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IDnum 33 **Language** English **Country** United States **State** WA

Union ILWU (International Longshore and Warehouse Union) AFL-CIO

Local Local 5

Occupations Represented
Retail salespersons

Bargaining Agency Powell's Books, Inc.

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Full text contract begins on following page.

COLLECTIVE BARGAINING AGREEMENT

BETWEEN

Powell's Books, Inc.
and

International Longshore and Warehouse Union, Local 5

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APPENDIX A

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PREAMBLE

This Agreement is entered into by and between Powell's Books, Inc. (hereinafter referred to as "Powell's" or "Employer") and the International Longshore and Warehouse Union, Local 5 (hereinafter referred to as "Union" or "Local 5").

ARTICLE 1 - RECOGNITION AND BARGAINING UNIT

The Employer recognizes the Union as the sole and exclusive bargaining representative of all employees employed by the Employer at its Portland-metropolitan-area facilities; but excluding all confidential employees, managerial employees, guards and supervisors as defined in the Act.

The Employer and the Union recognize their mutual obligation under the Act to meet at reasonable times and confer in good faith with respect to wages, hours and other conditions of employment.

ARTICLE 2 - INDIVIDUAL RIGHTS

2.1 Discrimination. Employer will provide equal employment opportunities to all persons regardless of race, color, religion, ancestry, sex, sexual orientation, national origin, marital or veteran status, union activity, physical or mental disability, on-the-job injuries, age, or any status otherwise protected under applicable federal, state, or local law, unless it is a bona fide occupational requirement reasonably necessary to its operations.

2.2 Harassment. Employer will provide a working environment free from all forms of unlawful harassment including, but not limited to, sexual harassment. Employer and Union acknowledge that sexual harassment consists of unwelcome advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature if submission to the conduct is in any way made a term of employment; if submission to (or rejection of) the conduct is used as the basis for any employment-related decision; or the conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive work environment.

2.3 Claims of Discrimination and Harassment. An employee who is subjected to, witnesses or suspects any violation of Sections 2.1 or 2.2 shall immediately report the matter directly to his/her immediate supervisor, department or store manager, or Employer's Human Resources Manager. Alternatively, the employee may report the matter to any shop steward or Union representative, who in turn shall immediately report the matter to the Employer's Human Resources Manager so that Employer can discharge its legal obligation to timely conduct an appropriate investigation.

2.4 Terminology. The words "he" or "she" are used in this Agreement for explanatory purposes only and do not refer to the actual sex of any person.

ARTICLE 3 - UNION SECURITY AND DUES CHECKOFF OPTIONS

3.1 Union Security. All employees covered by this Agreement shall be required as a condition of employment to become and remain members of the Union in good standing on and after the one hundred twentieth (120th) day for new hires following the commencement of their employment or the ninetieth (90th) day following the effective date of this Agreement, whichever is later. Tender of the periodic dues and initiation fees uniformly required as a condition of becoming and remaining a member of the Union shall be considered union membership in good standing for purposes of this provision. Any employee who fails to tender such dues and fees shall be terminated by the Employer within ten (10) days after it receives written notice from the Union that the employee is in arrears.

3.2 Exception for Religious Objections. An employee who is or becomes obligated to make the payments required by this section and has or thereafter develops sincerely held religious beliefs against joining or financially supporting a labor organization will be required to pay an amount of money equivalent to regular dues to a qualified charitable organization selected by the employee. Payments are to be made on a regular monthly basis or in advance, and proof of payment will be sent by the employee to the Union within ten (10) calendar days of each payment.

3.3 Exception for Other Conscientious Objections. The Union and Employer will, in good faith, entertain a very limited number of conscientious objections to financial support of the Union provided that such requests are made known to the Company no later than September 15, 2000. Such requests may be made only by employees hired prior to the date of execution of this Agreement. An employee accepted in this category will be required to pay an amount of money equivalent to regular dues to a qualified charitable organization selected by the employee. Payments are to be made on a regular monthly basis or in advance, and proof of payment will be sent by the employee to the Union within ten (10) calendar days of each payment.

3.4 Dues Payment Options. The Employer agrees to deduct the amount of union dues and initiation fees, as specified by the Union, from the wages of all employees who have executed written authorizations for checkoff of union dues and initiation fees in the form attached hereto as Appendix A.

3.5 Indemnification of Employer. The Union agrees to indemnify and hold harmless Employer, its Directors, officers, agents and employees from and against any and all claims, demands, actions, lawsuits or any other forms of liability, monetary (including any reasonable attorneys' fees and costs) or otherwise (for example, claims for reinstatement or reemployment). Indemnification shall only apply in claims arising from the application and enforcement of Section 3.4 or in circumstances when the Employer terminates an employee in response to a Union request under Sections 3.1 or 3.2.

ARTICLE 4 - OTHER UNION RIGHTS

4.1 Union Representatives. Union will notify Employer in writing of its authorized shop stewards and Union representative(s) (who shall be employees) and any representatives of Local 5 who may have contact with the bargaining unit or Employer representatives on a quarterly basis, and will thereafter notify Employer in writing of any changes within ten (10) calendar days. Employer shall not be held responsible for recognizing and/or using any representative so designated until Employer has received written notice that the individual no longer serves in that capacity. Employer also shall not be held responsible for refusing to recognize and/or use any representative who is not on the Union's list.

4.2 Union Access. Subject to staffing and security requirements, an authorized shop steward or Union representative (who shall be an employee), or a representative of Local 5 with confirming identification, designated in Section 4.1 shall be allowed access as set forth herein in reasonable numbers to ensure the proper enforcement of this Agreement.

4.2.1 Employee Union Representatives. An employee serving as a Shop Steward or other Union representative shall be allowed access to Union bulletin boards,

employee mailboxes, and non-secure areas at the employee's work location during normal work hours.

An employee serving as a Shop Steward or other Union representative shall be allowed access to Union bulletin boards, employee mailboxes, and non-secure areas at any work location other than his or her own during business or store hours of the other work locations. In order to obtain access to an area that contains a Union bulletin board and/or employee mailboxes that is closed or locked to such an employee, that employee shall identify him or herself and the nature of the visit, and gain access from an employee or management.

An employee serving as a Shop Steward or other Union representative shall obtain advance permission from an individual designated by management to enter or remain in any area at any work location (other than the employee's own work location) not then open to the public when conducting an investigation or other official Union business, but access must be limited to normal store or business location hours.

4.2.2 Nonemployee Union Representatives. A Union representative who is not an employee will be allowed access to any areas then open to the public at any store. Such individuals shall obtain advance permission from an individual designated by management to enter or remain in any area or location not then open to the public (when the individual(s) may also be subject to the presence of a management escort), but access should be limited to normal store or business location hours.

4.2.3 "Business," "Work" and "Store" Hours. Employer shall notify the Union in writing of the "business" hours for all non-store locations and of any subsequent changes. "Work" hours shall mean those hours during which employees are normally scheduled to work at that store or location. "Store" hours shall be those hours a store is open to the public.

4.2.4 Management Contacts. Employer will provide the Union with a list of individuals designated by management who are authorized to grant permission for access to each store or work location.

4.2.5 Flow of Work. Under no circumstances shall individuals granted access under this Section 4.2 interrupt the performance or flow of work.

4.3 Interviews and Investigations. An employee may request the presence of a shop steward who has been designated under Section 4.1 for or during any meeting with Employer which is investigatory in nature and which the employee reasonably believes could result in disciplinary action. This shall only apply to one (1) such steward, the steward must inform his/her supervisor in advance of the need to cease work, and the steward shall be compensated for the actual duration of the meeting as well as for up to fifteen (15) contiguous minutes for purposes connected with the meeting. An employee may also request the presence of an individual designated in Section 4.1 other than a shop steward (who, if a Powell's employee, must be "off the clock"), and Employer shall be required to grant such request if, in Employer's opinion, it will not unreasonably delay the meeting. Employee may request a specific individual by name and Employer may grant such requests without establishing a past practice or precedent for the future.

4.4 Union Negotiations and Grievance Processing. Except as mutually agreed otherwise, all collective bargaining negotiations and grievance processing will

be held during Employer's normal office hours Monday-Friday, 9:00 a.m. to 5:00 p.m. The date, time, and place for these sessions shall be established by mutual agreement of the parties.

4.5 Union Business During Working Hours. Except as authorized by Sections 4.3 and 4.4, employees may not engage in Union activities or business during their scheduled working hours (which shall not include breaks and meal periods). This shall not include conversations about Union matters provided that the conversations do not expose third parties (such as customers and vendors) to personnel and labor relations matters.

4.6 Compensation for Time on Union Business. Except for meetings held under Sections 4.3, 6.5, 10.6, 14.3, 14.4 and 15.2, nothing in this Article shall be interpreted to require Employer to compensate any employee for time spent on Union business, and such time, paid or unpaid, shall also not be counted as time worked for overtime purposes.

4.7 Union Bulletin Board. Employer will provide one (1) bulletin board or wall space at a location at each store, warehouse or other location where bargaining unit employees are regularly scheduled to work to be used exclusively for the posting of Union communications to the bargaining unit. The bulletin boards will be a minimum of two feet by three feet, and will be located as follows: Beaverton: Lunch room; Books for Cooks: In back room with safe and computer; Burnside: On the third floor to the left at the top of the stairs on the ten-foot wall; Corporate: Section of large bulletin board outside lunch room; Hawthorne: In lunch room; Hoyt: Lunch room on south wall; Powells.com: Right by the entrance to lunch room; PDX: In the office, above water cooler; Technical: In lunch room; Travel: On the back of back room door.

All notices will reflect Union authorization for the posting, and it shall be sufficient if the posting appears on Union letterhead, identifies by signature or title the Union steward, representative or official responsible for the posting, or includes similar indicia of authorization. The Union shall keep the wall space or bulletin board neat and orderly.

4.8 Union Training. Officers, shop stewards, and any other elected representatives of Local 5 will be allowed up to five (5) days each of unpaid leave each calendar year for union business, conferences, seminars, conventions and training subject to giving reasonable advance notice and Employer's bona fide business requirements. These employees shall have no priority over other bargaining unit employees requesting time off from work for vacations, leaves, educational purposes connected with training or course work, etc.

4.9 Union Leave. Employer will accommodate up to five (5) Union representatives at any one time designated under Section 4.1 who request a reduced schedule, provided that employee or Union gives at least one month's advance notice of the need for the reduced scheduling, that absent mutual agreement between Employer and Union the reduced schedule will be in effect for at least one year, and that the accommodation does not result in bona fide business problems to the department, location and/or business. The one month's advance notice requirement will be waived in circumstances when it was not reasonably possible for the Union to provide such notice and the Union gave as much notice as was reasonably practicable under the circumstances.

An employee (up to a maximum of two (2) at any one time) who becomes representative of Local 5 will be allowed a leave of absence to perform Union

functions on a full-time basis, provided that the employee gives one month's advance notice and that the leave is in effect for a continuous period of at least three (3) but not exceeding twelve (12) months. The advance notice requirement will be waived when it was not reasonably possible for the Union to provide such notice and the Union gave as much notice as was reasonably practicable under the circumstances.

