

AGREEMENT

between

BREWERS RETAIL INC. (Operating as The Beer Store) hereinafter referred to as
the "Employer"

and

UNITED FOOD and COMMERCIAL WORKERS INTERNATIONAL UNION
through **UFCW LOCAL UNION 12R24** hereinafter referred to as the "Union".

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PREAMBLE

The purpose of this Agreement is to establish and maintain satisfactory working conditions, hours and wages, to provide an amicable method of settling differences or grievances which might arise, and to maintain harmonious relations between the Employer and all employees covered by this Agreement. It is agreed that such relations will assist the Employer in the most efficient operation of its business. However, this Preamble shall not conflict with contractual arrangements as set out in the body of the Agreement.

SECTION 1: UNION RECOGNITION

1.01 The Employer recognizes the Union as the sole and exclusive bargaining agent for all its employees employed at its distribution centres and retail stores in Ontario, and in Draught Equipment Service (Windsor Operation only) save and except office staff, and persons of a supervisory capacity such as Foreman or Manager, those above the rank of Foreman or Manager, having the authority to employ or discharge or discipline employees.

1.02 The Employer hereby consents and agrees to recognize a negotiating committee of employees selected by the Union which may be assisted by representatives of the Union's choice and to deal with the said committee for the purpose of negotiating a new or amended Collective Agreement at the proper time or to deal with any matter properly the subject of negotiations which the parties may mutually agree to discuss during the term of the Agreement.

SECTION 2: UNION SECURITY

2.01 All present "regular" employees employed in the bargaining unit as described above, shall, as a condition of employment, become and remain members of the Union.

2.02 "Probationary" employees employed in the bargaining unit as described above, shall, as a condition of employment, obtain and maintain permit cards during their probationary period. However, upon completion of their probation, they shall apply for, and maintain, membership in the Union.

2.03 The Union agrees that any employee engaged by the Employer to work in the bargaining unit who is satisfactory to the Employer will be allowed to make application for membership in the

Union on payment of the regular initiation fees and monthly dues, and will not be denied membership without just cause.

2.04 Whenever an employee is suspended or expelled by the Union, the Union will give the Employer, in writing, the reason for such action.

2.05 The Employer will accept dues deduction forms on a voluntary revocable basis for regular and probationary employees for dues. The Employer will accept on thirty (30) days' notice from recognized Local Union Officers, changes in the weekly dues for members who have submitted dues deduction forms. Such changes to not be more frequent than three (3) per year. The Union agrees to supply the Employer with a current list of recognized Union Officers.

2.06 Temporary employees will have dues deducted on the basis as set out by UFCW Local Union 12R24. Changes not to be more frequent than three (3) per year.

2.07 All funds shall be remitted to the Union Secretary not later than the twentieth (20th) day of the following month for weekly and hourly deductions; together with a list, in duplicate, of the employees covered.

SECTION 3: HIRING PRACTICES

3.01 There will be three (3) classes of employees:

- (a) "Regular" employees mean those so classified under the terms of the expired Collective Agreement.
- (b) "Permanent Part-time".
- (c) All other employees will be classed as "Temporary".

NOTE: "Probationary" employees mean those who are undergoing a prescribed probationary period of satisfactory service with the Employer prior to becoming "Regular" employees.

3.02 It is recognized by the Union and the Employer that it is to the advantage of both parties to maintain as stable a regular staff as conditions will permit. It is agreed, therefore, that the Employer must be free to employ "temporary" employees for seasonal, casual or part-time work.

SECTION 4: HOURS OF WORK & OVERTIME CONDITIONS

4.01 Conditions of the Employer's business are such that stores and warehouses must be operated for hours that are longer than the basic hours of work.

4.02 The basic work week shall consist of five (5) eight (8) hour days. However, other work days e.g. 4x10 hour shifts, may be scheduled under the following conditions:

1. In consolidated distribution centres.
2. In areas where the company and the union agree locally.

- Interest Postings will be utilized.
- Should the extended shift not be filled via the Interest Posting, the company will schedule such assignments by reverse seniority.

Effective January 1, 1995 where a regular employee is not scheduled to 5 x 8 hour days in his/her seniority group, he/she will receive preference over Permanent Part Time and Temporary employees for eight hour shifts known by Friday for the following week, at single seniority stores within the same Operating Group and within a 40km radius of the employee's base location.

Any time worked in excess of basic hours in any one (1) day shall be paid for at time and one-half of the basic wage rate, and hours worked in excess of eleven (11) hours in a day shall be paid for at the rate of double time. Any time worked in excess of basic hours in any one (1) week shall be paid for at time and one-half of the basic wage rate.

PPT and Temporary employees who are scheduled to 4x10 hour shifts prior to the commencement of the first shift in a week will not access daily overtime until after 10 hours worked in that day.

4.03 During a week in which a paid holiday occurs, the basic hours of work shall be reduced by one (1) eight (8) hour day (or 10 hour day for those employees who regularly work 4x10 hour shifts) for each paid holiday observed.

4.04 An employee will not be paid at the rate of double time or time and one-half and at the rate of time and one-half for the same hour worked.

4.05 Overtime is to be calculated on the following basis:

15 minutes and over equals 1/2 hour;
45 minutes and over equals 1 hour.

4.06 (a) The employees in any community will have the option of choosing the method to be used to determine the day off. There will be a rotating day off, Monday through Saturday, throughout the year for all "regular" and "probationary" employees. However, the employees will retain the present option of choosing, on the present recognized community basis, any other method to be used for determining the day off, providing such method is also agreeable to local management. The provisions of this clause shall not apply to those employees regularly employed on a night shift, Draught Equipment Service Servicemen, or to the employees of those stores or distribution centres that are regularly closed on specific days other than Sunday.

