

A G R E E M E N T

BETWEEN

MEDCO HEALTH SOLUTIONS OF LAS VEGAS, INC.

AND

GUILD FOR PROFESSIONAL PHARMACISTS

Effective October 15, 2006 to September 01, 2009

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AGREEMENT effective this 15th day of October, 2006 between Medco Health Solutions of Las Vegas, Inc. (hereinafter designated the "Employer" or the "Company") and Guild for Professional Pharmacists (hereinafter referred to as the "Guild").

WHEREAS, in view of the nature of the Company's business, the Company and the Guild both recognize the critical and paramount importance of, and are mutually, fully and unequivocally committed to maintaining the highest standards of quality, professional practices and patient care; and

WHEREAS, the parties acknowledge and agree that in providing pharmacy services consistent with such standards, all employees of the Company, including management and non-management must perform their duties and interact with one another and members/patients in a courteous and respectful manner;

NOW, THEREFORE, on the basis of the foregoing preamble, and in consideration of the mutual promises contained herein, the parties agree as follows:

I. RECOGNITION

The Employer recognizes the Guild as the exclusive representative for purposes of collective bargaining of a unit consisting of all regular full-time and part-time staff registered pharmacists at its pharmacy located at 6225 Annie Oakley Drive, Las Vegas, Nevada 89120; but excluding all other pharmacy employees, customer service personnel, confidential and administrative employees, inventory control clerks, and supervisors, managers and guards, as defined in the National Labor Relations Act.

II. CHECK OFF

A. The Employer shall deduct the initiation fee and monthly dues, as established by the Guild, from the pay due regular employees who have submitted a voluntary authorization for dues deduction in the form attached as Rider B. Such deductions will be made in equal installments from each payroll. The total amount deducted each month will be transmitted to the Guild by no later than the 15th day of the following month. All funds deducted from the employees' pay for the payment of such dues and initiation fees shall be held in trust by the Employer and shall be considered at all times the property of the Guild. No dues deductions shall be made, or sought by the Guild, with respect to employees who may work more than twenty five hours per week during the Summer months only: June, July, and August.

B. Execution of the dues deduction form referred to above, Rider "B", shall relieve the Employer of all further liability to the employee or to the Guild with respect to such deductions.

C. The Guild will indemnify and save harmless the Employer and/or any of its representatives or employees from any claim, cause of action, loss, expense, or liability as a result of deductions made in accordance with this Article.

III. GUILD SECURITY

A. When lawful, every employee covered by this Agreement must for the life of this Agreement, after the grace period described below, satisfy a financial obligation to the Guild as the unit's exclusive bargaining representative. Under this Agreement, the financial obligation to the Guild is an amount equivalent to the Guild's monthly dues

and fees. This financial obligation is a condition of employment and is in consideration for the cost of representation and collective bargaining and is not contingent upon present or future membership in the Guild. The grace period for this Agreement is thirty (30) days following the beginning of employment or by the thirtieth (30th) day following the effective date of this Agreement, whichever is later.

B. The Guild will indemnify and save harmless the Company and/or any of its representatives or employees from any claim, cause of action, loss, expense, or liability as a result of this Article.

IV. ACCESS TO FACILITY

Authorized representatives of the Guild shall be permitted to enter the Employer's place of business during regular business hours on reasonable notice to the Employer for the adjustment of disputes, grievances, or any other matters that may require their presence. Such visits shall not interfere with the normal duties of employees or the operation of the Employer's business.

V. WORK SCHEDULES - OVERTIME

A. Time worked in excess of forty (40) hours in any workweek shall be compensated at the rate of time and one half the employee's regular hourly rate.

1. In computing eligibility for overtime pay for regular full-time employees, a paid holiday (unless it occurs on a day the employee is not regularly scheduled to work), shall count as eight (8) hours worked.

B. Employees who work at least eight (8) hours on each of six (6) consecutive days in any workweek and then work a seventh consecutive day in the workweek, shall be paid double time on such seventh day.

C. There shall be no pyramiding of overtime.

D. Nothing in this Article or otherwise in this Agreement shall be interpreted as creating a right to overtime.

E. Voluntary Overtime

The Company will assign overtime on a rotating basis by seniority in the department for which the overtime is available. In doing so, the Company shall initially request volunteers from among the staff registered pharmacists present with the required training (if any) needed for the overtime that is available by posting an interest list.

Voluntary overtime then will be assigned on a rotating basis in seniority order to the staff registered pharmacists who signed the interest list and who are qualified, trained and available to perform the required work at the time determined by the Company.

1. For the purpose of assigning overtime under this Article V, the full-time group (i.e. employees who are regularly scheduled to work forty (40) or more hours per week) shall be deemed to have seniority over the part-time group (i.e. employees who are regularly scheduled to work less than forty (40) hours per week). The preceding sentence shall not be interpreted as creating a right in the full-time group to any overtime. Part-time schedules can be adjusted, as needed, except that the part-time group will not receive overtime above forty (40) hours until after the full-time group has been offered it, as provided in this Article.

2. To the extent practicable, additional training sessions will be provided in those work functions where overtime needs are anticipated, to the extent necessary to meet anticipated needs. It is the obligation of any pharmacist not currently trained in those functions who seeks additional overtime opportunities in those work functions to make him or herself available for such training as is offered.

F. Assigned Overtime

When in the Company's judgment there are an insufficient number of volunteers, the Company may assign the overtime on a rotating basis by inverse order of seniority among those staff registered pharmacists qualified to perform the work.

1. Employees will be notified of required overtime on a day that they are not scheduled, by noon at least two (2) days prior (e.g., by noon Thursday for Saturday).

G. The Company will give as much advance notice of overtime as is reasonably practicable. In any event, the Company will normally give notice of daily overtime by 1:00 P.M.; provided, however, the Company may offer daily overtime after 1:00 P.M. due to circumstances not known prior to that time, such as, but not limited to, systems/equipment performance/failure, current day's production, and absenteeism reported after 1:00 P.M. Further, when offering full-time employees the opportunity to forego scheduled hours, the Company will give an indication whether overtime is likely to be offered that day.

H. Effective with this Agreement, two or more part-time employees will not eliminate full-time positions where a full-time position could otherwise be established. For this purpose, a full-time position could otherwise be established when such part-

time employees are regularly working a series of schedules that can be reasonably combined into a single full-time, five (5) or four (4) day, forty (40) hour per week schedule. In the event that such a combination of schedules is found to exist, the Company will offer it as a full-time schedule by seniority.

I. The hours assigned to part-time employees regularly scheduled for less than twenty-five (25) hours per week will not exceed twenty percent (20%) of the total hours paid for all employees of the Company on an annual basis (i.e. January 1st-December 31st). However, after discussion with the Guild as to business need, the Company may request an increase in the foregoing percentage limit to twenty-five percent (25%) and such request shall not be unreasonably denied. The Company will provide the Guild with a monthly report of the hours paid for both full-time and part-time employees.