ARTICLE 5 - MANAGEMENT RIGHTS

5.1 Management Rights. Except as clearly limited by specific provisions of this Agreement, Employer shall have all rights associated with managing its business, operations, and work force. Without limitation, but by way of illustration, among the management rights which are exclusively reserved to Employer are the rights to:

- Establish qualifications for employment and to hire employees from any source;
- Determine and manage the standards, levels and priorities of goods and services offered to the public;
- Determine supervisory reporting relationships and (subject to Article 9) the need for any reduction or increase in the work force or hours of work, whether a vacancy exists, and the scope and content of each job;
- Maintain the efficiency of operations;
- Make decisions connected with, but not limited to, closures, partial closures, locations, relocations and/or reorganizations of operations and/or facilities (but subject to Section 9.5);
- Establish and modify standards for quality and quantity of work and related aspects of employment and operations;
- Manage and direct the work force including, the right to determine the hours of operation and work; scheduling; the right to determine the methods, processes and manner of performing work; fitness for duty; the right to supervise employees; the right to transfer or assign employees (but subject to Article 9); and the right to dispose of, sell, purchase, and/or assign equipment or supplies.

5.2 Employer Policies and Rules.

5.2.1 Employer may from time to time establish, change and/or withdraw work and safety policies and rules not otherwise limited by specific provisions of this Agreement as it deems appropriate. Policies and rules (or changes) shall not be arbitrary, unreasonable, discriminatory or inconsistent with any specific provision of this Agreement. Employer will provide the Union with copies of such policies and rules (or any changes) at least fourteen (14) calendar days prior to implementation unless earlier implementation is mandated by federal, state or local laws, ordinances, or regulations. Any disputes shall be resolved through the Grievance Procedure, with the Union to file at Step 2. The grievance must be filed no later than fourteen (14) calendar days after the implementation date.

5.2.2 As of the effective date of this Agreement, the following work and safety policies and rules in Employer's Employee Handbook dated April 1998 shall no longer apply to bargaining unit employees:

- Opening Statement,
- Equal Opportunity Employment Policy,
- Employment at Will,
- Harassment Policy,
- Safety Committee Membership,
- Safety Committee Meetings,
- On-the-Job Injuries,
- Reduction in Force Including Layoff,
- Trial Service Period,
- Anniversary Date,
- Classification of Employees,
- Annual "Longer View" Conversation,
- Problem-Solving/Grievance Process,
- Special Cases/Sensitive Complaints,
- Mediation,
- Probation and Termination Procedure,
- Suspension/Dismissal,
- Voluntary Quit Etiquette,

- Announcement of Open Positions,
- Applying for Open Positions,
- Year of Service Requirement,
- Job Change/Schedule Change,
- Overtime Compensation,
- The Fine Print,
- Regular Employee, and
- Part V, The Compensation Plan (including Profit Shareback Program and Holiday Bonus, but excluding Above and Beyond Bonus).

5.2.3 Subject to the rights granted to Employer and Union in Section 5.2.1, the following work and safety policies and rules in Employer's Employee Handbook dated April 1998 shall continue to apply to bargaining unit employees:

- Drug and Alcohol Policy,
- Safety Policy,
- First Aid Supplies,
- Keep Us Informed of Medical Limitations/Restrictions,
- Smoking Policy,
- Property Access/Security,
- Confidentiality of "Inside Information,"
- Pornography and "Politically Sensitive" Books,
- Soliciting for Causes,
- Powell's Causes,
- Donation Policy,
- Feedback on Performance,
- What You Are Encouraged to Do at Any Time,
- Regarding Theft,
- What Constitutes Theft
- Other Related Types of Conduct That are Unacceptable Include,
- Exit Procedures,
- Rehires,
- Giving References,
- Employee Privacy,

- Access to Files,
- Supervision of Close Personal Relationships,
- Two-Way Communication,
- Meetings,
- E-mail,
- Internet Usage (added to Employee Handbook as an addendum in 8/99),
- Use of Powell's Equipment,
- Telephones,

- Copy and Fax Machines,
- Computers,
- Computer Hacking,
- Electronic Communications,
- Passwords and Codes,
- Attendance Expectations,
- Absenteeism and Tardiness,
- Call-In Policy,
- Failure to Call In,
- Stormy Weather,
- Pay Schedule,
- Payroll Deductions/W-2,
- Timekeeping,
- Breaks During Work Shifts,
- Meal Periods and Breaks for Minors,
- Advances Against Earned Wages,
- Cashing Personal Checks,
- Travel Expense Policy,
- Reimbursable Expenses,
- Travel Pay Policy,
- Compensation for Attending Events and Meetings (Out of Town),
- Compensation for Attending Events and Meetings (In Town),
- Payment for Staff Training,
- Working at Home,
- Benefits/Eligibility Summary,
- Time Off Beyond Earned Leave,
- Personal Leaves of Absence,
- Family and Medical Leaves of Absence,
- Military Leave,
- Bereavement Leave,
- Jury Duty Leave,
- Educational Opportunities,
- Book Borrowing Policy, and
- Above and Beyond Bonus.

5.2.4 Except as otherwise provided in this Agreement, Employer will provide the negotiated benefits described in this Agreement for its term, and such benefits and plans shall not be subject to the rights granted to Employer in Section 5.2.1.

5.3 Use of Nonbargaining Unit Employees. Nothing in this Agreement will prohibit any employee excluded from the bargaining unit under Article 1, including managerial employees, supervisors and confidential employees, as well as members of the owner's immediate family, from doing bargaining unit work, provided that it does not cause the layoff of any bargaining unit employee. Any employee excluded under this provision shall not become subject to any of the terms and conditions of this Agreement.

5.4 Transfers of Work.

5.4.1 Nothing in this Agreement will in any way limit or restrict Employer's right to continue assigning work or services which are or might otherwise have been covered by this Agreement to independent contractors and employees of temporary agencies in any circumstances or situations similar to those in which such had occurred prior to the effective date of this Agreement. Any person excluded under this provision who performs such work shall not become subject to any of the terms and conditions of this Agreement.

5.4.2 Employer will also have the exclusive right to determine if and when it is desirable to assign or transfer (subcontract, etc.) other work or services which are or might otherwise have been covered by this Agreement. Employer will give the Union at least thirty (30) calendar days' advance notice of the effective date of any such action. Upon Union request, the parties will meet to discuss the transfers within fifteen (15) calendar days after the Union's receipt of the notification. The notice provisions of this paragraph shall not apply in the event of any strike, work stoppage, sick-out, slowdown or similar activity and Employer shall have the exclusive right to determine if and when it is desirable to transfer work or services of any kind and to do so for any period of time and on such terms as it deems appropriate, and no alleged violation of this right will be subject to the Grievance Procedure.

5.4.3 If the parties do not reach agreement within fifteen (15) calendar days of the meeting required by Section 5.4.2, an employee with bumping rights under Section 9.6 whose position is eliminated or straight-time hours reduced by such actions will have the option of receiving severance pay or exercising those rights. A regular employee without bumping rights will only be eligible for severance pay. Severance pay shall be the greater of four weeks or one week for each full year of service, but shall be conditioned on the employee signing a general waiver and release of all claims, including recall rights, arising under this Agreement other than any which previously had been asserted against Employer.

5.4.4 If subcontracting under Section 5.4.2 will, standing alone or combined with any such subcontracting within the same calendar year, adversely affect more than five percent (5%) or 20 employees, whichever is greater, of the then-existing bargaining unit, the discussion and implementation provisions of Section 5.4.2 and the provisions of Section 5.4.3 shall not apply, and upon Union request Employer shall engage in "decision" and/or "effects" bargaining. "Adversely affect" means that the employee was faced with bumping and/or accepting severance pay. If the parties are unable to reach agreement on the decision and/or its effects, and provided that such action begins within thirty (30) calendar days of either party's declaration of impasse, Articles 10 and 11 shall not apply and either party may take such economic action as it deems appropriate.

ARTICLE 6 - JOB TITLES, JOB GROUPS AND WAGE SCHEDULES

6.1 Job Titles, Job Groups and Wage Schedules. Employer will provide Union with a current copy of the Powell's Compensation Plan Job Description Binders at least three (3) calendar days prior to any vote on Employer's contract proposal, and the job titles, job groups and wage schedules applicable to the bargaining

unit shall remain in effect, subject only to Sections 6.2 and 6.3, for the duration of this Agreement.

6.2 New Job Titles. Employer may create new job titles during the term of this Agreement but will notify the Union of any such actions and the proposed job group ranking within ten (10) calendar days of making the final decision. If the Union questions the job group placement, it shall be entitled to a meeting with the Human Resources Manager or designee to discuss the subject. If the parties are unable to resolve dispute concerning the appropriate job group, the Union shall have fourteen (14) calendar days from the date of the Employer notification or the date any employee began working under the new job title, whichever is later, to appeal in writing to the Compensation Committee (see Section 6.5).

6.3 Reranking Job Titles. Employer may eliminate, modify, and/or combine job titles during the term of this Agreement. Any substantial change in job responsibilities shall result in reranking to the appropriate job group. Employer will notify the Union of any reranking within ten (10) calendar days of making the final decision. If the Union questions the job group placement, or perceives that a substantial change has occurred, it shall be entitled to a meeting with the Human Resources Manager or designee to discuss the subject. If the parties are unable to resolve a dispute concerning the appropriate job group or the existence of a substantial change, the Union shall have fourteen (14) calendar days from the date of the Employer notification or the date any employee began working in the reranked job title, whichever is later, or fourteen (14) calendar days from the date of the perceived substantial change, to appeal in writing to the Compensation Committee (see Section 6.5).

6.4 Substantially Changed Responsibilities. Employer may eliminate, modify, and/or add duties to specific jobs within a job title during the term of this Agreement. Any substantial change in job responsibilities after the effective date of this Agreement shall result in a wage adjustment as provided in Section 12.4.2. Employer will notify the Union of any wage adjustment within ten (10) calendar days of making the final decision. If the employee or Union question the wage adjustment, or perceive that a substantial change has occurred, they shall be entitled to a meeting with the Human Resources Manager or designee to discuss the subject. Any dispute concerning the appropriate wage adjustment or the existence of a substantial change shall be appealed in writing by the affected employee(s) or the Union to the Compensation Committee (see Section 6.5) within fourteen (14) calendar days from the date of Employer's notification of the wage adjustment or of the perceived substantial change.

6.5 Compensation Committee. The Employer and Union shall establish a permanent Compensation Committee consisting of five members of management designated by the Employer and five members of the bargaining unit designated by the Union. All members must have worked for Powell's for at least twelve (12) months. The Committee's function shall be to discuss appeals under Sections 6.2, 6.3 and 6.4. Meetings shall be held monthly on a date and time to be mutually agreed by Employer and Union in any month in which there is an appeal to consider. Bargaining unit members will be on the clock and reimbursed for their attendance at any such meeting.

