.

The Employer shall notify the Union of any suspension or employee termination as nearly simultaneously as practicable to the imposition of such discipline.

Layoffs for lack of work are not considered disciplinary penalties but shall be handled in accordance with the seniority provisions of this contract.

After an employee has completed his probationary period and been approved for permanent employment, such employees shall not be suspended, discharged, or otherwise disciplined without just cause, just cause to include but not limited to the following: poor job performance on the job, insubordination, dishonesty, or other misconduct in connection with work, such as falsification of a record such as a time or employment record, sabotage, incivility to customers, vandalism, stealing, etc.; persistent or serious infraction of reasonable rules promulgated by management relating to the health, safety, and sanitation of employees or the operation of the store, such as using or being under the influence of alcoholic liquors or narcotics or hallucinogens while on duty, smoking in prohibited areas, violations of state or federal laws concerning pharmacies, deliberate or habitual absenteeism, tardiness, repeated wage assignments attachments and garnishments; and engaging in a strike, work stoppage, slow-down or picketing in violation of this contract.

Section 8.13: Picket Lines

Employees may refuse to cross a lawful primary picket line involving CVS Pharmacy.

ARTICLE IX NO STRIKE/NO LOCKOUT

During the term of this agreement, there shall be no strikes, stoppage, diminution, or suspension of work of any kind whatsoever on the part of the Union or the covered employees, nor shall there be any lockout on the part of the Employer unless employees avail themselves of the right granted in Section 8.11 of this Labor Agreement. Arbitrations are expressly granted the power to immediately enjoin violations of this section. Violators of this section shall be subject to immediate discharge and such discharges shall not be subject to arbitration.

ARTICLE X
GRIEVANCE AND ARBITRATION

Section 10.1: Grievances

A. Grievance Defined

A grievance is hereby defined as any dispute involving the interpretation or application of the provision of this contract.

B. Procedure

A grievance may be initiated by any individual employee, by the Union, or by the employer. Once initiated, the following steps shall be taken to settle such grievance:

Step 1:

By conference between the aggrieved employee and the **Pharmacy Supervisor**.

Step 2:

By conference between a Union representative and Labor Relations Representative Or other representative designated by the **Director of Labor Strategy**.

Any grievance initiated or carried to Step 2 shall be reduced to writing. Grievances involving only one (1) store shall be introduced only at Step 1, while grievances involving more than one (1) store may be introduced at Steps 1 and 2. All grievances shall be investigated and answered promptly.

C. Time Limits on Grievances

Any grievance involving a claim of improper discharge or other discipline must be presented within fourteen (14) calendar days after discharge. All other grievances other than wage claims must be made within twenty-eight (28) calendar days after the cause giving rise to the grievance becomes evident. Wage claims involving the proper application of wage rates or related to time worked shall not be valid and collectible for a period earlier than twenty-eight (28) calendar days prior to the date of filing the claims.

Section 10.2: Arbitration

- A. Either the Union or the Employer may, within thirty (30) calendar days after failure to adjust the grievance in accordance with the grievance procedure, serve upon the other party a written demand for arbitration stating the issue to be arbitrated. The parties shall endeavor to select an impartial arbitrator. However, if parties fail to agree upon an arbitrator who is willing and able to serve within fifteen (15) calendar days after served of the demand for arbitration, either party may, within **fourteen (14) calendar days** thereafter, request the Federal Mediation and Conciliation

Service to submit a list of not less than five (5) disinterested persons who are qualified and willing to act as impartial arbitrators. Failure to demand arbitration within 30 days of a Step 2 meeting, or failure to jointly select an arbitrator upon Union demand within 60 days of a Step 2 meeting, or failure to initially file a grievance within the time limits set forth in Section 10.1 (c) shall bar arbitration. Failure to select an arbitrator by the Employer after a Union demand as provided above shall not bar arbitration. Upon receipt of this list, an authorized representative of the Union and of the Employer shall flip a coin to determine who shall have first choice to strike a name. The party winning the toss shall then strike one name each until only one name remains. The person whose name remains shall be the selected arbitrator.

- B. The Arbitrator shall commence hearings as quickly as possible after his selection and shall render his award in writing together with his written findings and conclusions as quickly as reasonably possible after the hearing. The award shall be final and binding upon the parties to this agreement and upon the complaining employee or employees, if any.

The arbitrator shall have no power to determine arbitrability nor to add to, subtract from, modify, or amend any provision of this agreement, nor to substitute his discretion for the discretion of the Union or the Employer, change existing wage rates, or arbitrate proposals for the amendment or renewal of the agreement.

The arbitrator's fees and expenses, the cost of any hearing room, and the cost of a shorthand reporter and of the original transcript shall be borne equally by the parties. All other costs and expenses shall be borne by the party incurring them.

- C. For the purpose of entertaining a written request from either of the parties for rehearing to correct any material error or omission or commission, ambiguity or question of application allegedly evident in the opinion or award, the arbitrator shall, for a period of seven (7) calendar days next following the date of his award, retain jurisdiction of the matter submitted to arbitration by the parties hereto and until the expiration of the period of time stated in this provision for rehearing the award shall not be deemed to have been issued. If however, no request for rehearing is duly filed within this seven (7) day period, this award shall be deemed to be issued effective as of its date. A written request for rehearing shall detail the specific ground relied upon for alleging a material error, or ambiguity, and a copy thereof shall be mailed by certified mail to the other party or parties. If the written request is postmarked no later than the seventh (7th) day next following the date of this award, it shall extend the jurisdiction of the arbitrator for a period of seven (7) days next following the date of the written request. Within those seven (7) days, the arbitrator, having re-examined the matter, shall, in writing, either reject the request for a rehearing or set a date for the requested rehearing. If the request for rehearing is denied, the award shall thereupon be deemed to be issued effective that date and the jurisdiction of the arbitrator shall accordingly cease. If the request for rehearing is granted, the

jurisdiction of the arbitrator shall continue until issuance of a final amended award incorporating or rejecting the substance of the allegations contained in the request.

- D. The participation of the parties in an arbitration proceeding under this agreement shall not be deemed a waiver of or prejudicial to the right of either party to contest the arbitrability of the grievance or the jurisdiction and authority of the arbitrator in proceedings to set aside the award of , in other appropriate proceedings, in any state or federal court of competent jurisdiction; provided such judicial proceedings are instituted within thirty (30) days of the date of the arbitrator's award.

ARTICLE XI TEAM LEADERS

The Employer may designate staff pharmacists as **Team Leaders**. **Team Leaders** shall be bargaining unit members and shall perform bargaining unit work, primarily filling prescriptions.

Team Leaders shall perform those duties as may be assigned by the Employer. Such duties may include: budget responsibilities; work flow supervisor; directing the pharmacy staff; monitoring product sources , generic utilization, marketing promotions, competitor pricing, inventory control, pharmacy reports; administration of company programs/policies; training; recommending personnel related action; communication to the pharmacy staff; and other duties. **Team Leaders** shall not be responsible for the decision to hire, discharge or otherwise discipline other pharmacists. Work schedules of full-time staff pharmacists, including **Team Leaders**, shall be rotated in an equitable manner in regard to starting and ending times and weekend work, provided the needs of the business are met.

The Employer shall have the right to develop, modify or terminate an incentive pay plan for **Team Leaders** during the term of the Agreement.

A **Team Leader** with an evaluation of satisfactory or above, employed more than twelve months as a **Team Leader**, and who chooses to be a staff pharmacist shall have preference over pharmacists who are not regularly assigned to a pharmacy as a staff pharmacist (i.e. undistributed pharmacists) with the Company for an available staff pharmacy vacancy. Nothing herein shall limit the Employer's right to demote or transfer pharmacist as provided in Section 7.7 of this labor agreement. The Employer within its sole discretion may modify (except as specifically limited herein this section) or terminate the **Team Leader** program during the term of this Agreement. However, the Employer shall notify the Union or Communication Committee of any major change or termination of the **Team Leader** program.

ARTICLE XII
TERM

Section 12.1: Initial Term

This agreement shall become effective on **June 18, 2006** and shall expire at 1:00am on **May 2, 2010**.

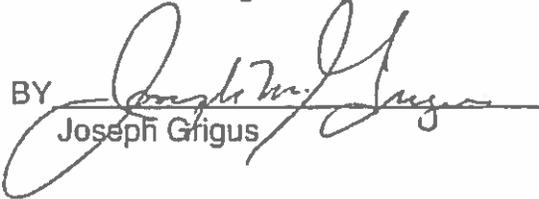
Section 12.2: Renewal Term

If either party wishes to modify this agreement at its expiration, it shall serve notice in writing of such request upon the other party not less than sixty (60) days prior to the expiration date. In the absence of the service of such notice, this contract shall automatically renew itself for a period of one (1) year and from year to year thereafter, it being further agreed that the contract expiration date shall be the second Sunday in June of each succeeding year.

TEAMSTERS LOCAL 714

BY 

Robert A. Hogan

BY 

Joseph Grigus

DATE _____

CVS PHARMACY

BY 

John Laderaosa

BY 

Gerald Bush

DATE _____

APPENDIX A

Compensation

Section A.1 Guaranteed Minimum Weekly Salary—Full time Employees

Effective:

	6/4/06	06/03/07	06/01/08	06/07/09
Fulltime	\$1,952	\$2,024	\$2,106	\$2,170

Section A.2 hourly rates

Part time	\$48.80	\$50.60	\$52.65	\$54.25
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Graduate non-registered:

	\$28.20	\$28.20	\$28.20	\$28.20
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These wage rates do not include the applicable premiums for pharmacists regularly working the 10:00p.m. to 8:00a.m. work shift, as set forth in Appendix C, section 1

Or for midnight operations, as set forth in Appendix D, section 1. These rates also do not reflect the optional work week, which may be chosen by certain full time pharmacists, as defined in Appendix C, section 2 (b).

APPENDIX B

WAGE STRUCTURE FOR PHARMACY STUDENT APPRENTICES

Effective:	<u>6/18/06</u>	<u>6/3/07</u>	<u>6/1/08</u>	<u>6/7/09</u>
Pharmacy Students				
<u>Pharmacy School Year</u>				
3rd year	\$13.00	\$13.00	\$13.00	\$13.00
4 th year	\$14.50	\$14.50	\$14.50	\$14.50
5 th year	\$16.50	\$16.50	\$16.50	\$16.50
6 th year	\$18.00	\$18.00	\$18.00	\$18.00

NOTE:

The above structure is designed to provide a minimum wage rate for pharmacy student apprentices and to allow individual store management to recognize experience, effort, and ability demonstrated by individual pharmacy student apprentices.

Pharmacy students who are initially and solely employed in order to gain pharmacy school credits need not be paid any compensation during their school intern program period provided Employer activities are related to pharmacy school extern program. Such students who are retained after completion of a pharmacy school extern program in connection with school credits shall be paid in accordance with the above stated minimum rates of pay.

APPENDIX C

TWENTY-FOUR (24) HOUR PHARMACY OPERATIONS

The Employer shall possess the right to operate twenty-four (24) hour pharmacies anywhere in the Greater Metropolitan Chicagoland Area, when a major competitor operates any twenty-four (24) hour pharmacies. The following provision shall apply to twenty-four (24) hour pharmacies:

1. Work Shift: The regular work shift for twenty-four (24) hour pharmacies shall be 10 p.m. to 7 a.m. on weekdays, and 7p.m. to 7a.m. on weekends.. The nine (9) hour normal workday limitation of Section 3.1 of the Master Labor Agreement shall not apply to said work shift, however, the twelve (12) hour maximum workday limitation of Section 3.1 shall continue in full force and effect.
2. Workweek: Full-time pharmacists who work the regular overnight work shift for twenty-four (24) hour pharmacies will work a 7 day on, 7 day off schedule which will run Thursday thru Wednesday.
3. Compensation: Those pharmacists regularly working the 7 day on, 7 day off overnight shift schedule, shall be compensated with a weekly salary equivalent to 80 hours at their current rate of pay. The schedule for the 7 day on, 7 day off overnight shift shall be 70 hours. For purposes of calculating an hourly rate for extra hours worked, their weekly salary would be divided by 80 hours.
4. Selection of Pharmacists for 10:00 p.m. to 7:00 a.m. Shift Work
 - A. 10:00 p.m. to 8:00 a.m. shift work shall initially be offered to existing pharmacists in an affected store on a seniority basis.
 - B. If the initial offering does not produce an adequate staff of pharmacists between the hours of 10:00 p.m. and 7:00 a.m., the Employer shall consider written requests for such shift work from all pharmacists in the bargaining unit on a seniority basis. Such requests shall indicate location/area preference and be addressed to the regional personnel manager of the Employer
 - C. If an adequate number of pharmacists do not volunteer for such work between the hours of 10:00 p.m. and 7:00 a.m., new pharmacists shall be hired for said hours of work.

5. Replacement Coverage for 10:00 p.m. to 7:00 a.m. Shift Work: When the Employer is notified of an unscheduled, projected absence of a 10:00 p.m. to 7:00 a.m. pharmacist, the Employer shall use its best efforts to find a late-shift replacement pharmacist to relieve a pharmacist whose shift is scheduled to end at 10:00 p.m.

The Employer shall also have available a list of replacement pharmacists for use by non-late shift pharmacists when a 10:00 p.m. to 7:00 a.m. pharmacist is unexpectedly absent from the start of a 10:00 p.m. work shift.

Absences of regular 10:00 p.m. to 7:00 a.m. pharmacists shall first be covered by available undistributed, full-time pharmacists and thereafter by regularly assigned volunteer full-time or part-time pharmacist. Such replacements shall not be required to work with less than twenty-four (24) hours between the start of work shifts. For example, a replacement pharmacist who works from 10:00 p.m. Tuesday to 7:00 a.m. Wednesday shall not be required to work until 10:00 p.m. Wednesday at the earliest.

In instances when a replacement cannot be obtained, the non-late shift pharmacist may be required to continue working past his or her regularly scheduled end of shift but shall not be required to work more than a total workday of twelve (12) hours as provided in Section 3.1 of the Master Labor Agreement.

6. Other Shift Transfers

A. Any pharmacist who volunteers to work the 10:00 p.m. to 7:00 a.m. shift shall be required to work said shift for a minimum of three (3) months unless the Employer ceases said shift in the involved pharmacist's store.

B. If a 10:00 p.m. to 7:00 a.m. pharmacist desires to work other hours on a regular basis, said pharmacist shall notify the Employer's regional personnel manager of his or her store/area preference, in writing, and will be offered the next such available pharmacy position in the bargaining unit on the basis of his or her seniority, provided said pharmacist has not received any type of disciplinary warning or suspension within the prior six (6) months of employment.

7. Effect Pharmacists of Discontinued Twenty-Four (24) Hour Operations

If the Employer should discontinue a twenty-four (24) hour operation, full-time Pharmacists working the 10:00 p.m. to 7:00 a.m. schedule may exercise their seniority to obtain a regular full-time position by bumping the least senior pharmacist (s) in the bargaining unit, provided the 10:00 p.m. to 7:00 a.m. pharmacist's seniority is greater.

APPENDIX D

MIDNIGHT PHARMACY OPERATIONS

If a major competitor of the Employer operates any midnight (12:00 a.m.) pharmacies Anywhere in the Greater Metropolitan Chicagoland Area, the Employer shall possess the right to operate midnight pharmacies anywhere in the Greater Metropolitan Chicagoland Area. The following provisions shall apply to midnight pharmacies:

1. Premium Pay: Pharmacists shall receive Two Dollars and Fifty Cents (\$2.50) per Hour for all hours worked from 10:00 p.m. to 12:00 a.m.
2. Scheduling: The Employer shall use its best effort to provide part-time Pharmacist assistance in order to assist regular full-time pharmacists with work shifts ending at midnight. Shift ending at midnight shall be distributed *equitably amongst involved full-time pharmacists when appropriate.*

APPENDIX E

CVS STORE	OSCO STORE	ADDRESS	CITY	STATE	ZIP
CVS Store 8500	Oscos Drug 2429	11201 W 143 rd St	Orland Park	IL	60467
CVS Store 8501	Oscos Drug 2451	8325 Lemont Rd	Darien	IL	60561
CVS Store 8502	Oscos Drug 2452	6351 S Pulaski Rd	Chicago	IL	60629
CVS Store 8503	Oscos Drug 2453	1420 E 53 rd St	Chicago	IL	60615
CVS Store 8504	Oscos Drug 2454	8444 S Pulaski Rd	Chicago	IL	60652
CVS Store 8505	Oscos Drug 2455	6748 W 111 th St	Worth	IL	60482
CVS Store 8506	Oscos Drug 2456	8025 S Ashland Ave	Chicago	IL	60620
CVS Store 8507	Oscos Drug 2457	9142 S Chicago Ave	Chicago	IL	60617
CVS Store 8508	Oscos Drug 2459	3156 W 103 rd St	Chicago	IL	60655
CVS Store 8511	Oscos Drug 2465	7858 S Halsted St	Chicago	IL	60620
CVS Store 8512	Oscos Drug 2466	1 Main St	Park Forest	IL	60466
CVS Store 8513	Oscos Drug 2467	2545 Martin L King Dr	Chicago	IL	60606
CVS Store 8514	Oscos Drug 2468	641 W 63 rd St	Chicago	IL	60629
CVS Store 8515	Oscos Drug 2469	1713 S Ashland Ave	Chicago	IL	60608
CVS Store 8516	Oscos Drug 2470	845 W Wilson Ave	Chicago	IL	60640
CVS Store 8517	Oscos Drug 2471	2418 W Division St	Chicago	IL	60622
CVS Store 8519	Oscos Drug 2475	11055 S Western Ave	Chicago	IL	60643
CVS Store 8693	Oscos Drug 5503	1400 Lake St	Addison	IL	60101
CVS Store 8694	Oscos Drug 5511	2722 N Central Ave	Chicago	IL	60639
CVS Store 8695	Oscos Drug 5513	3101 N Clark St	Chicago	IL	60657
CVS Store 8696	Oscos Drug 5514	150 N Michigan Ave	Chicago	IL	60601
CVS Store 8697	Oscos Drug 5515	111 W Jackson Blvd	Chicago	IL	60604
CVS Store 8698	Oscos Drug 5516	1165 N Clark St	Chicago	IL	60610
CVS Store 8699	Oscos Drug 5518	137 S State St	Chicago	IL	60603
CVS Store 8731	Oscos Drug 5519	400 W Madison St	Chicago	IL	60606
CVS Store 8732	Oscos Drug 5521	2053 N Milwaukee Ave	Chicago	IL	60647
CVS Store 8733	Oscos Drug 5523	3552 W Grand Ave	Chicago	IL	60651
CVS Store 8734	Oscos Drug 5529	1801 W Gold Rd	Schaumburg	IL	60194
CVS Store 8735	Oscos Drug 5532	3940 W Fullerton Ave	Chicago	IL	60647
CVS Store 8736	Oscos Drug 5535	7216 Circle Ave	Forest Park	IL	60130
CVS Store 8737	Oscos Drug 5537	2414 N Lincoln Ave	Chicago	IL	60614
CVS Store 8738	Oscos Drug 5539	741 W 31 st St	Chicago	IL	60616
CVS Store 8739	Oscos Drug 5540	1819 N Harlem Ave	Elmwood Park	IL	60707
CVS Store 8740	Oscos Drug 5556	2427 W Chicago Ave	Chicago	IL	60622
CVS Store 8741	Oscos Drug 5557	2634 S Pulaski Rd	Chicago	IL	60623
CVS Store 8742	Oscos Drug 5562	5524 W Cermak Rd	Cicero	IL	60804
CVS Store 8743	Oscos Drug 5564	124 E Willow Ave	Wheaton	IL	60187
CVS Store 8744	Oscos Drug 5576	9139 Broadway Ave	Brookfield	IL	60513
CVS Store 8745	Oscos Drug 5577	771 N Ogden & Milwaukee	Chicago	IL	60622
CVS Store 8746	Oscos Drug 5589	300 N Eola Rd	Aurora	IL	60504
CVS Store 8747	Oscos Drug 5613	6150 N Broadway St	Chicago	IL	60660
CVS Store 8748	Oscos Drug 5614	430 Asbury Ave	Evanston	IL	60202
CVS Store 8749	Oscos Drug 5617	3950 Devon Ave	Chicago	IL	60646
CVS Store 8750	Oscos Drug 5618	4801 N Central Ave	Chicago	IL	60630
CVS Store 8751	Oscos Drug 5621	4051 N Lincoln Ave	Chicago	IL	60618
CVS Store 8752	Oscos Drug 5622	5945 W Dempster St	Morton Grove	IL	60053
CVS Store 8753	Oscos Drug 5628	3637 N Southport Ave	Chicago	IL	60613
CVS Store 8754	Oscos Drug 5632	3235 N Springfield Ave	Chicago	IL	60618
CVS Store 8755	Oscos Drug 5637	2825 W Devon Ave	Chicago	IL	60659
CVS Store 8756	Oscos Drug 5640	6200 W Higgins Ave	Chicago	IL	60630
CVS Store 8757	Oscos Drug 5646	4001 Main St	Skokie	IL	60076
CVS Store 8758	Oscos Drug 5649	4540 N Pulaski Rd	Chicago	IL	60630
CVS Store 8759	Oscos Drug 5660	5158 N Lincoln Ave	Chicago	IL	60625
CVS Store 8760	Oscos Drug 5674	3333 Central St	Evanston	IL	60201
CVS Store 8761	Oscos Drug 5698	10 S Lewis Ave	Waukegan	IL	60085

April 30, 2006

Mr. Robert Hogan
IBT Local No. 714
6815 West Roosevelt Road
Berwyn, IL 60402

RE: Memorandum of Understanding Regarding Walgreen Top Rates

Dear Bob:

In conjunction with the most recent collective bargaining negotiations, the parties agree to this Letter of Understand for the term of the collective bargaining negotiations, May 1, 2006 to May 2, 2010.