J. The workweek for regular full-time employees shall be the schedule of days and hours during the seven (7) day period beginning on Sunday and ending on Saturday for which they are hired or agree to at time of hire. The Company may employ alternative work days and workweeks, provided that they are staffed by volunteers, new hires and employees who have agreed to such schedules at the time of hire. In the event that the Company's staffing needs cannot be satisfied by these methods, the Company will advise the Guild of the business need to fill the openings on these schedules and negotiate with the Guild on this issue. For purpose of this Paragraph, negotiation shall mean an honest give and take including the assessment of alternatives to such schedule changes and/or alternative schedule changes. If such negotiation does not result in a mutually agreeable solution, and the Company still concludes that it

is necessary to fill such openings, the Company will make these assignments by reverse order of seniority on two (2) weeks' notice. Impasse (as defined under the National Labor Relations Act) is not required for the Company to take such action so long as it has engaged in an honest give and take with the Guild in an effort to reach a mutually agreeable solution.

1. In the future, in accordance with this Article, the Company may create additional schedules and/or revise or delete the existing schedules after due notice and discussion with the Guild. For those schedules that include both Saturday and Sunday as regularly scheduled workdays, the following shift differential shall be applied to the employee's base hourly rate: 4.5%. This shift differential also shall apply to employees who are temporarily assigned to such schedules. Employees on a schedule with a starting time beginning on or after 7:00 p.m. and before 3:00 a.m. will receive a differential of 4.5% on their base hourly rate for all hours worked.

2. Starting times will not be changed except upon due notice and after discussion with the Guild.

3. The payroll week consists of seven (7) days beginning at 12:01 A.M. each Sunday. After notice to the Guild, the Company may revise the payroll week to commence at 12:01 A.M. each Monday.

4. The Company will not change an employee's work schedule in order to offset the employee's overtime hours.

5. No employee will be required to work more than sixteen (16) hours per day.

6. The Company may establish training shifts after due notice and discussion with the Guild. Upon an employee's satisfactory completion of training, the employee will be assigned the shift agreed upon at the time of hire or that the employee was subsequently awarded through a shift bid. The Company will document an employee's satisfactory completion of training.

K. Notwithstanding any other provision of this Agreement, for regular full-time employees who are regularly scheduled for other than an eight (8) hour day, the following shall apply:

1. Vacation days shall be paid on the basis of their regularly scheduled hours per day and their vacation entitlement, as specified in this Agreement, shall be adjusted accordingly to provide an equivalent amount of paid time.

2. Holidays shall be paid on the basis of their regularly scheduled hours per day, unless the holiday occurs on a day they are not regularly scheduled to work, in which case they will be paid at eight (8) times their regular hourly rate.

3. Funeral leave shall be paid on the basis of their regularly scheduled hours per day in accordance with the terms of Article XXIV.

4. Employees scheduled for a ten (10) hour day who work at least ten (10) hours per day for five (5) consecutive days in the workweek will be paid double time for all hours worked on the sixth consecutive day in the workweek.

5. Employees scheduled for a ten (10) hour day will receive an additional fifteen (15) minute break per day which will be scheduled by the Company during the final two (2) hours of the employee's schedule.

L. A temporary employee shall not be employed for a period in excess of ninety (90) days except in cases of:

maternity;
disability;
leaves of absence;
seasonal employment; and
internships.

VI. DISCIPLINE/NO DISCRIMINATION

A. No employee shall be disciplined or discharged except for just cause. Poor work quality or failure to work with reasonable efficiency will meet just cause standards provided the pharmacist has been adequately trained and did perform the acts constituting poor work quality or failed to work with reasonable efficiency.

B. No employee shall be discriminated against by reason of age, sex, race, creed, color, religion, national origin, disability/handicap, union membership, sexual orientation, veteran status, or as otherwise prohibited by applicable statute. The term sexual orientation in this paragraph will have the meaning given to it in the New Jersey Law Against Discrimination. Nothing in this Agreement shall limit nor restrict the Company's ability to grant a reasonable accommodation, as required by applicable law, to any employee or applicant, nor require that such accommodation be extended to other applicants or employees who do not require such reasonable accommodation.

1. The parties agree that the inclusion of the term "sexual orientation" in paragraph B of this article does not create any rights that did not previously exist as to any benefit plans or programs.

C. A shop steward of the employee's choice, if present and available on the premises, will be notified and be present on paid time whenever an employee is

disciplined. In the event of discharge, the shop steward and, if available on the premises, the Chief Shop Steward will be notified and be present on paid time. However, such individuals will not be present, if the employee who is to be disciplined or discharged declines Guild representation and confirms such declination in writing. A copy of the written objection will be provided to the Guild.

D. The Company does not consider the coaching or counseling of a pharmacist to constitute discipline under this Article.

E. A pharmacist who receives discipline will be tendered a copy of any disciplinary warnings entered on his/her personnel record with a copy to the Guild.

VII. SENIORITY

A. SENIORITY -- GENERAL

1. Seniority shall be defined as an employee's unbroken period of continuous service with the Company from his/her most recent date of hire.

2. Seniority will be broken and an employee will lose his/her seniority ranking only for the following reasons:

- a. Resignation;
- b. Retirement;
- c. Discharge for just cause;
- d. Layoff in excess of two (2) years;
- e. Failure to return to work within five (5) working days after notice of recall from layoff has been sent by certified mail or telegram;
- f. Failure to report for work for three (3) or more days without notice to the Company; and
- g. Failure to return to work upon expiration of a leave of absence.

3. Bargaining unit employees who are transferred or promoted to positions outside of the bargaining unit shall not accumulate seniority while holding such positions. Such employees may be transferred back into the bargaining unit only if it does not displace another bargaining unit employee.

4. Seniority will operate for purposes of layoff, recall, overtime assignments, vacation and personal day scheduling, and bumping rights, as described in this Agreement.

B. SENIORITY -- HOW ACQUIRED:

1. During an employee's first six (6) months of full-time or part-time employment, he/she shall be deemed to be a probationary employee and may be laid off or discharged at the sole discretion of the Company. An employee who successfully completes the probationary period as a part-time employee will not be subject to another probationary period if he/she subsequently transfers to a full-time schedule in the same job classification unless such transfer to full-time results in the employee performing job functions that he/she did not perform for a substantial period as a part-time employee. An employee's probationary period shall be tolled for any period for which the employee is unavailable for work. The foregoing probationary period shall not alter the Company's practice of offering benefits under Article XII.A upon successfully completing thirty (30) days of continuous employment. The layoff or discharge of a probationary employee shall not be subject to the grievance and arbitration procedure under this Agreement. Upon the successful completion of the probationary period, the employee shall be granted a seniority ranking based upon his/her date of hire and he/she will then become a regular employee.

2. The parties may mutually agree to extend an employee's probationary period for an additional one (1) month. The Company will provide the Guild written confirmation of any agreed upon extensions of the probationary period.

3. In the event that two (2) or more employees start employment on the same day, each will be granted a seniority ranking based upon a lottery. The Company will document the lottery, the results of which will be final and binding.