(b) In cases where more than one (1) employee's day off falls on a day observed as a paid holiday, they shall be scheduled to another day from among those days available in order of seniority within an occupational group.

4.07 Employees will be paid overtime at the rate of double time for work performed on Sunday, for a minimum of three (3) hours.

For the purpose of loading line haul trucks exclusively, for work performed on Sunday after 6:00 p.m., employees in DC's will be paid at straight time plus ten percent of the employees' hourly rate. Where this Sunday work causes the full time employee to work more than 44 hours in a week, he or

she will be paid at straight time and will receive one half hour of paid personal time for every hour worked over 44 hours in a week. Where this Sunday work causes a PPT or temporary employee to work more than 44 hours in a week, the PPT or temporary employee will be paid time and one half for each hour worked over 44 hours.

Interest Posting will be utilized to determine which qualified DC employees will be scheduled to this work giving preference by seniority and by the following classifications: Warehouse Checker, Stacker Operator, Other Regulars who normally work in the warehouse, all other DC regular employees.

The new classified position of Licensee Pick-up Checker will be posted within the seniority group.

In Retail stores, designated Licensee Pick-up stores and Retail section of Wholesale Retail, Sunday is to be a premium day and the premium to be paid is to be ten percent (10%) of the employee's regular hourly rate.

A designated Licensee Pick-up Store is defined as a location that provides pick-up service for licensees for kegs and cases. No licensee deliveries will originate from these locations and no TBS delivery vehicles will be attached to these locations. If the Company places a truck at the location and delivers to licensees from this location, Distribution Centre wage rates will then apply.

Where Sunday work will cause employees to work more than 44 hours in a week, employees will be paid for those hours over 44 hours on the following basis:

- (a) Regular employees will be paid at straight time and will receive one half hour paid personal time for every hour worked over 44 hours.
- (b) Permanent part-time and temporary employees will be paid time and one-half for each hour worked over 44 hours.

Sunday work is not considered to be part of the basic work week as described in Section 4.02. Hours worked on Sundays will not be involved in the determination of vacancies.

The company will determine staffing requirements. Available Sunday work assignments known by noon of the Thursday prior will be offered on a voluntary basis as follows:

First to the retail cashier based in that store. Then, to other regular employee(s) by seniority based in that store. Should the retail cashier or other regular(s) based in that store decline a shift, the declined shift(s) will then be offered to the regular Retail float employee(s) who have expressed an interest in Sunday work.

Subsequent work assignments will then be offered on a seniority basis to the PPT's based in that store, then on a seniority basis to unrestricted temporary employees, then to restricted temporary employees based in that store.

Any remaining hours may then be offered to any other Retail regular, PPT or temporary Retail employees.

Local Management and the Local Union will meet to determine the method of assigning the regular

Retail float employees as per the above.

4.08 It is agreed that it is the function of the Employer to determine when overtime is necessary and to schedule overtime work. However, both parties agree that overtime as such is undesirable, and every effort will be made to keep it to a minimum in relation to the above circumstances.

4.09 It may be necessary for the Employer to schedule an employee to work on what would have been his/her day off. When an employee is so scheduled and does not wish to work on that day, the Supervisor must be notified promptly that the employee will not be available for the particular assignment. When it is necessary to schedule an employee to work on what would have been his/her day off, for such assignments that are known by noon the previous day, the Company will schedule the senior employee within the required classification and based in the same store or distribution centre, providing the employee has indicated an interest in such assignments.

4.10 It is agreed that in the case of an employee, or employees scheduled to exceed a basic work day, they must then complete their work schedule. However, they may be excused on presentation of satisfactory personal reasons at the time of being requested to work overtime, or may be released from such work assignments if a satisfactory replacement is immediately available.

4.11 It is agreed that it is the function of the Employer to schedule regular hours of work. On each Thursday before each employee completes his/her shift for the day, the schedule of hours to be worked on each day of the following week shall be posted with a copy to the Local Union on request. This schedule will set out the hours for store staffs or groups (truck crews, etc.) within a distribution centre, and will give particulars of the names of those employees who are scheduled to be laid off or scheduled to report for less than full regular hours, or for work assignments other than regular working hours in lieu of layoff.

It is understood the employees scheduled for full regular hours and those regular employees who are scheduled for part time or work assignments other than their regular assignments will be paid for at least the number of hours so scheduled for the week if they are not given the opportunity to work at least the number of hours scheduled for them. Without changing the schedules posted pursuant to the preceding paragraph where because of some emergency situation or because of illness or absence of scheduled employees, an employee may be requested to take over a work assignment different from that posted for him/her, provided he/she is given four (4) working hours' notice of such change, and further provided that at least seven (7) hours' time will elapse from the end of the posted assignment to the commencement of the new assignment.

If these two (2) conditions are not met, the employee shall be paid at the rate of time and one-half for all hours worked out of his/her regular hours on the first day worked on the new assignment. However, the penalty shall not apply when he/she reverts back to his/her regular assignment.

4.12 "Regular" and "probationary" employees who are not on layoff status will not be employed on a split shift basis, i.e. will be scheduled for nine (9) consecutive hours including lunch period.

4.13 "Regular" employees and "probationers" will be given work assignments which permit them to take one (1) hour off for lunch at a reasonable time each day. (Except by mutual agreement, the lunch period will not start earlier than the beginning of his/her fourth hour of work

and will not start later than the end of his/her fifth hour of work.)

4.14 (a) When temporary (permanent part time or temporary part-time) employees fill vacancies or work hours created due to the absence of regular full time employees the more senior unrestricted temporary employee shall be offered the work provided the employee has the skill and ability to perform the work.