In the event the Walgreen collective bargaining agreement provides a top wage rate which is more than the top wage rates provided in the 2006-2010 Osco Drug (Chicagoland) collective bargaining agreement, the employer shall adjust the top rate to equal the Walgreens top rate on the Sunday following the effective date of Walgreens increase in its collective bargaining agreement. Nothing herein shall apply to calendar year 2010

If this memorandum is correct, please sign and date all four (4) copies of this letter and return two (2) for my file.

Very truly yours,



John Iaderosa

By  _____

Date _____

CVS/pharmacy

June 18, 2006

Mr. James Hogan
Local 714 I.B.T.
6815 West Roosevelt Road
Berwyn, Illinois 60402

Re: MEMORANDUM OF UNDERSTANDING PHARMACIST INCENTIVE PAY PROGRAM

Dear Mr. Hogan:

This Memorandum sets forth certain understandings which were agreed upon during our **May 24, 2006** meeting concerning a pharmacist incentive pay program which **desires to provide to Staff Pharmacist and Team Leaders.**

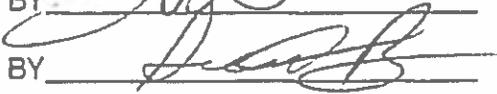
1. **CVS Pharmacy** may establish, modify, administer and/or terminate in its sole discretion, at any time, an incentive program for pharmacists. Local 714 waives any and all bargaining rights in connection thereof.
2. Local 714 shall have the right to demand termination of said plan at the end of fiscal year **2007** for good and sufficient reasons after discussion with representatives of **CVS Pharmacy.**

If this Memorandum accurately sets forth your understanding of our meeting agreements, please sign and date all four (4) copies of this Memorandum and return two (2) to me for my contract file.

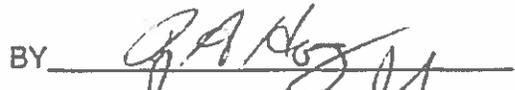
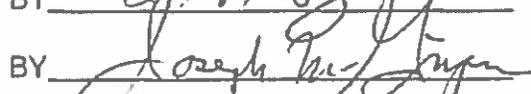
Your support for this test program is appreciated.

Very truly yours,

John Iaderosa

BY 
BY 
Date _____

CVS Pharmacy

BY 
BY 
Date _____

LOCAL 714, IBT

LETTER OF UNDERSTANDING

THIS LETTER OF UNDERSTANDING is entered into by and between TEAMSTERS LOCAL UNION NO. 727 (hereinafter referred to as "the Union") and CVS Pharmacy (hereinafter referred to as "the Employer").

WHEREAS, the Employer is a signatory to a collective bargaining agreement with Teamsters Local Union No. 714 (hereinafter referred to as the "Agreement").

WHEREAS, effective 7/1/09, jurisdiction of the bargaining unit covered by this Agreement was transferred from Teamsters Local Union No. 714 to the Union.

The parties hereby agree as follows:

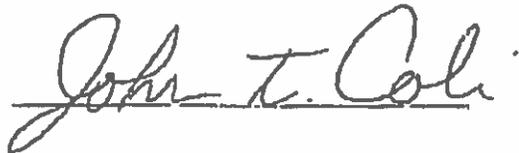
- 1. Effective 7/1/09, the Union agrees to be substituted in place of Teamsters Local Union No. 714 in the above referenced Agreement and to be bound to the terms of this Agreement until expiration on 5/2/2010.
- 2. Effective 7/1/09, the Employer agrees to recognize the Union as the exclusive collective bargaining representative, to substitute the Union in place of Teamsters Local Union No. 714 in the above referenced Agreement and to be bound by the terms of this Agreement until expiration on 5/2/2010.

Agreed this 1st day of July, 2009

For the Employer:



For the Union:



AGREEMENT

between

CVS Pharmacy

and

TEAMSTERS LOCAL UNION NO. 727



MAY 2, 2010 – MAY 4, 2013

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CONTRACT BETWEEN CVS/PHARMACY PHARMACY EMPLOYEES AND TEAMSTERS LOCAL 727

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CONTRACT BETWEEN CVS/PHARMACY

**PHARMACY EMPLOYEES
AND
TEAMSTERS LOCAL 727**

Term: May 2, 2010 thru May 4, 2013

ARTICLES OF AGREEMENT

THIS AGREEMENT is entered into between CVS/pharmacy, a corporation hereinafter called the "Employer", and Auto Livery Chauffeurs, Embalmers, Funeral Directors, Apprentices, Ambulance Drivers and Helpers, Taxicab Drivers, Miscellaneous Garage Employees, Car Washers, Greasers, Polishers and Wash Rack Attendants, Motion Picture, Theatrical, Exposition, Convention and Trade Show Employees and Pharmacists Union, Local 727.

**ARTICLE 1
RECOGNITION**

The Employer recognizes the union as the sole collective bargaining agent for all registered pharmacists, graduate non-registered pharmacists, regularly employed part-time graduate and registered pharmacists and student pharmacy interns in the retail drug stores operated by CVS/pharmacy listed on Appendix E, excluding, however, all store managers, assistant store managers, manager trainees, all supervisors and guards as defined in the Act and all other employees.

It is recognized that the Employer's managers, assistant managers, and management trainees who are registered pharmacists, may from time to time perform a limited amount of bargaining unit work; however, it is understood that the intent of the Employer is that such work will not be conducted to the extent of substantially depriving members of the bargaining unit work.

**ARTICLE 2
GENERAL**

Section 2.1: Notices

All notices required under this contract shall be deemed to be properly served if delivered in writing personally or sent by certified or registered mail to the general office of the Union at 5940 W. Montrose, Chicago IL 60634, or the Employer at CVS Pharmacy, 1 CVS Drive, Woonsocket, RI, 02895, or to an employee at his home or residence address. Date of service of a notice served by mail shall be the date on which such notice is postmarked by a post office of the United States Post Office Department.

Section 2.2: Partial Invalidity

Nothing contained in this agreement is intended to violate any state or federal law, rule or regulation made pursuant thereto. If any part of this agreement is construed by a court or board of competent jurisdiction to be in such violation, then that part shall be null and void, but the remainder of the contract shall continue in full force. The parties will immediately begin negotiations to replace the void part with a valid provision.

Section 2.3: Marginal Headings

The captions of the several articles and sections of this contract are for convenience only and in no way limit, enlarge, define, or otherwise affect the scope or intent of the contract or any provisions thereof.

Section 2.4: Amendments

This agreement is subject to amendment, alteration, or addition only by a subsequent written agreement between and executed by the Employer and the Union. The waiver of any breach, term, or condition of this agreement by either party shall not constitute a precedent in the future enforcement of all its terms and conditions.

Section 2.5: Definitions

1. Regular Full-Time Employee -An employee who has completed his probationary period and is regularly scheduled to work the full workweek.
2. Regular Part-Time Employee -An employee who is employed to work on a regular basis, less than the full workweek, and who averages not less than ten (10) hours per week during a payroll quarter.
3. Irregular Part-Time Employee -An employee who is employed to work on a regular basis, less than the full workweek, and who averages less than ten (10) hours per week during a payroll quarter.
4. Graduate Non-Registered Pharmacists -An employee who is not registered as a pharmacist but who is either a graduate of a college of pharmacy which is accredited by the American Council of Pharmacy Education or a graduate of a non-accredited college of pharmacy who has successfully passed an equivalency evaluation by the appropriate pharmacy board.
5. Part-Time Pharmacy Student -Any person enrolled in a pharmacy school and working part-time hours on a regular basis in the pharmacy while attending school regularly or working during his normal school vacation period.

Section 2.6: Entire Agreement

This agreement constitutes the sole and entire existing agreement between the parties and supersedes all prior agreements, commitments and practices whether oral or written between the Employer and the Union or the Employer and any of the covered employees, and expresses all obligations of and restrictions imposed on the Employer and the Union.

Section 2.7: Waiver

The parties acknowledge that during the negotiations that resulted in this agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining and that the understandings and agreements arrived at by the parties after the exercise of that right and life of this agreement, each voluntarily and unqualifiedly waives the right and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter not specifically referred to or covered in this agreement even though such subject or matter may not have been within the knowledge or contemplation of either or both of the parties at the time they negotiated or signed this agreement.

Section 2.8: Equal Rights

The Employer and the Union reaffirm their mutual intent and current practice of opposing and refraining from discrimination against any employee for reason of sex, race, religion, color, national origin, age, or union activity in accordance with the requirements of Title VII of the Civil Rights Act of 1964, as amended, the Labor-Management Relations Act of 1947 as amended and the Age Discrimination in Employment Act of 1967.

Section 2.9: Standards

Work Standards

It is the mutual belief of the parties that when a pharmacist is performing up to reasonable work standards as established by the Employer, such a pharmacist's professional responsibilities include the evaluation of whether the rate at which he processes prescriptions is consistent with good professional judgment and ethics.

Pharmacists' Work Assignments or Tasks

The parties agree that the profession of pharmacy requires that the registered pharmacist devote his time and attention to the duties involving his special training and expertise; namely, receiving, filling and refilling prescriptions, consulting with physicians, patients, maintaining records, ordering prescriptions, and other pharmaceutical items involving professional competence.

Accordingly, a registered pharmacist will not be required to perform tasks or assignments outside of his prescription department unless necessary to the operation of the store, and then only to the extent that these other tasks or assignments do not substantially interrupt or interfere with duties involving his special training and expertise.

In no event shall a pharmacist be required to do any work demeaning to his professional status, namely mopping floors, cleaning toilets, washing windows, or performing "bus boy" services in the lunchrooms.

Pharmacy Standards

A registered pharmacist shall assure, to the extent of his authority, that the prescription department is operating in compliance with applicable law, professional ethics, and valid Employer rules.

Pharmacy Technicians

In order to protect the health and safety of the public, the assigned pharmacists in each store shall be responsible for addressing the conduct and performance of the technicians that work under their direction. In the event that assistance is needed in a particular situation, the pharmacist should contact their Pharmacy Supervisor and/or HR Business Partner.

ARTICLE 3 WORK HOURS AND OTHER CONDITIONS OF EMPLOYMENT

Section 3.1: Workday and Workweek

The basic contractual workweek shall consist of forty (40) hours to be worked within (5) days of a Sunday through Saturday workweek, to be administered in accordance with the Fair Labor Standards Act and regulations applicable to exempt employees. No employee shall be required to work more than nine (9) hours in any one (1) workday except to cover for emergencies and vacations. In any event, pharmacists shall not be required to work more than twelve (12) hours in a workday. A pharmacist who is required to perform extra work shall be compensated at an hourly rate, which will be equal to their base weekly salary divided by their base weekly hours. Any pharmacist who is required to perform extra work beyond 44 hours in a work week will be compensated an additional \$6/hr for such work.

Management may require approval of extra work before a pharmacist performs such work. If mutually agreed upon by a supervising manager and pharmacist, time off with pay in lieu of payment for an equivalent number of worked hours may be agreed upon.

Section 3.2: Work Schedule

A work schedule showing the days and hours to be worked by full-time and regularly scheduled part-time employees shall be posted not later than 4:00 p.m. on Friday of the week preceding the week in which the schedule is to be effective; provided further that employees who are required to work on Sunday shall be so notified by not later than 4:00 p.m. the preceding Thursday. Posted schedules may be changed when emergencies make changes necessary or by agreement with the employees involved provided that indiscriminate changes shall not be made. There shall be no split shift schedules for any employee unless mutually agreed to. In instances when a pharmacist is assigned to more than one location on a particular day, "travel time" between locations will be considered as compensable. The Employer further agrees that in stores where there is one (1) full-time registered pharmacist assigned, no more than forty (40) hours of paraprofessional work will be used before assigning a second full-time registered pharmacist.

Section 3.3: Meal and Rest Periods; Laundry

Each employee shall be given each day one (1) uninterrupted fifteen (15) minute paid rest period, including travel time to the break or rest area for each four (4) hours of work scheduled. No employee shall be required to work more than five (5) continuous hours without an unpaid lunch or dinner period which shall be not less than one-half (1/2) hour and not more than one (1) hours, as agreed upon with the employees. Store management shall provide the pharmacist with the necessary assistance to meet the needs of the business during break/meal periods.

Any uniform deemed necessary by the Employer shall be furnished by the Employer. If the furnished uniform is not of a drip-dry or wash-and-wear variety, it shall be laundered by the Employer.

Section 3.4: Overtime Pay

All part-time employees shall be paid one and one-half (1-1/2) times their regular hourly rates for all hours worked over forty (40) hours in a week.

Section 3.5: Scheduling of Regular Part-Time Employees

An effort will be made to schedule part-time employees a minimum of seventeen (17) hours per week in the store in which they work. However, this shall not apply to an employee called in to replace another employee or to an employee whose available hours are beyond the Employer's control or to an employee called in to work when fewer than seventeen (17) available hours remain in the week. The Employer agrees that where appropriate it will attempt to schedule part-time pharmacists around the fulltime pharmacists.

It is also understood and agreed that is additional part-time hours become available at the pharmacist's home store, and the part-time pharmacist is available to work the additional hours, the most senior part-time pharmacist in that store may request those hours prior to assigning those hours to someone not based in that location unless those hours are assigned to a full-time pharmacist. This provision shall not be considered a guarantee of hours or assignments.

ARTICLE 4 COMPENSATION

Section 4.1: Guaranteed Minimum Weekly Salaries - Full-Time Pharmacists

During the term of this agreement, the Employer agrees to pay not less than the guaranteed minimum weekly salaries set out in Appendix A, attached hereto; provided however, that the guarantee shall not apply to an employee who is absent for personal reasons for an entire workweek or to an employee from whose salary FLSA permitted

deductions are made, provided said deductions are not inconsistent with the provisions of this agreement. Such salaries are the consideration for the employee's performing service during a basic workweek as defined in Section 3.1.

Section 4.2: Extra Work -Full-Time Pharmacists

A pharmacist who is required to perform extra work shall be compensated at an hourly rate, which will be equal to their base weekly salary divided by their base weekly hours. Any pharmacist who is required to perform extra work beyond 44 hours in a work week will be compensated an additional \$6/hr for such work.

Each regular full-time employee who has worked a basic workweek as defined in Section 3.1 who reports for work on a sixth (6th) or seventh day (7th) of a workweek shall be guaranteed a minimum of one-half (1/2) day of work. The compensation for all such work and for time worked in excess of the basic workweek within workweeks as set forth in Section 3.1.

There shall be no mandatory overtime in excess of the maximum workday or standard workweek except for vacation coverage and emergencies. Moreover, when mandatory overtime in these situations would pose an undue hardship, the Employer may, at its option, assign management personnel who are registered pharmacists to perform such work.

Section 4.3: Hourly Wages -Part-Time Pharmacists

During the term of this agreement, the Employer agrees to pay not less than the minimum hourly rates set out in Appendix A attached hereto

ARTICLE 5
VACATIONS, HOLIDAYS, ABSENCE LEAVES

Section 5.1: Length of Vacation

Each regular employee covered by this contract who meets the qualifications shall be entitled to a vacation with pay in accordance with the following schedule:

Number of Completed Years of Continuous Service	Number of Weeks of Vacation With Pay
ALL REGULAR FULL-TIME EMPLOYEES	
1 - 4 Years Inclusive	2 Weeks
5 - 9 Years Inclusive	3 Weeks
10 - 19 Years Inclusive	4 Weeks
20 Or More Years	5 Weeks

As used above, continuous service means uninterrupted, complete years of service since the last employment date.

Section 5.2: Vacation Qualifications

1. First Vacation

Regular Full-Time Employees hired in the preceding year may take their first vacation in the current year ahead of their service anniversary date subject to their refunding all vacation payments in the event they do not complete a full anniversary year of employment.

2. Second and Succeeding Vacations

Regular Full-Time Employees - Once an employee has qualified for his first vacation, he shall thereafter qualify for all succeeding vacations as of January 1 of the current year for a vacation based on his length of service to be completed during the current year subject to the adjustments set out in Section 5.5 in the event the employee does not complete his anniversary year of service.

3. Extended Absences

A week's vacation pay for a regular full-time pharmacist shall be prorated (on the basis of a standard full-time workweek) if a full-time pharmacist works less than 1,600 hours in the preceding payroll year. Paid absence for vacation, funeral, and jury duty shall not be considered absences for purpose of this section. This section is not intended to pro-rate vacation for those full-time pharmacists who worked less than 1,600 hours solely because they were hired in the prior year.

Section 5.3: Vacation Pay -Regular Full-Time Employees

A week's vacation pay for a regular full-time pharmacist shall be in the amount of his basic weekly salary in effect at the time the vacation is taken.

Section 5.4: Vacation Administration

1. Vacation Schedules

All vacations shall be subject to the necessary scheduling of replacements by the Employer, which may limit the number of employees who may be on vacation at any one time. Preference in the choice of earned vacation dates shall be given on the basis of seniority in the bargaining unit, within each cluster group. The Employer reserves the exclusive right to establish and to change cluster groups. The Union and the Employer shall work to establish a form or procedure to ease vacation administration.

2. Calendar Weeks

All vacations shall be for calendar weeks. Vacations of three (3) or four (4) weeks may be split by mutual agreement between the employee and the Employer but not into any period of less than one (1) week. Vacations of less than three (3) weeks duration may not be split except in unusual cases, and then only where the individual's application is approved by the Employer as consistent with efficient operation of the store. Choice of vacation dates shall be on the basis of seniority within the pharmacy.