C. SENIORITY GROUPS

1. There shall be two (2) seniority groups: (1) full-time employees (i.e. employees regularly scheduled to work forty (40) or more hours per week); and (2) part-time employees (i.e. employees regularly scheduled to work less than forty (40) hours per week). In determining the seniority group in which an employee belongs, only his/her regularly scheduled working hours will be considered.

2. Whenever seniority applies, the employees in seniority group #1 shall be deemed to have seniority over the employees in seniority group #2.

3. If a full-time employee becomes part-time, his/her seniority within the part-time group will be determined by his/her hire date. If such employee subsequently returns to full-time employment, or if an employee originally hired as a part-time employee becomes full-time, his/her seniority within the full-time group will be determined by his/her hire date, which will be adjusted by moving the date forward an equivalent of 50% of the number of calendar days he/she spent as a part-time employee. Standard rules of rounding will be utilized in computing such adjusted hire date.

4. When a full-time opening occurs within the bargaining unit, the Company will offer the opening in seniority order to the part-time employees.

5. The Guild will be given notice of all transfers between full-time and part-time seniority groups. Such notice will show the effective date of the transfer.

D. SENIORITY LISTS AND INFORMATION

1. A seniority list will be prepared and kept posted on the bulletin boards.

2. The Company will update and repost the seniority lists monthly and will supply copies to the Guild.

E. SENIORITY -- SHIFT ASSIGNMENTS

1. In the event a vacancy occurs on any shift, the Company will post notice of the vacancy and will fill such vacancy on the basis of the seniority of the employees who apply for such vacancy. However, the Company may deny shift change requests submitted by employees with less than six (6) months of service.

F. SENIORITY -- MILITARY SERVICE

1. An employee who is on leave of absence for service in the United States Military shall retain his/her seniority ranking and continue to accrue seniority during the period of such leave of absence. The employee shall be entitled to reinstatement, as provided for by applicable law.

G. SENIORITY -- RELOCATIONS

1. In the event that the Company initiates the hire and relocation of an employee, or an employee initiates, with Company approval, a relocation, from a Medco affiliate company, the employee shall carry forward his/her length of service with such affiliate company and shall be assigned a seniority ranking based upon the date that he/she was relocated.

2. The Company will give the Guild notice of any such hiring and relocation of an employee from an affiliate company. The notice will state whether the hiring and relocation was initiated by the Company or the employee.

H. SENIORITY -- LAYOFF AND BUMPING RIGHTS

1. In the event of a reduction in force, layoffs shall be made within the staff registered pharmacist job classification in the following order: probationary employees first then by reverse order of seniority, provided the remaining pharmacists have the skill and ability or can be trained , to the extent business needs permit, to perform in the remaining positions.

I. SENIORITY -- RECALL

1. When vacancies occur following a layoff, except where there is a marked difference in skill and ability, employees shall be recalled in order of seniority. For this purpose, skill and ability shall include: knowledge, training and experience.

2. In recalling employees following a lay-off, the Company will send written notice by certified letter or telegram to their last address shown on the Company's records. The notice will state that the employee has five (5) working days, exclusive of Saturday, Sunday and federally recognized holidays, following delivery of

the notice in which to return to work. Upon request by the employee, an additional five (5) days may be granted by the Company. The Guild will be provided with a copy of the recall letter sent to each employee.

3. Each laid off employee shall be responsible for informing the Company, in writing, of changes in his/her current mailing address and phone number.

4. Laid off employees shall be eligible for recall for a period of two (2) years from the date of layoff. Laid off employees that are rehired more than two (2) years after layoff shall be considered to be new employees for all purposes under this Agreement.

5. Where laid off employees are recalled within the recall period of this Article, they shall be paid at the rate that they would have received if there had been no layoff. An employee recalled after the recall period shall start at the rate applicable to new employees.

6. For the purpose of the vacation schedule in this Agreement, an employee who is recalled within the two (2) year recall period shall retain the length of service that he/she accumulated prior to layoff. However, the period of layoff shall not count as hours or days worked for purposes of computing vacation eligibility.

J. SENIORITY – GUILD OFFICIALS

1. A Guild officer granted a Guild leave of absence for Guild business under this Agreement shall continue to accumulate seniority while on such a leave, but the period of the leave shall not be considered time worked for purposes of this Agreement.

VIII. BREAKS AND LUNCH

A. Each full-time employee shall be granted a thirty (30) minute unpaid lunch/meal period and fifteen (15) minute paid breaks, as scheduled by the Company according to the table below. An employee may combine an unpaid lunch/meal period with a paid break, subject to Company approval.

<u>Hours Worked in the Day</u>	<u>Breaks</u>
4 or more but less than 6	One fifteen (15) minute break
6 or more but less than 8	Two fifteen (15) minute breaks
8 or more but less than 10	Two fifteen (15) minute breaks and one unpaid thirty (30) minute lunch/meal period.
10 or more	One additional fifteen (15) minute break for each additional two (2) hours worked in excess of eight (8) hours.

IX. VACATION

A. All regular full-time employees who have completed one or more "Years of Continuous Service" shall be eligible for vacation each anniversary year in accordance with the following schedule:

<u>Years of Continuous Service As of Anniversary of Hire*</u>	<u>Vacation Time Following Anniversary Year</u>
1 year but less than 5 years	10 days (80 Hours)
5 years but less than 11 years	15 days (120 Hours)
11 years or more	15 days (120 Hours), plus 1 additional day (8 Hours) for each full Year of Continuous Service above 10 years until the employee's total vacation time per year

equals 25 days (200 Hours)

*Vacation entitlement will be determined as of the 1st and 16th of each calendar month. For example, an employee hired between the 1st and 15th of any month would receive his/her vacation for the following anniversary year awarded as of the 1st of that month. An employee hired between the 16th and last day of any month, would have his/her vacation for the following anniversary year awarded as of the 16th day of that month.

1. An employee shall not be eligible for any vacation time in an anniversary year, if (s)he did not complete a "Year of Continuous Service" in the immediately preceding anniversary year. For purposes of this Article, a Year of Continuous Service shall be defined as a twelve consecutive month period commencing on the employee's anniversary of hire and concluding on the day prior to his/her immediately succeeding anniversary of hire in which the employee works not less than 1600 hours. In determining if this threshold has been satisfied, only hours actually worked shall be counted, including overtime hours; provided, however, the following shall also be counted: (i) regularly scheduled hours that an employee voluntarily agrees not to work at the Company's request; (ii) all vacation; and (iii) personal days taken on a scheduled basis. Hours for which an employee is paid but does not actually work, such as holidays, personal time bank days taken on an unscheduled basis, bereavement leave, or any other time not actually worked shall not be considered. Overtime hours paid at time and one-half shall be computed at one and one-half hours for each such overtime hour worked. Overtime hours paid at double time shall be computed at two hours for each such overtime hour worked.