In retail stores, unrestricted employees are defined as those who are available for any and all work assignments from Thursday 5:00 p.m. through Saturday 11:30 p.m..

(b) Permanent part time and temporary part time employees shall be afforded the opportunity to schedule vacation in accordance with their seniority.

(c) Permanent part time and temporary part time employees shall indicate their availability on forms provided by the Company at 6 month intervals (April and October). These forms will be kept on file in each location. In response to scheduling concerns, access to these forms will be made available by the Supervisor at that location for review by the local union representative.

(d) Permanent part time and temporary part time employees who are unrestricted shall receive preference over restricted permanent part time or temporary part time employees for available hours of work.

(e) When the schedule is posted, a junior permanent part time or temporary part time employee shall not be scheduled to work more hours than a senior permanent part time or temporary part time employee based at the same location. Hours worked in other locations outside their base location will not be counted as hours worked for this provision.

(f) Where additional hours are created in addition to the original schedule due to absenteeism, emergencies, unforeseen conditions, etc., these hours shall be assigned by the Store Manager.

4.15 Employees who are called back for overtime resulting from an emergency situation, after having gone home or on day off, will be paid at appropriate overtime rates with a minimum payment of \$30.00 for each callback and will be reimbursed mileage where applicable.

SECTION 5: WORKING CONDITIONS

5.01 Foremen and above will not physically handle goods in distributing warehouses, retail and wholesale sections, except for the purpose of spot checks, audits, inventory control, training and demonstration.

5.02 In operations having five (5) or more "regular" and "probationary" employees (excluding the Manager), the Manager will not perform any duties other than those involved in servicing the Customer, performing essential supervisory duties and maintaining necessary records.

5.03 In operations having four (4) or less "regular" and "probationary" employees (excluding

the Manager), the Manager shall be free to perform any duties which may be necessary to maintain the Store operation.

5.04 The Draught Equipment Service Supervisor shall be free to perform the duties of a Serviceman during emergencies, installations, maintenance, etc.

5.05 Drivers delivering large kegs (58.6L, 50L) shall have help supplied to load and unload except where physical handling of these kegs is not required. In those instances, one person may be assigned to complete the delivery. These delivery points will be subject to mutual agreement with the local union. The Employer shall endeavour to the mutual satisfaction of all concerned, to provide extra help for trucks making deliveries to licensed premises with difficult unloading conditions.

5.06 "Regular" or "probationary" employees who may be transferred for a continuous period of eight (8) hours or more to higher classifications as specified in this Agreement, will receive the higher rate while so occupied. However, an employee who is transferred to a higher classification for four (4) or more hours to take over an assignment of an employee who is unable to complete his/her assignment because of illness, accident or approved leave of absence, will receive the rate of the higher classification while so occupied.

When a "regular" or "probationary" employee, for physical reasons, is employed in a lower classification, he/she will receive the rate of pay for the lower classification while so employed.

Unless there is a mutually agreed practice, when preparing the work schedule for a store or distribution centre in a community as per Section 4.11 on Thursday for the following week or when filling predicted assignments during the week, providing they are known by noon the previous day, the Company will, if it is necessary to make assignments in a higher rated job for eight (8) hours or more, assign regular employees from that community in preference to temporary employees providing the regular employee has the ability and has expressed an interest and is not required in another assignment.

Further to the above paragraph, in the instance where a regular employee has the ability and has expressed an interest and is required in another assignment, the regular employee will receive the rate differential.

This will not constitute a requirement on the Employer to schedule overtime.

5.07 When required, "checkers", "cashiers", "clerk cashiers" and "clerk drivers" will perform, and employees in other classifications may perform, supervisory functions for normal relief periods such as the Supervisor's day off or vacation period. They shall receive \$2.00 in addition to their regular rate for each day on which they perform supervisory functions for a total of at least four (4) hours up to six (6) hours; and \$4.00 for each day on which they perform supervisory functions in excess of a total of six (6) hours. These extra payments are to be in addition to the rate of "checker", "cashier", "clerk cashier", or "clerk driver", provided this classification is operative at their particular store. This premium shall not be used to calculate overtime, premium pay for paid holidays and insurance coverage.

Employees in the Temporary Classification who provide relief of supervision for 8 hour shifts will be paid PPT rates while so occupied.

5.08 For periods other than those described above, upon notification by the Employer, employees will be granted acting Supervisory status. When employees have been granted acting Supervisory status, the provisions of this Collective Agreement will not apply.

5.09 A "regular" or "probationary" employee on layoff or short time shall be recalled for the day, if his/her recall would result in an employee qualified to drive being made available to operate:

(a) available equipment owned by the Employer;

(b) other suitable equipment which the Employer can rent without a driver at a rate* which is reasonable. Where there are prevailing rates for such rental equipment in any community they shall be used to determine what is a reasonable rate.

*This rate refers to the cost of procuring the trucks for the use of the Employer and has nothing to do with the cost to the Employer of the employees to whom it is assigned.

SECTION 6: SENIORITY

6.01 The seniority of each "regular" employee shall be as set forth in the present seniority lists.

6.02 An employee, upon completion of a probationary period of four (4) months' continuous service shall have his/her name placed on the appropriate seniority list as of the date four (4) months prior to the date of completion of such probation.

6.03 Seniority shall be recognized within seniority lists as set out in the appendix to this Agreement, but may only be changed by mutual agreement.

6.04 Should a probationer be laid off during his/her probationary period, he/she shall receive preference over a probationer on layoff with less probationary service, or any other applicant, in the matter of filling vacancies.

6.05 A probationer who is laid off and is rehired as a probationer, will be required to serve the regular probationary period of four (4) months of continuous service. However, he/she will receive an adjustment in his/her pay to the "regular" rate when he/she has served the equivalent of the unexpired portion of his/her first probationary period.