3. Holidays Within Vacations

Whenever a holiday recognized under this contract falls within an employee's vacation period, the employee shall receive an extra day's pay or subsequent day off at the Employer's option.

Section 5.5: Adjustment of Vacation Pay in the Event of Layoff or Separation from Service

Any full-time employee who is laid off or who leaves service prior to his first service anniversary shall forfeit all vacation pay with respect to that year of service and shall refund any vacation pay with respect to such year.

Any full-time employee who is laid off or who leaves service after his service anniversary, unless he was discharged for gross misconduct in connection with his work (namely stealing, malicious vandalism, or other serious misconduct), shall be entitled to vacation pay at the rate of one-twelfth (1/12th) of the vacation pay to which he will be entitled to on his next anniversary date for each full month of service completed since his last anniversary date plus any earned vacation not taken.

If a full-time employee is laid off or is separated from service and is entitled to vacation pay as set out above, he shall be paid such vacation pay within two (2) weeks following the layoff or separation from service.

If a full-time employee has received his vacation pay and is laid off or separated from service prior to his anniversary date, he shall refund the difference, if any, between the vacation pay received and the vacation pay to which he has accrued since his last anniversary date under the above schedule within two (2) weeks following the date of the layoff or separation from service.

Employees who resign their employment without giving two (2) weeks prior notice shall forfeit any and all vacation adjustments to which they would otherwise be eligible under this section.

Section 5.6: Regular Part-Time Employees - Vacation and Pay

Number of Completed Years of Continuous Service	Number of Weeks of Vacation With Pay
1-4 Years Inclusive	2 Week
5-9 Years Inclusive	3 Weeks
10-19 Years Inclusive	4 Weeks
20 Or More Years	5 Weeks

A regular part-time employee who works 780 hours or more in the preceding payroll year shall be entitled to vacation pay in the amount of 1/52 of his prior payroll year's earnings paid as of January 1 of the current year. Computations of eligibility and payment shall be made by April 1 of the current year and shall be based on continuous service as of January 1. For those hired on or after October 10, 1999, the vacation will be paid pursuant to the following part-time schedule:

For those part-time employees eligible for vacation under this section who were hired before October 10, 1999, the vacation schedule under Section 5.1 shall continue to apply.

Section 5.7: Holidays Recognized

1. The following holidays shall be recognized holidays under this agreement:

New Year's Day	Fourth of July	Thanksgiving
Memorial Day	Labor Day	Christmas

Pharmacists assigned to stores are expected to equitably split holiday assignments. For bargaining unit members hired prior to May 2, 2010, no regular full-time pharmacist shall be required to work on Thanksgiving, Christmas, or New Year's Day, unless otherwise volunteered and except that full-time employees with less than five (5) years of continuous service as a pharmacist may be required to work New Year's Day up to nine (9) hours, not to exceed 6:00 p.m. No more than one (1) regularly assigned full-time pharmacist, per pharmacy, shall be required to work up to four (4) hours or past 2:00 p.m. on Memorial Day, Fourth of July, or Labor Day unless otherwise volunteered, and except employees with less than five (5) years of continuous service as a pharmacist may be required to work up to nine (9) hours, not to exceed 6:00 p.m. on such holidays.

Nothing herein shall limit holiday work by part-time pharmacists. No pharmacist shall be required to work past 6:00 p.m. on Christmas Eve or New Year's Eve, provided that such pharmacist will continue working until the customers at the pharmacy are served.

2. Holiday Qualifications and Holiday Pay

A. A Regular Full-Time Employee will receive holiday pay of eight (8) hours pay in addition to the hours worked that week provided he works his scheduled workday before and after the holiday. In no instance shall the employee receive less than forty (40) hours of pay for that week.

B. Part-Time Employees (a) To qualify for holiday pay, a part-time employee must work both the regularly scheduled workdays before and after the holiday and the holiday itself if scheduled, (b) In addition to meeting the preceding requirements, a part-time employee must also have worked:

1. An average of ten (10) hours per week in the payroll quarter preceding a National Holiday, and

2. An average of ten (10) hours per week in the accounting period preceding the accounting period in which the holiday falls.

Regular part-time employees who qualify shall receive holiday pay in the amount of five (5) hours of pay in addition to the hours worked that week.

Section 5.8: Jury Pay

When any regular full-time employee who is covered by this agreement is summoned for jury service, he shall be excused from work for the days in which he reports for jury service and/or serves. He shall receive, for each week in which he otherwise would have worked, the difference between his basic salary for that week and the payment he receives for jury service, if any. Any employee summoned for jury service shall promptly notify the Employer of the receipt by him of such jury summons; in any event, no payment shall be made to any summoned employee under this section for any workweek in which he has not worked unless he has given such information to the Employer not later than the next regularly scheduled workday after receipt of such jury summons. Before any payment shall be made to any employee hereunder, he shall present to the Employer proof of his summons for service, and of the time served and the amount of pay received therefore, if he shall have served as a juror. The provisions of this section shall apply only when an employee is summoned for jury duty and shall not apply if an employee volunteers to serve as a juror. When an employee is released for a day or part of a day during any period of jury service, he shall report to his store for work.

Section 5.9: Funeral Leave

The Employer agrees to pay regular full-time employees for necessary absences from scheduled work on account of a death in the immediate family up to and including a maximum of three (3) scheduled workdays, provided the employee attends the funeral. For purposes of full-time employees, the term "immediate family" shall mean spouse, parent, stepparent, child, grandparents, brother, sister, sister-in-law, brother-in-law, father-in-law, mother-in-law, son-in-law, and daughter-in-law or any relative residing with the employee or with whom the employee is residing.

Section 5.10: Personal Days Off -- Full-Time With 1Year

All regular full-time employees with one (1) year of service shall receive 3 days off each calendar year. These days off shall be taken at the discretion of the employee. Each eligible full-time employee shall receive 8 (eight) hours of Paid Time Off for each personal day.

Section 5.11: Leaves of Absence -General

Regular full-time and part time employees with one (1) or more years of continuous service may apply for unpaid leaves of absence. Leaves of absence not otherwise provided for in this agreement or by law shall be determined at the sole discretion of the Employer. All requests for leaves must be in writing and approved in writing through the personnel office.

The Employer shall provide military leaves of absence as provided by law.

Employees granted unpaid leaves hereunder shall not be eligible for any contract benefits during the period of such leaves, except as earned prior to the leave taking effect.

Section 5.12: Pregnancy Leaves

Pregnancy leaves of absence shall be granted in accordance with applicable laws.

Section 5.13: Family Medical Leave Act& Americans With Disabilities Act

The Employer and the Union agree to cooperate in enabling the Employer to meet its obligations under the federal Americans With Disabilities Act (ADA) and the Family Medical Leave Act (FMLA). Unless specifically required in this agreement, the Employer shall have no contractual obligations under the ADA or the FMLA beyond the minimum statutory requirements.

Section 5.14: Retirement/Discipline - Statement of Assurance

In response to Local 727's request for a statement of assurance with respect to the effect of that provision of its profit sharing plan regarding retirement of an employee after age 50 at the Employer's option, please be advised that said provision in no way affects the employee's protection under Section 8.11 of the contract not to be discharged without just cause.

ARTICLE 6 OTHER BENEFITS

Section 6.1: Various Employer Benefits

The Employer shall offer a profit sharing or pension plan, health care plan, employee discount plan, and stock purchase plan to eligible full-time and part-time employees on the same basis (except in regard to optical coverage) as said plans may be offered to

store management and other hourly paid store employees, respectively. The Employer retains the right to amend, modify, or terminate said plans. In the event of any material amendment, modification, or termination, the Employer shall notify the Union of said amendment, modification, or termination.

Section 6.2: Optical Plan

The Employer agrees to make a monthly contribution to cover the premium and administrative costs for each full-time pharmacy employee who has completed one (1) year of service in order to provide cost free family membership in the Optical Program sponsored by Local 727 Health and Welfare Fund. Such contribution shall be calculated using the VSP premium charged to the fund rounded up to the nearest dollar. The Fund shall notify CVS of any change to the contribution amount.

Section 6.3: Maintenance of Benefits

Employees covered by this Agreement shall suffer no economic loss as the result of signing this agreement. No employee covered by this agreement shall receive less than the terms and conditions therein specified.

ARTICLE 7 SENIORITY

Section 7.1: Seniority and Other Definitions

Seniority means the rights secured by a regular full-time employee by length of continuous employment service as provided herein. Seniority starts from the last day when the employee is hired by the Employer, except that new regular full-time employees shall not acquire any seniority rights until they have completed a probationary period of ninety (90) days.

An employee's seniority shall be broken if he: (1) quits; (2) retires; (3) is discharged; (4) fails to report after a layoff within seven (7) calendar days after the Employer sends, to the last known address, a written notification to return to work; or (5) has been out of employment by the Employer for a period of twelve (12) months.

When two (2) or more employees are hired on the same day, the Employer shall determine their relative seniority. The Employer agrees to submit to the Union, on a monthly basis, a list of all newly hired employees. The Employer agrees to submit to the Union a seniority list each six (6) months during the term of the union contract.

It is agreed that pharmacy students and pharmacy interns may rotate in and out of the bargaining unit without interruption of their seniority status, provided they are enrolled in an accredited pharmacy program to become a registered pharmacist. However, the employee must return to work for the Employer within a one-year period in order for bridging of seniority to apply.

Section 7.2: Layoffs and Recalls after Layoffs -Regular Full-Time Employees

As long as the employee, in the reasonable determination of the Employer, has the ability to perform the job, seniority shall control the order of layoffs and recalls after layoffs of full-time employees within the following job classifications:

Registered Pharmacists
Non-Registered Graduate Pharmacists

This seniority principle requires that:

- A. The employee with the lowest seniority in the job classification in the bargaining unit shall be the first laid off.
- B. An employee may, in lieu of accepting a layoff, opt to take the job of the least senior employee in the bargaining unit; provided, however, that in the event a vacancy occurs in the district from which the employee was laid off, he shall have preference for such vacancy over a new employee or less senior employee.
- C. Qualified laid-off employees shall be recalled in the order of their seniority in the bargaining unit.

Section 7.3: Selection of Employees for Full-Time Employment

Open full-time positions shall be offered, in seniority order, to the part-time bargaining unit members who, in the reasonable determination of the Employer, have the ability to perform the job. If no part-time bargaining unit member accepts the position or if no part-time bargaining unit member has the ability to perform the job, then the Employer shall have the right to hire any applicant.

Section 7.4: Pharmacy Student Interns

The Employer will agree to annually review its payroll roster each January to identify and provide an opportunity for each senior pharmacy student to discuss employment opportunities with the Employer and to make application for employment as an R.Ph. upon graduation prior to the regularly scheduled recruiting season. It is further agreed that such applicants for employment will be notified of acceptance or rejection by the Employer on or before April 1 provided the applicant has given the Employer ample opportunity to review his or her application and work history prior to April 1.

Section 7.5: Promotion to Supervision

If an employee is promoted from a job within the bargaining unit to a supervisory position with the Employer he shall continue to accumulate seniority while working the supervisory position for a period of one (1) year, and if demoted to the collective bargaining unit within said one (1) year period, he shall commence work with the seniority rank he had at the time of his promotion plus the seniority accumulated while he was working the supervisory

position.

Section 7.6: Seniority of Employees on Leaves of Absence

The seniority rights of an employee who, either by voluntary action or draft entered the Armed Forces of the United States, shall continue as though he had not been absent, and he shall have the right to be reinstated to his employment provided by law and regulation thereunder.

An employee who requests and is granted a personal leave of absence by the Employer shall have his seniority rights and provisions maintained for the duration of such leave of absence, provided the employee does not hold any other employment while on such personal leave.

Section 7.7: Transfer of Pharmacists

All new full-time staff positions and all full-time staff vacancies in existing positions within the bargaining unit will be filled after consideration of a pharmacist's written request for work at the applicable location. To be considered, the written request must be received by the Regional Pharmacy Manager at least four (4) weeks in advance of filling the full-time staff opening. Selection will be based solely on seniority, except when justified by the special needs of the employer (i.e., bilingual). Provided however:

- a. Candidate pharmacist meets expectations on performance ratings in the last 12 months;
- b. No discipline in the last nine (9) months;
- c. Has not rejected a requested transfer during the last nine (9) months.

Bids will not be considered from pharmacists who have been assigned to their current location for less than the twelve (12) months preceding filling the opening, except when justified by the business necessity. Pharmacists may be transferred only for operational necessity. Pharmacists will not be transferred for disciplinary reasons, except for sexual harassment or inappropriate fraternization cases.

A pharmacist who is denied a transfer may request, in writing, a meeting with the Regional Pharmacy Manager to discuss the reason(s) for any such denial.

In the event a pharmacist may be transferred for a disciplinary reason, the Regional Pharmacy Manager will notify the Union. In the event a pharmacist who is notified of a non-disciplinary transfer is unwilling to be transferred, the Regional Pharmacy Manager will notify the Union office immediately. A meeting shall be held between the Regional Pharmacy Manager or Regional Personnel Manager and the Chief Union Steward or alternate steward to resolve the matter within two (2) working days after the notification of transfer.

If, after the meeting, but no more than two (2) working days after the Union has been notified, the Company's decision is to transfer the pharmacist and the pharmacist is not willing to transfer, the pharmacist involved may resort to the grievance procedure. In the interim, the pharmacist involved may be temporarily assigned to the new location until the

grievance is resolved.

Family medical leave or any leave less than eighteen (18) weeks shall not result in loss of store position.

Semi-annually, the Company will distribute a list of upcoming new store locations and will provide a return form for requests to transfer. Such completed forms returned to the Regional Pharmacy Managers will be logged and updated semi-annually.

ARTICLE 8 UNION — MANAGEMENT RELATIONS

Section 8.1: Union Security

It shall be a condition of employment that all full-time employees of the Employer covered by this agreement who are members of the Union in good standing on the execution date of this agreement shall remain members in good standing and those who are not members on the execution date of this agreement shall on the thirty-first (31st) day following the execution date of this agreement become and remain members in good standing in the Union. It shall be a condition of employment that all full-time employees covered by this agreement and hired on or after its execution date shall, on the thirty-first (31st) day following the beginning of such employment become and remain members in good standing in the Union. The Employer may secure new employees from any source whatsoever. During the first ninety (90) days of employment, a new employee shall be on trail basis and may be discharged at the discretion of the Employer.

The Union agrees to admit to and retain in membership all employees who have served a trial period of ninety (90) days and proven satisfactory to the Employer as prospective permanent employees without discrimination so long as such employees tender the initiation fees and periodic dues uniformly required for membership and maintain their membership in good standing with the Union. In the event that an employee fails to tender the initiation fee or periodic dues uniformly required as a condition of acquiring or retaining membership or if such employee fails to maintain membership in good standing, the Union shall notify the Employer in writing and the Union member will be given not less than two (2) weeks time in which to re-establish his membership in good standing before the Employer shall be called upon to release him.

Regular part-time employees, as defined in Section 2.6(2) shall become members of the Union in good standing, effective and during the payroll quarter following a payroll quarter in which ten (10) or more hours of work, per week, were averaged. Membership may cease during a payroll quarter, following a payroll quarter in which ten(10) or more hours of work, per week, were not averaged.

Section 8.2: Union Dues Checkoff

When specifically authorized in writing by each employee, the Employer will deduct, from the first paycheck of each month, dues and/or fees owing the Union and forward them to the Secretary-Treasurer of the Union, not later than ten (10) days after each monthly

deduction. Such authorization, once given, shall be irrevocable for a period of not less than one (1) year or the term of this understanding, whichever occurs sooner.

Section 8.3: Indemnification

The Union agrees to defend, protect, indemnify, and save the Employer harmless against any claim, demand, suit, or liability that shall arise out or by reason of any action taken by the Employer in reliance upon a request made by the Union to discharge an employee for failure to maintain his membership in good standing pursuant to Section 8.1 or upon employee payroll deduction authorization cards submitted by the Union to the Employer under Section 8.2.

Section 8.4: D.R.I.V.E. authorization and deduction

In addition to the terms and conditions contained in the above referenced collective bargaining agreement between the Employer and the Union, the Employer and the Union hereby further agree that:

The Employer agrees to deduct from the paycheck of all employees who submit authorization cards and are covered by this agreement voluntary contributions to D.R.I.V.E. D.R.I.V.E. shall notify the Employer of the amounts designated by each contribution employee that are to be deducted from his paycheck on a weekly basis for all weeks worked. The phrase "weeks worked" excludes any week other than a week in which the employee earned a wage. The Employer shall transmit to: D.R.I.V.E., international brotherhood of teamsters, 25 Louisiana Avenue, NW, Washington, DC, 2001. Send on a monthly basis in one check the total amount deducted along with the name of each employee on whose behalf a deduction is made, the employee's social security number and the amount deducted from the employee's paycheck. No such authorization shall be recognized if in violation of state and federal law. No deductions shall be made which is prohibited by applicable law.

Section 8.5: Union

The Union, for and on behalf of itself and its members, agrees that its members shall perform the work assigned to them from time to time by the Employer and shall work for the best interest of the Employer in every way just and lawful, giving honest and diligent service to the patrons of the Employer and to each other.

Section 8.6: Union Stewards and Business Representatives

The Union business representatives shall be admitted to the Employer's store premises during the hours employees are working for the purpose of ascertaining whether or not this agreement is being observed. Such activity shall be conducted in such a manner as not to interfere with the orderly operation of the Employer's business, it being further agreed that lengthy discussions between employees and representatives of the Union, or among themselves, concerning disputes shall not take place during working hours.

In case of disputes as to wages, the Employer agrees to show an authorized representative of the Union bona fide copies of the employee's wage records.

Union Stewards, upon request made through Local 714 headquarters to CVS/Pharmacy management headquarters, shall be granted a leave of absence without pay to attend scheduled union business, provided that such a request is made in sufficient time in advance of the expected time of absence and further provided that such leave can reasonably be accommodated by CVS Pharmacy. The duration of such leave to be determined at the time of said request for such leave.

Section 8.7: Communications Committee

A mutually acceptable committee shall be established in order to foster improved communication between representatives of the Employer and pharmacists. Said committee shall not discuss contractual or grievance matters. Quarterly meetings with up to 3 Union and Employer representatives shall be held on mutually agreeable dates.

Section 8.8: Display of Union Shop I.D.

The Employer agrees to display a union shop identification card of reasonable size next to the pharmacy licenses.

Pharmacy Signs - The Employer agrees to post in each pharmacy with a cash register a sign which shall state: Prescriptions and related items may be checked out at the pharmacy.

Section 8.9: Reserved Rights

Except as expressly and specifically abridged, limited, or modified by this contract or any agreement that may hereinafter be made, the Employer and the Union retain all the rights, power, and authority exercised or had by them prior to the entering into of this collective bargaining agreement.

It is further understood the management rights expressly retained herein by the Employer shall include, but not limited to: the right to plan, determine, direct, and control store operations and hours; the right to study and introduce new methods, facilities, and products; the right to direct and control the work force, including the determination of its size and composition, the scheduling and assignment of work; the right to hire, assign, demote, promote, and transfer (provided, however, that scheduling, assignments, and transfers shall not be arbitrary, capricious, or coercive); to layoff or reduce the hours of work because of lack of work; to discipline, suspend, or discharge for proper cause; to establish rules and regulations governing the operations of the store, a violation of which shall be among the causes for discharge; the right to subcontract all or part of the functions presently performed by the Employer; the right to terminate part of all of the present business activity conducted by the Employer; the right to terminate operations conducted by a lessee; the right to add additional business activities on the premises; the right to sell the assets of the business or to assign the leasehold interests of the Employer, shall all remain vested in the Employer except as expressly modified by this agreement, provided, however, that these rights shall be exercised with due regard for the rights of the employees and provided further that they will not be used for the purpose of

discrimination against any employee, provided further, that no bargaining unit employee shall lose employment due to the use of paraprofessional personnel. The Company agrees that it will not subcontract its store pharmacist positions or any of the core store pharmacist functions, without negotiating with the union.