B. Notwithstanding the terms of Paragraph A of this Article, after their first six (6) months of continuous service, regular full-time employees shall be eligible for five (5) days (40 hours) of vacation to be taken prior to their first anniversary date of hire. For

purposes of this Paragraph, six (6) months of continuous service shall be defined as a six (6) consecutive month period in which the employee actually works not less than 800 hours, calculating hours actually worked in the same manner as set forth in Paragraph A of this Article.

C. Vacation days shall be paid on the basis of the employee's regular scheduled hours per day and their vacation entitlement as specified in this article shall be adjusted accordingly based on the number of hours paid to provide employees on other than eight hour day schedules an equivalent amount of time as those employees on a schedule of eight hour days. Employees will be permitted to bank and carry over a maximum of one week of vacation (40 hours) to be utilized in the immediately succeeding anniversary year; provided, they give written notice to the Company of their intention to bank such vacation time by no later than sixty (60) calendar days prior to their anniversary date of hire. Any vacation time that is carried over will be scheduled in accordance with Paragraph E of this Article. All other vacation time must be taken within the anniversary year to which it relates. The Company shall not make any payment for such unused vacation time. However, upon separation from employment for any cause, an employee (or his/her estate in case of death) shall be paid a lump sum payment for any unused vacation time earned and available. Payment, which will be at the employee's base hourly rate at the time of separation, will be made within thirty (30) days from the date of separation.

D. Part-time employees regularly scheduled for twenty-five (25) or more hours per week shall be eligible for pro-rated vacation benefits under this Article based upon their regularly scheduled hours per week as a percentage of forty (40) hours per

week. For example: If a part-time employee is regularly scheduled for thirty (30) hours per week, that represents 75% of 40; therefore his/her eligibility requirement would be 75% of 1600, or, 1200 hours. Likewise, his/her vacation days would be paid on the basis of the same percentage applied to eight (8) times the employee's regular hourly rate of pay.

E. Each eligible employee desiring to request vacation by seniority will file a completed Request for Vacation form in accordance with the following schedule and will receive a response from the Company as follows:

<u>Filing Date</u>	<u>Response Date</u>
Nov. 1-30 of prior calendar year for Jan. – March	Dec. 15th
Jan. 1 - March 1 for remainder of the year.	Mar. 15th

Vacation requests submitted outside of these designated filing periods will be reviewed and approved or denied in the order received without regard to seniority.

1. The Company shall have the right to grant, deny, or modify requested or scheduled vacation dates, based on its judgment as to the staffing requirements of the business.

2. A senior employee shall not be entitled to bump the vacation of a junior employee after the vacation schedule of the junior has been approved.

Pharmacists can not trade scheduled vacations.

F. Vacation cancellation – once approved, vacations must be taken unless canceled no later than thirty (30) calendar days prior to the start of the vacation.

Exceptions may be approved by management, in its sole discretion, for bona fide illness, emergency situations, or based upon business needs. Cancelled vacation time may be offered, if business needs allow, first from an existing waiting list, or if no waiting list exists, by seniority to any pharmacist with available vacation time remaining who requests such vacation time off.

X. HOLIDAYS

A. All regular full-time employees shall receive the following holidays:

New Year's Day
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Christmas Day

B. Employees who do not work their scheduled work day before and their scheduled work day following a holiday shall be ineligible for holiday pay, unless the employee has received a valid subpoena showing that he/she was obliged to and did appear in court on such day, or presents a valid doctor's certificate indicating that such employee was actually treated by the doctor on that day.

C. For regular full-time employees, holiday pay shall be computed at the employee's regular hourly rate of pay for his/her regularly scheduled hours on such day, unless the holiday occurs on a day the employee is not scheduled, in which case, it shall be computed at eight times the employee's regular hourly rate of pay.

D. Regular full-time employees who work on any of the above-named holidays shall be paid at the rate of time and one half the straight time hourly rate

provided that they have worked the scheduled day before and the scheduled day after the holiday. (Such premium pay shall not apply to personal days).

E. If a holiday occurs on a day that employees are not scheduled, the Company will declare sixty (60) days in advance the days within the same payroll week that will be available to be designated as the holiday for those affected employees. The affected employees will rank the days identified in order of preference. The Company then will designate, in seniority order, the day that will be the affected employee's holiday, which will be the employee's highest preference remaining available.

Alternatively, affected employees may request to have a day added to their personal time bank in lieu of having a day designated as their holiday. The day to be added to the affected employee's personal time bank will be equal to the number of hours that he/she would have been paid for the holiday if he/she had not made the election per the preceding sentence. Affected employees desiring to have a day added to their time bank per the preceding sentence must submit a written request at least two (2) weeks in advance of the holiday. The Company reserves the right based on business needs to limit the number of employees permitted to make such request for any holiday by inverse order of seniority. Days added to an employee's personal time bank per this paragraph must be used on a scheduled basis.

F. For those employees who work three (3) consecutive days per week to obtain their forty (40) hours per week, the following holiday procedure will apply: If a holiday occurs on the second day (middle) of a three consecutive day work week, the Company, when business needs permit, will declare no later than thirty (30) days prior

to the holiday that either the first or third day of the scheduled week will be the designated holiday for those affected employees.

XI. PERSONAL TIME BANK

A. Each regular full-time employee will have a personal time bank of paid time off to which days will be added as follows:

<u>Year of Employment</u>	<u>Time Bank Additions</u>
Year 1	1 day/month up to a maximum of 9 days (72 Hours)
Year 2	10 days (80 Hours) on anniversary of hire
Year 3	11 days (88 Hours) on anniversary of hire
Years 4 and later	12 days (96 Hours) on anniversary of hire

For purposes of this Paragraph, a “Year of Employment“ will mean the twelve (12) consecutive month period commencing on the employee’s date of hire and each successive anniversary of his/her hire. An employee will receive a time bank addition for his/her first calendar month of employment only if (s)he commences employment on or before the fifteenth day of the month.

B. An employee will give twenty-four (24) hours’ written notice of his/her intention to take a personal time bank day by submitting a properly completed Personal Time Bank Day Form which will be subject to the written approval of the Company. An

employee may use up to ninety six (96) hours of personal time bank hours per anniversary year for reasons of illness or emergency by notifying the Company prior to his/her shift (or prior to leaving his/her work station if at work) that he/she is unable to work due to illness or emergency. However, if an employee demonstrates an unacceptable pattern of unscheduled absences through such use of his/her personal time bank days, as determined by the Company, the Company reserves the right to take appropriate disciplinary action. The Company reserves the right to condition payment of a personal time bank days taken for emergency reasons upon the employee's presentation of satisfactory support of the existence of such an emergency situation. The Company shall be entitled to medical verification of illnesses of three (3) days or more.

C. The Company will continue its practice of counting unscheduled personal time bank days as hours worked in determining a full-time employee's eligibility for overtime pay under Article V of the Contract, whenever the unit's absentee rate for the prior month is 3.0% or less.

D. Personal time bank days may be taken in whole or half day increments or two (2) hour increments.

E. Employees may carry over unused personal time bank days from anniversary year to anniversary year up to a maximum of twenty (20) days (160 Hours). The Company will not make payment for any unused personal time bank days, except at the end of each anniversary year an employee may elect to be paid for up to five (5) unused personal time bank days (40 Hours); provided the employee requests such

payment in writing on a form supplied by the Company at least fifteen (15) calendar days prior to his/her anniversary date.

