

Shoppers MOA Provision concerning "Social Security Supplement"

- M. Retirees under age 65 (existing and future) will be ineligible for medical benefits under the UFCW Unions and Participating Employers Health and Welfare Plan ("Welfare Plan") effective the later of: (i) January 1, 2016; or (ii) 60 days after notice of the elimination of coverage is provided, to the extent required by law (such notice to be provided as soon as reasonably practicable). The parties expect that these retirees will be eligible to enroll, beginning in November 2015, for coverage provided under the Affordable Care Act exchanges effective January 1, 2016. Effective January 1, 2016 (or the effective date of the retiree's loss of medical coverage under the Welfare Plan, if later) Company will fund a \$450 per month pre-65 Supplemental Social Security benefit payable to each such retiree under the UFCW Unions and Participating Employer Pension Plan ("Pension Plan"), with a spousal death benefit equal to \$300 per month, payable until the first of the month immediately preceding or coincident with the retiree's or deceased retiree's 65th birthday. To fund this Social Security Supplement benefit and spousal death benefit, the Company will contribute to the Pension Plan, at least thirty days in advance of the date each monthly payment to the retirees and/or surviving spouses are due, \$450 per month per applicable retiree, and \$300 per month per applicable surviving spouse, plus a reasonable administrative charge as determined by the Pension Fund's Board of Trustees. It is the bargaining parties' intent that the Social Security Supplemental benefit and the spousal death benefit under the Pension Plan will be an ancillary benefits not subject to ERISA §204(g), and the Company's contribution obligation hereunder (and the Pension Plan's obligation to provide such Social Security Supplemental benefits and spousal death benefits) shall continue only for the duration of this Agreement unless continuation is required by law or negotiated as part of future or renewal agreements.
- N. If the ACA is repealed, the Social Security Supplemental benefit and spousal death benefit under the Pension Plan, as described in Section M of this Agreement, will terminate, and retirees and surviving spouses that had been receiving, or were eligible to receive, such Social Security Supplemental benefit or spousal death benefit shall become eligible for a monthly benefit under the Welfare Plan, equal to \$600 per month for applicable retirees and \$350 per month for applicable surviving spouses, and the Company will commence contributions of \$600 per month per covered

early retiree and \$350 per month per covered surviving spouse, plus a reasonable administrative charge as determined by the Welfare Fund's Board of Trustees, at least thirty days in advance of the date each monthly payment to the retirees and/or surviving spouses are due, continuing through the month of the retiree's (or deceased retiree's) 65th birthday. . Post 65 retirees will pay \$20/single, \$40/spouse, and \$60/family coverage, per month effective January 1, 2016.

- P. Employer and Union agree to meet and discuss retiree medical (post 65) subsidy options.