It is further understood that the preamble or recognition clause is not a modification of these rights nor the fact that an agreement has been entered into shall in any way be construed as a modification of the foregoing rights.

Whenever a final decision is made concerning the exercise of any significant reserved management right affecting all bargaining unit pharmacies, the Employer agrees to notify the Union when such final decision has been made as promptly as possible, but there shall be no obligation on the part of the Employer to collectively bargain about such final decisions and the Union and the employees covered by this agreement herein expressly waive any such right.

Section 8.10: Severance Allowance

Every regular full-time registered pharmacist who is permanently displaced from his employment by reason of subcontracting, sale of assets, layoff or the closing of a pharmacy or other reasons, shall be compensated for such displacement providing he has been actively employed by his Employer for a period of at least three (3) years.

An eligible employee's compensation for such displacement shall be on the basis of one half (1/2) week's salary at the rate in effect at the time of such displacement, for each full year or major portion thereof of this active employment commencing with the fourth (4th) year following his most recent date of hire. Payment under this formula shall be limited to a maximum of ten (10) week's severance pay.

No severance pay will be paid to an otherwise eligible employee if:

- A. He is offered other employment by the Employer.
- B. Is voluntarily or involuntarily separated from his employment prior to the date he would otherwise be displaced for one of the reasons stated above; or
- C. Secures employment elsewhere prior to his scheduled date of displacement.

Section 8.11: Discipline

During an employee's probationary period, that is, during the first ninety (90) days of Employment, an employee may be discharged for any reason at the sole discretion of the Employer.

The Employer shall notify the Union of any suspension or employee termination as nearly simultaneously as practicable to the imposition of such discipline.

Layoffs for lack of work are not considered disciplinary penalties but shall be handled in

accordance with the seniority provisions of this contract.

After an employee has completed his probationary period and been approved for permanent employment, such employees shall not be suspended, discharged, or otherwise disciplined without just cause, just cause to include but not limited to the following: poor job performance on the job, insubordination, dishonesty, or other misconduct in connection with work, such as falsification of a record such as a time or employment record, sabotage, incivility to customers, vandalism, stealing, etc.; persistent or serious infraction of reasonable rules promulgated by management relating to the health, safety, and sanitation of employees or the operation of the store, such as using or being under the influence of alcoholic liquors or narcotics or hallucinogens while on duty, smoking in prohibited areas, violations of state or federal laws concerning pharmacies, deliberate or habitual absenteeism, tardiness, repeated wage assignments attachments and garnishments; and engaging in a strike, work stoppage, slow-down or picketing in violation of this contract.

Section 8.12: Picket Lines

Employees may refuse to cross a lawful primary picket line involving CVS Pharmacy.

ARTICLE 9 NO STRIKE/NO LOCKOUT

During the term of this agreement, there shall be no strikes, stoppage, diminution, or suspension of work of any kind whatsoever on the part of the Union or the covered employees, nor shall there be any lockout on the part of the Employer unless employees avail themselves of the right granted in Section 8.10 of this Labor Agreement. Arbitrations are expressly granted the power to immediately enjoin violations of this section. Violators of this section shall be subject to immediate discharge and such discharges shall not be subject to arbitration.

ARTICLE 10 GRIEVANCE AND ARBITRATION

Section 10.1: Grievances

A. Grievance Defined

A grievance is hereby defined as any dispute involving the interpretation or application of the provision of this contract.

B. Procedure

Any grievance shall first be taken up for adjustment by a representative of the Employer and a representative of the Union. The Employer and the Union shall meet at a time and place mutually agreed upon after the request by either party for such a meeting.

The following Grievance Procedure shall be followed in resolving said grievances:

STEP ONE: Grievant will meet with Union Representative and Employer Representative as outlined above.

STEP TWO: In failing to have the grievance resolved in STEP ONE, grievant will meet with a representative of the Union and a representative of the Employer at a mutually convenient time and place to resolve the grievance.

If the parties cannot agree, the issue may then be referred by the Union to arbitration.

C. Time Limits on Grievances

Any grievance involving a claim of improper discharge or other discipline must be presented within thirty (30) calendar days after discharge. All other grievances other than wage claims must be made within thirty (30) calendar days after the cause giving rise to the grievance becomes evident. Wage claims involving the proper application of wage rates or related to time worked shall not be valid and collectible for a period earlier than thirty (30) calendar days prior to the date of filing the claims.

Section 10.2: Arbitration

- A. Either the Union or the Employer may, within thirty (30) calendar days after failure to adjust the grievance in accordance with the grievance procedure, serve upon the other party a written demand for arbitration stating the issue to be arbitrated. The parties shall endeavor to select an impartial arbitrator. However, if parties fail to agree upon an arbitrator who is willing and able to serve within fifteen (15) calendar days after served of the demand for arbitration, either party may, within fourteen (14) calendar days thereafter, request the Federal Mediation and Conciliation Service to submit a list of not less than five (5) disinterested persons who are qualified and willing to act as impartial arbitrators. Failure to demand arbitration within 30 days of a Step 2 meeting, or failure to jointly select an arbitrator upon Union demand within 60 days of a Step 2 meeting, or failure to initially file a grievance within the time limits set forth in Section 10.1 (c) shall bar arbitration. Failure to select an arbitrator by the Employer after a Union demand as provided above shall not bar arbitration. Upon receipt of this list, an authorized representative of the Union and of the Employer shall flip a coin to determine who shall have first choice to strike a name. The party winning the toss shall then strike one name each until only one name remains. The person whose name remains shall be the selected arbitrator.
- B. The Arbitrator shall commence hearings as quickly as possible after his selection and shall render his award in writing together with his written findings and conclusions as quickly as reasonably possible after the hearing. The award shall be final and binding upon the parties to this agreement and upon the complaining employee or employees, if any.

The arbitrator shall have no power to determine arbitrability nor to add to, subtract from, modify, or amend any provision of this agreement, nor to substitute his

discretion for the discretion of the Union or the Employer, change existing wage rates, or arbitrate proposals for the amendment or renewal of the agreement.

The arbitrator's fees and expenses, the cost of any hearing room, and the cost of a shorthand reporter and of the original transcript shall be borne equally by the parties. All other costs and expenses shall be borne by the party incurring them.

C. For the purpose of entertaining a written request from either of the parties for rehearing to correct any material error or omission or commission, ambiguity or question of application allegedly evident in the opinion or award, the arbitrator shall, for a period of seven (7) calendar days next following the date of his award, retain jurisdiction of the matter submitted to arbitration by the parties hereto and until the expiration of the period of time stated in this provision for rehearing the award shall not be deemed to have been issued, If however, no request for rehearing is duly filed within this seven (7) day period, this award shall be deemed to be issued effective as of its date. A written request for rehearing shall detail the specific ground relied upon for alleging a material error, or ambiguity, and a copy thereof shall be mailed by certified mail to the other party or parties. If the written request is postmarked no later than the seventh (7th) day next following the date of this award, it shall extend the jurisdiction of the arbitrator for a period of seven (7) days next following the date of the written request. Within those seven (7) days, the arbitrator, having re-examined the matter, shall, in writing, either reject the request for a rehearing or set a date for the requested rehearing. If the request for rehearing is denied, the award shall thereupon be deemed to be issued effective that date and the jurisdiction of the arbitrator shall accordingly cease. If the request for rehearing is granted, the jurisdiction of the arbitrator shall continue until issuance of a final amended award incorporating or rejecting the substance of the allegations contained in the request.

D. The participation of the parties in an arbitration proceeding under this agreement shall not be deemed a waiver of or prejudicial to the right of either party to contest the arbitrability of the grievance or the jurisdiction and authority of the arbitrator in proceedings to set aside the award of, in other appropriate proceedings, in any state or federal court of competent jurisdiction; provided such judicial proceedings are instituted within thirty (30) days of the date of the arbitrator's award.

ARTICLE 11 TEAM LEADERS

The Employer may designate staff pharmacists as Team Leaders. Team Leaders shall be bargaining unit members and shall perform bargaining unit work, primarily filling prescriptions.

Team Leaders shall perform those duties as may be assigned by the Employer. Such duties may include: budget responsibilities; work flow supervisor; directing the pharmacy staff; monitoring product sources generic utilization, marketing promotions, competitor pricing, inventory control, pharmacy reports;

administration of company programs/policies; training; recommending personnel related action; communication to the pharmacy staff; and other duties. Team Leaders shall not be responsible for the decision to hire, discharge or otherwise discipline other pharmacists. Work schedules of full-time staff pharmacists, including Team Leaders, shall be rotated in an equitable manner in regard to starting and ending times and weekend work, provided the needs of the business are met.

The Employer shall have the right to develop, modify or terminate an incentive pay plan for Team Leaders during the term of the Agreement.

A Team Leader with an evaluation of satisfactory or above, employed more than twelve months as a Team Leader, and who chooses to be a staff pharmacist shall have preference over pharmacists who are not regularly assigned to a pharmacy as a staff pharmacist (i.e. undistributed pharmacists) with the Company for an available staff pharmacy vacancy. Nothing herein shall limit the Employer's right to demote or transfer pharmacist as provided in Section 7.7 of this labor agreement. The Employer within its sole discretion may modify (except as specifically limited herein this section) or terminate the Team Leader program during the term of this Agreement. However, the Employer shall notify the Union or Communication Committee of any major change or termination of the Team Leader program.

ARTICLE 12 MIDNIGHT PHARMACY OPERATIONS

1. Premium Pay: Pharmacists shall receive Two Dollars and Fifty Cents (\$2.50) per Hour for all hours worked from 10:00 p.m. to 12:00 a.m.
2. Scheduling: The Employer shall use its best effort to provide part-time Pharmacist assistance in order to assist regular full-time pharmacists with work shifts ending at midnight. Shift ending at midnight shall be distributed *equitably amongst involved full-time pharmacists when appropriate*.

ARTICLE 13 PHARMACIST INCENTIVE PLAN

CVS Corporation has developed a Pharmacist Incentive Plan (the "Plan") to reward pharmacists for their role in driving performance. Incentive awards are based on actual results measured against re-established financial goals and individual performance objectives. For each year the Plan is in effect, the Company will provide Plan documents detailing the conditions of eligibility and incentive calculations. The Company reserves the right to reduce, expand or eliminate the Plan at any time and at its sole discretion.

ARTICLE 14
TERM

Section 14.1: Initial Term

This agreement shall become effective on May 2, 2010 and shall expire at 1:00 am on May 4, 2013.

Section 14.2: Renewal Term

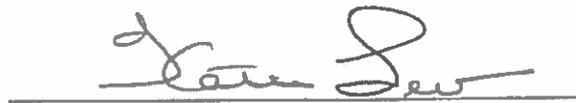
If either party wishes to modify this agreement at its expiration, it shall serve notice in writing of such request upon the other party not less than sixty (60) days prior to the expiration date. In the absence of the service of such notice, this contract shall automatically renew itself for a period of one (1) year and from year to year thereafter.

TEAMSTERS LOCAL 727

CVS PHARMACY



John T. Coli
Secretary-Treasurer



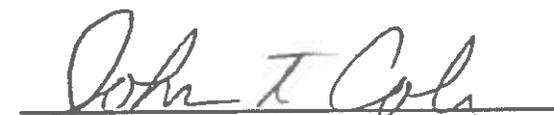
March 1, 2012, the Trustees may further increase contributions to the Fund by no more than \$.05 per hour (\$9 per month). The increase shall be equal to or less than the rate increase for other employers covered by the Teamsters Local Union 727 Master Commercial Parking Industry Agreement.

By the execution of this Agreement, each Employer authorizes the Trustees to enter into appropriate trust agreements necessary for the administration of such funds, and hereby waiving all notice thereof and ratifying all actions already taken or to be taken by such Trustees within the scope of their authority

It is also agreed that in the event the Employer is delinquent at the end of a month in the payment of its contributions to the Legal and Educational Assistance Funds created under this Agreement, in accordance with the rules and regulations of the Trustees of such Funds, the employees or their representatives shall have the right to take such action as they deem necessary until such delinquent payments are made, and it is further agreed that in the event such action is taken, the Employer shall be responsible to the employee for losses resulting therefrom.

TEAMSTERS LOCAL 727

CVS PHARMACY



John T. Coli, Secretary-Treasurer



APPENDIX A

Compensation

Section A.1 Guaranteed Minimum Weekly Salary—Full time Employees

Effective:

	05/02/10	05/01/11	05/06/12
Fulltime	\$2,256	\$2,330	\$2,400

Section A.2 hourly rates

Part time	\$56.40	\$58.25	\$60.00
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Graduate non-registered:

	\$28.20	\$28.20	\$28.20
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These wage rates do not include the applicable premiums for pharmacists regularly working the 10:00p.m. to 8:00a.m. work shift, as set forth in Appendix C, section 1 Or for midnight operations, as set forth in Appendix D, section 1. These rates also do not reflect the optional work week, which may be chosen by certain full time pharmacists, as defined in Appendix C, section 2 (b).

APPENDIX B

WAGE STRUCTURE FOR PHARMACY STUDENT APPRENTICES

Effective:	<u>05/02/10</u>	<u>05/01/11</u>	<u>05/06/12</u>
Pharmacy Students			
<u>Pharmacy School Year</u>			
3rd year	\$13.00	\$13.00	\$13.00
4th year	\$14.50	\$14.50	\$14.50
5th year	\$16.50	\$16.50	\$16.50
6th year	\$19.00	\$19.00	\$19.00

NOTE:

The above structure is designed to provide a minimum wage rate for pharmacy student apprentices and to allow individual store management to recognize experience, effort, and ability demonstrated by individual pharmacy student apprentices.

Pharmacy students who are initially and solely employed in order to gain pharmacy school credits need not be paid any compensation during their school intern program period provided Employer activities are related to pharmacy school extern program. Such students who are retained after completion of a pharmacy school extern program in connection with school credits shall be paid in accordance with the above stated minimum rates of pay.

APPENDIX C

TWENTY-FOUR (24) HOUR PHARMACY OPERATIONS

The Employer shall possess the right to operate twenty-four (24) hour pharmacies anywhere in the Greater Metropolitan Chicagoland Area, when a major competitor operates any twenty-four (24) hour pharmacies. The following provision shall apply to twenty-four (24) hour pharmacies:

1. **Work Shift:** The regular work shift for twenty-four (24) hour pharmacies shall be 10 p.m. to 7a.m. on weekdays, and 7p.m. to 7a.m. on weekends.. The nine (9) hour normal workday limitation of Section 3.1 of the Master Labor Agreement shall not apply to said work shift, however, the twelve (12) hour maximum workday limitation of Section 3.1 shall continue in full force and effect.
2. **Workweek:** Full-time pharmacists who work the regular overnight work shift for twenty-four (24) hour pharmacies will work a 7 day on, 7 day off schedule which will run Thursday thru Wednesday.
3. **Compensation:** Those pharmacists regularly working the 7 day on, 7 day off overnight shift schedule, shall be compensated with a weekly salary equivalent to 80 hours at their current rate of pay. The schedule for the 7 day on, 7 day off overnight shift shall be 70 hours. For purposes of calculating an hourly rate for extra hours worked, their weekly salary would be divided by 80 hours.
4. **Selection of Pharmacists for 10:00 p.m. to 7:00 a.m. Shift Work**
 - A. 10:00 p.m. to 8:00 a.m. shift work shall initially be offered to existing pharmacists in an affected store on a seniority basis.
 - B. If the initial offering does not produce an adequate staff of pharmacists between the hours of 10:00 p.m. and 7:00 a.m., the Employer shall consider written requests for such shift work from all pharmacists in the bargaining unit on a seniority basis. Such requests shall indicate location/area preference and be addressed to the regional personnel manager of the Employer
 - C. If an adequate number of pharmacists do not volunteer for such work between the hours of 10:00 p.m. and 7:00 a.m., new pharmacists shall be hired for said hours of work.

5. Replacement Coverage for 10:00 p.m. to 7:00 a.m. Shift Work: When the Employer is notified of an unscheduled, projected absence of a 10:00 p.m. to 7:00 a.m. pharmacist, the Employer shall use its best efforts to find a late-shift replacement pharmacist to relieve a pharmacist whose shift is scheduled to end at 10:00 p.m.

The Employer shall also have available a list of replacement pharmacists for use by non-late shift pharmacists when a 10:00 p.m. to 7:00 a.m. pharmacist is unexpectedly absent from the start of a 10:00 p.m. work shift.

Absences of regular 10:00 p.m. to 7:00 a.m. pharmacists shall first be covered by available undistributed, full-time pharmacists and thereafter by regularly assigned volunteer full-time or part-time pharmacist. Such replacements shall not be required to work with less than twenty-four (24) hours between the start of work shifts. For example, a replacement pharmacist who works from 10:00 p.m. Tuesday to 7:00 a.m. Wednesday shall not be required to work until 10:00 p.m. Wednesday at the earliest.

In instances when a replacement cannot be obtained, the non-late shift pharmacist may be required to continue working past his or her regularly scheduled end of shift but shall not be required to work more than a total workday of twelve (12) hours as provided in Section 3.1 of the Master Labor Agreement.

6. Other Shift Transfers

A. Any pharmacist who volunteers to work the 10:00 p.m. to 7:00 a.m. shift shall be required to work said shift for a minimum of three (3) months unless the Employer ceases said shift in the involved pharmacist's store.

B. If a 10:00 p.m. to 7:00 a.m. pharmacist desires to work other hours on a regular basis, said pharmacist shall notify the Employer's regional personnel manager of his or her store/area preference, in writing, and will be offered the next such available pharmacy position in the bargaining unit on the basis of his or her seniority, provided said pharmacist has not received any type of disciplinary warning or suspension within the prior six (6) months of employment.

7. Effect Pharmacists of Discontinued Twenty-Four (24) Hour Operations

If the Employer should discontinue a twenty-four (24) hour operation, full-time Pharmacists working the 10:00 p.m. to 7:00 a.m. schedule may exercise their seniority to obtain a regular full-time position by bumping the least senior pharmacist (s) in the bargaining unit, provided the 10:00 p.m. to 7:00 a.m. pharmacist's seniority is greater.