6.06 Within each seniority group in the matter of promotions, demotions, layoffs and recalls after layoffs, seniority shall govern provided the senior employee has the ability and physical fitness to perform the work. The Employer shall continue its present practice with respect to job posting.

6.07 An employee shall lose his/her seniority for any of these reasons:

(a) if an employee is discharged for just cause;

(b) if an employee voluntarily leaves the employ of the Employer;

(c) if an employee fails to notify the Employer accepting return to work within seventy-two (72) hours of recall notification by registered mail at the last address on file with the Employer, and failure to report to work within seven (7) days of acceptance of recall.

6.08 An employee who is transferred from positions not subject to the provisions of this Agreement, shall, if transferred to the bargaining unit, have his/her name placed on the seniority list and shall outrank any new addition to the list made under the provisions of Section 3 and at the end of twelve (12) months will be given seniority equivalent to his/her total service with the Employer, to be effective when a vacancy exists.

However, in the case of an employee who has been in the bargaining unit and has been in a position outside the bargaining unit for one hundred and thirty-two (132) days or less, he/she will be given seniority equivalent to his/her total service with the Employer at the time of his/her transfer back into the bargaining unit.

6.09 The Guaranteed Wage Plan, which is a supplement to this Agreement, is intended to provide assistance for those eligible employees who have one (1) or more years of seniority who are laid off as a result of the application of the above clause, and it is not to be construed as authorization to alter existing layoff and recall provisions.

6.10 Persons hired as regular employees after March 21, 1988 who have achieved seniority and who are not yet eligible for participation in the Guaranteed Wage Plan will, upon permanent layoff, be eligible to receive an amount of severance pay equal to one (1) week of regular pay for each completed year of service as of the original date of his/her layoff. Upon receipt of such severance pay, the employee's employment is terminated and his/her seniority and other rights under this Agreement are cancelled.

SECTION 7: LAYOFF AND RECALL

7.01 In the event of the curtailment of business or in the event of changed conditions which will cause a shortage of work, the Local Union will be given reasonable notice of the Employer's intention to lay off regular employees or to schedule some of them for less than full time hours or for hours other than regular hours in lieu of layoff.

This notice will permit discussion of the problem and provide an opportunity for either the Local Union or the Employer to make suggestions which could eliminate or reduce the extent of the layoff or short time situation anticipated, such as a change in the system of days off or additional paid vacation days, in lieu of vacation bonus.

Following such meeting, the Employer shall promptly advise those employees who are likely to be laid off or scheduled for short time or for other than regular hours.

7.02 Where such curtailment of business or changed conditions are likely to cause layoff or short time work assignments for employees in several seniority groups covered by this Agreement, then the Employer shall discuss the problem with Local Union 12R24.

7.03 (a) A regular employee who is scheduled for less than regular hours or for assignments other than normal hours in a week must accept all reasonable short time work assignments in the

seniority group unless:

(i) he/she has filed a letter indicating that he/she declines work for the period of the anticipated work shortage; in such cases he/she will be deemed to have taken leave of absence and to have opted out of the G.W.P. until he/she indicates by letter that he/she is again available for short time work assignments, or

(ii) unless he/she has filed a letter indicating that he/she will accept limited work assignments only, specifying days and locations, and such an employee must accept all reasonable short time work assignments for which he/she has indicated that he/she will be available, and with respect to any hours for which he/she has indicated that he/she is not available he/she will be deemed to be on layoff, but not eligible for G.W.P. payments for those hours.

(b) An employee who has not filed such a letter is presumed to be available for all reasonable short time assignments within his/her seniority group. An employee who refuses to accept or fails to report for a scheduled assignment without reasonable excuse shall be struck off the schedule for the week, and will not be scheduled for any subsequent weeks until he/she notifies the Employer in writing that he/she will be available for reasonable short time work assignments, and until he/she does so he/she will be deemed on layoff but not eligible for benefits under the G.W.P.

(c) A regular employee who is laid off shall be carried on the seniority list for a period equal to the seniority he/she has accumulated at the time the layoff commences up to a maximum of two (2) years calculated from his/her last day at work.

(d) Regular employees who are scheduled to work any hours in any week will continue to be eligible for Weekly Indemnity coverage except that the benefit for a regular employee who has filed a letter indicating that he/she will accept only limited work assignments, will be limited to an amount not in excess of 70% of the hours for which he/she has made himself/herself available.

Employees who are laid off and who are not scheduled for any work in a week are not eligible for Weekly Indemnity payments during any such week.

However, an employee already in receipt of Weekly Indemnity benefits before he/she is actually laid off or scheduled for short time assignments will continue to draw benefits for the duration of his/her illness or up to the maximum allowed by the Plan.

An employee's eligibility for personal leave and participation in the Weekly Indemnity and Long Term Disability Plans ceases immediately upon his/her lay off and is reinstated upon his/her recall to work and completion of eight (8) hours' work in the Bargaining Unit.

Notwithstanding the above, an employee with ten (10) or more years' seniority who is laid off, and who, if recalled within two (2) weeks or less, is unable to report to work due to sickness or non-occupational accident, shall be eligible for participation in the Weekly Indemnity and Long Term Disability Plans effective the date of his/her recall.

7.04 When a vacancy is declared on a seniority list which is not otherwise filled, a regular employee on layoff or who has been scheduled for less than the regular work week will be offered a

transfer under the following conditions:

- (a) the employee must have the ability and physical fitness for the position that is open;
- (b) the employee must transfer voluntarily at his/her own expense;
- (c) the employee must accept the rate that is applicable to the vacancy;
- (d) if a vacancy is not filled within seven (7) days, the company shall offer transfers to employees from overstaffed areas on an expanding geographic basis as follows:
 - (i) Neighbouring Seniority Groups
 - (ii) Provincially
- (e) the transferring employee will retain his/her existing seniority on the seniority list of the area to which he/she has been transferred.