Employer's job group ranking for new or reranked job titles, or wage adjustment for a substantial change in the job responsibilities of a specific job within a job title, or Employer's decision as to the existence of any substantial change in job responsibilities of an existing job title or individual job, shall be

upheld unless reversed by a majority of the members of the Compensation Committee.

If Employer's decision on any of these issues is reversed, the Committee shall have the authority to establish the appropriate ranking for new or reranked job titles which have experienced a substantial change in job responsibilities or the appropriate step for job(s) within a job title which have experienced substantially changed responsibilities, and its vote will be final and binding on all parties and not subject to Article 10. If a majority of members cannot agree on an appropriate reranking or step, Employer's decision shall be upheld.

An equal number of members from each side shall be allowed to vote, provided that a quorum shall consist of three members each, and all Committee votes will be final and binding to all parties and not subject to Article 10. If there is a quorum but an imbalance in the numbers, the side with the greater number of members shall disqualify the appropriate number prior to any discussion. Members of the Committee shall not vote on a dispute involving the member's own job, job title, wage rate, or that of a relative or roommate. Each party shall alternate taking the official notes which shall not be communicated to employees until they have received the approval of both parties. If the parties are unable to reach agreement on any part of the notes, each shall include a statement briefly explaining its account of the relevant discussion.

6.6 Job Categories.

6.6.1 Regular Employee. An employee hired for ongoing work who has successfully completed the trial-service period; see Section 7.1.

6.6.2 Trial-Service Employee. An employee who is still within the trial-service period; see Section 7.1.

6.6.3 Temporary Employee. An employee who is hired for a position that is anticipated to last for less than six (6) months; for example, special projects, to temporarily replace employees on leave, to supplement the work force during peak periods, or for other bona fide business purposes. Absent mutual agreement between Union and Employer, an employee may not remain in this category for longer than six (6) months. A temporary employee who has been compensated for at least three hundred (300) hours will be considered in the bargaining unit. Temporary employees may also resign or be terminated without cause or notice and without access to Article 10.

6.6.4 Occasional Employee. An employee who is scheduled on an "as needed" basis. An occasional employee who has previously completed the trial-service period, or who has been compensated for at least three hundred (300) hours in the most recent period of employment, will be considered in the bargaining unit. Absent mutual agreement between Union and Employer, an employee in this category who fails to work any hours for eight (8) consecutive pay periods will be automatically terminated.

ARTICLE 7 - DISCIPLINE AND DISCHARGE

7.1 Trial-Service Period. All employees (other than temporary employees) are subject to a trial-service period which shall be the longer of one-hundred twenty (120) calendar days or four hundred seventy-six (476) compensated hours during which the employee may resign or be terminated without cause or notice

and without access to Article 10. For purposes of administering this trial-service period, occasional employees, and temporary employees who are later offered ongoing positions, will be credited with all hours compensated within the prior twelve- (12-) month period. An employee who has completed the trial-service period will be classified as a "regular employee."

7.2 Discipline and Discharge. No regular (i.e., non-trial-service) employee shall be disciplined or discharged except for just cause. Discipline shall be defined to include verbal reprimand (which will be confirmed in writing and not placed in the employee's personnel file), written reprimand, suspension with or without pay, probation (which may be imposed for up to ninety (90) days depending on the problem), demotion, and/or termination within this framework of just cause. The type or level of discipline used will reflect the severity of the conduct or behavior and may take into account the employee's overall length of service and prior disciplinary record. Examples of workplace-related conduct or behavior which will provide just cause for discharge for a first offense include, but are not limited to, the following:

1. Theft;
2. Unprovoked physical attacks (such as fighting) and stalking;
3. Any violation of Employer's Alcohol and Drug policy involving illegal drugs;
4. Severe incidents of unlawful discrimination or harassment;
5. Smoking within any location;
6. Possessing firearms or other weapons, ammunition, explosives, fireworks, or knives (other than pocket knives);
7. Serious criminal conduct;
8. Dishonesty connected with employment;
9. Refusal to cooperate during an investigation or inquiry, or deliberately giving untruthful or deliberately giving misleading information, after clear warning that such conduct could possibly result in termination;
10. Refusal to comply with direct supervisory instructions (such as to perform specific job tasks or assignments) after clear warning of the possibility of termination, except when there is a reasonable belief that injury might result.

Employer may take whatever disciplinary action it deems appropriate for violations of 1-7 above, including discharge, and the only issue reviewable through the grievance procedure will be whether the employee committed the violation. Employer may also take whatever disciplinary action it deems appropriate for violations of 8-10 above, including discharge, and the violations shall be fully reviewable through the grievance procedure.

7.3 Final Paycheck. A terminated employee will receive payment for all earned wages in the final paycheck which shall be paid within the time limits established by Oregon law. Except for an employee who is terminated in

circumstances constituting just cause for termination for a first offense under Section 7.2, the employee shall be entitled to a cashout of all Earned Leave.

ARTICLE 8 - VOLUNTARY SEPARATION PROCEDURES

8.1 Notice of Resignation.

8.1.1 Regular employees who have completed the trial-service period shall give at least fourteen (14) days' written notice of resignation. Except in cases of medical emergency (employee or family), failure to comply with this provision will limit the cashout of the first eighty (80) hours of any Earned Leave and generally will also render the employee ineligible for future reemployment. (All Earned Leave in excess of eighty (80) hours shall be cashed out.) The employee's earned leave up to eighty (80) hours shall be reduced by 7.2% for each calendar day's delay in giving timely notice.

8.1.2 Employer shall allow regular employees who have given notice under Section 8.1.1 to either work during the notice period or Employer shall provide pay for any portion of the notice period that the Employer does not allow the employee to work. Any pay under Section 8.1.2 will be based upon the number of hours employee would otherwise have been scheduled to work.

8.1.3 An employee who gives notice of resignation in circumstances constituting just cause for termination for a first offense under Section 7.2 shall not be entitled to work the notice period or receive pay and will also be disqualified from receiving a cashout of Earned Leave.

8.1.4 All employees shall leave a forwarding address in writing with the Payroll Department.

8.2 Position Abandonment. An employee who is absent from work for three (3) consecutive scheduled workdays without advance notice to the immediate supervisor will be considered to have abandoned the position unless the failure to notify was clearly beyond the employee's control. An employee who has three (3) no-call, no-show absences in any twelve- (12-) month period will also be considered to have abandoned the position unless the failures to notify were clearly beyond the employee's control, provided the employee was notified and had the opportunity to grieve each of the alleged violation(s). Initial notification may be given by telephone, in person or by mailing notice of the violation to the last address reflected in the employee's personnel file. A notice of presumption of abandonment will be sent by certified mail to the last address reflected in the employee's personnel file within ten (10) calendar days thereafter, with a copy to the Union.

ARTICLE 9 - SENIORITY

9.1 Seniority Date. Except as otherwise specified in 9.3, upon successful completion of the trial-service period established in Section 7.1, the employee's most recent date of hire shall become the seniority date. Seniority will be established by process of a drawn lot if two (2) or more employees were employed on the same date.

9.2 Loss of Seniority. Except as otherwise required by law, seniority and employment will be lost by any of the following:

9.2.1 Any resignation from employment, including position abandonment under Section 8.2;

9.2.2 Any termination of a trial-service employee, or any termination of a regular employee for cause;

9.2.3 Absence from work for more than a cumulative total of twelve (12) months in any eighteen- (18-) month period, regardless of the reason or cause, including illness, injury, or layoff, except in the case of an on-the-job injury or Union leave under Section 4.9 which shall be eighteen (18) months in any twenty-four (24) month period;

9.2.4 Failure to report to work on the first workday following the end of an approved leave of absence unless the employee has earlier received the Human Resources Manager's (or designee's) written approval for an adjusted return date; or

9.2.5 Failure to return to work on the date specified in any recall from layoff notice mailed at least seven (7) calendar days in advance to the last address listed in the employee's personnel file unless the employee has earlier received the Human Resources Manager's (or designee's) written approval for an adjusted return date, except that an employee who volunteered for layoff under Section 9.6.3 will have the right to refuse recall to any different job title and/or location without losing seniority, employment or recall rights (unless as a result of Section 9.2.3) to the former job title and location.

An employee who is unable to obtain written timely approval under Sections 9.2.4 or 9.2.5 may request such approval for up to forty-eight (48) hours after the adjusted return date only if the delay was due to last-minute, unforeseeable circumstances beyond the employee's control and if employee notified the Human Resources Manager (or designee) or the supervisor prior to the end of the approved leave or date specified in the recall notice to explain the circumstances.

9.3 Seniority Date Adjustments. An employee who held a position within the bargaining unit on the effective date of this Agreement will be assigned a seniority date as specified in Section 9.1, even if the employee previously held positions outside of the bargaining unit. An employee who held a position outside of the bargaining unit on the effective date of this Agreement and is thereafter offered and accepts a bargaining unit position, and an employee who held a bargaining unit position on that date and is thereafter offered and accepts a position outside of the bargaining unit and then later returns to the bargaining unit, will be given an adjusted seniority date. The adjustment will be done by moving the employee's date of hire (or former bargaining unit seniority date) forward by the number of calendar days the employee was in the non-unit position. The adjustments contemplated by this provision shall not apply to temporary assignments.

9.4 Job Openings.

9.4.1 Job Postings. Employer will announce job vacancies (see Section 9.4.4) in any bargaining unit jobs by e-mail, either company-wide or, if deemed necessary to maintain a certain staffing level, solely at that location. The announcement will identify the location, job group, wage schedule and number of hours to be worked.

Employer may post or otherwise announce and solicit indications of interest in job duties involving fewer than twenty (20) hours' work at its sole discretion; except that Employer will post or otherwise announce and solicit indications of interest within the team at the Burnside Store for used book specialists duties and new book specialist duties. For all locations, Employer will post or otherwise announce and solicit indications of interest within the location for ten (10) hours or more of new book buyer duties, used book buyer duties, and Square One System specialist duties. Section 9.4.3 shall not apply to any of the postings described in this paragraph. However, an unsuccessful applicant with more seniority may discuss the substantive reasons they are less qualified by requesting a meeting with the manager or assistant manager who made the decision within five (5) calendar days of Employer's e-mail announcement.

The employee may prepare a written summary of the substantive reasons discussed in the meeting at his or her option, and may request that the manager or assistant manager confirm its accuracy by so indicating in writing and signing, provided that the employee presents the summary within five (5) calendar days of the meeting. If the manager or assistant manager disagrees with the summary, he or she shall make the necessary corrections or additions. If the employee agrees, he or she shall so indicate in writing and sign. If the employee disagrees, the employee shall indicate the reason(s) in writing and sign. A copy of the final documents shall be placed in the personnel file.

9.4.2 Eligibility to Bid. Employees with no current written warning or probationary actions may apply for a job posting in the manner specified in the posting, and will be given first consideration (but Employer may simultaneously solicit outside applications). In addition, new employees are not eligible to apply for positions at other locations until the employee has completed one (1) year of service at the store where he/she was initially assigned unless the manager waives this requirement.