APPENDIX D

CVS STORE	OSCO STORE	ADDRESS	CITY	STATE	ZIP
CVS Store 8500	Oscos Drug 2429	11201 West 143rd St	Orland Park	IL	60467
CVS Store 8501	Oscos Drug 2451	8325 Lemont Rd	Darien	IL	60561
CVS Store 8502	Oscos Drug 2452	6351 S Pulaski Rd	Chicago	IL	60629
CVS Store 8503	Oscos Drug 2453	1420 E 53rd St	Chicago	IL	60615
CVS Store 8504	Oscos Drug 2454	8444 S Pulaski Rd	Chicago	IL	60652
CVS Store 8505	Oscos Drug 2455	6748 W 111th St	Worth	IL	60482
CVS Store 8506	Oscos Drug 2456	8025 S Ashland Ave	Chicago	IL	60620
CVS Store 8507	Oscos Drug 2457	9142 S Chicago Ave	Chicago	IL	60617
CVS Store 8508	Oscos Drug 2459	3156 W 103 rd St	Chicago	IL	60655
CVS Store 8511	Oscos Drug 2465	7858 S Halsted St	Chicago	IL	60620
CVS Store 8512	Oscos Drug 2466	1 Main St	Park Forest	IL	60466
CVS Store 8513	Oscos Drug 2467	2545 Martin L King Dr	Chicago	IL	60606
CVS Store 8514	Oscos Drug 2468	641 W 63 rd St	Chicago	IL	60629
CVS Store 8515	Oscos Drug 2469	1713 S Ashland Ave	Chicago	IL	60608
CVS Store 8516	Oscos Drug 2470	845 W Wilson Ave	Chicago	IL	60640
CVS Store 8517	Oscos Drug 2471	2418 W Division St	Chicago	IL	60622
CVS Store 8693	Oscos Drug 5503	1400 Lake St	Addison	IL	60101
CVS Store 8694	Oscos Drug 5511	2722 N Central Ave	Chicago	IL	60639
CVS Store 8695	Oscos Drug 5513	3101 N Clark St	Chicago	IL	60657
CVS Store 8698	Oscos Drug 5516	1165 N Clark St	Chicago	IL	60610
CVS Store 8699	Oscos Drug 5518	137 S State St	Chicago	IL	60603
CVS Store 8731	Oscos Drug 5519	400 W Madison St	Chicago	IL	60606
CVS Store 8732	Oscos Drug 5521	2053 N Milwaukee Ave	Chicago	IL	60647
CVS Store 8733	Oscos Drug 5523	3552 W Grand Ave	Chicago	IL	60651
CVS Store 8734	Oscos Drug 5529	1801 W Golf Road	Schaumburg	IL	60194
CVS Store 8735	Oscos Drug 5532	3940 W Fullerton Ave	Chicago	IL	60647
CVS Store 8736	Oscos Drug 5535	7216 Circle Ave	Forest Park	IL	60130
CVS Store 8737	Oscos Drug 5537	2414 N Lincoln Ave	Chicago	IL	60614
CVS Store 8738	Oscos Drug 5539	741 W 31 st Street	Chicago	IL	60616
CVS Store 8739	Oscos Drug 5540	1819 N Harlem Ave	Elmwood Park	IL	60707
CVS Store 8740	Oscos Drug 5556	2427 W Chicago Ave	Chicago	IL	60822
CVS Store 8741	Oscos Drug 5557	2634 S Pulaski Rd	Chicago	IL	60623
CVS Store 8742	Oscos Drug 5562	5524 W Cermak Rd	Cicero	IL	60804
CVS Store 8744	Oscos Drug 5576	9139 Broadway Ave	Brookfield	IL	60513
CVS Store 8745	Oscos Drug 5577	771 N Ogden & Milwaukee	Chicago	IL	60622
CVS Store 8746	Oscos Drug 5589	300 N Eola Rd	Aurora	IL	60504
CVS Store 8747	Oscos Drug 5613	6150 N Broadway St	Chicago	IL	60660
CVS Store 8749	Oscos Drug 5617	3950 Devon Ave	Chicago	IL	60646
CVS Store 8750	Oscos Drug 5618	4801 N Central Ave	Chicago	IL	60630
CVS Store 8751	Oscos Drug 5621	4051 N Lincoln Ave	Chicago	IL	60618
CVS Store 8752	Oscos Drug 5622	5945 W Dempster St	Morton Grove	IL	60053
CVS Store 8753	Oscos Drug 5628	3637 N Southport Ave	Chicago	IL	60613
CVS Store 8755	Oscos Drug 5637	2825 W Devon Ave	Chicago	IL	60659
CVS Store 8756	Oscos Drug 5640	6200 W Higgins Ave	Chicago	IL	60630
CVS Store 8757	Oscos Drug 5646	4001 Main St	Skokie	IL	60076

CVS Store 8758	Oscor Drug 5649	4540 N Pulaski Rd	Chicago	IL	60630
CVS Store 8759	Oscor Drug 5660	5158 N. Lincoln Ave	Chicago	IL	60625
CVS Store 8760	Oscor Drug 5674	3333 Central St.	Evanston	IL	60201
CVS Store 8761	Oscor Drug 5698	10 S. Lewis Ave.	Waukegan	IL	60085

Exhibit 6



AGREEMENT

between

CVS PHARMACY

and

TEAMSTERS LOCAL 727

MAY 4, 2013 — MAY 7, 2016

INDEX

CONTRACT BETWEEN CVS/PHARMACY
PHARMACY EMPLOYEES
AND
TEAMSTERS LOCAL 727

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CONTRACT BETWEEN CVS/PHARMACY
PHARMACY EMPLOYEES
AND
TEAMSTERS LOCAL 727

Term: May 4, 2013 thru May 7, 2016

ARTICLES OF AGREEMENT

THIS AGREEMENT is entered into between CVS/pharmacy, a corporation hereinafter called the "Employer", and Auto Livery Chauffeurs, Embalmers, Funeral Directors, Apprentices, Ambulance Drivers and Helpers, Taxicab Drivers, Miscellaneous Garage Employees, Car Washers, Greasers, Polishers and Wash Rack Attendants, Motion Picture, Theatrical, Exposition, Convention and Trade Show Employees Pharmacists, Bus Drivers, Parking Lot Attendants, and Hikers, Hotel Industry and Racetrack Industry Employees, Newspaper Magazine, Periodical Salesmen, Drivers, Division Men, District Pagers, Checkers, Vendors, and Handlers, and Electronic Media Workers Chicago and Vicinity, Illinois, Local 727 hereinafter called the "Union".

ARTICLE 1
RECOGNITION

The Employer recognizes the union as the sole collective bargaining agent for all registered pharmacists, graduate non-registered pharmacists, regularly employed part-time graduate and registered pharmacists and student pharmacy interns in the retail drug stores operated by CVS/pharmacy listed on Appendix E, excluding, however, all store managers, assistant store managers, manager trainees, all supervisors and guards as defined in the Act and all other employees.

It is recognized that the Employer's managers, assistant managers, and management trainees who are registered pharmacists, may from time to time perform a limited amount of bargaining unit work; however, it is understood that the intent of the Employer is that such work will not be conducted to the extent of substantially depriving members of the bargaining unit work.

ARTICLE 2
GENERAL

Section 2.1: Notices

All notices required under this contract shall be deemed to be properly served if delivered in writing personally or sent by certified or registered mail to the general office of the Union at 1300 W. Higgins, Suite 111, Park Ridge, IL, 60068, or the Employer at CVS

Pharmacy, Attn: Labor Relations 1 CVS Drive, Woonsocket, RI, 02895, or to an employee at his home or residence address. Date of service of a notice served by mail shall be the date on which such notice is postmarked by a post office of the United States Post Office Department.

Section 2.2: Partial Invalidity

Nothing contained in this agreement is intended to violate any state or federal law, rule or regulation made pursuant thereto. If any part of this agreement is construed by a court or board of competent jurisdiction to be in such violation, then that part shall be null and void, but the remainder of the contract shall continue in full force. The parties will immediately begin negotiations to replace the void part with a valid provision.

Section 2.3: Marginal Headings

The captions of the several articles and sections of this contract are for convenience only and in no way limit, enlarge, define, or otherwise affect the scope or intent of the contract or any provisions thereof.

Section 2.4: Amendments

This agreement is subject to amendment, alteration, or addition only by a subsequent written agreement between and executed by the Employer and the Union. The waiver of any breach, term, or condition of this agreement by either party shall not constitute a precedent in the future enforcement of all its terms and conditions.

Section 2.5: Definitions

1. Regular Full-Time Employee — An employee who has completed his probationary period and is regularly scheduled to work the full workweek.
2. Regular Part-Time Employee — An employee who is employed to work on a regular basis, less than the full workweek, and who averages not less than ten (10) hours per week during a payroll quarter.
3. Irregular Part-Time Employee — An employee who is employed to work on a regular basis, less than the full workweek, and who averages less than ten (10) hours per week during a payroll quarter.
4. Graduate Non-Registered Pharmacists — An employee who is not registered as a pharmacist but who is either a graduate of a college of pharmacy which is accredited by the American Council of Pharmacy Education or a graduate of a non-accredited college of pharmacy who has successfully passed an equivalency evaluation by the appropriate pharmacy board.
5. Part-Time Pharmacy Student — Any person enrolled in a pharmacy school and working part-time hours on a regular basis in the pharmacy while attending school regularly or working during his normal school vacation period.

Section 2.6: Entire Agreement

This agreement constitutes the sole and entire existing agreement between the parties and supersedes all prior agreements, commitments and practices whether oral or written between the Employer and the Union or the Employer and any of the covered employees, and expresses all obligations of and restrictions imposed on the Employer and the Union.

Section 2.7: Waiver

The parties acknowledge that during the negotiations that resulted in this agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining and that the understandings and agreements arrived at by the parties after the exercise of that right and life of this agreement, each voluntarily and unqualifiedly waives the right and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter not specifically referred to or covered in this agreement even though such subject or matter may not have been within the knowledge or contemplation of either or both of the parties at the time they negotiated or signed this agreement.

Section 2.8: Equal Rights

The Employer and the Union reaffirm their mutual intent and current practice of opposing and refraining from discrimination against any employee for reason of sex, race, religion, color, national origin, age, or union activity in accordance with the requirements of Title VII of the Civil Rights Act of 1964, as amended, the Labor-Management Relations Act of 1947 as amended and the Age Discrimination in Employment Act of 1967.

Section 2.9: Standards

Work Standards

It is the mutual belief of the parties that when a pharmacist is performing up to reasonable work standards as established by the Employer, such a pharmacist's professional responsibilities include the evaluation of whether the rate at which he processes prescriptions is consistent with good professional judgment and ethics.

Pharmacists' Work Assignments or Tasks

The parties agree that the profession of pharmacy requires that the registered pharmacist devote his time and attention to the duties involving his special training and expertise; namely, receiving, filling and refilling prescriptions, consulting with physicians, patients, maintaining records, ordering prescriptions, and other pharmaceutical items involving professional competence.

Accordingly, a registered pharmacist will not be required to perform tasks or assignments outside of his prescription department unless necessary to the operation of the store, and then only to the extent that these other tasks or assignments do not substantially interrupt

or interfere with duties involving his special training and expertise.

In no event shall a pharmacist be required to do any work demeaning to his professional status, namely mopping floors, cleaning toilets, washing windows, or performing "bus boy" services in the lunchrooms.

Pharmacy Standards

A registered pharmacist shall assure, to the extent of his authority, that the prescription department is operating in compliance with applicable law, professional ethics, and valid Employer rules.

Pharmacy Technicians

In order to protect the health and safety of the public, the assigned pharmacists in each store shall be responsible for addressing the conduct and performance of the technicians that work under their direction. In the event that assistance is needed in a particular situation, the pharmacist should contact their Pharmacy Supervisor and/or HR Business Partner.

ARTICLE 3 WORK HOURS AND OTHER CONDITIONS OF EMPLOYMENT

Section 3.1: Workday and Workweek

The basic contractual workweek shall consist of forty (40) hours to be worked within (5) days of a Sunday through Saturday workweek, to be administered in accordance with the Fair Labor Standards Act and regulations applicable to exempt employees. No employee shall be required to work more than nine (9) hours in any one (1) workday except to cover for emergencies and vacations. In any event, pharmacists shall not be required to work more than twelve (12) hours in a workday. A pharmacist who is required to perform extra work shall be compensated at an hourly rate, which will be equal to their base weekly salary divided by their base weekly hours. Any pharmacist who is required to perform extra work beyond 44 hours in a work week will be compensated an additional \$6/hr for such work.

Management may require approval of extra work before a pharmacist performs such work. If mutually agreed upon by a supervising manager and pharmacist, time off with pay in lieu of payment for an equivalent number of worked hours may be agreed upon.

Section 3.2: Work Schedule

A work schedule showing the days and hours to be worked by full-time and regularly scheduled part-time employees shall be posted not later than 4:00 p.m. on Friday of the week preceding the week in which the schedule is to be effective; provided further that employees who are required to work on Sunday shall be so notified by not later than 4:00

p.m. the preceding Thursday. Posted schedules may be changed when emergencies make changes necessary or by agreement with the employees involved provided that indiscriminate changes shall not be made. There shall be no split shift schedules for any employee unless mutually agreed to. In instances when a pharmacist is assigned to more than one location on a particular day, "travel time" between locations will be considered as compensable. The Employer further agrees that in stores where there is one (1) full-time registered pharmacist assigned, no more than forty (40) hours of paraprofessional work will be used before assigning a second full-time registered pharmacist.

Section 3.3: Meal and Rest Periods; Laundry

Each employee shall be given each day one (1) uninterrupted fifteen (15) minute paid rest period, including travel time to the break or rest area for each four (4) hours of work scheduled. No employee shall be required to work more than five (5) continuous hours without an unpaid lunch or dinner period which shall be not less than one-half (1/2) hour and not more than one (1) hours, as agreed upon with the employees. Store management shall provide the pharmacist with the necessary assistance to meet the needs of the business during break/meal periods.

Any uniform deemed necessary by the Employer shall be furnished by the Employer. If the furnished uniform is not of a drip-dry or wash-and-wear variety, it shall be laundered by the Employer.

Section 3.4: Overtime Pay

All part-time employees shall be paid one and one-half (1-1/2) times their regular hourly rates for all hours worked over forty (40) hours in a week.

Section 3.5: Scheduling of Regular Part-Time Employees

An effort will be made to schedule part-time employees a minimum of seventeen (17) hours per week in the store in which they work. However, this shall not apply to an employee called in to replace another employee or to an employee whose available hours are beyond the Employer's control or to an employee called in to work when fewer than seventeen (17) available hours remain in the week. The Employer agrees that where appropriate it will attempt to schedule part-time pharmacists around the fulltime pharmacists.

It is also understood and agreed that if additional part-time hours become available at the pharmacist's home store, and the part-time pharmacist is available to work the additional hours, the most senior part-time pharmacist in that store may request those hours prior to assigning those hours to someone not based in that location unless those hours are assigned to a full-time pharmacist. This provision shall not be considered a guarantee of hours or assignments.

ARTICLE 4
COMPENSATION

Section 4.1: Guaranteed Minimum Weekly Salaries - Full-Time Pharmacists

During the term of this agreement, the Employer agrees to pay not less than the guaranteed minimum weekly salaries set out in Appendix A, attached hereto; provided however, that the guarantee shall not apply to an employee who is absent for personal reasons for an entire workweek or to an employee from whose salary FLSA permitted deductions are made, provided said deductions are not inconsistent with the provisions of this agreement. Such salaries are the consideration for the employee's performing service during a basic workweek as defined in Section 3.1.

Section 4.2: Extra Work — Full-Time Pharmacists

A pharmacist who is required to perform extra work shall be compensated at an hourly rate, which will be equal to their base weekly salary divided by their base weekly hours. Any pharmacist who is required to perform extra work beyond 44 hours in a work week will be compensated an additional \$6/hr for such work.

Each regular full-time employee who has worked a basic workweek as defined in Section 3.1 who reports for work on a sixth (6th) or seventh day (7th) of a workweek shall be guaranteed a minimum of one-half (1/2) day of work. The compensation for all such work and for time worked in excess of the basic workweek within workweeks shall be calculated as set forth in Section 3.1.

There shall be no mandatory overtime in excess of the maximum workday or standard workweek except for vacation coverage and emergencies. Moreover, when mandatory overtime in these situations would pose an undue hardship, the Employer may, at its option, assign management personnel who are registered pharmacists to perform such work.

Section 4.3: Hourly Wages — Part-Time Pharmacists

During the term of this agreement, the Employer agrees to pay not less than the minimum hourly rates set out in Appendix A attached hereto.

ARTICLE 5
VACATIONS, HOLIDAYS, ABSENCE LEAVES

Section 5.1: Length of Vacation

Each regular employee covered by this contract who meets the qualifications shall be entitled to a vacation with pay in accordance with the following schedule:

Number of Completed Years of Continuous Service	Number of Weeks of Vacation With Pay
1-4 Years Inclusive	2 Weeks
5-9 Years Inclusive	3 Weeks
10-19 Years Inclusive	4 Weeks
20 Or More Years	5 Weeks

As used above, continuous service means uninterrupted, complete years of service since the last employment date.

Section 5.2: Vacation Qualifications

1. First Vacation

Regular Full-Time Employees hired in the preceding year may take their first vacation in the current year ahead of their service anniversary date subject to their refunding all vacation payments in the event they do not complete a full anniversary year of employment.

2. Second and Succeeding Vacations

Regular Full-Time Employees - Once an employee has qualified for his first vacation, he shall thereafter qualify for all succeeding vacations as of January 1 of the current year for a vacation based on his length of service to be completed during the current year subject to the adjustments set out in Section 5.5 in the event the employee does not complete his anniversary year of service.

3. Extended Absences

A week's vacation pay for a regular full-time pharmacist shall be prorated (on the basis of a standard full-time workweek) if a full-time pharmacist works less than 1,600 hours in the preceding payroll year. Paid absence for vacation, funeral, and jury duty shall not be considered absences for purpose of this section. This section is not intended to pro-rate vacation for those full-time pharmacists who worked less than 1,600 hours solely because they were hired in the prior year.

Section 5.3: Vacation Pay -Regular Full-Time Employees

A week's vacation pay for a regular full-time pharmacist shall be in the amount of his basic weekly salary in effect at the time the vacation is taken.

Section 5.4: Vacation Administration

1. Vacation Schedules

All vacations shall be subject to the necessary scheduling of replacements by the Employer, which may limit the number of employees who may be on vacation at any one time. Preference in the choice of earned vacation dates shall be given on the basis of seniority in the bargaining unit, within each cluster group. The Employer reserves the exclusive right to establish and to change cluster groups. The Union and the Employer shall work to establish a form or procedure to ease vacation administration.

2. Calendar Weeks

All vacations shall be for calendar weeks. Vacations of three (3) or four (4) weeks may be split by mutual agreement between the employee and the Employer but not into any period of less than one (1) week. Vacations of less than three (3) weeks duration may not be split except in unusual cases, and then only where the individual's application is approved by the Employer as consistent with efficient operation of the store. Choice of vacation dates shall be on the basis of seniority within the pharmacy.

3. Holidays Within Vacations

Whenever a holiday recognized under this contract falls within an employee's vacation period, the employee shall receive an extra day's pay or subsequent day off at the Employer's option.

Section 5.5: Adjustment of Vacation Pay in the Event of Layoff or Separation from Service

Any full-time employee who is laid off or who leaves service prior to his first service anniversary shall forfeit all vacation pay with respect to that year of service and shall refund any vacation pay with respect to such year.

Any full-time employee who is laid off or who leaves service after his service anniversary, unless he was discharged for gross misconduct in connection with his work (namely stealing, malicious vandalism, or other serious misconduct), shall be entitled to vacation pay at the rate of one-twelfth (1/12th) of the vacation pay to which he will be entitled to on his next anniversary date for each full month of service completed since his last anniversary date plus any earned vacation not taken.

If a full-time employee is laid off or is separated from service and is entitled to vacation pay as set out above, he shall be paid such vacation pay within two (2) weeks following the layoff or separation from service.

If a full-time employee has received his vacation pay and is laid off or separated from service prior to his anniversary date, he shall refund the difference, if any, between the

vacation pay received and the vacation pay to which he has accrued since his last anniversary date under the above schedule within two (2) weeks following the date of the layoff or separation from service.

Employees who resign their employment without giving two (2) weeks prior notice shall forfeit any and all vacation adjustments to which they would otherwise be eligible under this section.