F. The Company will allow twenty percent (20%) of the full-time employees in the staff registered pharmacist job classification that are regularly scheduled to work on the day after Thanksgiving and the day before Christmas to schedule personal time bank days on those days. This number will be reduced by employees approved off for vacation on those days, but not by the number of employees for whom such days are a regularly scheduled day off. For example, if 200 full-time staff registered pharmacists are scheduled to work on the day after Thanksgiving and 10 full-time staff pharmacists have been previously approved for vacation on that day, then 30 full-time staff pharmacists will be allowed to schedule a personal time bank day on that day. The employees, for their part, will use their best efforts to minimize unscheduled absences on such days.

G. Cancellation of Personal Time – Once approved, Personal time may only be cancelled by written notice by the employee, pursuant to the procedure then in effect as established by the Company, no later than fourteen (14) calendar days prior to the approved time off. Exceptions may be approved by management, in its sole discretion, for bona fide illness, emergency situations, or based upon business needs. Cancelled personal time may be offered, if business needs allow, first from an existing waiting list, or if no waiting list exists, by seniority to any pharmacist with available personal time remaining, who requests such personal time off.

XII. MEDICAL AND INSURANCE BENEFITS

A. The Employer will furnish, or make available the following Medchoice insurance coverages or benefit plans to all regular full-time employees and such part-time employees, as defined in Paragraph D of this Article, who have successfully completed thirty (30) days continuous employment: medical, dental, life, accidental death and dismemberment and short and long term disability insurance; a prescription drug plan; a flexible spending account plan; and a tuition reimbursement plan. Changes to these plans over the term of this Agreement will be applied to the eligible employees under this Agreement on the same basis as applied to all other employees of the Company and its Medco affiliates that are eligible to participate in those insurance coverage(s) or benefit plans. As an alternative to this medical, dental and prescription drug coverage, the Company also shall offer eligible employees the option of participating in an HMO together with dental and prescription drug coverage. Employees electing one of the group health options will make the established contribution applicable to the selected option through payroll deductions. The required employee contribution for each of the group health options will be equal to the percentage of the annual cost of such coverage as shown in the chart below, which will be paid through weekly payroll deductions.

Calendar Year	Employee Contribution Percentage
2006 & 2007	20%
2008	20%
2009	20%/22%/22%/23%*

*Employee Only/ Employee + Spouse/ Employee + Children/ Family

B. During the term of this Agreement, the Employer also shall make available the following optional, fully contributory insurance coverages: additional life, additional accidental death and dismemberment, dependent life, and additional long term disability insurance. Employees electing some or all of these optional insurance coverages shall pay the full cost thereof through weekly payroll deductions.

C. The terms and conditions of all of the insurance coverages and benefit plans identified in Paragraphs A and B of this Article shall be as specified in the applicable insurance policies and/or plan documents which, rather than this Article, shall govern all rights, remedies and liabilities thereunder. Copies of these insurance policies and plan documents will be provided to the Guild. The Company reserves the right to change the insurance carriers providing any of these coverages or to provide such coverages on either an insured or self-insured basis.

D. The provisions of this Article shall apply to part-time employees who work twenty-five (25) or more hours per week. For the purpose of this computation, the employee's regularly scheduled workweek will count, and not occasional additional hours which may be scheduled from time to time.

XIII. RETIREMENT PLANS

During the term of this Agreement, the Company shall contribute to the Medco Cash Balance Retirement Plan and the Medco 401(k) Savings Plan in accordance with the terms of each plan. Also, during the term of this Agreement, the Company will be a participating employer in the Medchoice Retiree Health Benefits Program. Copies of the plan document, summary plan description and trust agreement for each of these plans shall be provided to the Guild, and the plan document for each plan, rather than this Article, shall govern all rights, remedies and liabilities thereunder.

XIV. SHOP STEWARDS

A. The Guild may elect or select one shop steward and a chief shop steward. An additional steward may be appointed, if necessary to provide coverage across all shifts. No shop steward shall have the right to call any strike, work stoppage or cessation of work.

B. Each shop steward is subject to all of the location rules regarding the conduct of employees on Company premises except as otherwise provided herein:

1. Upon notice and with their supervisor's approval, which shall not be unreasonably withheld, shop stewards will be permitted to leave their work area during working hours with pay for reasonable periods to perform the following duties in their designated departments (or in other departments in the event of special circumstances):

a. to meet with the grievant's supervisor in accordance with the grievance and arbitration procedure of this Agreement;

b. to investigate a complaint for presentation in accordance with the grievance and arbitration procedure when such investigation cannot be reasonably deferred until after regular working hours; and

c. to attend meetings with management representatives in accordance with the grievance and arbitration procedure.

2. Each shop steward will notify his/her supervisor upon returning to their work area from the performance of any of the duties referred to in Paragraph B. 1.

XV. COMMITTEES

A. Safety Committee

The parties will establish a Safety Committee. The Guild will elect or select one representative and one alternate representative to this committee. The Safety Committee will meet once a month, on paid time. It will operate on the basis of a prepared agenda. It will maintain minutes for which purpose a secretary should be designated, either pro tem, or for a period of time, and such minutes should be submitted at each subsequent meeting. Proper records of items “not done” “completed” and “in process” should be maintained so that the work of the committee can be performed efficiently and effectively. Projects undertaken will be assigned “due dates” so that they can be accurately monitored. The subject matter dealt with by this Committee shall not be subject to grievance or arbitration. Final decisions with respect to such issues shall be made by the Company.

B. Professional Practice

The Parties will establish a Professional Practice Committee which will meet at mutually agreed upon times, on paid time. This Committee will operate on the basis on a written agenda, with minutes kept, and adequate records maintained of projects-in-progress. Professional practice issues will not be subject to grievance or arbitration. However, the discussion of any matter in this Committee will not preclude whatever right either party may otherwise have to process a grievance through arbitration under this Agreement. The Guild and the Company will each designate up to four (4) representatives to serve on this Committee. The Company's DPP will serve as the head of the Committee.

XVI. WORK STOPPAGES

A. The Guild and its members agree that there shall be no stoppage of work, strikes of any kind, including sympathy strikes, lockouts, slowdowns, picketing, refusal to handle goods, or other interference with the Employer's business during the term of this Agreement.

B. In the event of an alleged breach of this Article, either party shall have the right to commence an action for damages and/or to seek temporary and permanent injunctive relief from a court of competent jurisdiction, in addition to any other right or remedy to which such party may be entitled.

C. The Guild, and its officers, agents, representatives and members will not in any way authorize, assist, encourage, participate in or sanction any action prohibited by Paragraph A of this Article. If any such action should occur, the Guild, upon a

request by the Employer, will immediately notify the employees of its disapproval of such actions and instruct them to cease such action and return to work immediately.