SECTION 8: GRIEVANCE PROCEDURE & ARBITRATION

8.01 The Employer guarantees to every employee covered by this Agreement that their status will not be prejudiced in any manner due to the fact that they have taken the action of carrying grievances to higher management levels when there has been failure to settle their complaints or grievances satisfactorily through their immediate supervisors.

8.02 The procedure for the discussion of any questions or problems which might arise concerning working conditions shall be as follows:

Step No. 1: By discussion between the employee concerned jointly with his/her Local Union Representative, the Foreman, or Manager.

Step No. 2: The grievance shall be reduced to writing at Step 2. It shall then be discussed between the employee concerned jointly with the Vice-President, or his/her Local Union Representative, the Foreman, the Manager and/or District Manager or Superintendent.

Where the Manager mentioned in Step 1 reports directly to the Regional Director, the Manager will act for the Company in both Steps 1 and 2, and, where mutually agreeable, both Steps may be handled at the same meeting.

Step No. 3: Between the employee concerned jointly with the Vice-President, a Union Representative, the Foreman or Manager, the Superintendent or District Manager, and the Regional Director or his/her representative.

8.03 Should the matter not be settled within fifteen (15) days of the date the written grievance is filed or such longer time as may be mutually agreeable, the issue may be submitted to Arbitration as provided by this Agreement.

Grievances will not be submitted to arbitration if ninety (90) days have elapsed from the date a third step meeting was held. Either party will get an extension if they request it in writing.

Arbitration hearings will be held in one of the following locations: Ottawa, Sudbury, Toronto, Windsor. The locality to be selected by mutual agreement, however, failing agreement, the Chairman shall set the place for the hearing.

8.04 Should the matter at issue involve the misinterpretation or alleged violation of the Agreement, either party shall have the right to submit the matter to an Arbitrator. In the event the parties fail to agree upon an Arbitrator, the Minister of Labour for the Province of Ontario shall be requested to name a person to act as Arbitrator.

The decision of the Arbitrator shall be final and binding on both parties to this Agreement.

The Arbitrator shall not have any jurisdiction to alter or change any of the provisions of this Agreement nor to substitute any new provisions in lieu thereof, nor to give any decision inconsistent with the terms and provisions of this Agreement.

The parties will jointly bear the expense of the Arbitrator.

SECTION 9: PAID HOLIDAYS

9.01 The Company will observe the following holidays, namely:

New Year's Day	Labour Day
Good Friday	Thanksgiving
Victoria Day	Christmas Day
Canada Day	Boxing Day

Civic Holiday, when it is locally observed, and any other days on which the Liquor Control Board directs the Company to close its operation.

Should the Company be allowed to remain open on Easter Monday, another day off will be scheduled on an individual basis to suit the operation (not necessarily in the same week).

9.02 A "regular" or "probationary" employee who completes at least one (1) scheduled eight (8) hour day or a total of twelve (12) hours in a week in which a holiday is observed, shall be credited eight (8) hours at straight time for the holiday if he/she does not work on the holiday.

An employee who is scheduled to a combination of vacation bonus days, lieu days, float days or scheduled personal leave days that totals four (4) days during the week in which a paid holiday occurs, will be credited eight (8) hours at straight time for the holiday.

9.03 If it is necessary for any regular or probationary employee to work on any such day, he/she shall receive premium pay at the rate of double time for hours worked on that day. Temporary and Permanent Part Time employees shall receive double time for actual hours worked. They will be scheduled to a minimum of three (3) hours.

Work on Statutory Holidays will be on a voluntary basis, that is employees have the right to refuse. It is understood, however, that where this creates staffing problems, employees may be scheduled by reverse seniority to work on the Statutory Holiday.

9.04 A "regular" or "probationary" employee who completes at least one (1) scheduled eight (8) hour shift or works a total of twelve (12) hours in the first full week of November each year, including those on scheduled vacation that week, will receive one (1) day off with pay to be scheduled in the period November 1 to December 15 or January 1 to May 31 inclusive.

A "regular" or "probationary" employee who completes at least one (1) scheduled eight (8) hour shift or works a total of twelve (12) hours in the week that January 2nd falls, including those on scheduled vacation that week, will receive one (1) day off with pay to be scheduled in the period January 2 to May 31 inclusive.

9.05 Statutory Holiday pay for temporary employees will be administered according to the terms and conditions of the Employment Standards Act.

SECTION 10: VACATION PLAN

10.01 Vacation Leave

On May 1st in each year vacation leave will be established for all regular employees according to the following scale:

(a) Regular employees who achieve that status prior to October 1st of the previous year - two (2) weeks. Regular employees who achieve that status after October 1st of the previous year will be paid 4% of earnings to May 1st.

(b) Regular employees who have three (3) or more years of seniority as of May 1st - three (3) weeks.

(c) Regular employees who have eight (8) or more years of seniority as of May 1st - four (4) weeks.

(d) Regular employees who have fifteen (15) or more years of seniority as of May 1st - five (5) weeks.

(e) Regular employees who have twenty (20) or more years of seniority as of May 1st - six (6) weeks.

(f) Regular employees who have twenty-five (25) or more years of seniority as of May 1st - seven (7) weeks.

(g) The initial establishment of the fourth, fifth, sixth and seventh week of vacation will be made with reference to the employee's seniority anniversary date as though established as of May 1st.

(h) No vacation leave will be established for those employees who are absent because of illness for more than twelve (12) months on May 1st.