9.4.3 Procedure and Pay. For jobs posted under the first paragraph of Section 9.4.1, the job shall be awarded to the applicant whom Employer deems the best qualified for the position; provided, however, that seniority will apply if two or more applicants are deemed substantially equal. Pay in the new positions shall be as specified in Section 12.4.4.

Within five (5) calendar days of Employer's e-mail announcement of the successful bidder, an unsuccessful applicant with more seniority who submitted a valid application may request in writing the substantive reason(s) from the manager or assistant manager who made the decision. The manager or assistant manager shall only be required to respond (in writing) to a maximum (based on relative seniority ranking) of three (3) such applicants.

9.4.4 "Vacancy." For purposes of this Section 9.4, "vacancy" shall mean a new or vacated job or set of job duties which Employer desires to fill and involves at least twenty (20) hours' work.

9.4.5 "Qualified." "Qualified" shall mean able to satisfactorily perform all of the duties associated with the job title and identified in the job description, including any legal requirements.

9.5 Temporary Layoffs and Reductions in Hours. Employer may lay off (or reduce the hours of) employees in specific job titles at individual locations for bona fide business reasons provided that the temporary layoff or reduction

in hours will not exceed ten (10) calendar days. Seniority shall apply, but an affected employee shall have no right to bump other employees. Permanent layoffs shall be in accordance with Section 9.6. Employees laid off will be allowed to use Earned Leave to cover lost work time.

9.6 Layoffs.

9.6.1 Layoffs. Employer may lay off employees in specific job titles at individual locations for bona fide business reasons.

9.6.2 Notice to Affected Employees. Except in emergency circumstances, Employer will provide ten (10) calendar days' notice in advance of any layoff.

9.6.3 Procedure. Prior to any layoff Employer shall first seek volunteers at the location. If layoffs are still necessary, Employer shall then lay off any temporary employees at the location who are performing sufficient bargaining unit work to defer the selection of a regular employee. After all such volunteers and temporary employees have been laid off, any further layoffs will be done by Company seniority within the job title at the location. Employees laid off will receive payment for all Earned Leave in the first paycheck following the last day worked.

9.6.4 "Bumping" Rights. A regular employee with at least fourteen (14) months of service who is displaced in a permanent layoff shall displace any employee at any location with the least Company seniority in the same job title or (if qualified) either the employee with the least Company seniority in the same or in any lower job group at any location. An employee who is notified that he or she will be displaced will have up to forty-eight (48) hours to indicate his or her intentions in writing. Pay shall be as specified in Section 12.4.10.

9.6.5 Recall. Regular employees affected by a layoff will have the rights specified in Section 9.7.

9.6.6 "Location" For purposes of this Section 9.6, the following shall be deemed "locations": Burnside, Hoyt Warehouse, Beaverton, Travel, Technical, Books for Cooks, Hawthorne, PDX, Powell's.com and Corporate.

9.6.7 "Qualified." "Qualified" shall have the meaning established in Section 9.4.5.

9.7 Recall. The intent and primary objective of this recall procedure is to provide regular employees displaced by a layoff with priority rights to reinstatement to the former job title and location.

Regular employees who are displaced by a layoff will have up to seventy-two (72) hours to preference in writing up to three job titles (which includes the employee's former job title and location if the employee desires the right to reinstatement) and/or job groups in or below the employee's job group and to identify those locations to which the employee will accept recall. A recall list shall then be established based upon such information and shall be provided to the Union in a timely manner. An employee who refuses to timely preference shall lose recall and employment rights.

When it becomes necessary to increase the number of employees in a job title at a location, regular employees will first be recalled (by seniority) to the

former job title and location if preferenced. If necessary to fill the job(s), the job shall then be offered to the next most senior employee (if qualified) on the list for that job title or job group at that location, and this process shall continue until the position(s) is/are filled.

An employee who is on layoff (except for an employee who volunteered for layoff under Section 9.6.3 who shall only be subject to 9.2.5) and refuses recall shall lose recall and employment rights. An employee who is working in another job title, job group and/or location who refuses recall shall thereby lose any further recall rights. An employee's recall rights to the former job title and location shall also be lost if the employee did not preference it or an employee with recall rights successfully bids for any job vacancy posted under Section 9.4.1.

Employer will mail, by certified mail with return receipt requested, notice of recall to the affected employee at the last address reflected in his/her personnel file and the employee shall then be subject to Section 9.2.5.

9.8 Qualification Period. An employee who is selected for a new position under Section 9.4 will be given a qualification period which shall be the longer of sixty (60) calendar days or two-hundred-thirty-eight (238) compensated hours to demonstrate the ability to satisfactorily perform the required work to Employer standards. An employee disqualified during this period, or who elects to self-disqualify, will be returned to the employee's prior wage and, when possible, job title and location but will not thereafter be eligible to bid for any job within the same or a higher job group for six (6) months.

9.9 Temporary Assignments. Prior to any temporary assignment Employer will seek volunteers (who shall first obtain approval from their manager or assistant manager). If Employer is unable to timely obtain sufficient qualified volunteers, Employer may temporarily assign employees within a location to different job titles, jobs, duties, and/or schedules not connected with their regular job title, job duties, and/or schedules for bona fide business reasons. No employee may be temporarily assigned for more than sixty (60) calendar days in a twelve- (12-) month period or may be assigned to a significantly different schedule (days of the week and/or hours) more than fourteen (14) consecutive calendar days, without the employee's consent. "Location" for purposes of this Section 9.9 shall mean four (4) areas - Location 1: all downtown Portland locations (Burnside, Hoyt Warehouse, Travel, Technical, Powells.com and Corporate); Location 2: Beaverton; Location 3: Hawthorne and Books for Cooks; and Location 4: PDX.

ARTICLE 10 - GRIEVANCE PROCEDURE

10.1 Grievance Defined. A grievance is defined as any and all disputes which arise during the term of this Agreement concerning the scope, interpretation or application of its provisions.

10.2 Time Limits. The time limits set forth in the grievance procedure may only be extended by mutual agreement of the Union and Employer and shall be confirmed in writing by the parties. Failure to file or appeal a grievance within the time limits (or any extension mutually agreed to in writing in advance) will constitute a waiver of all right to relief by the Union and all employees subject to this Agreement. Any grievance from which no appeal is

taken within the time limits specified herein shall be deemed withdrawn and shall not thereafter be subject to the grievance procedure.

10.3 Union Representation. A Union Representative designated in Section 4.1, or an authorized representative of Local 5, may be present at any step of this procedure other than at a Grievance Committee (unless the individual is serving as a member or witness).

10.4 Informal Problem-Solving Process. Employer and Union are committed to open and harmonious relations in the workplace and recognize that grievances should always receive prompt attention. Employer and Union therefore encourage employees to promptly attempt to resolve possible grievances with the immediate supervisor prior to using the formal procedures established in Section 10.5. An employee who is unable to resolve a grievance in this informal manner or is uncomfortable presenting the grievance to the immediate supervisor may use the formal procedures established in Section 10.5 provided that the employee does so within Step 1's fourteen- (14-) calendar-day time limit.

10.5 Grievance Procedure. This shall be the exclusive formal procedure and remedy involving any alleged violation of this Agreement, except for matters subject to Article 6.5. Except as otherwise provided in this Agreement, all grievances filed after the effective date of this Agreement involving alleged violations occurring during its term will be submitted according to the following procedures and time limits:

Step 1 Human Resources Manager

All grievances must be presented in writing to the Human Resources Manager or designee within fourteen (14) calendar days from the date on which the employee or Union were aware or should have been aware that the grievance existed.

The grievance shall be submitted on a form furnished by the Union and shall clearly state the facts, the identity of the allegedly aggrieved employee(s), the specific provisions of the Agreement alleged to have been violated, and the requested remedy.

The Human Resources Manager or designee will provide the Union with a written response no later than fourteen (14) calendar days after he or she receives the written grievance. If the Employer does not provide a timely written response to the grievance, the grievance moves to Step 2.

Step 2 Corporate Manager

If the grievance is not resolved at Step 1, the Union may refer the grievance in writing to the Corporate Manager or designee by making a written request within fourteen (14) calendar days after receiving the Employer's Step 1 response. The grievance shall be discussed by the Corporate Manager or designee and a shop steward or Union representative within fourteen (14) calendar days of its submission, and the Corporate Manager or designee shall issue a written response within fourteen (14) calendar days following the meeting. If the Employer does not provide a timely written response to the grievance, the grievance moves to Step 3.

In lieu of the Corporate Manager, the Union may refer the following grievances to a Grievance Committee by making a written request within fourteen (14) calendar days after receiving the Employer's Step 1 response: Disciplinary

action at or above the level of a written warning, alleged violations of Sections 4.2, 4.3, 5.3 or 5.4, and evaluation or work correction plan issues arising under Section 12.4.7.C. Other grievances may be referred to a Grievance Committee by mutual agreement.

Step 3 Arbitration

If the grievance is not settled on the basis of the foregoing procedures, and if the grievant and the Union have complied with the specific time limitations and procedures specified herein, the Union may submit the issue to arbitration. To do so, the Union must submit a written request for a panel of seven (7) members of the National Academy of Arbitrators with their principal place of residence in Washington or Oregon to the Federal Mediation & Conciliation Service, with a copy to the Human Resources Manager, within fourteen (14) calendar days following the receipt of the Step 2 response or the conclusion of the Grievance Committee process. The parties shall equally share the cost of the FM&CS list.

Employer and the Union may attempt to agree on a neutral arbitrator in lieu of using the FM&CS list, and with mutual agreement may submit multiple grievances to the same arbitrator. Within fourteen (14) calendar days of receiving the list, the moving party will contact the other party to select the arbitrator. The parties will alternately strike names from the list, with the moving party striking the first name, until one name remains and he/she shall serve as arbitrator. Either party may require that an official record of the proceedings be prepared by a professional reporter and that a copy be provided to the arbitrator.

The decision of the arbitrator shall be final and binding on the parties, and on all employees subject to this Agreement, but the arbitrator will confine the decision to the interpretation and application of the specific provisions of this Agreement which have been placed in issue by the parties, and will have no authority to enlarge, diminish, alter, amend or in any way modify the terms of this Agreement. The arbitrator shall have no authority to award, directly or indirectly, any financial or monetary remedy of any kind or nature for the amount of time covered by any extension of time granted to the Union under Section 10.2 or by any delay in scheduling a Grievance Committee or arbitration hearing caused by the Union, including due to the unavailability of its advocate, representative(s) and/or counsel.

Each party will bear its own costs and expenses in any such arbitration proceeding and the losing party will pay the full cost of the arbitrator's and any separate arbitration fees (for example, the arbitrator's out-of-pocket or per diem charges). The party requiring an official record of the proceedings will pay the full cost of all reporting and transcript fees unless the other party requests a copy or the right of inspection or use, in which event the full cost (including the cost of providing the arbitrator with the official record) shall be equally divided between the parties.