Section 5.6: Regular Part-Time Employees - Vacation and Pay

Number of Completed Years of Continuous Service	Number of Weeks of Vacation With Pay
1-4 Years Inclusive	2 Weeks
5-9 Years Inclusive	3 Weeks
10-19 Years Inclusive	4 Weeks
20 Or More Years	5 Weeks

A regular part-time employee who works 780 hours or more in the preceding payroll year shall be entitled to vacation pay in the amount of 1/52 of his prior payroll year's earnings paid as of January 1 of the current year. Computations of eligibility and payment shall be made by April 1 of the current year and shall be based on continuous service as of January 1. For those hired on or after October 10, 1999, the vacation will be paid pursuant to the following part-time schedule:

For those part-time employees eligible for vacation under this section who were hired before October 10, 1999, the vacation schedule under Section 5.1 shall continue to apply.

Section 5.7: Holidays Recognized

1. The following holidays shall be recognized holidays under this agreement:

New Year's Day	Fourth of July	Thanksgiving
Memorial Day	Labor Day	Christmas

Pharmacists assigned to stores are expected to equitably split holiday assignments. For bargaining unit members hired prior to May 2, 2010, no regular full-time pharmacist shall be required to work on Thanksgiving, Christmas, or New Year's Day, unless otherwise volunteered and except that full-time employees with less than five (5) years of continuous service as a pharmacist may be required to work New Year's Day up to nine (9) hours, not to exceed 6:00 p.m. No more than one (1) regularly assigned full-time pharmacist, per pharmacy, shall be required to work up to four (4) hours or past 2:00 p.m. on Memorial Day, Fourth of July, or Labor Day unless otherwise volunteered, and except employees with less than five (5) years of continuous service as a pharmacist may be required to work up to nine (9) hours,

not to exceed 6:00 p.m. on such holidays.

Nothing herein shall limit holiday work by part-time pharmacists. No pharmacist shall be required to work past 6:00 p.m. on Christmas Eve or New Year's Eve, provided that such pharmacist will continue working until the customers at the pharmacy are served.

2. Holiday Qualifications and Holiday Pay

A. A Regular Full-Time Employee will receive holiday pay of eight (8) hours pay in addition to the hours worked that week provided he works his scheduled workday before and after the holiday. In no instance shall the employee receive less than forty (40) hours of pay for that week.

B. Part-Time Employees (a) To qualify for holiday pay, a part-time employee must work both the regularly scheduled workdays before and after the holiday and the holiday itself if scheduled, (b) In addition to meeting the preceding requirements, a part-time employee must also have worked:

1. An average of ten (10) hours per week in the payroll quarter preceding a National Holiday, and

2. An average of ten (10) hours per week in the accounting period preceding the accounting period in which the holiday falls.

Regular part-time employees who qualify shall receive holiday pay in the amount of five (5) hours of pay in addition to the hours worked that week.

Section 5.8: Jury Pay

When any regular full-time employee who is covered by this agreement is summoned for jury service, he shall be excused from work for the days in which he reports for jury service and/or serves. He shall receive, for each week in which he otherwise would have worked, the difference between his basic salary for that week and the payment he receives for jury service, if any. Any employee summoned for jury service shall promptly notify the Employer of the receipt by him of such jury summons; in any event, no payment shall be made to any summoned employee under this section for any workweek in which he has not worked unless he has given such information to the Employer not later than the next regularly scheduled workday after receipt of such jury summons. Before any payment shall be made to any employee hereunder, he shall present to the Employer proof of his summons for service, and of the time served and the amount of pay received therefore, if he shall have served as a juror. The provisions of this section shall apply only when an employee is summoned for jury duty and shall not apply if an employee volunteers to serve as a juror. When an employee is released for a day or part of a day during any period of jury service, he shall report to his store for work.

Section 5.9: Funeral Leave

The Employer agrees to pay regular full-time employees for necessary absences from scheduled work on account of a death in the immediate family up to and including a maximum of three (3) scheduled workdays, provided the employee attends the funeral. For purposes of full-time employees, the term "immediate family" shall mean spouse, parent, stepparent, child, grandparents, brother, sister, sister-in-law, brother-in-law, father-in-law, mother-in-law, son-in-law, and daughter-in-law or any relative residing with the employee or with whom the employee is residing.

Section 5.10: Personal Days Off -- Full-Time With 1Year

All regular full-time employees with one (1) year of service shall receive 3 days off each calendar year. These days off shall be taken at the discretion of the employee. Each eligible full-time employee shall receive 8 (eight) hours of Paid Time Off for each personal day.

Section 5.11: Leaves of Absence - General

Regular full-time and part time employees with one (1) or more years of continuous service may apply for unpaid leaves of absence. Leaves of absence not otherwise provided for in this agreement or by law shall be determined at the sole discretion of the Employer. All requests for leaves must be in writing and approved in writing through the personnel office.

The Employer shall provide military leaves of absence as provided by law.

Employees granted unpaid leaves hereunder shall not be eligible for any contract benefits during the period of such leaves, except as earned prior to the leave taking effect.

Section 5.12: Pregnancy Leaves

Pregnancy leaves of absence shall be granted in accordance with applicable laws.

Section 5.13: Family Medical Leave Act& Americans With Disabilities Act

The Employer and the Union agree to cooperate in enabling the Employer to meet its obligations under the federal Americans With Disabilities Act (ADA) and the Family Medical Leave Act (FMLA). Unless specifically required in this agreement, the Employer shall have no contractual obligations under the ADA or the FMLA beyond the minimum statutory requirements.

Section 5.14: Retirement/Discipline — Statement of Assurance

In response to Local 727's request for a statement of assurance with respect to the effect of that provision of its profit sharing plan regarding retirement of an employee after age 50 at the Employer's option, please be advised that said provision in no way affects the employee's protection under Section 8.11 of the contract not to be discharged without just cause.

ARTICLE 6
OTHER BENEFITS

Section 6.1: Various Employer Benefits

The Employer shall offer a profit sharing or pension plan, health care plan, employee discount plan, and stock purchase plan to eligible full-time and part-time employees on the same basis (except in regard to optical coverage) as said plans may be offered to store management and other hourly paid store employees, respectively. The Employer retains the right to amend, modify, or terminate said plans. In the event of any material amendment, modification, or termination, the Employer shall notify the Union of said amendment, modification, or termination.

Section 6.2: Optical Plan

The Employer agrees to make a monthly contribution to cover the premium and administrative costs for each full-time pharmacy employee who has completed one (1) year of service in order to provide cost free family membership in the Optical Program sponsored by Local 727 Health and Welfare Fund. Such contribution shall be calculated using the VSP premium charged to the fund rounded up to the nearest dollar. The Fund shall notify CVS of any change to the contribution amount.

Section 6.3: Maintenance of Benefits

Employees covered by this Agreement shall suffer no economic loss as the result of signing this agreement. No employee covered by this agreement shall receive less than the terms and conditions therein specified.

ARTICLE 7
SENIORITY

Section 7.1: Seniority and Other Definitions

Seniority means the rights secured by a regular full-time employee by length of continuous employment service as provided herein. Seniority starts from the last day when the employee is hired by the Employer, except that new regular full-time employees shall not acquire any seniority rights until they have completed a probationary period of ninety (90) days.

An employee's seniority shall be broken if he: (1) quits; (2) retires; (3) is discharged; (4) fails to report after a layoff within seven (7) calendar days after the Employer sends, to the last known address, a written notification to return to work; or (5) has been out of employment by the Employer for a period of twelve (12) months.

When two (2) or more employees are hired on the same day, the Employer shall determine their relative seniority. The Employer agrees to submit to the Union, on a monthly basis, a list of all newly hired employees. The Employer agrees to submit to the Union a seniority list each six (6) months during the term of the union contract.

It is agreed that pharmacy students and pharmacy interns may rotate in and out of the bargaining unit without interruption of their seniority status, provided they are enrolled in an accredited pharmacy program to become a registered pharmacist. However, the employee must return to work for the Employer within a one-year period in order for bridging of seniority to apply.

Section 7.2: Layoffs and Recalls after Layoffs — Regular Full-Time Employees

As long as the employee, in the reasonable determination of the Employer, has the ability to perform the job, seniority shall control the order of layoffs and recalls after layoffs of full-time employees within the following job classifications:

- Registered Pharmacists
- Non-Registered Graduate Pharmacists

This seniority principle requires that:

- A. The employee with the lowest seniority in the job classification in the bargaining unit shall be the first laid off.
- B. An employee may, in lieu of accepting a layoff, opt to take the job of the least senior employee in the bargaining unit; provided, however, that in the event a vacancy occurs in the district from which the employee was laid off, he shall have preference for such vacancy over a new employee or less senior employee.
- C. Qualified laid-off employees shall be recalled in the order of their seniority in the bargaining unit.

Section 7.3: Selection of Employees for Full-Time Employment

Open full-time positions shall be offered, in seniority order, to the part-time bargaining unit members who, in the reasonable determination of the Employer, have the ability to perform the job. If no part-time bargaining unit member accepts the position or if no part-time bargaining unit member has the ability to perform the job, then the Employer shall have the right to hire any applicant.

Section 7.4: Pharmacy Student Interns

The Employer will agree to annually review its payroll roster each January to identify and provide an opportunity for each senior pharmacy student to discuss employment opportunities with the Employer and to make application for employment as an R.Ph. upon graduation prior to the regularly scheduled recruiting season. It is further agreed that such applicants for employment will be notified of acceptance or rejection by the Employer on or before April 1 provided the applicant has given the Employer ample opportunity to review his or her application and work history prior to April 1.

Section 7.5: Promotion to Supervision

If an employee is promoted from a job within the bargaining unit to a supervisory position with the Employer he shall continue to accumulate seniority while working the supervisory position for a period of one (1) year, and if demoted to the collective bargaining unit within said one (1) year period, he shall commence work with the seniority rank he had at the time of his promotion plus the seniority accumulated while he was working the supervisory position.

Section 7.6: Seniority of Employees on Leaves of Absence

The seniority rights of an employee who, either by voluntary action or draft entered the Armed Forces of the United States, shall continue as though he had not been absent, and he shall have the right to be reinstated to his employment provided by law and regulation thereunder.

An employee who requests and is granted a personal leave of absence by the Employer shall have his seniority rights and provisions maintained for the duration of such leave of absence, provided the employee does not hold any other employment while on such personal leave.

Section 7.7: Transfer of Pharmacists

All new full-time staff positions and all full-time staff vacancies in existing positions within the bargaining unit will be filled after consideration of a pharmacist's written request for work at the applicable location. To be considered, the written request must be received by the Regional Pharmacy Manager at least four (4) weeks in advance of filling the full-time staff opening. Selection will be based solely on seniority, except when justified by the special needs of the employer (i.e., bilingual). Provided however:

- a. Candidate pharmacist meets expectations on performance ratings in the last 12 months;
- b. No discipline in the last nine (9) months;
- c. Has not rejected a requested transfer during the last nine (9) months.

Bids will not be considered from pharmacists who have been assigned to their current location for less than the twelve (12) months preceding filling the opening, except when

justified by the business necessity. Pharmacists may be transferred only for operational necessity. Pharmacists will not be transferred for disciplinary reasons, except for sexual harassment or inappropriate fraternization cases.

A pharmacist who is denied a transfer may request, in writing, a meeting with the Regional Pharmacy Manager to discuss the reason(s) for any such denial.

In the event a pharmacist may be transferred for a disciplinary reason, the Regional Pharmacy Manager will notify the Union. In the event a pharmacist who is notified of a non-disciplinary transfer is unwilling to be transferred, the Regional Pharmacy Manager will notify the Union office immediately. A meeting shall be held between the Regional Pharmacy Manager or Regional Personnel Manager and the Business Agent assigned to resolve the matter within two (2) working days after the notification of transfer.

If, after the meeting, but no more than two (2) working days after the Union has been notified, the Company's decision is to transfer the pharmacist and the pharmacist is not willing to transfer, the pharmacist involved may resort to the grievance procedure. In the interim, the pharmacist involved may be temporarily assigned to the new location until the grievance is resolved.

Family medical leave or any leave less than eighteen (18) weeks shall not result in loss of store position.

Semi-annually, the Company will distribute a list of upcoming new store locations and will provide a return form for requests to transfer. Such completed forms returned to the Regional Pharmacy Managers will be logged and updated semi-annually.

ARTICLE 8 UNION — MANAGEMENT RELATIONS

Section 8.1: Union Security

It shall be a condition of employment that all full-time employees of the Employer covered by this agreement who are members of the Union in good standing on the execution date of this agreement shall remain members in good standing and those who are not members on the execution date of this agreement shall on the thirty-first (31st) day following the execution date of this agreement become and remain members in good standing in the Union. It shall be a condition of employment that all full-time employees covered by this agreement and hired on or after its execution date shall, on the thirty-first (31st) day following the beginning of such employment become and remain members in good standing in the Union. The Employer may secure new employees from any source whatsoever. During the first ninety (90) days of employment, a new employee shall be on trial basis and may be discharged at the discretion of the Employer.

The Union agrees to admit to and retain in membership all employees who have served a trial period of ninety (90) days and proven satisfactory to the Employer as prospective permanent employees without discrimination so long as such employees tender the

initiation fees and periodic dues uniformly required for membership and maintain their membership in good standing with the Union. In the event that an employee fails to tender the initiation fee or periodic dues uniformly required as a condition of acquiring or retaining membership or if such employee fails to maintain membership in good standing, the Union shall notify the Employer in writing and the Union member will be given not less than two (2) weeks time in which to re-establish his membership in good standing before the Employer shall be called upon to release him.

Regular part-time employees, as defined in Section 2.6(2) shall become members of the Union in good standing, effective and during the payroll quarter following a payroll quarter in which ten (10) or more hours of work, per week, were averaged. Membership may cease during a payroll quarter, following a payroll quarter in which ten (10) or more hours of work, per week, were not averaged.

Section 8.2: Union Dues Checkoff

When specifically authorized in writing by each employee, the Employer will deduct, from the first paycheck of each month, dues and/or fees owing the Union and forward them to the Secretary-Treasurer of the Union, not later than ten (10) days after each monthly deduction. Such authorization, once given, shall be irrevocable for a period of not less than one (1) year or the term of this understanding, whichever occurs sooner.

Section 8.3: Indemnification

The Union agrees to defend, protect, indemnify, and save the Employer harmless against any claim, demand, suit, or liability that shall arise out or by reason of any action taken by the Employer in reliance upon a request made by the Union to discharge an employee for failure to maintain his membership in good standing pursuant to Section 8.1 or upon employee payroll deduction authorization cards submitted by the Union to the Employer under Section 8.2.

Section 8.4: D.R.I.V.E. authorization and deduction

In addition to the terms and conditions contained in the above referenced collective bargaining agreement between the Employer and the Union, the Employer and the Union hereby further agree that:

The Employer agrees to deduct from the paycheck of all employees who submit authorization cards and are covered by this agreement voluntary contributions to D.R.I.V.E. D.R.I.V.E. shall notify the Employer of the amounts designated by each contribution employee that are to be deducted from his paycheck on a weekly basis for all weeks worked. The phrase "weeks worked" excludes any week other than a week in which the employee earned a wage. The Employer shall transmit to: D.R.I.V.E., international brotherhood of teamsters, 25 Louisiana Avenue, NW, Washington, DC, 2001. Send on a monthly basis in one check the total amount deducted along with the name of each employee on whose behalf a deduction is made, the employee's social security number and the amount deducted from the employee's paycheck. No such authorization shall be recognized if in violation of state and federal law. No deductions

shall be made which is prohibited by applicable law.

Section 8.5: Union

The Union, for and on behalf of itself and its members, agrees that its members shall perform the work assigned to them from time to time by the Employer and shall work for the best interest of the Employer in every way just and lawful, giving honest and diligent service to the patrons of the Employer and to each other.

Section 8.6: Union Stewards and Business Representatives

The Union business representatives shall be admitted to the Employer's store premises during the hours employees are working for the purpose of ascertaining whether or not this agreement is being observed. Such activity shall be conducted in such a manner as not to interfere with the orderly operation of the Employer's business, it being further agreed that lengthy discussions between employees and representatives of the Union, or among themselves, concerning disputes shall not take place during working hours.

In case of disputes as to wages, the Employer agrees to show an authorized representative of the Union bona fide copies of the employee's wage records.

Union Stewards, upon request made through Local 714 headquarters to CVS/Pharmacy management headquarters, shall be granted a leave of absence without pay to attend scheduled union business, provided that such a request is made in sufficient time in advance of the expected time of absence and further provided that such leave can reasonably be accommodated by CVS Pharmacy. The duration of such leave to be determined at the time of said request for such leave.

Section 8.7: Communications Committee

A mutually acceptable committee shall be established in order to foster improved communication between representatives of the Employer and pharmacists. Said committee shall not discuss contractual or grievance matters. Quarterly meetings with up to 3 Union and Employer representatives shall be held on mutually agreeable dates. Both parties are committed to working together to ensure regular scheduling of these meetings. Upon the request of either party, the quarterly meeting shall be scheduled within six (6) weeks.

The Company and the Union recognize the importance of qualified and trained technicians to the effective operation of the pharmacy. To that end, a joint committee of Pharmacists and Pharmacy Supervisors will be established to review issues concerning Pharmacy Support Staff. The purpose of the committee is to help ensure:

- 1) appropriate support staff hours
- 2) appropriate training and qualifications of support staff
- 3) fair and equitable assignments of support staff

The committee is authorized to make non-binding recommendations to management

regarding staffing levels and hours, scheduling, technician training, certification, retention and other support staff issues. The joint committee will meet quarterly, or as mutually agreed, and will be composed of up to ½ Pharmacy Supervisors and ½ bargaining unit pharmacists (to include one (1) Union Representative), equally selected by management and the union.

Section 8.8: Display of Union Shop I.D.

The Employer agrees to display a union shop identification card of reasonable size next to the pharmacy licenses.

Section 8.9: Reserved Rights

Except as expressly and specifically abridged, limited, or modified by this contract or any agreement that may hereinafter be made, the Employer and the Union retain all the rights, power, and authority exercised or had by them prior to the entering into of this collective bargaining agreement.

It is further understood the management rights expressly retained herein by the Employer shall include, but not limited to: the right to plan, determine, direct, and control store operations and hours; the right to study and introduce new methods, facilities, and products; the right to direct and control the work force, including the determination of its size and composition, the scheduling and assignment of work; the right to hire, assign, demote, promote, and transfer (provided, however, that scheduling, assignments, and transfers shall not be arbitrary, capricious, or coercive); to layoff or reduce the hours of work because of lack of work; to discipline, suspend, or discharge for proper cause; to establish rules and regulations governing the operations of the store, a violation of which shall be among the causes for discharge; the right to subcontract all or part of the functions presently performed by the Employer; the right to terminate part of all of the present business activity conducted by the Employer; the right to terminate operations conducted by a lessee; the right to add additional business activities on the premises; the right to sell the assets of the business or to assign the leasehold interests of the Employer, shall all remain vested in the Employer except as expressly modified by this agreement, provided, however, that these rights shall be exercised with due regard for the rights of the employees and provided further that they will not be used for the purpose of discrimination against any employee, provided further, that no bargaining unit employee shall lose employment due to the use of paraprofessional personnel. The Company agrees that it will not subcontract its store pharmacist positions or any of the core store pharmacist functions, without negotiating with the union.

It is further understood that the preamble or recognition clause is not a modification of these rights nor the fact that an agreement has been entered into shall in any way be construed as a modification of the foregoing rights.

Whenever a final decision is made concerning the exercise of any significant reserved management right affecting all bargaining unit pharmacies, the Employer agrees to notify

the Union when such final decision has been made as promptly as possible, but there shall be no obligation on the part of the Employer to collectively bargain about such final decisions and the Union and the employees covered by this agreement herein expressly waive any such right.