10.02 Vacation Time

Summer vacation shall be limited to two (2) consecutive weeks which shall be scheduled from the first Monday in June to September 30th. Additional vacation leave can be scheduled during the balance of the year.

Vacations are to be granted by seniority and within occupational groups where applicable.

All vacation leaves must be taken within twelve (12) months after they have been established on any May 1st, and except as provided in Section 10.03, an employee is not to remain at work during a vacation leave.

If a paid holiday occurs during an employee's vacation leave, an alternative day off may be requested by the employee. Such a request will not unreasonably be denied, however, approval will be subject to the needs of the operation. The day must be taken within six months of it having been earned. (The employee will have three months during which to request and arrange a day off after which the company will schedule the day off at its discretion. Should the day off not be taken within the six month period it will be paid out to the employee at the employee's classified hourly rate).

10.03 Vacation Pay

For each week of vacation leave an employee shall receive forty (40) hours' pay at his/her current hourly wage rate, except that with respect to the first two (2) weeks of vacation taken after May 1st in any year payment shall be at the rate of 4% of earnings during the twelve (12) month period preceding May 1st if the employee has lost fifty (50) days or more in the said twelve (12) month period because of layoff or other absence not due to illness or accident.

Provided further that in the case of those regular employees who have less than twelve (12) but more than seven (7) months' service as regular employees on May 1st in any year the fifty (50) working days shall be prorated to their actual length of service as follows:

7 months.....	29 days
8 months.....	33 days
9 months.....	37 days
10 months.....	42 days
11 months.....	46 days

An employee who is to be paid on a percentage basis for his/her first two (2) weeks of vacation may elect to remain at work and receive the 4% payment without taking any time off.

For those regular employees who receive their initial two (2) weeks' vacation under this plan the payment therefore in the amount of forty (40) hours' pay at their current hourly rates shall include any percentage payments earned by them during the twelve (12) month period prior to May 1st.

10.04 Vacation Bonus

In addition to the normal vacation pay provided by Section 10.03, a vacation bonus for certain employees will be established on May 1st of each year when vacation leaves are established assuming that all such vacation leaves will be paid for on the basis of wage rates then in effect.

This bonus will be available for payment in a lump sum at any time during the vacation leave period as agreed between the local Union and local Management.

In locations where a shortage of work is predicted, employees may be scheduled to take time off rather than the payment of cash vacation bonus by mutual agreement with the Local Union.

On May 1st a vacation bonus will be established for those who have three (3) or more years of seniority on that date. The amount of the vacation bonus is to be 20% of the normal vacation pay, with a minimum of one (1) week's pay for those regular employees who had twenty (20) years or more of seniority.

During the term of this agreement, the vacation bonus is to be taken as paid time off scheduled by the employee with prior notice according to the needs of the operation.

10.05 Vacation Payment On Termination

All terminations shall be handled on the following basis:

(a) Employees who had received their vacation earned as of May 1st prior to termination shall receive a pro rata payment of 4%, 6%, 8%, 10%, 12% or 14%, as applicable of earnings from May 1st to date of termination.

(b) Employees who had not received their earned vacation as of May 1st prior to termination shall receive their regular vacation pay in addition to a pro rata payment of 4%, 6%, 8%, 10%, 12% or 14% as applicable of earnings from May 1st.

(c) Temporary employees shall be entitled only to vacation pay in accordance with provisions of the Ontario Employment Standards Act. Effective January 1, 1998, vacation payment for temporary employees will be made by pay period.

(d) An employee, on termination, shall receive any vacation bonus to which he/she is entitled.

SECTION 11: PERSONAL LEAVE

11.01 Personal leave is intended to provide protection for employees from loss of pay due to illness or any other reason required to satisfy other personal reasons. Personal leave time off, except in illness/emergency situations, must be scheduled with prior notice according to the needs of the Operation. Current local reporting procedures remain in place.

11.02 Personal leave is to be granted to "regular" employees on the following basis:

(a) Forty-eight (48) hours shall be credited to the personal leave bank each year for each "regular" employee who worked prior to January 15th of that year.

(b) On January 15th for the purpose of personal leave credits only, "regular" employees on "short time" by being scheduled to work three (3) days or more in each week that month shall be

considered as "regular" regarding personal leave provisions only.

(c) "Regular" employees shall be granted four (4) hours' personal leave for each calendar month of employment for the year in which they were hired, retroactive to the commencement of their probationary period.

(d) "Regular" employees on layoff, who had not received their personal leave credit for that year and are recalled to "short time" (as defined above), shall receive four (4) hours' personal leave for that month and for each month remaining in the calendar year.

(e) "Regular" employees on layoff who are employed on a casual or part-time basis shall not qualify for personal leave credits.

(f) "Regular" employees who have been absent due to illness for less than twelve (12) consecutive months shall be credited with forty-eight (48) hours' personal leave on January 15th.

11.03 Any unused personal leave credits as of December 31st will be carried over to January 1st of the following year. These credits must be exhausted by April 30th of that year. Any credits not exhausted as of April 30th, will be scheduled by the Company as soon as possible thereafter.

SECTION 12: BULLETIN BOARDS

12.01 Bulletin Boards will be provided in mutually satisfactory places in all stores and distribution centres. The Company agrees to dedicate space on bulletin boards for the use of the Union to post notices of Union activities. All such notices must be signed by a proper Officer of the Union, and, other than routine meeting or business notices, must be approved by the Employer before posting. Notices by the Employer are to be signed by the Manager or his/her representative.

SECTION 13: EMPLOYER/EMPLOYEE RELATIONSHIP

13.01 Employees shall conduct themselves in an orderly and respectful manner when addressing the Employer or its representatives. The employee or his/her representatives shall receive fair and courteous treatment from the Employer or its representatives. Supervisors will exercise their management rights in a non-arbitrary and non-discriminatory manner during their relationship with bargaining unit employees.