XVII. GRIEVANCE AND ARBITRATION PROCEDURE

A. It is the sincere desire of both parties that grievances be settled as fairly and as quickly as possible. For purpose of this Agreement, a grievance shall mean a complaint or allegation by either party that there has been a violation, misinterpretation, or misapplication of a provision of this Agreement.

Step No. 1: Within seven (7) calendar days of the event giving rise to the grievance, the grievant and the shop steward will meet with the supervisor or management official involved in an effort to resolve the grievance. If the grievance is not resolved within five (5) calendar days of that meeting, the grievance shall be reduced to writing and submitted to the Company within seven (7) calendar days of the occurrence of this Step No. 1. In discharge cases, the Guild shall submit its written grievance within seven (7) calendar days of being notified of the discharge, and the matter shall proceed directly to Step No 2. The grievance shall be signed by the grievant and the shop steward, and it will briefly set forth the relevant facts and identify the provisions of this Agreement that are alleged to have been violated.

Step No. 2: If the grievance is not resolved at Step No. 1, the Company's Human Resources Manager/Director and, as appropriate, the Company's General Manager and/or Director of Pharmacy Practice, or his/her designee, will promptly meet and discuss the grievance with the grievant and shop steward. The Company will submit a written answer to the grievance within seven (7) calendar days following this

meeting. The Company's answer shall briefly set forth any relevant facts and respond to the statements contained in the grievance.

Step No. 3: If the grievance is not resolved at Step No. 2, and the Guild desires to pursue the grievance further, the Guild shall serve a written demand for arbitration upon the Company, as specified in paragraph B of this Article, within not more than twenty-one (21) calendar days following submission of the Company's answer at Step No. 2.

1. Any notice required to be given to the Company under this Article shall be delivered to the Company's Human Resource Director or his/her designee, or such other person as the Company shall designate in writing. Any notice to be given to the Guild under this Article shall be delivered to the chief shop steward, or in his/her absence, to any shop steward, or such other person as the Guild shall designate in writing. In the event the Company does not submit a written response within any time period as established by this Article, the grievance will be considered to have been denied as of the last day of such response period, and the Guild may then pursue the grievance to the next step within the time period provided as if such written response had been given. In order to avoid controversy as to when notice is given, the person receiving the notice shall sign a copy to be retained by the party giving notice acknowledging receipt and specifying the time and date of delivery.

2. Any grievance that is not submitted to the other party or referred to arbitration within the above time limitations shall be deemed waived, unless the time limitations have been extended by a written agreement between the parties.

3. The grievant shall be present at every step of the grievance procedure, unless the grievant waives his/her right to be present, or the Guild and Company agree the presence would pose a risk to safety or security of employees or the facility.

B. Grievances that have not been resolved through the grievance procedures identified in Paragraph "A" of this Article may be referred to arbitration by the Guild or the Company in accordance with the specified time and notice requirements of this Article, except where the Agreement provides that the subject of the grievance is not arbitrable. Notwithstanding the nonarbitrability of certain subjects, the provisions of Article XVI shall apply. It is recognized that this Agreement does not vest or create in any employee or group of employees covered hereby any rights or remedies which they or any of them may enforce either at arbitration or otherwise, it being understood and agreed that all of the rights and privileges created by or implied in this Agreement shall be enforceable only by the Guild or the Company and only in the manner established by this Agreement.

The following rules and procedures shall govern the referral of grievances to arbitration under this Agreement:

1. Unless the parties mutually agree in writing to the selection of an arbitrator, the party serving the demand for arbitration shall simultaneously file a request with the Federal Mediation and Conciliation Service for selection of an arbitrator in accordance with the FMCS' rules and procedures.

2. Each party will pay an equal share of the cost of arbitration, including the arbitrator's fees and expenses and the cost of the hearing room and, if

ordered by both parties, the transcript. Each party shall pay its own individual expenses, including the fees and reimbursement of its representatives and witnesses.

3. Arbitrable disputes shall include matters affecting the interpretation, application and enforcement of the terms and provisions of this Agreement. In no event shall the arbitrator have any authority to modify, add to, disregard or abolish, in any way, any of the terms and provisions of this Agreement. If a dispute exists as to timeliness of submission of a grievance to arbitration, the arbitrator must, prior to proceeding on the merits, first render a decision whether the time limitation established in this article has been met. If not timely submitted to arbitration, the grievance must be held to be not arbitrable.

4. In the event of a discharge, the power of the arbitrator shall be limited to determining either that the discharge was for just cause, or if not for just cause, that the employee shall be reinstated with or without back pay. Any award of back pay shall be reduced by any earnings or accruals by the employee during the period of discharge or other monies received or accrued by reason of unemployment. In no event shall a back pay award exceed the employee's regular hourly rate of pay for his/her regular working hours lost.

5. There shall be no submission of multiple grievances, whether related or not, to arbitration in a single demand. Nor shall separately submitted grievances be consolidated and/or merged so as to be considered as part of a single arbitration unless agreed upon in writing by the parties.

6. There shall be no audio or video recordings made of any grievance meeting or arbitration hearing, except that an arbitrator may make an audio recording.

XVIII. NEW CLASSIFICATIONS

The Company shall have the right to create new classifications and set starting rates applicable thereto, subject to the Guild's right to negotiate job rate. Changes in job content which do not change the essential responsibility and skill of the job shall not be construed as a "new classification".

XIX. NO WAIVER

The waiver of a term or a breach of this Agreement shall not constitute acquiescence to a change in the terms of this Agreement, nor shall it be deemed to be a waiver of any preceding or succeeding breach of this Agreement.

XX. MODIFICATIONS

This Agreement may not be amended, supplemented, canceled or discharged except by a writing signed by the parties.

XXI. BULLETIN BOARD

The Guild will be provided with a bulletin board for posting notices. Such notices should be factual and shall not contain statements derogatory to the Company and/or its officers and employees.

XXII. ORIENTATION

The Company will introduce each new employee to the designated Guild representative upon commencing employment. At that time, the Company and the

Guild representative will schedule a time to permit the Guild representative a reasonable opportunity to meet with the new employee as part of the Company's orientation process. At orientation, the Company will provide each new employee with a copy of the contract, the Company's rules, absentee control program and the employee benefit materials.

XXIII. WAGES, WAGE INCREASES AND CLASSIFICATIONS

Set forth in Rider "A" attached.

XXIV. BEREAVEMENT LEAVE

Upon the death of a spouse, same sex domestic partner (as defined for purposes of the group health plan under Article XII), parent, parent-in-law, child, brother, sister, grandparent and grandchild of a regular full-time employee or a part-time employee regularly scheduled for twenty five (25) or more hours per week, the employee shall be allowed a leave of absence for the period from the day of death until the day after the funeral, provided he/she attends the funeral, not to exceed three (3) scheduled working days. For all such time allowed off, the employee shall be paid at his/her basic straight time hourly rate, up to eight (8) hours per day, (except as provided in Article V.K), on three (3) consecutively scheduled working days. One day shall be allowed for such employees to attend the funeral of a grandparent-in-law, brother-in-law and sister-in-law.