Section 8.10: Severance Allowance

Every regular full-time registered pharmacist who is permanently displaced from his employment by reason of subcontracting, sale of assets, layoff or the closing of a pharmacy or other reasons, shall be compensated for such displacement providing he has been actively employed by his Employer for a period of at least three (3) years.

An eligible employee's compensation for such displacement shall be on the basis of one half (1/2) week's salary at the rate in effect at the time of such displacement, for each full year or major portion thereof of this active employment commencing with the fourth (4th) year following his most recent date of hire. Payment under this formula shall be limited to a maximum of ten (10) week's severance pay.

No severance pay will be paid to an otherwise eligible employee if:

- A. He is offered other employment by the Employer.
- B. Is voluntarily or involuntarily separated from his employment prior to the date he would otherwise be displaced for one of the reasons stated above; or
- C. Secures employment elsewhere prior to his scheduled date of displacement.

Section 8.11: Discipline

During an employee's probationary period, that is, during the first ninety (90) days of Employment, an employee may be discharged for any reason at the sole discretion of the Employer.

The Employer shall notify the Union of any suspension or employee termination as nearly simultaneously as practicable to the imposition of such discipline.

Layoffs for lack of work are not considered disciplinary penalties but shall be handled in accordance with the seniority provisions of this contract.

After an employee has completed his probationary period and been approved for permanent employment, such employees shall not be suspended, discharged, or otherwise disciplined without just cause, just cause to include but not limited to the following: poor job performance on the job, insubordination, dishonesty, or other misconduct in connection with work, such as falsification of a record such as a time or employment record, sabotage, incivility to customers, vandalism, stealing, etc.; persistent or serious infraction of reasonable rules promulgated by management relating to the health, safety, and sanitation of employees or the operation of the store, such as using or

being under the influence of alcoholic liquors or narcotics or hallucinogens while on duty, smoking in prohibited areas, violations of state or federal laws concerning pharmacies, deliberate or habitual absenteeism, tardiness, repeated wage assignments attachments and garnishments, Practice of Pharmacy without a license; and engaging in a strike, work stoppage, slow-down or picketing in violation of this contract.

An employee shall not be disciplined solely for not working during his or her break.

In the event an employee is listed on a Federal or State excluded parties list, that employee will be removed from the schedule until such time as they are removed from such list. If, after 30 days, they remain on the excluded parties list, their employment will be terminated. In the event that an employee requires a certification or license in order to work, and that certification or license is expired or suspended, that employee will be removed from the schedule until such time that they are eligible to work. If, after 45 days, they are not eligible to work, their employment will be terminated. On a regular basis, the Company will contract to have appropriate databases reviewed to determine work eligibility verified for all employees.

Section 8.12: Picket Lines

Employees may refuse to cross a lawful primary picket line involving CVS Pharmacy.

ARTICLE 9 NO STRIKE/NO LOCKOUT

During the term of this agreement, there shall be no strikes, stoppage, diminution, or suspension of work of any kind whatsoever on the part of the Union or the covered employees, nor shall there be any lockout on the part of the Employer unless employees avail themselves of the right granted in Section 8.12 of this Labor Agreement. Arbitrations are expressly granted the power to immediately enjoin violations of this section. Violators of this section shall be subject to immediate discharge and such discharges shall not be subject to arbitration.

ARTICLE 10 GRIEVANCE AND ARBITRATION

Section 10.1: Grievances

A. Grievance Defined

A grievance is hereby defined as any dispute involving the interpretation or application of the provision of this contract.

B. Procedure

Any grievance shall first be taken up for adjustment by a representative of the Employer

and a representative of the Union. The Employer and the Union shall meet at a time and place mutually agreed upon after the request by either party for such a meeting.

The following Grievance Procedure shall be followed in resolving said grievances:

STEP ONE: Grievant will meet with Union Representative and Employer Representative as outlined above.

STEP TWO: In failing to have the grievance resolved in STEP ONE, grievant will meet with a representative of the Union and a representative of the Employer at a mutually convenient time and place to resolve the grievance.

If the parties cannot agree, the issue may then be referred by the Union to arbitration.

C. Time Limits on Grievances

Any grievance involving a claim of improper discharge or other discipline must be presented within thirty (30) calendar days after discharge. All other grievances other than wage claims must be made within thirty (30) calendar days after the cause giving rise to the grievance becomes evident. Wage claims involving the proper application of wage rates or related to time worked shall not be valid and collectible for a period earlier than thirty (30) calendar days prior to the date of filing the claims.

Section 10.2: Arbitration

- A. Either the Union or the Employer may, within thirty (30) calendar days after failure to adjust the grievance in accordance with the grievance procedure, serve upon the other party a written demand for arbitration stating the issue to be arbitrated. The parties shall endeavor to select an impartial arbitrator. However, if parties fail to agree upon an arbitrator who is willing and able to serve within fifteen (15) calendar days after served of the demand for arbitration, either party may, within fourteen (14) calendar days thereafter, request the Federal Mediation and Conciliation Service to submit a list of not less than five (5) disinterested persons who are qualified and willing to act as impartial arbitrators. Failure to demand arbitration within 30 days of a Step 2 meeting, or failure to jointly select an arbitrator upon Union demand within 60 days of a Step 2 meeting, or failure to initially file a grievance within the time limits set forth in Section 10.1 (c) shall bar arbitration. Failure to select an arbitrator by the Employer after a Union demand as provided above shall not bar arbitration. Upon receipt of this list, an authorized representative of the Union and of the Employer shall flip a coin to determine who shall have first choice to strike a name. The party winning the toss shall then strike one name each until only one name remains. The person whose name remains shall be the selected arbitrator.

- B. The Arbitrator shall commence hearings as quickly as possible after his

selection and shall render his award in writing together with his written findings and conclusions as quickly as reasonably possible after the hearing. The award shall be final and binding upon the parties to this agreement and upon the complaining employee or employees, if any.

The arbitrator shall have no power to determine arbitrability nor to add to, subtract from, modify, or amend any provision of this agreement, nor to substitute his discretion for the discretion of the Union or the Employer, change existing wage rates, or arbitrate proposals for the amendment or renewal of the agreement.

The arbitrator's fees and expenses, the cost of any hearing room, and the cost of a shorthand reporter and of the original transcript shall be borne equally by the parties. All other costs and expenses shall be borne by the party incurring them.

- C. For the purpose of entertaining a written request from either of the parties for rehearing to correct any material error or omission or commission, ambiguity or question of application allegedly evident in the opinion or award, the arbitrator shall, for a period of seven (7) calendar days next following the date of his award, retain jurisdiction of the matter submitted to arbitration by the parties hereto and until the expiration of the period of time stated in this provision for rehearing the award shall not be deemed to have been issued. If however, no request for rehearing is duly filed within this seven (7) day period, this award shall be deemed to be issued effective as of its date. A written request for rehearing shall detail the specific ground relied upon for alleging a material error, or ambiguity, and a copy thereof shall be mailed by certified mail to the other party or parties. If the written request is postmarked no later than the seventh (7th) day next following the date of this award, it shall extend the jurisdiction of the arbitrator for a period of seven (7) days next following the date of the written request. Within those seven (7) days, the arbitrator, having re-examined the matter, shall, in writing, either reject the request for a rehearing or set a date for the requested rehearing. If the request for rehearing is denied, the award shall thereupon be deemed to be issued effective that date and the jurisdiction of the arbitrator shall accordingly cease. If the request for rehearing is granted, the jurisdiction of the arbitrator shall continue until issuance of a final amended award incorporating or rejecting the substance of the allegations contained in the request.

- D. The participation of the parties in an arbitration proceeding under this agreement shall not be deemed a waiver of or prejudicial to the right of either party to contest the arbitrability of the grievance or the jurisdiction and authority of the arbitrator in proceedings to set aside the award of, in other appropriate proceedings, in any state or federal court of competent jurisdiction; provided such judicial proceedings are instituted within thirty (30) days of the date of the arbitrator's award.

ARTICLE 11
TEAM LEADERS

The Employer may designate staff pharmacists as Team Leaders. Team Leaders shall be bargaining unit members and shall perform bargaining unit work, primarily filling prescriptions.

Team Leaders shall perform those duties as may be assigned by the Employer. Such duties may include: budget responsibilities; work flow supervisor; directing the pharmacy staff; monitoring product sources generic utilization, marketing promotions, competitor pricing, inventory control, pharmacy reports; administration of company programs/policies; training; recommending personnel related action; communication to the pharmacy staff; and other duties. Team Leaders shall not be responsible for the decision to hire, discharge or otherwise discipline other pharmacists. Work schedules of full-time staff pharmacists, including Team Leaders, shall be rotated in an equitable manner in regard to starting and ending times and weekend work, provided the needs of the business are met.

The Employer shall have the right to develop, modify or terminate an incentive pay plan for Team Leaders during the term of the Agreement.

A Team Leader with an evaluation of satisfactory or above, employed more than twelve months as a Team Leader, and who chooses to be a staff pharmacist shall have preference over pharmacists who are not regularly assigned to a pharmacy as a staff pharmacist (i.e. undistributed pharmacists) with the Company for an available staff pharmacy vacancy. Nothing herein shall limit the Employer's right to demote or transfer pharmacist as provided in Section 7.7 of this labor agreement. The Employer within its sole discretion may modify (except as specifically limited herein this section) or terminate the Team Leader program during the term of this Agreement. However, the Employer shall notify the Union or Communication Committee of any major change or termination of the Team Leader program.

ARTICLE 12
MIDNIGHT PHARMACY OPERATIONS

1. Premium Pay: Pharmacists shall receive Two Dollars and Fifty Cents (\$2.50) per Hour for all hours worked from 10:00 p.m. to 12:00 a.m.
2. Scheduling: The Employer shall use its best effort to provide part-time Pharmacist assistance in order to assist regular full-time pharmacists with work shifts ending at midnight. Shift ending at midnight shall be distributed *equitably amongst involved full-time pharmacists when appropriate*.

ARTICLE 13
PHARMACIST INCENTIVE PLAN

CVS Corporation has developed a Pharmacist Incentive Plan (the "Plan") to reward pharmacists for their role in driving performance. Incentive awards are based on actual results measured against re-established financial goals and individual performance objectives. For each year the Plan is in effect, the Company will provide Plan documents detailing the conditions of eligibility and incentive calculations. The Company reserves the right to reduce, expand or eliminate the Plan at any time and at its sole discretion.

ARTICLE 14
TERM

Section 14.1: Initial Term

This agreement shall become effective on May 4, 2013 and shall expire at 1:00 am on May 7, 2016.

Section 14.2: Renewal Term

If either party wishes to modify this agreement at its expiration, it shall serve notice in writing of such request upon the other party not less than sixty (60) days prior to the expiration date. In the absence of the service of such notice, this contract shall automatically renew itself for a period of one (1) year and from year to year thereafter.

APPENDIX A

Compensation

Section A.1 Guaranteed Minimum Weekly Salary—Full time Employees

Effective:

	05/05/13	05/04/14	05/03/15
Fulltime	\$2,460	\$2,516	\$2,572

Section A.2 hourly rates

Part time	\$61.50	\$62.90	\$64.30
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Graduate non-registered:

	\$28.20	\$28.20	\$28.20
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These wage rates do not include the applicable premiums for pharmacists regularly working the 10:00p.m. to 8:00a.m. work shift, as set forth in Appendix C, section 1 Or for midnight operations, as set forth in Appendix D, section 1. These rates also do not reflect the optional work week, which may be chosen by certain full time pharmacists, as defined in Appendix C, section 2 (b).

APPENDIX B

WAGE STRUCTURE FOR PHARMACY STUDENT APPRENTICES

Effective:	<u>05/05/13</u>	<u>05/04/14</u>	<u>05/03/15</u>
Pharmacy Students <u>Pharmacy School Year</u>			
3rd year	\$13.00	\$13.00	\$13.00
4th year	\$14.50	\$14.50	\$14.50
5th year	\$16.50	\$16.50	\$16.50
6th year	\$19.00	\$19.00	\$19.00

NOTE:

The above structure is designed to provide a minimum wage rate for pharmacy student apprentices and to allow individual store management to recognize experience, effort, and ability demonstrated by individual pharmacy student apprentices.

Pharmacy students who are initially and solely employed in order to gain pharmacy school credits need not be paid any compensation during their school intern program period provided Employer activities are related to pharmacy school extern program. Such students who are retained after completion of a pharmacy school extern program in connection with school credits shall be paid in accordance with the above stated minimum rates of pay.

APPENDIX C

TWENTY-FOUR (24) HOUR PHARMACY OPERATIONS

The Employer shall possess the right to operate twenty-four (24) hour pharmacies anywhere in the Greater Metropolitan Chicagoland Area, when a major competitor operates any twenty-four (24) hour pharmacies. The following provision shall apply to twenty-four (24) hour pharmacies:

1. **Work Shift**: The regular work shift for twenty-four (24) hour pharmacies shall be 10 p.m. to 7a.m. on weekdays, and 7p.m. to 7a.m. on weekends.. The nine (9) hour normal workday limitation of Section 3.1 of the Master Labor Agreement shall not apply to said work shift, however, the twelve (12) hour maximum workday limitation of Section 3.1 shall continue in full force and effect.
2. **Workweek**: Full-time pharmacists who work the regular overnight work shift for twenty-four (24) hour pharmacies will work a 7 day on, 7 day off schedule which will run Thursday thru Wednesday.
3. **Compensation**: Those pharmacists regularly working the 7 day on, 7 day off overnight shift schedule, shall be compensated with a weekly salary equivalent to 80 hours at their current rate of pay. The schedule for the 7 day on, 7 day off overnight shift shall be 70 hours. For purposes of calculating an hourly rate for extra hours worked, their weekly salary would be divided by 80 hours.
4. **Selection of Pharmacists for 10:00 p.m. to 7:00 a.m. Shift Work**
 - A. 10:00 p.m. to 8:00 a.m. shift work shall initially be offered to existing pharmacists in an affected store on a seniority basis.
 - B. If the initial offering does not produce an adequate staff of pharmacists between the hours of 10:00 p.m. and 7:00 a.m., the Employer shall consider written requests for such shift work from all pharmacists in the bargaining unit on a seniority basis. Such requests shall indicate location/area preference and be addressed to the regional personnel manager of the Employer
 - C. If an adequate number of pharmacists do not volunteer for such work between the hours of 10:00 p.m. and 7:00 a.m., new pharmacists shall be hired for said hours of work.

5. Replacement Coverage for 10:00 p.m. to 7:00 a.m. Shift Work: When the Employer is notified of an unscheduled, projected absence of a 10:00 p.m. to 7:00 a.m. pharmacist, the Employer shall use its best efforts to find a late-shift replacement pharmacist to relieve a pharmacist whose shift is scheduled to end at 10:00 p.m.

The Employer shall also have available a list of replacement pharmacists for use by non-late shift pharmacists when a 10:00 p.m. to 7:00 a.m. pharmacist is unexpectedly absent from the start of a 10:00 p.m. work shift.

Absences of regular 10:00 p.m. to 7:00 a.m. pharmacists shall first be covered by available undistributed, full-time pharmacists and thereafter by regularly assigned volunteer full-time or part-time pharmacist. Such replacements shall not be required to work with less than twenty-four (24) hours between the start of work shifts. For example, a replacement pharmacist who works from 10:00 p.m. Tuesday to 7:00 a.m. Wednesday shall not be required to work until 10:00 p.m. Wednesday at the earliest.

In instances when a replacement cannot be obtained, the non-late shift pharmacist may be required to continue working past his or her regularly scheduled end of shift but shall not be required to work more than a total workday of twelve (12) hours as provided in Section 3.1 of the Master Labor Agreement.

6. Other Shift Transfers

A. Any pharmacist who volunteers to work the 10:00 p.m. to 7:00 a.m. shift shall be required to work said shift for a minimum of three (3) months unless the Employer ceases said shift in the involved pharmacist's store.

B. If a 10:00 p.m. to 7:00 a.m. pharmacist desires to work other hours on a regular basis, said pharmacist shall notify the Employer's regional personnel manager of his or her store/area preference, in writing, and will be offered the next such available pharmacy position in the bargaining unit on the basis of his or her seniority, provided said pharmacist has not received any type of disciplinary warning or suspension within the prior six (6) months of employment.

7. Effect Pharmacists of Discontinued Twenty-Four (24) Hour Operations

If the Employer should discontinue a twenty-four (24) hour operation, full-time Pharmacists working the 10:00 p.m. to 7:00 a.m. schedule may exercise their seniority to obtain a regular full-time position by bumping the least senior pharmacist (s) in the bargaining unit, provided the 10:00 p.m. to 7:00 a.m. pharmacist's seniority is greater.

APPENDIX D

CVS STORE	OSCO STORE	ADDRESS	CITY	STATE	ZIP
cvs Store 8500	OscO Drug 2429	11201w 143rd St	Orland Park	IL	60467
cvs Store 8501	OscO Drug 2451	8325 Lemont Rd	Darien	IL	60561
cvs Store 8502	OscO Drug 2452	6351 5 Pulaski Rd	Chicago	IL	60629
cvs Store 8503	OscO Drug 2453	1420 E 53rd St	Chicago	IL	60615
cvs Store 8504	OscO Drug 2454	8444 S Pulaski Rd	chicago	IL	60652
cvs Store 8505	OscO Drug 2455	6748w 111th St	Worth	IL	60482
cvs Store 8506	OscO Drug 2456	8025 S Ashland Ave	Chicago	IL	60620
cvs Store 8507	OscO Drug 2457	9142 S Chicago Ave	Chicago	IL	60617
cvs Store 8508	OscO Drug 2459	3156 w 1 O ₃ St	chicago	IL	60655
cvs Store 8511	OscO Drug 2465	7858 S Halsted St	Chicago	IL	60620
cvs Store 8512	OscO Drug 2466	1 Main St	Park Forest	IL	60466
cvs Store 8513	OscO Drug 2467	2545 Martin L King Dr	chicago	IL	60606
C-S Store 8514	OscO Drug 2468	641 w 63rd St	chicago	IL	60629
cvs Store 8515	OscO Drug 2469	1713 S Ashland Ave	chicago	IL	60608
cvs Store 8516	OscO Drug 2470	845w wilson Ave	chicago	IL	60640
cvs Store 8517	OscO Drug 2471	2418W Division St	chicago	IL	60622
C-S Store 8519	OscO Drug 2475	11055 S Western Ave	chicago	IL	60643
cvs Store 8693	OscO Drug 5503	1400 Lake St	Addison	IL	60101
cvs Store 8694	OscO Drug 5511	2722 N Central Ave	Chicago	IL	60639
cvs Store 8695	OscO Drug 5513	3101 N Clark St	chicago	IL	60657
CVS Store 8696	OscO Drug 5514	150 N Michigan Ave	Chicago	IL	60601
cvs Store 8697	OscO Drug 5515	111 W Jackson Blvd	Chicago	IL	60604
CVS Store 8698	OscO Drug 5516	1165 N clark St	Chicago	IL	60610
CVS Store 8699	OscO Drug 5518	137S State St	Chicago	IL	60603
CVS Store 8731	OscO Drug 5519	400W Madison St	Chicago	IL	60606
cvs Store 8732	OscO Drug 5521	2053 N Milwaukee Ave	Chicago	IL	60647
cvs Store 8733	OscO Drug 5523	3552w Grand Ave	Chicago	IL	60651
cvs Store 8734	OscO Drug 5529	1801W Gold Rd	Schaurnburg	IL	60194
CVS Store 8735	OscO Drug 5532	3940W Fullerton Ave	Chicago	IL	60647
CVS Store 8736	OscO Drug 5535	7216 Circle Ave	Forest Park	IL	60130
CVS Store 8737	OscO Drug 5537	2414 N Lincoln Ave	Chicago	IL	60614
CVS Store 8738	OscO Drug 5539	741 W 31- St	Chicago	IL	60616
CVS Store 8739	OscO Drug 5540	1819 N Harlem Ave	Elmwood Park	IL	60707
CVS Store 8740	OscO Drug 5556	2427W Chicago Ave	Chicago	IL	60822
CVS Store 8741	OscO Drug 5557	2634 S Pulaski Rd	Chicago	IL	60623
CVS Store 8742	OscO Drug 5562	5524W Cermak Rd	Cicero	IL	60804
CVS Store 8743	OscO Drug 5564	124 E Willow Ave	wheaton	IL	60187
CVS Store 8744	OscO Drug 5576	9139 Broadway Ave	Brookfield	IL	60513
CVS Store 8745	OscO Drug 5577	771 N Ogden & Milwaukee	Chicago	IL	60622
CVS Store 8746	OscO Drug 5589	300 N Eola Rd	Aurora	IL	60504
CVS Store 8747	OscO Drug 5613	6150 N Broadway St	Chicago	IL	60660
CVS Store 8748	OscO Drug 5614	430 Asbury Ave	Evanston	IL	60202
CVS Store 8749	OscO Drug 5617	3950 Devon Ave	Chicago	IL	60646
CVS Store 8750	OscO Drug 5618	4801 N Central Ave	Chicago	IL	60630
CVS Store 8751	OscO Drug 5621	4051 N Lincoln Ave	Chicago	IL	60618
CVS Store 8752	OscO Drug 5622	5945W Denipster St	Morton Grove	IL	60053
CVS Store 8753	OscO Drug 5628	3637 N Southport Ave	Chicago	IL	60613

CVS Store 8754	Oscos Drug 5632	3235 N Springfield Ave	Chicago	IL	60618
CVS Store 8755	Oscos Drug 5637	2825W Devon Ave	Chicago	IL	60659
CVS Store 8756	Oscos Drug 5640	6200W Higgins Ave	Chicago	IL	60630
CVS Store 8757	Oscos Drug 5646	4001 Main St	Skokie	IL	60076
CVS Store 8758	Oscos Drug 5649	4540 N Pulaski Rd	Chicago	IL	60630
CVS Store 8759	Oscos Drug 5660	5158 N Lincoln Ave	Chicago	IL	60625
CVS Store 8760	Oscos Drug 5674	3333 Central St	Evanston	IL	60201
CVS Store 8761	Oscos Drug 5698	10 S Lewis Ave	Waukegan	IL	60085

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is made and entered into by and between International Brotherhood of Teamsters Local 727 ("Union") and CVS Pharmacy, Inc. ("CVS") (collectively, the "Parties").