The Beer Store is committed to maintaining a positive relationship with all employees founded on honesty, integrity and respect.

SECTION 14: LEAVE OF ABSENCE

14.01 The Employer may grant leave of absence without pay to any employee for legitimate reasons, such permission and request to be in writing. When such permission is granted, there shall be no loss of seniority for the time absent.

If such leave is for purposes of conducting Union business, the employee requesting the leave will, whenever possible, provide to the Company with written reasons in advance in support of the request for leave. If he/she is unable to do so, he/she shall provide written reasons in support of the leave request immediately upon his/her return.

14.02 Where leave is requested by an employee who has become an official of the International Union or of Local Union 12R24, the case will be dealt in accordance with the amended precedent established in the letter dated September 28th, 1960, from the Company to the Executive Secretary.

14.03 Effective January 1, 1979, and upon written application by Local Union 12R24, the Company agrees to grant an education leave of absence, without loss of regular pay, not to exceed three (3) normal working days in any one (1) year, to elected Union Representatives as agreed between the parties, to a maximum of one hundred (100) days per annum. Such educational leave will be so arranged between the Union and the Company so as to minimize disruption of the Company's operations.

SECTION 15: JURY DUTY

15.01 Effective with the signing of this Agreement, under the following conditions, an employee will be compensated for days actually spent on jury duty, or as a witness to give evidence in a case arising out of the sale of brewery products, or as Crown-subpoenaed witnesses (up to a level equivalent to eight (8) hours or ten (10) hours as it applies of straight time pay at the employee's regular wage rate for time lost due to such subpoenas). This will include attendance as a witness on an employee's day off or during an employee's vacation.

15.02 An employee will receive the difference between his/her jury fees and his/her regular earnings (excluding overtime and shift differentials) which he/she would have received for regularly scheduled work days on which he/she would actually have worked if he/she had not been serving jury duty, or as a witness as contemplated in Section 15.01.

15.03 No payment shall be made for any hour for which the employee receives compensation by the Employer for any other reason.

15.04 The claim must be verified to the Employer's satisfaction.

15.05 An employee shall be required to report immediately upon being excused or released from jury duty, or as a witness as contemplated in Section 15.01, at which time he/she will be notified whether or not he/she will be required to report for work that day.

SECTION 16: BEREAVEMENT ALLOWANCE

16.01 "Regular", "probationary" and "PPT" employees will be granted bereavement allowance under the following conditions:

Should a bereavement occur in an employee's immediate family (members of his/her household, parents, brothers or sisters, father-in-law or mother-in-law and son-in-law and daughter-in-law, grandchild) the employee may request a bereavement leave, and shall be granted such time off with

pay as is reasonable under the circumstances to enable him/her to look after the funeral arrangements or to attend the funeral. The extent of leave shall be in the discretion of the Employer, depending upon the time of the bereavement in relation to his/her regular time off, the distance to be travelled, etc. The general standard of bereavement time off shall be three (3) consecutive days. Providing prior permission is received in the event an employee attends the funeral of a brother-in-law, sister-in-law or grandparent, on a regular scheduled work day, one (1) day off with pay shall be granted. (Include step equivalents to those listed above)

SECTION 17: REST PERIODS

17.01 Employees will be granted two (2) rest periods of fifteen (15) minutes in each working day on the following basis:

Note: For employees who work 10 hour shifts, employees will be granted two (2) rest periods of twenty (20) minutes on each working day.

17.02 In distribution centres and wholesale sections, rest periods will be taken two (2) hours after starting and seven (7) hours after starting.

17.03 For retail store employees and truck crews the two (2), fifteen (15) minute rest periods will be mutually agreed upon. However, in retail stores where only one (1) employee is on duty, the formal rest period will be waived.

SECTION 18: UNIFORMS

18.01 Employees must report for work in uniform, clean and presentably dressed, ready to meet the public. The Employer shall furnish employees with uniforms based on the agreed scale of issue, as set out in an appendix to this Agreement. The Union will be consulted prior to any change in the scale of issue. The total cost of uniforms and dry cleaning to be borne by the Employer. The Employer will require an employee to replace, at his/her own expense, any shortage in his/her issue for which he/she is personally responsible, and cannot furnish a satisfactory explanation.

18.02 Rubber, leather, or canvas aprons, gloves and rubber boots will be supplied when and where, in the opinion of the Employer, they are necessary.

18.03 Uniforms up to the agreed scale of issue and/or equipment supplied to employees must be returned to the Employer when employees leave.

18.04 Employees must report for work wearing approved safety shoes. Exceptions to the compulsory program will only be allowed upon presentation of satisfactory medical evidence.

SECTION 19: PENSION AND BENEFITS

19.01 The Employer shall provide an insurance and hospitalization plan, as agreed upon, for its

employees and particulars of the benefits will be issued in a separate booklet. The Pension Agreement will also be issued separately.

19.02 An employee shall not receive wages or other allowances such as holiday pay, vacation pay, weekly indemnity, LTD, Worker's Compensation, or other similar benefits from more than one source for the same day or part day.

19.03 When an employee is in receipt of Weekly Indemnity Benefits during a period in which he/she has scheduled vacation, upon receiving notification of their ability to return to work these vacations will be rescheduled.

Should the employee's disability continue into Long Term Disability (27-78 weeks), upon receipt of notification of their ability to return to work outstanding vacation credits will be rescheduled.

Should an employee's disability continue into "hard" Long Term Disability (at 104 weeks), all outstanding vacation credits will be scheduled prior to the commencement of "hard" Long Term Disability benefits.