10.6 Grievance Committee. A committee of six (6) members, all of whom must be active Powell's employees, shall be appointed for each grievance referred to a Grievance Committee, and with mutual agreement multiple grievances may be referred to the same Committee. Except for grievances arising under Section 12.4.7.C (where two of the Union members may be employees who are personally familiar with the grievant's work during the three- (3-) month period following the anniversary date evaluation), the Union members shall be comprised of three

Union representatives and/or Stewards . The Employer representatives shall be comprised of the Human Resources Manager or designee and two supervisory or managerial members. Two (2) members from each side must have worked for Powell's for at least twelve (12) months, and no member shall have received any written warning in the six (6) months nor have been placed on probation in the twelve- (12-) months preceding the date of the grievance. (The twelve-(12-) month requirement for working at Powell's shall be waived as to one (1) such member if it would prevent a party from designating an employee from the store or department in which the grievance arose.) No person may serve who is a relative, roommate, or immediate supervisor, or might become a necessary witness in any arbitration hearing.

The Committee shall meet within fourteen (14) calendar days of receiving a proper request or upon Employer and Union reaching an agreement to submit a grievance to a Grievance Committee. The Committee's consideration of any appeal will be informal in nature, and the Union and/or grievant (or, in the case of a class action grievance, up to two (2) employees within the group) will have a reasonable opportunity to present the grievance in person and/or in writing, and either party may request the presence of any person with first-hand knowledge of the facts or relevant issues. Each member shall have one (1) vote, and a majority decision shall be final and binding on the affected employee(s), the Employer and the Union. The three (3) Union members will be on the clock and reimbursed for their attendance at any Grievance Committee meeting. In all cases involving grievances referred to a Grievance Committee, whether mandated by this Agreement or mutually agreed by the parties, neither party shall be allowed to make any arguments or rely upon any contract provisions in arbitration not presented before the Committee.

10.7 Union ("Class") Grievances. The Union may initiate grievances on behalf of a group or class of employees if the grievance is submitted in writing at Step 1 within fourteen (14) calendar days from the date on which the employee or Union were aware or should have been aware that the grievance existed, and it identifies the group of employees on whose behalf it is filed. The Union may refer class action grievances to a Grievance Committee in the circumstances described in Section 10.5 (Step 2) and other grievances may be referred by mutual agreement of the parties.

10.8 Employer Grievances. The Employer may initiate a grievance by presenting it in writing to the Union within fourteen (14) calendar days from the date on which the Employer was aware or should have been aware that a grievance existed. The grievance shall clearly state the facts, the specific provisions of the Agreement alleged to have been violated, and the requested remedy. The Union will provide the Employer with a written response no later than fourteen (14) calendar days after receiving the Employer's written grievance. If the Employer is not satisfied with the response, the Employer may refer the grievance to arbitration by following the procedures in Section 10.5 Step 3.

10.9 Mediation. The parties may agree to use the mediation process in an attempt to resolve the grievance. Both parties must mutually agree to use mediation, jointly select the person to serve as mediator, and must equally share the expense. Neither party may require that any grievance be sent to mediation. Mediation shall not be considered a step in the grievance procedure. An agreement to use mediation shall suspend the time limits governing the remaining steps of the Grievance Procedure. Should the grievance subsequently be pursued to arbitration, the Employer shall not be liable for any potential

backpay liability for that period of time when the parties agreed to mediate until the parties terminate the mediation efforts.

10.10 Expiration of this Agreement. Steps 1 and 2 of this grievance procedure shall continue in effect even after the expiration date of this Agreement, but no grievance arising after expiration may be referred to Step 3 which is not based upon rights accrued during the life of the Agreement or unless mutually agreed by the parties. Nothing in this provision will prevent either party from attempting to change Steps 1 and/or 2 in negotiations for a successor agreement nor prevent Employer from implementing or Union from taking economic action in connection with any such proposal.

10.11 Settlements. Settlement of any grievance through the Informal Problem Solving Process will be final and binding on Employer, Union and the affected employees. However, such settlements will not be precedential as to any of the issues involved in the grievance, and cannot be used to establish a past practice or interpretation of the relevant contract provisions in any other grievance. Except as otherwise agreed by Employer and Union, settlement of any grievance at Steps 1 or 2 will be final, binding and precedential.

10.12 ERISA Benefit Plans. All disputes, complaints and questions, and any other issues arising out of or in any way connected with any ERISA benefit plan established under this Agreement, shall be exclusively resolved in accordance with the underlying plan procedures and ERISA, and shall not be subject to this Article.

ARTICLE 11 - UNINTERRUPTED SERVICE TO CUSTOMERS

11.1 No-Strike Commitment. During the term of this Agreement, the Union and its agents, representatives and officers, and all employees who are covered by this Agreement, as individuals and as a group, will not authorize, cause, assist, participate, acquiesce in, or encourage any strike, work stoppage, sick-out, slowdown, picketing, or any similar disruption or restriction of work on or in any of Employer's premises. Except in situations when there is a reasonable belief that the employee's physical health will be jeopardized, this specifically includes "sympathy" strikes and the observance of picket lines, signs, or appeals from any labor organization engaged in any such prohibited activities. These obligations will not be affected or limited by the subject matter of the dispute or by whether it is subject to the grievance provisions of this Agreement.

11.2 "Struck" Work. Individual members of the bargaining unit will not be required to do any work which otherwise would have been performed by a non-Powell's employee who is on strike as a result of a labor dispute with his or her employer. No bargaining unit employee who voluntarily elects to do such work shall be subject to any form of censure, discipline or retaliation by the Union or coworkers, nor shall individual members of the bargaining unit in any way interfere with such employees (or non-unit employees) performing such work.

11.3 No Lockouts. During the term of this Agreement, Employer will not cause or engage in any lockout of its employees.

11.4 Appropriate Corrective Action. Any employee engaging in any activity in violation of Sections 11.1 or 11.2 shall be subject to immediate disciplinary

action, including discharge, and the only issue reviewable through the grievance procedure will be whether the employee in fact violated its provisions.

11.5 No Waiver. Nothing in this Article shall be interpreted to preclude Union or Employer recourse to any other available judicial or administrative remedies.

ARTICLE 12 - WAGES AND OTHER COMPENSATION

Except as provided in this Article 12, Employer will continue the current Compensation Plan job groupings, including all revisions made prior to the effective date of this Agreement.

12.1 Job Groups. Job groups are listed in Appendix B.

12.2 Pay Ranges. The wage schedule for all job groups is listed in Appendix C. Employer will have the right, in its sole discretion, to pay higher wages and increases than those set forth in this Agreement.

At implementation on the first full pay period after signing, and after the adjustment for elimination of the paid lunch described in Section 13.17, Employer will implement the following one-time seniority-based wage adjustment and, unless this places an employee on a step, they will be moved to the next highest step. Seniority-based wage adjustments will be capped to range maximums. This seniority-based wage adjustment only applies to those persons employed on the date this contract is signed:

New Hire	\$ 7.73
120 Days	8.11
1 Year	8.43
2 Years	8.80
3 Years	9.33
4 Years	9.60
5 Years	10.08
6 Years	10.67
7 Years	10.93
8 Years	11.20
9 Years	11.41
10 or more Years	11.73

Employer represents that nothing in this Agreement will result in an automatic reduction in pay for any employee on the date it becomes effective.

12.3 Wages for New Hires. No employee shall be hired at a wage rate below the minimum or above the maximum of the appropriate wage schedule for their job. Initial wage rates for new employees may take into account such factors as the Employer deems relevant, including, but not limited to, their background, experience, and relevant education.

12.4 Pay Adjustments for Existing Employees. An existing employee may be subject to a pay adjustment in the following circumstances:

12.4.1 Reranking of Job Titles. An employee whose job title has been reranked as provided in Section 6.3 may be subject to a wage adjustment. If the

job is reranked to a lower job group, the employee will suffer no adjustment in pay unless the current wage rate is higher than the maximum wage rate of the wage schedule of the new job group in which event the employee will be reduced to the maximum. If the job is reranked to a higher job group, the employee will be placed at the first step of the wage schedule of the new group which results in a wage increase.

12.4.2 Substantially Changed Responsibilities. An employee whose individual job within a job title has experienced a substantial change in job responsibilities as provided in Section 6.4 may be subject to a wage adjustment. If the job responsibilities are substantially reduced, the employee will suffer no adjustment in pay unless the employee previously received a wage increase for the addition of job responsibilities which are being reassigned or eliminated (in which event the employee's wage will be decreased by the amount it was increased for the additional job responsibility). If the job responsibilities are substantially increased, the employee will be entitled to an increase of at least one step within the wage schedule.

12.4.3 Promotion Out of Entry Level. An entry-level employee will be promoted to the first step of the wage schedule of the new job group which results in a wage increase upon successfully completing the trial service period.

12.4.4 Award of Job Bid. An employee who is assigned a new job title as a result of any job posting required by Section 9.4.1 may be subject to a wage adjustment as follows:

A. Promotion. An employee who is placed in a higher job group will be placed at the first step of the wage schedule of the new job group which results in a wage increase.

B. Demotion. An employee who is placed in a lower job group will receive an adjustment in wage only if the current wage rate is higher than the maximum wage rate of the wage schedule of the new job group in which event the employee will be reduced to the maximum.

C. Lateral Transfer. An employee who is placed in another job title within the same job group will continue receiving the employee's existing wage rate.

12.4.5 Automatic Track Promotion. No later than twenty (20) months after the successful completion of the trial service period, all employees in the first level of track jobs listed below with satisfactory job performance on their annual performance review will be automatically promoted to the next level in their job track. (For example, a Generalist I will be promoted to Generalist II.) Pay shall be as specified in Section 12.4.4.A. There are no automatic track promotions into lead positions, Level III positions or in non-track positions in groups 5 and above. Track jobs are the following:

Generalist
Internet Services Representative
Outside Sales
Phone Room
PTF
Receiving
Sections
Sorter/Labeler

Used Book Buyer

12.4.6 Discretionary Job Promotion. For all permanent promotions other than those described in Sections 12.4.3 or 12.4.4.A, the Employer, in its sole discretion, may promote employees from one job group to another (for example, Computer Support I could be promoted to Computer Support II) based on such factors as the Employer deems relevant, including, but not limited to, demonstrated skill and ability, prior performance reviews and prior disciplinary and attendance history. An employee who is placed in a new job group as a result of such a promotion will receive a wage adjustment in the same manner as provided in Section 12.4.4.A.

12.4.7 Step Increases. Employees shall move through the appropriate salary range for their job based upon their length of service in the job and satisfactory work performance.

A. Regular employees who receive a satisfactory rating on the annual performance review will receive an annual step increase on the first day of the pay period during which the anniversary of the employee's hire date falls. During the term of this Agreement, the amount of such step increase will be three percent (3%).

B. The Employer will have the right, in its sole discretion, to move employees more than one step based on such factors as the Employer deems relevant, including, but not limited to, individual job performance and external market factors.

C. The Employer may withhold an annual step increase if performance is less than satisfactory on the employee's annual performance review.

An employee who receives a less than satisfactory review and is still employed sixty (60) calendar days later will automatically receive another written review at approximately that point. If the employee receives a satisfactory review at that time, the annual step increase will be prospectively granted. If the employee receives another less than satisfactory review, the employee may then challenge that evaluation by filing a timely grievance at Step 1 of the Grievance Procedure and, if successful, will be entitled to a step increase retroactive to the date of the second review.