XXV. LEAVE OF ABSENCE

A. Maternity leave will be granted in the same manner that leave is granted for any other disability.

B. An unpaid leave of absence shall be granted on the occasion of the death of relatives referred to in Article XXIV provided:

1. That attendance at the funeral requires travel outside the continental limits of the United States -- Puerto Rico, Hawaii, Alaska, and the Virgin Islands, shall be deemed outside such limits;

2. That the employee has six (6) or more months of service;

3. That no employee shall be entitled to leave of absence more than twice in any contract year;

4. That such leave of absence shall not exceed thirty (30) calendar days; and

5. That days on approved leave of absence shall count for purposes of seniority, but not for purposes of computing days worked wherever that computation may be relevant, such as, for example but without limitation, vacation eligibility determination.

C. The Employer will grant a leave of absence without pay or benefits for Guild business for periods from thirty (30) days to one year. At the end of that year, the employee may request in writing a renewal of up to 1 year. No more than two (2) staff registered pharmacists will be granted such leave at any one time and no more than a total of three (3) such leaves shall be granted in any calendar year. The period of such leave will not be considered as time worked for any purpose.

D. Employees shall also be entitled to leave of absence without pay, for up to two (2) weeks, unless extended by special permission of the Company, to transact necessary Local Guild business, provided that the Company is given written notice from an officer of the Guild not less than two weeks in advance of such absence, and provided that no more than three (3) staff registered pharmacists from the bargaining unit may be granted such a leave at one time. The Guild will use its best efforts to avoid adversely affecting the business in scheduling such leave. The period of such leave will not be considered as time worked for any purpose.

E. Staff registered pharmacists who have successfully completed the probationary period may be granted a personal leave of absence without pay under emergency or extenuating circumstances at the Company's discretion. If a leave of absence is granted for a period in excess of thirty (30) days, the leave shall be without pay or benefits. However, the employee may continue his/her benefits to the extent permitted by the Consolidated Omnibus Budget Reconciliation Act of 1985 or the terms of the plan or policy. A request for a personal leave of absence will be made in accordance with the Company's established procedure then in effect at the time of the request. The period of the personal leave of absence will not be considered as time worked for any purpose. The Guild will be notified of the names of bargaining unit employees who are granted a leave of absence.

F. An employee who is required to serve on a jury during his/her regular working hours shall be paid the difference between the amount that he/she is paid for serving on the jury and the amount that he/she would have received from the Employer if jury duty had not prevented him/her from being at work, up to a maximum of his/her

regularly scheduled hours per day and forty (40) hours per week for an annual maximum of thirty (30) calendar days in any calendar year; provided the employee promptly notifies the Employer of his/her receipt of the summons for jury service and furnishes a copy to the Employer. If during the period of jury service the employee's attendance at court is not required, the employee will report for work. Employees with regular schedules other than Monday through Friday, will be rescheduled for a Monday through Friday schedule for weeks in which they are summoned for jury duty.

G. The Company's Leave Policy adopted in accordance with the Family and Medical Leave Act provides that employees may reserve one (1) week of vacation and five (5) personal days from usage in conjunction with leave taken under the Policy. Employees must notify the Company of their desire to reserve such days at the time of their FMLA request.

XXVI. MISCELLANEOUS

A. The Company may employ part-timers regularly scheduled less than twenty-five (25) hours per week.

B. When the Company elects to fill an open position or work schedule within the bargaining unit, the Company will post notice of the opening regardless of whether such opening is the result of attrition or an increase in staff. In the case of an open position, the notice shall include a description of the position, hours, wage rate, number of positions available, application deadline and prior experience or education necessary for the position.

C. After this Agreement is signed, the Company will furnish all employees with a copy of the Agreement.

D. In the event it becomes necessary to cancel scheduled overtime, the Company will give the affected employees as much notice as practicable, except in the event of equipment or systems failures, an act of God or other circumstances beyond the Company's control.

E. If an employee is called into work, or scheduled to work overtime at the start of his/her shift, and there is no work available for the employee when he/she arrives at the facility, then he/she will receive payment for the extra hours scheduled, or two (2) hours pay, whichever is less, except no payment will be made if the lack of work is due to an act of God, or other circumstances beyond the Company's control.

F. A reasonable effort will be made to rotate employees between functions to the extent practicable.

G. When an employee receives an emergency telephone call, they will be advised immediately by appropriate means.

H. All full time pharmacists will receive a minimum of eight (8) hours PAID Continuing Education (CE) per year in compliance with Nevada Board of Pharmacy requirements. The Company will continue to supply additional UNPAID CE in accord with current practice. Paid CE hours will not count toward weekly overtime. Non benefited part time pharmacists will be invited to attend all CE on an unpaid basis.

XXVII. MANAGEMENT RIGHTS

The Company reserves the right to exercise all the duties and responsibilities of management and to determine all matters of management policy and pharmacy operation, and to direct and control the work force including, but not limited to, the decision to hire, promote, demote, discipline, suspend, discharge for just cause, transfer, and relieve employees from duty because of lack of work or for other legitimate reasons and to direct, schedule, assign and train employees. The Employer shall be the exclusive judge of all matters pertaining to the servicing of its clients, location of its pharmacy, the schedule and standards of production, equipment, methods, processes, means and materials to be used. The promulgation and enforcement of rules and regulations not inconsistent with the provisions of this Agreement are vested in the Employer, provided that if the Guild deems any such rule or regulation to be inconsistent with the provisions of this Agreement, it shall so notify the Employer. Within twenty-four (24) hours of notice to such effect, the Employer may withdraw the rule or regulation. Otherwise the Guild may submit it to settlement by the adjustment procedure of this Agreement but the rule or regulation shall remain in force pending such settlement.

XXVIII. SEVERABILITY

In the event that any term, condition or provision of this Agreement is declared by any court of competent jurisdiction or any administrative agency having jurisdiction to be illegal, invalid, and/or unenforceable, in whole or in part, all of the other terms, conditions or provisions of this Agreement shall remain in full force and effect, to the

same extent as if that part declared illegal, invalid and/or unenforceable had never been incorporated into this Agreement, and in such form, the remainder of the Agreement shall continue to be binding upon the parties hereto.

XXIX. SUPERVISORY PERSONNEL

Supervisors shall not perform work normally done by bargaining unit employees, but nothing contained in this Paragraph shall prevent supervisors from performing such work: (a) in cases of emergency; (b) in the instruction or training of new employees; (c) for developmental or experimental purposes; and (d) to maintain their skill level; however, such work will in no case be done to displace bargaining unit employees. In the case of (d), the Company will provide the Guild with prior notice of such work by a supervisor.

XXX. EFFECTIVE DATE

This Agreement shall be in effect from the 15th day of October, 2006 and shall continue up to and including midnight September 1, 2009 and shall remain in effect year to year thereafter unless at least sixty (60) days, but no more than ninety (90) days, prior to the termination of this Agreement or any one (1) year renewal period, either party notifies the other by certified mail (return receipt requested) of its desire to terminate, modify or amend this Agreement. Within fifteen (15) days of the receipt of such notice, the parties shall commence negotiations for a new or modified agreement.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, executed this Agreement, effective this 15th day of October, 2006.