WHEREAS, on or about March 9, 2012, the Union filed Grievance No. 2928 alleging a breach of Articles 3 and 4 of the Parties' collective bargaining agreement ("CBA") dated May 2, 2010 through May 4, 2013 related to CVS's failure to pay Pharmacists In Charge (PIC) for their attendance at CVS Leadership Meetings;

WHEREAS, the Union and CVS desire to settle fully and finally all matters related to this outstanding grievance and arbitration; and,

WHEREAS, the Union and CVS have bargained a settlement of this grievance in good faith.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the Parties hereby agree as follows:

1. The Parties agree that any CVS meeting in which attendance is required shall be considered a "mandatory meeting."
2. CVS agrees that it shall identify all mandatory meetings in the invitations to pharmacists as "mandatory." If a meeting is non-mandatory, CVS will make best efforts to identify it as such in the invitations to pharmacists. Nevertheless, any meeting scheduled by CVS that does not bear the word "mandatory" in the invitation is not mandatory.
3. The Parties agree that no negative employment action or discipline, whatsoever, shall issue where a bargaining unit member fails to attend any CVS non-mandatory meeting.
4. CVS agrees that for all non-mandatory meetings, it shall communicate the relevant job information conveyed during such meeting in writing or by email or other electronic means within a reasonable time after the meeting.
5. If an employee is required to attend a mandatory meeting, he/she shall be compensated according to wage rates set forth in the CBA.
6. This Agreement sets forth the entire agreement between the Parties pertaining to the subject matter hereof and each Party represents that each is not relying upon any representation not contained in this Agreement.
7. This Agreement shall be governed by the laws of the State of Illinois, except where preempted by Federal law, and may be amended or modified only in writing executed by the Parties. Should any provision be declared by any court to be invalid, the validity of the remaining provisions shall not be affected, and the invalid provision(s) shall be deemed not a

part of this Agreement. The language of all parts of this Agreement shall be construed as a whole, according to its fair meaning, and not strictly for or against either party.

8. Upon the full execution of this Agreement, the Union shall withdraw Grievance No. 2928 from the arbitration process.

May 4, 2013

Katie Lev
Director of Labor Relations and Compliance
CVS Caremark
One CVS Drive
Woonsocket, RI 02895

Re: Teamsters Local Union No. 727 Legal and Educational Assistance Fund:

Dear Katie,

In conjunction with the most recent collective bargaining negotiations, the parties agree to this Letter of Understanding for the term of the Collective Bargaining Agreement: May 4, 2013 through May 7, 2016.

The Employer shall contribute to Teamsters Local Union No. 727 Legal and Educational Assistance Fund on account of each regular full-time employee covered by this Agreement the following:

Commencing May 4, 2013\$68.00 per month

Such rate shall continue except as adjusted by the Board of Trustees.

The Employer shall contribute monthly to Teamsters Local Union No. 727 Legal and Educational Assistance Fund on account of each part-time employee covered by this Agreement the following:

Commencing May 4, 2013\$.40 per hour

March 1, 2014, the Trustees may increase contributions to the Fund by no more than \$.05 per hour (\$9 per month). The increase shall be equal to or less than the rate increase for other employers covered by the Teamsters Local Union 727 Master Commercial Parking Industry Agreement.

March 1, 2015, the Trustees may further increase contributions to the Fund by no more than \$.05 per hour (\$9 per month). The increase shall be equal to or less than the rate increase for other employers covered by the Teamsters Local Union 727 Master Commercial Parking Industry Agreement.

By the execution of this Agreement, each Employer authorizes the Trustees to enter into appropriate trust agreements necessary for the administration of such funds, and hereby waiving all notice thereof and ratifying all actions already taken or to be taken by such Trustees within the scope of their authority

It is also agreed that in the event the Employer is delinquent at the end of a month in the payment of its contributions to the Legal and Educational Assistance Funds created under this Agreement, in accordance with the rules and regulations of the Trustees of such Funds, the employees or their representatives shall have the right to take such action as they deem necessary until such delinquent payments are made, and it is further agreed that in the event such action is taken, the Employer shall be responsible to the employee for losses resulting therefrom.

Exhibit 7

CVS Proposals to Local 727

January 30, 2020

A. Tentative Agreements

1. Section 2.9 (Work Standards) - Keep existing language, and add: "The parties agree that reasonable work standards will promote patient safety and be consistent with the high ethical standards of the profession."
2. Section 5.7 - Move first sentence of second paragraph to last sentence of first paragraph.
3. Section 5.9 (Funeral Leave) - Add grandchildren.
4. Section 7.3 - Change first sentence to: "Open full-time staff pharmacist positions shall be offered, in seniority order, first to the full-time staff pharmacist bargaining unit members and then to the part-time bargaining unit members, in each case who, in the reasonable determination of the Employer, have the ability to perform the job."
5. Section 7.3 - Add: "Such positions shall be electronically posted on the Employer's system and accessible to the employees."
6. Section 8.2 - Add: "To facilitate the administration of this section, the Union will furnish the Employer with the dues checkoff form and the Employer will present the form to new employees upon hire. The Employer will promptly forward completed forms to the Union."
7. Section 8.6 - Change 714 to 727.
8. Section 8.7 (Joint Labor-Management Committee) - Replace with the following:

There will be a joint labor-management committee to discuss any and all working conditions within the pharmacies covered by this Agreement. Topics to be discussed by the committee may include but are not limited to:

- staffing levels, schedules and hours
- workflow standards, efficiencies and measures
- meal breaks and rest periods
- job assignments and responsibilities
- health and safety of pharmacy employees
- pharmacy support staff training, qualifications and retention

The committee will be composed of up to three (3) Union appointees and up to three (3) Company appointees. It will meet quarterly or as otherwise mutually agreed. It is authorized to make consensus recommendations to management. The Company agrees that it will provide responses to the committee concerning issues raised and discussed at

such meetings, no later than the next meeting of the committee. The committee will not discuss grievances or other pure contractual disputes.

9. Section 10.1(C) - Add: The Employer will respond to a grievance within thirty (30) calendar days. If the Employer fails to do so, the grievance will automatically move to the next step or arbitration, whichever is applicable.
10. Article 12 (Midnight Pharmacy Operations) - Remove existing language, and add: "In the event the Employer decides to implement Midnight Pharmacy Operations, the Employer will give advance notice to the Union and will bargain about the effects of its decision."
11. New section 3.6 - Floaters - Full-time floater pharmacists will be notified of work assignments by 11:00 a.m. of the day of the assignment, except in the case of emergency or other unforeseen circumstances.
12. New section (Background Checks)

The Employer will administer an Incumbent Background Check program to ensure compliance with DEA standards of prohibiting any employee from access to controlled substances if he/she has been convicted of a felony related to controlled substances, the purpose of which is to continue to meet DEA and other government agencies' guidelines while providing a safe and healthy service to patients and customers. This program, as described above, will be administered under the same terms and conditions as it applies to other CVS pharmacy employees as it may change or be amended from time to time; and will be implemented so that the only information CVS receives on bargaining unit employees is conviction data for felonies related to controlled substances.
13. May 4, 2013 letter - Remove Katie Lev.
14. 24-Hour Pharmacies (Appendix C) - Remove existing language, and add: "In the event the Employer decides to implement 24-Hour Pharmacy Operations, the Employer will give advance notice to the Union and will bargain about the effects of its decision."
15. Update Store Listing (Appendix D).
16. New Side Letter - Workplace Materials

Date

John T. Coli, Jr.
Secretary-Treasurer
Teamsters Local 727

Re: Workplace Materials

Dear John:

As we discussed, CVS Health intends to introduce Kirby counting machines at all pharmacies covered by the parties' collective bargaining agreement. We anticipate that this will be completed within ninety (90) days after ratification of the agreement. We also intend to do a review of the pharmacies to ensure that all are outfitted with padded floors in the work area in accordance with OSHA requirements.

Very truly yours,

Jean Frazier

17. APPENDIX B: Wage Structure for Pharmacy Student Apprentices

New rates after ratification:

3rd year - \$14

4th year - \$16

5th year - \$17.50

6th year - \$19

18. Section 3.1 (Workday and Workweek) - change to read:

The basic contractual workweek for pharmacists classified as regular full-time as of [ratification] shall consist of forty (40) hours to be worked within (5) days of a Sunday through Saturday workweek, to be administered in accordance with the Fair Labor Standards Act and regulations applicable to exempt employees. The basic contractual workweek for pharmacists who become classified as regular full-time after [ratification] shall consist of 30 hours to be worked within (5) days of a Sunday through Saturday workweek, to be administered in accordance with the Fair Labor Standards Act and regulations applicable to exempt employees. Employees may be required to work up to a twelve (12) hour work day no more than one (1) day per workweek, and for the other days in that workweek, employees shall not be required to work more than nine (9) hours in any one (1) workday, except to cover for emergencies and vacations. A pharmacist who is required to perform extra work shall be compensated at an hourly rate, which will be equal to their base weekly salary divided by their base weekly hours. Any pharmacist who is required to perform extra work beyond 44 hours in a work week will be compensated an additional \$6/hour for such work. Regular full-time employees regularly scheduled for fewer than 40 hours per week as of [ratification] shall continue to be scheduled those hours.

Where the Company is considering reducing pharmacist hours in a store, it will notify the Union and meet to discuss the situation upon request prior to implementation. At such meeting, the Company will consider any suggestions the Union may have concerning the contemplated hours reduction. For a regular full-time staff pharmacist working more than a 30 hour weekly schedule as of [ratification], her/his weekly scheduled hours will not be involuntarily reduced, provided, that where the pharmacist hours in a store are being reduced the Company may propose, in lieu of laying off the regular full-time staff pharmacist, to reduce his/her weekly hours to no less than 30 in a week. Where the regular full-time staff pharmacist in a store is laid off or reduced in hours, or where there is no regular full-time staff pharmacist, the Company may propose, in lieu of laying off the regular full-time PIC, to reduce her/his weekly hours to no less than 30 in a week.

Management may require approval of extra work before a pharmacist performs such work. If mutually agreed upon by a supervising manager and pharmacist, time off with pay in lieu of payment for an equivalent number of worked hours may be agreed upon.

19. Section 3.1 - new language as follows:

The parties acknowledge and agree that the scheduled hours for a pharmacist ought to be sufficient to give the pharmacist time to perform all necessary administrative tasks. In the event that a pharmacist believes that her/his scheduled hours are not sufficient to give the pharmacist time to perform all necessary administrative tasks, on a regular and recurring basis, the pharmacist should raise the issue with the Pharmacy Supervisor. In such case, the Company will work with the pharmacist to develop a plan to allow the pharmacist to perform all necessary administrative tasks within her/his scheduled hours.

20. Section 5.4 (1) (Vacation Administration) - change as follows.

Vacation requests for regular full time pharmacists are to be requested in full week increments, with a week being defined as Sunday through Saturday, and will be scheduled based on seniority, starting with the first choice of the most senior member of the bargaining unit and progressing through members in descending order to the least senior member. After the first round of choices are awarded, second choices will be awarded beginning with the most senior member of the bargaining unit and progressing through the least senior member of the bargaining unit. This process will continue until all weeks of choices for all members have been considered. In addition, bargaining unit members with 4 or 5 weeks of vacation will be required to take one week of vacation in the first quarter of the year (January, February, March).

B. Open Items

1. Wages

APPENDIX A

COMPENSATION

Section A.1

It is understood that salaries will be aligned with an employee's regularly scheduled hours pursuant to Section 3.1. The salary rate for a 40-hour week is as follows:

New graduates - \$2,160

Incumbent pharmacists:

First full payroll period after ratification - \$2,620

One year later - \$2,668

Two years later - \$2,716

Section A.2 Hourly rates:

New graduates - \$54.00

Incumbent pharmacists:

First full payroll period after ratification - \$65.50

One year later - \$66.70

Two years later - \$67.90

2. Legal/Educational Fund - Increase by \$9 each year for three years, as follows - (1) First full payroll period after ratification; (2) one year later; (3) two years later.

3. Article 1 (Recognition) - change as follows.

No change in first paragraph.

Second paragraph, change to:

It is recognized that the Employer's managers, assistant managers, and management trainees who are registered pharmacists, other than Pharmacy Managers, may from time to time perform a limited amount of bargaining unit work; however, it is understood that the intent of the Employer is that such work will not be conducted to the extent of substantially depriving members of the bargaining unit of work. Pharmacy Managers shall be permitted to perform bargaining unit work, without restriction.

4. Section 3.1 - new language as follows:

The "full workweek" for purposes of Section 2.5(1) shall mean 30 hours.

5. Section 3.3 (Meal/Rest Breaks) - Remove last sentence of first paragraph. Add: "The break shall remain uninterrupted except in the event of an emergency, as deemed by the professional judgment of the pharmacist, in order to minimize immediate health risks for patients." Add: "Ordinarily the pharmacist will be permitted to take breaks at a location within the store determined by the pharmacist, in accordance with state law and company policy. Ordinarily the pharmacist will not be required to remain within the pharmacy working area during a break, except where there is no other pharmacy staff present to cover the pharmacy or where not permitted by law."

6. Section 5.7(1) (Holidays Recognized)

Keep existing language, except change "Memorial Day, Fourth of July, or Labor Day" to "Memorial Day or Fourth of July, or more than (9) hours or past 6:00 pm on Labor Day," and add: "These restrictions do not apply to pharmacists hired on or after [ratification], who may be required to work without limitation on holidays."

7. Section 5.10 (Personal Days) - change to read:

All regular full-time employees with one (1) year of service shall receive personal time of up to 24 hours off each calendar year, to be used in a maximum of three (3) days. The personal time taken shall be as mutually agreed upon by the Employer and the employee.

8. Article 11 (Team Leaders) - Current contract language.

9. Paid Parental Leave – The first four weeks of FMLA leave for eligible employees who give birth to or adopt a child shall be paid at 100%. There will be no duplication of benefits.

10. Duration – Three-year contract beginning after ratification; specific dates to be determined.

11. Side Letter – Store Closings – When the Company decides to close a store, the following layoff process will apply, notwithstanding anything in Section 7 to the contrary.

1. Displaced 40-hour base or grandfathered Team Leaders will move, based on seniority, into the positions held by the least senior 40-hour base or grandfathered Team Leaders.
2. Displaced 40-hour base or grandfathered staff pharmacists will move, based on seniority, into the positions held by the least senior 40-hour base or grandfathered staff pharmacists.
3. Displaced 30-39 base hour staff pharmacists will move, based on seniority, into the positions held by the least senior 30-39 base hour staff pharmacists.
4. Displaced 30-39 base hour Team Leaders will move, based on seniority, into the positions held by the least senior 30-39 base hour Team Leaders.
5. Displaced pharmacists at the bottom of the seniority list will be laid off.
6. The process of second and subsequent rounds, if necessary, will be the same as described above with the most senior 40-hour or grandfathered pharmacist choosing from the identified 30-39 hour pharmacists.
7. Displaced under-30 hour pharmacists will be separated.
8. A 40-hour base or grandfathered pharmacist may not displace a 30-39 hour base pharmacist who has a higher union seniority date.
9. A 40-hour base or grandfathered pharmacist who displaces a 30-39 hour base pharmacist will assume the base hours of the displaced 30-39 hour base pharmacist.
10. A 40-hour base pharmacist who displaces a grandfathered pharmacist will assume the base hours of the displaced grandfathered pharmacist.

11. A grandfathered pharmacist who displaces a 40-hour base pharmacist will assume the base hours of the displaced 40-hour base pharmacist.
12. A 40-hour base or grandfathered Team Leader who displaces a staff pharmacist will become a staff pharmacist and will be paid at the staff pharmacist rate of pay.
13. Pharmacists may also choose a voluntary layoff with recall rights.
14. Pharmacists will have 24 hours to decide on the selection of their new position.
15. Any pharmacist who is laid off will remain on recall for one year.
16. Pharmacists on layoff will be recalled in order of seniority within their category, as described above.
17. Recall rights will expire upon failure of the pharmacist to respond within seven calendar days after the Company sends, to the last known address, a written notification to return to work. The Company will also telephone laid off employees at the last known phone number to alert them of a recall.
18. Pharmacists in the closing stores may choose, in lieu of bumping, to be permanently laid off, with no recall rights. In the case where a pharmacist chooses to be permanently laid off, such employee will complete CVS Health's severance agreement in exchange for the severance payment

Years of Service	Severance Time
Less than 4 years	2 weeks
4 years	3 weeks
5 years	4 weeks
6 years	5 weeks
7 years	6 weeks
8 years	7 weeks
9 years	8 weeks
10 years	9 weeks
11 years to 15 years	10 weeks
16 years to 20 years	11 weeks
21 years to 25 years	13 weeks
26 years or more	15 weeks

12. Side letter – Legal or Regulatory Changes – In the event of any legal or regulatory changes impacting the pharmacies and/or pharmacists covered by the CBA, the Company

shall have the management right to implement changes it determines to be necessary or advisable to comply with the law or regulation and/or to address the business or financial impact of those changes; provided, that the Company shall give the Union advance notice and an opportunity for discussion.