12.4.8 Temporary Pay Adjustments. An employee who is temporarily assigned to perform work in a higher job group for more than ten (10) calendar days will receive a wage adjustment retroactive to the first day of the assignment in the same manner as specified in Section 12.4.4.A. An employee who is temporarily assigned to a lower job group for more than ten (10) calendar days will continue to receive the employee's regular wage rate unless the assignment was requested by the employee or was necessary to accommodate a disability, in which event the employee will receive a wage adjustment in the same manner as provided in Section 12.4.4.B or C.

12.4.9 Demotion. An employee who is demoted in circumstances other than as a result of job bidding will be subject to a wage adjustment in the same manner as specified in Section 12.4.4.B.

12.4.10 Permanent Layoff. An employee who is placed in a new job title and/or job group as a result of a permanent layoff will be subject to a wage adjustment in the same manner as specified in Section 12.4.4.B or C.

12.5 Effective Pay Action Dates. The effective dates for any pay action required in Article 12 other than as a result of Section 12.6 will be the first (1st) day of the pay period in which the personnel action becomes effective.

12.6 Annual Pay Range Adjustments. Employees will receive an annual pay range adjustment (which will be an increase to the new rate for their step) of three percent (3%) effective on October 30, 2000; an annual pay range adjustment of three percent (3%) effective on October 15, 2001; and an annual pay range adjustment of three percent (3%) on November 25, 2002.

12.7 Pager Premium. Employees required to carry a pager outside of their regular work shift will be paid time and one-half for a minimum of one (1) hour or time actually worked, whichever is greater, in response to a call from an authorized member of management, the person in charge, another computer support employee, or any automated call-out system. Employees will not be allowed to take time off in lieu of pay.

12.8 Computer Support Off-Shift Differential. Computer support employees who are required to work any hours not compensated through the pager premium after 11:00 p.m. and before 6:00 a.m. shall receive premium pay of an additional One and 25/100 Dollars (\$1.25) per hour for time worked.

12.9 Holiday Pay. All employees who are required or authorized to work on Thanksgiving, the day after Thanksgiving, Christmas, or the day after Christmas shall receive one and one-half (1-1/2) times the regular hourly rate for all hours worked.

12.10 Overtime. Overtime will be paid at the rate of one and one-half times the regular hourly rate for all hours worked in excess of forty (40) in any workweek. "Hours worked" shall not include any paid but unworked time (for example, holiday pay, Earned Leave, disability pay, jury duty pay, etc.). All overtime must be authorized in advance by the manager or supervisor or, if none, the person in charge. The workweek for overtime purposes shall begin at 12:01 a.m. Monday and ends at midnight the following Sunday.

ARTICLE 13 - ECONOMIC BENEFITS

Except as provided in this Article 13, Employer will continue to observe the following policies and provide the benefits described in Part 4 ("Employee Benefits") of its Employee Handbook dated April 1998, and except as specifically identified herein any modifications will become effective as of the first day of the month following the effective date of this Agreement.

13.1 Average Hours. No changes.

13.2 Earned Leave. No changes.

13.3 Health Insurance. The existing group health plan shall be continued with the following modifications, which shall be effective as follows:

13.3.1 The monthly contribution for coverage for employees working an average of at least thirty (30) hours per week (instead of the current thirty five (35)) will be Eighteen and 42/100 Dollars (\$18.42), and the monthly contribution for coverage for employees working an average of at least nineteen (19) and less than thirty (30) hours per week will be Thirty-Six and 84/100

Dollars (\$36.84). The monthly contribution shall be subject to increase or decrease as provided in Section 13.3.2.

13.3.2 The monthly contribution for coverage will be subject to an adjustment effective September 1, 2001, September 1, 2002 and September 1, 2003 based upon a "rolling" average. The average will be computed using the line item on the year-end Profit and Loss statement titled "Employee Health Insurance" less the cost of the Employee Assistance Program. The two year average for September 1, 2001 will be computed using the years ending June 30, 1999 and June 30, 2000. The two year average for September 1, 2002 will be computed using the years ending June 30, 2000 and June 30, 2001. The two year average for September 1, 2003 will be computed using the years ending June 30, 2001 and June 30, 2002. The 2001 adjustment will be based upon the employees sharing fourteen percent (14%) of the average cost per employee and the employee's contribution will therefore increase as follows effective September 1, 2001:

Eligibility based on weekly average hours figure

Hours Worked

Employee Only

Employee and child(ren)

Employee and spouse or partner

Employee, spouse or partner, and child(ren)

Greater than or equal to 30 hours

\$20.16

\$103.30

\$154.82

\$237.96

Over 18.99 and under 30 hours

\$38.58

\$121.72

\$173.24

\$256.38

Less than 19 hours

Ineligible for benefit

Ineligible for benefit

Ineligible for benefit

Ineligible for benefit

The shared cost will remain at fourteen percent (14%) for the next year of the contract, with any adjustment in monthly contributions to be effective September 1, 2002, and will increase to fifteen percent (15%) the following year, with the adjustment to be effective on September 1, 2003. The dollar amount of any increase or decrease in the employee contribution shall be identical for employees in all eligible categories (part-time/full-time; employee only; employee and child(ren); employee and spouse or partner; and employee, spouse or partner, and child(ren)).

13.3.3 Effective September 1, 2000, the copayment for eligible prescription drug charges will be Five and No/100 Dollars (\$5) for generic drugs and Ten and No/100 Dollars (\$10) for non-generic drugs for prescriptions filled other than through-mail order. Prescriptions for periods of sixty (60) days or longer will be covered only if purchased through the plan's mail-order pharmacy benefit, and shall remain at a Five and No/100 Dollars (\$5) copayment until December 31, 2000, and shall be increased to Eight and No/100 Dollars (\$8) on January 1, 2001 and shall be increased to Ten and No/100 Dollars (\$10) on January 1, 2002. As under the existing plan, each prescription filled at a pharmacy may provide a supply of up to thirty-four (34) days of the product prescribed; each prescription filled by mail-order may provide a supply of up to ninety (90) days of the product prescribed.

13.3.4 There will be no schedule of eligible vision charges, so the Two Hundred Fifty and No/100 Dollars (\$250.00) annual vision benefit may be applied to any eligible vision charge.

13.3.5 Up to Three Hundred Fifty and No/100 Dollars (\$350.00) of eligible wellness expenses from PPO providers will be paid, with no deductible or copayment. Eligible wellness expenses from non-PPO providers will be paid with no deductible but with a twenty-percent (20%) copayment.

13.4 Life Insurance. No changes.

13.5 Retirement and 401(k) Savings Plan. The retirement and 401(k) savings plan shall be continued with the following modifications:

- Employer will make a nondiscretionary contribution to the plan for the fiscal years ending on June 30, 2000, June 30, 2001, June 30, 2002 and June 30, 2003 equal to one point four percent (1.4%) of aggregate covered compensation. The requirements to become eligible to receive an allocation will not change.

- Effective for the plan year beginning on July 1, 2000, and except to the extent prohibited by law or by tax-qualification rules, the amount of the contribution to be allocated to each eligible employee shall be determined by dividing the total contribution by the total number of gross credited hours of all eligible employees, and the resulting cents/hours shall be multiplied by the total number of credited hours for each eligible employee.

- "Credited hours" to be counted for purposes of the calculation, including the total "gross" credited hours of all eligible employees as well as each individual employee's credited hours, shall only include worked straight-time hours, worked overtime hours (always counted as one (1) hour even if paid at a premium rate), and hours compensated through Earned Leave. (Hours paid through

other Employer benefit plans, including, but not limited to, jury duty pay, short-term disability, and workers' compensation, shall not be counted nor shall any unpaid hours.)

- Plan participants will be one-hundred percent (100%) vested from the start of participation in the plan.

- Participants who are one-hundred percent (100%) vested have a wholly nonforfeitable interest in their benefits under the plan. All participants who are current employees of Powell's on or after the effective date of the collective bargaining agreement will be fully vested under the rule above. Participants who terminated employment before the effective date of the collective bargaining agreement will be subject to the current vesting schedule.

- The rules relating to loans to participants from the plan will be changed as follows on the first day after the effective date of this Agreement:

- Loans will be made available without any showing of reason or need (i.e., the existing "financial hardship" requirement will be deleted from the plan).

- The loan policy will provide explicitly that loans will be made available without regard to the participant's sexual orientation.

- The interest rate for participant loans will be the prime rate, as stated in the Wall Street Journal, plus one percentage point.

- On termination of employment, loans will be due and payable in full and may not remain outstanding.

- Employer will notify Union within ten (10) calendar days of receiving any final notice from IRS disqualifying the plan, and will also notify Union at least ten (10) calendar days before making any material change to the plan provisions regarding eligibility, vesting, Employer contributions, loans, withdrawals and distributions, whether or not those changes are required as a condition of continued qualification for tax purposes.

Upon Union request in these circumstances, Employer shall then engage in "decision" and/or "effects" bargaining. If the parties are unable to reach agreement on the decision and/or its effects, and provided that such action begins within thirty (30) calendar days of either party's declaration of impasse, Articles 10 and 11 shall not apply and either party may take such economic action as it deems appropriate.

- Within thirty (30) calendar days after the plan has been amended or restated to incorporate the changes set out in this Agreement, or any subsequent changes required by IRS, whether or not encompassed within Employer's notice obligation to the Union, Employer will provide Union with a copy of the amended or restated plan.

13.6 Child Care Benefit. No changes, except that Employer agrees to give an employee who has or will become ineligible for this benefit one (1) pay period of advance notice prior to terminating the benefit.

13.7 Education Benefit. The Education Benefit plan will be continued with the following modifications:

- The number of employees eligible for assistance shall be thirty (30) per quarter,

- The maximum reimbursement shall be Three Hundred and No/100 Dollars (\$300.00) per class per quarter, and

- The employee eligibility for this benefit will be an average of twenty-four (24) hours per week.

13.8 Short-Term Disability Compensation. No changes.

13.9 Long-Term Disability. No changes.

13.10 Employee Discount on Merchandise. No changes.

13.11 Powell's Books, Inc. Partnership Program.

13.11.1 The Union shall have the option of participating in the Powell's Books, Inc. Partnership Program (the "Program"), and any commissions payable as a result of such participation shall be for the sole and exclusive benefit of eligible bargaining unit members and distributed as provided herein.

13.11.2 The Union shall be subject to all rules and regulations associated with the Program and, subject to 13.11.3, any changes in the Program that apply to other participants shall automatically apply to the Union.

13.11.3 During the term of this Agreement, if the Program is changed in a manner that causes a reduction in stated commissions or in sale items covered by the Program, Powell's shall have the option of continuing the Program without change for the Union or giving the Union the opportunity to reopen the contract for the sole purpose of renegotiating a replacement plan or benefit. If the parties are unable to reach agreement and, provided that such action begins within thirty (30) calendar days of either party's declaration of impasse, Articles 10 and 11 shall not apply and either party may take such economic action as it deems appropriate.