GUILD FOR PROFESSIONAL
PHARMACISTS

MEDCO HEALTH SOLUTIONS
OF LAS VEGAS, INC.

BY: _____
Ralph Vogel
President

BY: _____
Richard Jones
Vice President-General Manager

COMMITTEE:

Martin Turetzky

Debra Cummings

Thomas Johnson

Lex Gudmundson

William Herter

Asadollah Tavacoli

RIDER "A"

1. Wage Increases**

Effective Date	% Increase
First Sunday Following Ratification*	3.50%
09/02/07	3.50%
08/31/08	3.50%

*Staff registered pharmacists will also receive a market adjustment to their base wage rate of \$1.25 per hour, which will be applied prior to the initial percentage wage increase set forth above. This initial wage increase, including market adjustment, will be paid retroactive to Sunday, September 3, 2006, provided that the collective bargaining agreement is ratified on a first vote by the membership with a full recommendation from the negotiating committee.

**Increases are applicable to employees who have completed their probationary period as of the effective date of such increase. Starting rates may be established or changed from time to time, exclusively by management, and shall not be subject to grievance or arbitration.

2. Stock Options:

- a. Each eligible regular and probationary full-time (i.e. 40 hour/week) staff

registered pharmacist actively employed as of the ratification date of this Agreement will be granted a non-qualified stock option pursuant to the Medco Health Solutions, Inc. ("Medco Health") 2002 Stock Incentive Plan (the "Plan"), subject to the approval of the Plan

Committee or authorized officer as follows:

(i) Grant Date: Date of Ratification of this Agreement, provided, however, that if the Date of Ratification occurs on a day that the New York Stock Exchange is not open, then the grant date will be the next business day following the ratification date.

(ii) **Number of Covered Shares:** 700 shares of Medco Health common stock.

(iii) **Grant Price:** Grant Price will be determined as of the Grant Date and will be equal to the fair market value of Medco Health common stock as of that date, as determined by a methodology established by the Medco Health Board of Directors.

(iv) **Vesting:** The options will become exercisable, on a cumulative basis, as to one-third (1/3rd) of the covered shares on each of the first three (3) anniversaries of the Grant Date.

(v) **Expiration:** The options will expire on the fifth anniversary of the Grant Date or as sooner provided under the terms of the Plan.

(vi) **Terms:** All other terms of the options shall be the terms applicable to annual grants made in the calendar year of the grant under the Plan and the rules and regulations adopted under the Plan. A copy of the plan document for the Plan will be provided to the Guild and the plan document, rather than this Agreement will govern all rights, remedies and liabilities concerning this Paragraph 2(a) including the granting of the referenced options.

b. On the first two (2) anniversaries of the Grant Date under Paragraph 2(a) (“Initial Grant Date”), each eligible regular full-time (i.e. 40 hour/week) staff registered pharmacist actively employed as of such one year anniversary will be granted a non-qualified stock option pursuant to the Plan, subject to the approval of the Plan Committee or authorized officer, as set forth below. The term eligible staff registered pharmacist, as used in this Paragraph 2(b) means a staff registered pharmacist who (i) has completed as least one year of full-time service as of such one-year anniversary; and (ii) did not previously receive an option pursuant to Paragraph 2(a) or this Paragraph 2(b) or pursuant to employment with an affiliate company on or after January 1, 2006, unless such previously granted option terminated with his/her separation from employment with the Company or affiliate company, as the case may be.

(i) **Grant Date:** Applicable one year anniversary of the Initial Grant Date provided, however, that if such applicable one year anniversary of the Initial

Grant Date occurs on a day that the New York Stock Exchange is not open, then the Grant Date will be the next business day following such applicable one year anniversary.

(ii) No. of Covered Shares: The number of shares will equal the number of shares per option granted under Paragraph 2(a), pro-rated based on the number of years remaining on the term of this Agreement as of such one year anniversary. For example, the option granted to eligible staff registered pharmacists on the first one year anniversary of the Initial Grant Date will cover two-thirds (2/3rds) of 700 shares of Medco Health common stock or 467 shares.

(iii) Grant Price: Grant Price will be determined as of the Grant Date and will be equal to the fair market value of Medco Health common stock as of that date, as determined by a methodology established by the Medco Health Board of Directors.

(iv) Vesting: The options will become exercisable, on a cumulative basis, as to one-third (1/3) of the covered shares on each of the first three (3) anniversaries of the Grant Date.

(v) Expiration: The option will expire on the fifth anniversary of the Grant Date or as soon as provided under the terms of the Plan.

(vi) Terms: All other terms of the options shall be the terms applicable to annual grants made in the same calendar year as such grant under the Plan and the rules and regulations adopted under the Plan. A copy of the plan document for the Plan will be provided to the Guild and the plan document, rather than this Agreement will govern all rights, remedies and liabilities concerning this Paragraph 2(b) including the granting of the referenced options.

3. During the term hereof, the Employer shall have the right to augment the earnings of the employees through the establishment of a productivity incentive plan. It may create, withdraw, or modify, such plans, from time to time. Disputes concerning the establishment and application of any productivity incentive plan shall be subject to grievance but not arbitration, as final judgment in such matters must be made by the Employer.

RIDER "B"

**VOLUNTARY AUTHORIZATION FOR DEDUCTION OF DUES FOR
GUILD FOR PROFESSIONAL PHARMACISTS**

Name: PRINT _____ SSN: _____

Address: _____ ZIP _____

Company: **MEDCO HEALTH SOLUTIONS - LAS VEGAS**

You are hereby authorized and requested hereafter to deduct in equal installments from the wages to be paid to me each payroll the initiation fee and such monthly dues as may be established by the Guild for Professional Pharmacists, and to remit such sum to the Guild on or before the fifteenth (15th) day of the following month.

This authorization shall be irrevocable for a period of one (1) year from the date hereof, or until termination of the currently effective collective bargaining agreement between Medco Health Solutions of Las Vegas, Inc. and the Guild for Professional Pharmacists, whichever first occurs; and shall be automatically renewed and be irrevocable for successive periods of one (1) year each or for the period of each succeeding applicable collective bargaining agreement between the parties above set forth, whichever shall be the shorter, unless within fifteen (15) days prior to such anniversary date of this authorization, I submit a written and dated notice of revocation of this authorization to the Guild.

The Guild will in turn give immediate written notice to you of my revocation of this authorization whereupon such revocation will become effective as of the next payroll or as soon thereafter as reasonably practicable but in any event no later than the third payroll following your receipt of such notice of revocation. If, at the time I give notice of revocation, there is no such collective bargaining agreement then in effect, or if such collective bargaining agreement then in effect does not provide for the deduction of my Guild dues, such revocation shall become effective immediately upon receipt by you. This cancels all prior dues deduction authorizations signed by me.

Signature of Employee: _____ Dated: _____