13.11.4 Regular employees and temporary and occasional employees who have been compensated for at least three hundred (300) hours who are employed on the last day of each applicable calendar quarter (March 31, June 30, September 30 and December 31) will be eligible to receive a distribution under the Program. (An employee who was separated from employment during the applicable quarter shall not be eligible for any distribution.) Employer shall determine the total commissions payable under the Plan within thirty (30) calendar days after the end of each quarter, the number of overtime hours worked (and the applicable overtime rate) in the applicable quarter by each eligible employee, and the cost of any such overtime. The pool of total commissions will be reduced by the cost of any such overtime and the balance of the total commissions shall then be distributed.

The amount of any payment to be distributed to each eligible employee shall be determined by dividing the remaining pool by the total number of gross credited hours of all eligible employees, and the resulting cents/hours shall be multiplied by the total number of credited hours for each eligible employee. Employer shall have the option of making the payment in a special check or the employee's regular paycheck. The Employer shall not be required to make any

payment under this Article 13 if the pool of total commissions is less than ten thousand and no/100 dollars (\$10,000.00); however, the pool of total commissions less than ten thousand and no/100 dollars (\$10,000.00) shall be carried over into the following quarter and included in calculating the total commission pool for the following quarter.

"Credited hours" to be counted for purposes of the calculation, including the total "gross" credited hours of all eligible employees as well as each individual employee's credited hours, shall only include worked straight-time hours, worked overtime hours (always counted as one (1) hour even if paid at a premium rate), and hours compensated through Earned Leave. (Hours paid through other Employer benefit plans, including, but not limited to, jury duty pay, short-term disability, and workers' compensation, shall not be counted nor shall any unpaid hours.)

13.11.5 Maintenance of Program. Powell's shall continue the Program for the duration of this Agreement.

13.12 Holiday Bonus. No changes.

13.13 Above and Beyond Bonus. No changes.

13.14 Tri-Met Subsidized Pass. No changes.

13.15 Employee Assistance Program. No changes.

13.16 Credit Union. No changes.

13.17 Paid Meal Periods (Lunch Breaks). Paid meal periods will be eliminated, and affected employees will receive a pay increase of six point six-seven percent (6.67%) of the employee's base wage prior to any other increases provided by any of the provisions of this Agreement. Average hours for eligibility for specific benefits (other than health insurance; see Section 13.3.1) will be modified to reflect elimination of the paid meal period: 20 hours will become 19; and 32 hours will become 30. The Earned Leave accrual will also be changed to compensate for the elimination of the paid meal period: 0-2 years will change from .0730 to .0779. After the second anniversary to ninth anniversary will change from .0923 to .0985, and after the ninth anniversary from .1115 to .1189.

13.18 Selection of Insurers, Plans and/or Administrators. Nothing in this Article 13 shall be interpreted as prohibiting Employer from changing insurers, plans and/or administrators during the term of this Agreement as long as it does not result in any reduction in substantive coverage or benefits.

ARTICLE 14 - HEALTH AND SAFETY

14.1 Mutual Commitment. Employer, the Union, and all of the employees covered by this Agreement agree to work together to ensure the health and safety of all employees.

14.2 Employer Commitment. The Employer commits to use its best efforts to provide a safe and healthy working environment for all employees and to comply with all applicable laws and regulations.

14.3 Site Safety Committees. Employer shall continue its existing safety committees at each primary place of employment where Employer is required to do so by law, and at any such new sites, and the purpose and function of such committee(s) shall be consistent with Or-OSHA administrative rules. Membership on the committee shall comply with Or-OSHA rules, except that "employee representatives" will be selected or elected by the Union in a manner consistent with those rules. The chairperson shall be elected by the committee members.

14.4 Company-Wide Safety Committee Meetings. In the interest of coordinating safety issues and concerns, and ensuring the successful functioning of the committees established under Section 14.3 above, the individual safety committees shall meet as a group at least semi-annually on such dates as Employer and Union shall mutually agree.

14.5 On-the-Job Accidents/Injuries. An employee who has an on-the-job accident, whether or not the employee believes any injury resulted, must as soon as possible notify the employee's supervisor, HR Manager or Corporate Administrative Assistant. The primary purpose of this requirement is to allow Employer to ensure that the employee is properly treated, investigate the accident or injury, and/or take any necessary corrective action, but failure to comply could result in discipline in appropriate circumstances.

14.6 Workers' Compensation Claims. An employee who believes that he or she has suffered an on-the-job injury or illness must complete the "worker" portion of the claim form within five (5) days of the incident and submit the form to the employee's supervisor or manager. An employee whose illness or injury qualifies as a "serious medical condition" under federal and/or state leave laws will receive those statutory benefits and protections, and the time missed from work will be counted toward the maximum available leave time under all such laws.

14.7 Potentially Hazardous Conditions. An employee who experiences or encounters an incident or "close call" that the employee believes could have resulted in an injury to anyone or property damage must immediately notify the employee's supervisor or manager so Employer can take any necessary corrective action.

14.8 Examinations and Releases. Except as otherwise required by law, Employer may only request a medical or other professional examination by a health care provider of its choosing in circumstances allowed under the Americans with Disabilities Act. Except as otherwise provided in this Agreement, Employer shall also pay the cost of any such required examination.

ARTICLE 15 - GENERAL

15.1 Employee Lists. Employer agrees to furnish a monthly list in electronic form of employees in the bargaining unit which will include the employee's name, address, date of hire, seniority date, job classification, pay rate, and primary work location. The Union may post such list on its bulletin boards or wall spaces. All seniority dates shall be deemed conclusive for all purposes unless a grievance is filed within thirty (30) calendar days of its receipt by Union.

15.2 Labor-Management Committee. The Employer and the Union shall establish a permanent Labor-Management Committee consisting of such members of management as Employer may designate and one bargaining unit representative from each work location (see Section 9.6.6). Meetings shall be held bi-monthly on such dates

as Employer and Union mutually agree and bargaining unit members will be on the clock and reimbursed for their attendance at the meetings. The Committee's function shall be to discuss labor-management issues of general concern rather than specific or individual grievances or disputes and its role shall be advisory (rather than decisionmaking) in nature. Each party shall alternate taking the official notes which shall not be communicated to employees until they have received the approval of both parties. If the parties are unable to reach agreement on any part of the notes, each shall include a statement briefly explaining its account of the relevant discussion.

15.3 Printing and Distribution of Contract. Employer and Union will equally share the cost of copying this Agreement, and shall mutually select a union printer. Union will be responsible for overseeing the printing, but proofs shall be subject to mutual review and approval. Union will distribute copies to all existing bargaining unit employees within ten (10) calendar days of the Agreement's effective date, and thereafter Employer will be responsible for providing copies to new hires in bargaining unit positions.

15.4 Savings Provisions. Any provision of this Agreement which may be adjudged by a court of last resort to be in conflict with any federal or state law shall become inoperative to the extent and duration of such conflict. Since it is not the intent of either party to violate any such laws, it is agreed that in the event of a conflict between any provision of this Agreement and such federal and state law, the remainder of this Agreement will remain in full force and effect. Employer and the Union agree to attempt to negotiate substitute provisions, with such negotiations to begin within thirty (30) calendar days.

15.5 Entire Agreement. This Agreement contains the sole and entire agreement between the parties. The terms of this Agreement may be supplemented, amended, modified or waived only by a mutual agreement in writing which expressly states that it is intended to have that effect and is signed by both parties. During the life of this Agreement or any extension thereof, neither party shall be obligated to bargain collectively with respect to any matter unless specifically required to do so by the express terms of this Agreement.

15.6 Maintenance of Benefits. No benefit not expressly referenced in this Agreement shall be eliminated or reduced during its term. For purposes of this provision, "benefit" shall mean something of more than de minimus value to the recipient that has been available to employees throughout the Company. Employees aggrieved under this section shall have recourse to Section 10.7 of the Agreement.

15.7 Duration and Term of Agreement. This Agreement shall be in full force and effect from the day it is signed by both parties through October 1, 2003 and thereafter from year to year unless either party gives written notice to the other of a desire to modify or terminate the Agreement at least sixty (60), but not more than ninety (90), calendar days prior to the expiration date. The parties shall then meet and negotiate at mutually acceptable times and places within the ninety- (90-) day period immediately preceding the termination of this Agreement, or earlier by mutual agreement.

POWELL'S BOOKS, INC.
5

INTERNATIONAL LONGSHORE AND WAREHOUSE UNION, LOCAL

By

By

By

By

By _____

By _____

Date

By _____

By _____

By _____

By _____

By _____

By _____

By _____

By _____

Date

APPENDIX A

AUTHORIZATION FOR CHECKOFF OF DUES AND/OR FEES

To:
Company

Irrespective of any membership or nonmembership status in the Union, I hereby assign to Local Union No. 5, International Longshore and Warehouse Union (AFL-CIO) (herein called the "Union") from any wages earned or to be earned by me as an employee of the Company (in my present or future employment by you), such sums as the Financial Officer of the Union may certify as due and owing from me as an initiation fee, periodic dues, including any reinstatement fee and assessment, monthly dues, and/or monthly financial core agency fees (either the full amount or reduced per timely objection) in such sums as may be established from time to time by the Union in accordance with its Constitution and Bylaws. I authorize and direct you to deduct such amounts from my pay and to remit same to the Union on a monthly basis or at such times and in such manner as may otherwise be agreed upon between you and the Union at any time while this authorization is in effect.

This assignment, authorization and direction shall be irrevocable for the period of one (1) year from the date appearing below or until the termination of the collective agreement between the Company and the Union which may be in force at the time of signing of this Authorization, whichever occurs sooner; and I agree and direct that this assignment, authorization and direction shall be automatically renewed, and shall be irrevocable for successive periods of one (1) year each or for the period of each succeeding applicable collective-bargaining agreement, between the Company and the Union, whichever shall be shorter, unless written notice is given by me to the Company and the Union within thirty (30) days prior to the expiration of each period of one (1) year, or of each applicable collective-bargaining agreement between the Company and the Union, whichever occurs sooner.

Date

[Signature]

[Please Print Full Name]

[Social Security Number]

APPENDIX B

Group Position

1 Bookseller - Entry Level - All Stores
Mail/File Clerk - Corporate
Returns Processor - Level I - Corporate

2 Cashier - Burnside
Generalist - Level I - All Stores
Internet Services Representative - Level I - Internet
Outside Sales - Level I - Burnside, Beaverton, Technical
Parking Attendant - Burnside
Phone Room - Level I - Burnside
Receiving - Level I - All Stores
Sections - Level I - Burnside
Shipping Clerk - Corporate/Internet Store
Sidelines Representative - Burnside
Sorter/Labeler - Level I - Burnside

3 Cash Office Assistant - Burnside
Corporate Driver - Corporate
Events Coordinator - Burnside
Physical Plant Specialist
Pricing Task Force Generalist - Burnside
Receiving - Level II - All Stores
Receiving Specialist - Technical
Sorter/Labeler - Level II - Burnside
Used Book Buyer - Level I - All Stores

4 Accounting Clerk/Retail Sales - Corporate
Accounts Payable Clerk - Corporate
Accounts Receivable Clerk - Corporate
Generalist - Level II - All Stores
Internet Services Representative - Level II - Internet
Magazine Section Head - Burnside
Order Placement Specialist - Burnside
Outside Sales - Level II - Burnside, Beaverton, Technical
Phone Room - Level II - Burnside
Pricing Task Force Specialist - Burnside
Returns Processor - Level II - Corporate
Sections - Level II - Burnside
Sidelines Coordinator - Burnside
Trucking & Warehouse - Level I - Hoyt
Used Book Buyer - Level II - All Stores

5 Accounts Lead - Internet
Cash Office Lead - Beaverton
Graphics Support - Corporate
Maintenance Specialist - Burnside
Operating Expense Specialist - Corporate
Promotions Specialist - Burnside
Purchasing Agent - Corporate/Burnside
Rare Book Room Generalist - Burnside
Receiving Department Head - Tech
Receiving Lead - Beaverton
Shipping Lead - Internet
Trucking & Warehouse Level II - Hoyt

6 Corporate Calendar Buyer/Coordinator - Burnside
Floor Supervisor - Tech
Front List Buyer - Burnside
Front List Book Buyer - Beaverton
Generalist - Level III - All Stores
Internet Services Representative - Level III - Internet
Marketing Specialist/In-Store Merchandising - Corporate
Marketing Specialist/Public Relations - Corporate
Order Office/Combined Orders Specialist - Burnside
Outside Sales - Level III - Burnside, Beaverton, Technical
Phone Room - Level III - Burnside
PTF - Level III - Hoyt
Sections - Level III - Burnside
Sidelines Buyer/Lead - Airport & Cookbook
Square One Systems Support - Burnside, Beaverton, Corporate, Internet, Technical
Timekeeping & Scheduling Specialist - Burnside
Web Marketing Specialist - Internet

7 Graphics Specialist - Corporate
Hurts/Remainder Buyer - Burnside
New Book Buyer - Department Head - Tech
Used Book Buyer - Level III - All Stores
Used Book Buyer, Senior - Beaverton
Used Book Coordinator - Burnside and Tech
Used Book Buyer - Department Head - Tech

T1 Technical Computer Support I - Burnside and Beaverton

T2 Computer User Services Support I - Corporate

Data Entry Coordinator - Corporate
Technical Computer Support II - Burnside and Corporate

T3 Communications Wiring Specialist - Burnside and Corporate

Computer User Services Support II - Corporate
Internet Programmer - Corporate
Web Producer - Content
Web Producer - Design

T4 Database Programmer, Administrator - Internet

NT Network, Administrator - Burnside and Corporate

Software, Novell Lead - Burnside and Corporate

UNIX System, Administration - Corporate

APPENDIX C

Implementation

Min Step 1 Step 2 Step 3 Step 4 Step 5 Step 6 Step 7 Step 8 Step 9 Step 10 Step 11 Step 12 Step 13 Step 14 Step 15 Step 16

Group 1 7.46 7.66 7.91 8.15 8.39 8.71
Group 2 8.12 8.36 8.61 8.87 9.14 9.41 9.69 9.99
Group 3 8.46 8.71 8.97 9.24 9.52 9.81 10.10 10.40 10.71 10.99
Group 4 8.57 8.83 9.09 9.36 9.64 9.93 10.23 10.54 10.86 11.19 11.53 11.88 12.24 12.61 12.80
Group 5 9.85 9.94 10.24 10.55 10.87 11.20 11.54 11.89 12.25 12.62 13.00 13.39 13.79 14.20 14.48
Group 6 10.45 10.76 11.08 11.41 11.75 12.10 12.46 12.83 13.21 13.61 14.02 14.44 14.87 15.32 15.69
Group 7 11.47 11.81 12.16 12.52 12.90 13.29 13.69 14.10 14.52 14.96 15.41 15.87 16.35 16.84 17.35 17.72
Tech Group 1 10.69 11.00 11.33 11.67 12.02 12.38 12.75 13.13 13.52 13.93 14.35 14.78 15.22 15.69 16.15 16.63 17.25
Tech Group 2 13.08 13.47 13.87 14.29 14.72 15.16 15.61 16.08 16.56 17.06 17.57 18.10 18.64 19.20 19.78 20.37 21.13
Tech Group 3 16.58 17.09 17.59 18.12 18.66 19.22 19.80 20.39 21.00 21.63 22.28 22.95 23.64 24.35 25.08 25.83 26.79
Tech Group 4 20.96 21.59 22.24 22.91 23.60 24.31 25.04 25.79 26.56 27.36 28.18 29.03 29.90 30.80 31.72 32.67 33.66
Tech Group 5 26.46 27.25 28.07 28.91 29.78 30.67 31.59 32.54 33.52 34.53 35.57 36.64 37.74 38.87 40.04 41.24 42.77

October 30, 2000

Min Step 1 Step 2 Step 3 Step 4 Step 5 Step 6 Step 7 Step 8 Step 9 Step 10 Step 11 Step 12 Step 13 Step 14 Step 15 Step 16

Group 1 7.69 7.91 8.15 8.39 8.64 8.97
Group 2 8.36 8.61 8.87 9.14 9.41 9.69 9.98 10.19
Group 3 8.71 8.97 9.24 9.52 9.81 10.10 10.40 10.71 11.03 11.31
Group 4 8.83 9.09 9.36 9.64 9.93 10.23 10.54 10.86 11.19 11.53 11.88 12.24 12.61 12.99 13.18
Group 5 9.94 10.24 10.55 10.87 11.20 11.54 11.89 12.25 12.62 13.00 13.39 13.79 14.20 14.63 14.91
Group 6 10.76 11.08 11.41 11.75 12.10 12.46 12.83 13.21 13.61 14.02 14.44 14.87 15.32 15.78 16.16
Group 7 11.81 12.16 12.52 12.90 13.29 13.69 14.10 14.52 14.96 15.41 15.87 16.35 16.84 17.35 17.87 18.25
Tech Group 1 11.00 11.33 11.67 12.02 12.38 12.75 13.13 13.52 13.93 14.35 14.78 15.22 15.69 16.15 16.63 17.13 17.77
Tech Group 2 13.47 13.87 14.29 14.72 15.16 15.61 16.08 16.56 17.06 17.57 18.10 18.64 19.20 19.78 20.37 20.99 21.76
Tech Group 3 17.08 17.59 18.12 18.66 19.22 19.80 20.39 21.00 21.63 22.28 22.95 23.64 24.35 25.08 25.83 26.60 27.59
Tech Group 4 21.59 22.24 22.91 23.60 24.31 25.04 25.79 26.56 27.36 28.18 29.03 29.90 30.80 31.72 32.67 33.65 34.68
Tech Group 5 27.25 28.07 28.91 29.78 30.67 31.59 32.54 33.52 34.53 35.57 36.64 37.74 38.87 40.04 41.24 42.48 44.05

October 15, 2001

Min Step 1 Step 2 Step 3 Step 4 Step 5 Step 6 Step 7 Step 8 Step 9 Step 10 Step 11 Step 12 Step 13 Step 14 Step 15 Step 16

Group 1 7.91 8.15 8.39 8.64 8.90 9.24
Group 2 8.61 8.87 9.14 9.41 9.69 9.98 10.28 10.50
Group 3 8.97 9.24 9.52 9.81 10.10 10.40 10.71 11.03 11.36 11.65
Group 4 9.09 9.36 9.64 9.93 10.23 10.54 10.86 11.19 11.53 11.88 12.24 12.61 12.99 13.38 13.58
Group 5 10.24 10.55 10.87 11.20 11.54 11.89 12.25 12.62 13.00 13.39 13.79 14.20 14.63 15.07 15.36
Group 6 11.08 11.41 11.75 12.10 12.46 12.83 13.21 13.61 14.02 14.44 14.87 15.32 15.78 16.25 16.64
Group 7 12.16 12.52 12.90 13.29 13.69 14.10 14.52 14.96 15.41 15.87 16.35 16.84 17.35 17.87 18.41 18.80
Tech Group 1 11.33 11.67 12.02 12.38 12.75 13.13 13.52 13.93 14.35 14.78 15.22 15.69 16.15 16.63 17.13 17.64 18.30
Tech Group 2 13.87 14.29 14.72 15.16 15.61 16.08 16.56 17.06 17.57 18.10 18.64 19.20 19.78 20.37 20.98 21.61 22.41
Tech Group 3 17.59 18.12 18.66 19.22 19.80 20.39 21.00 21.63 22.28 22.95 23.64 24.35 25.08 25.83 26.60 27.40 28.42
Tech Group 4 22.24 22.91 23.60 24.31 25.04 25.79 26.56 27.36 28.18 29.03 29.90 30.80 31.72 32.67 33.65 34.66 35.93
Tech Group 5 28.07 28.91 29.78 30.67 31.59 32.54 33.52 34.53 35.57 36.64 37.74 38.87 40.04 41.24 42.48 43.75 45.37

November 25, 2002

Min Step 1 Step 2 Step 3 Step 4 Step 5 Step 6 Step 7 Step 8 Step 9 Step 10 Step 11 Step 12 Step 13 Step 14 Step 15 Step 16

Group 1 8.15 8.39 8.64 8.90 9.17 9.52
Group 2 8.87 9.14 9.41 9.69 9.98 10.28 10.59 10.82
Group 3 9.24 9.52 9.81 10.10 10.40 10.71 11.03 11.36 11.70 12.00
Group 4 9.36 9.64 9.93 10.23 10.54 10.86 11.19 11.53 11.88 12.24 12.61 12.99 13.38 13.78 13.99
Group 5 10.55 10.87 11.20 11.54 11.89 12.25 12.62 13.00 13.39 13.79 14.20 14.63 15.07 15.52 15.82
Group 6 11.41 11.75 12.10 12.46 12.83 13.21 13.61 14.02 14.44 14.87 15.32 15.78 16.25 16.74 17.14
Group 7 12.52 12.90 13.29 13.69 14.10 14.52 14.96 15.41 15.87 16.35 16.84 17.35 17.87 18.41 18.96 19.36
Tech Group 1 11.67 12.02 12.38 12.75 13.13 13.52 13.93 14.35 14.78 15.22 15.69 16.15 16.63 17.13 17.64 18.17 18.85
Tech Group 2 14.29 14.72 15.16 15.61 16.08 16.56 17.06 17.57 18.10 18.64 19.20 19.78 20.37 20.99 21.61 22.26 23.09
Tech Group 3 18.12 18.66 19.22 19.80 20.39 21.00 21.63 22.28 22.95 23.64 24.35 25.08 25.83 26.60 27.40 28.22 29.27
Tech Group 4 22.91 23.60 24.31 25.04 25.79 26.56 27.36 28.18 29.03 29.90 30.80 31.72 32.67 33.65 34.66 35.70 37.01
Tech Group 5 28.91 29.78 30.67 31.59 32.54 33.52 34.53 35.57 36.64 37.74 38.87 40.04 41.24 42.48 43.75 45.06 46.73