SECTION 20: PAY DAY

20.01 A regular weekly pay day shall be continued as established by the Employer (this pay day shall not be Saturday).

The Company may implement a system of mandatory Direct Deposit payroll for all employees.

In Distribution Centres, employees will not be required to pay a deposit on receipt of their first access/payroll fob. Employees will be required to pay for lost fobs. Current fob deposits will be returned to employees.

SECTION 21: DISCRIMINATION

21.01 There shall be no discrimination, intimidation, interference, restraint, coercion, or attempted coercion, by or on behalf of the Employer or any of its representatives or by, or on behalf of the Union, its members or its agents with respect to any employee, because of membership or non-membership in the Union.

21.02 There shall be no discrimination, intimidation, interference, restraint, coercion, influence, or attempted influence, by or on behalf of the Union, its members, or its agents, with respect to the handling, distribution, or sale of any product of any Brewer offered for sale through any outlet operated by the Employer.

21.03 Both the Employer and the Union endorse the principles outlined under the "Ontario Human Rights Code" wherein it is illegal for either the Employer and/or the Union to discriminate in respect to employment or membership in the Union as outlined in the Human Rights Code, 1981.

SECTION 22: MANAGEMENT FUNCTIONS

22.01 The right to hire, promote, demote, discharge or discipline for cause, and to maintain discipline and efficiency of employees is the sole function and responsibility of the Employer, subject to the terms and conditions of this Agreement. All matters concerning the operation of the Employer's business not specifically dealt with herein shall be reserved to the Management and be its sole responsibility.

22.02 In the imposition of discipline, prior disciplinary written warnings or reprimands will not be referred to after twelve (12) months; prior suspensions will not be referred to after thirty (30) months.

22.03 When an employee is disciplined or discharged the Local Union shall be given, in writing, the reasons for such action, with such particulars as will enable the Union to determine whether or not a grievance should be processed.

Whenever an issue arising out of discipline or discharge is to be arbitrated and when the Chairman of the Arbitration Board has been appointed or agreed upon, the parties will exchange letters giving full particulars of:

- (a) the Company's reasons for imposing the discipline or discharge, and
- (b) the Union's reasons for protesting the discipline imposed.

It is intended that this exchange of correspondence will determine the issues to be settled by the Arbitration Board.

SECTION 23: STRIKES AND LOCKOUTS

23.01 There shall be no lockout by the Employer nor any unlawful strike, sit-down, slow-down, nor curtailment in operations by the Union for any reason whatsoever, during the term of this Agreement.

SECTION 24: SEPARATION PAY

24.01 A regular employee shall be entitled to separation pay as set out in subsection .03 provided he/she has not been excluded by subsection .02 and provided he/she meets any of the following eligibility provisions:

- (a) if he/she is terminated for a reason other than set out in subsection .02;
- (b) if he/she is laid off and on any date during his/her layoff the hours scheduled for him/her during the previous twelve (12) consecutive months were less than fifty percent (50%) of normal full time hours provided he/she is not eligible for any Company or Government pension or for benefits under the Company's insured Weekly Indemnity or Long Term Disability Plans;
- (c) in special cases where a laid off employee appears to have little prospect of recall

to regular work within a period of six months he/she may request immediate termination and separation pay, and with the concurrence of the Company and the Union this may be granted notwithstanding the eligibility clause in (b) above;

(d) if he/she is ultimately designated for indefinite lay off as a result of a major technological change as provided in Section .02 of the Letter of Understanding concerning technological change;

An employee eligible for a separation payment hereunder must apply for it not later than six months after he/she first becomes eligible therefor, otherwise his/her right to such payment shall be cancelled.

Notwithstanding the above if the Company permanently discontinues an operation, an employee laid off as a result thereof must apply for and shall receive any separation pay to which he/she is entitled without waiting the six month's period.

24.02 Notwithstanding subsection .01, an employee shall be excluded from separation pay eligibility if:

(a) he/she quits;

(b) he/she is terminated for just cause;

(c) he/she is terminated under Section 6.07 of this Collective Agreement;

(d) he/she has been terminated because of specific direction or decree from any Government authority which has the effect of curtailing any of the Company's operations; unless

(i) the direction or decree is the result of an illegal act committed by the Company or one of its representatives, or

(ii) the direction or decree purports to change the method of beer retailing and/or beer distribution within the Province;

(e) he/she has been laid off because of any act of war or the hostile act of any foreign power or by any act of sabotage or insurrection or by any act of God;

(f) he/she is laid off and has arranged with the Company to take leave of absence without pay for a specific period in lieu of his/her layoff;

(g) he/she is in receipt of income replacement benefits under the Weekly Indemnity or Long Term Disability Plans or the Workplace Safety and Insurance Act;

(h) he/she is entitled to receive any pension under the Company or Government Pension Plan.

24.03 The amount of the separation payment of an eligible employee shall be equal to:

(a) **one week's base earnings** (computed on the basis of his hourly rate in effect as of time of layoff) multiplied by the number of his/her completed years of seniority (as used for vacation entitlement) as of the last day he/she actively worked in the Bargaining Unit, **plus**

(b) for employees classified as probationary or regular employees prior to March 21, 1988, an additional **Four Hundred Dollars (\$400.00)** multiplied by his/her completed years of seniority used in (a) above to a maximum of 15 years. However, such eligible employee who applies for separation pay at the time he/she first becomes eligible therefore shall have his/her separation pay under this part (b) calculated as **Eight Hundred Dollars (\$800.00)** multiplied by his/her completed years of seniority used in (a) above to a maximum of 15 years. If there is a permanent closure of a brewery (or complete retail and/or distribution operations of Brewers Retail) the 15 year maximum is replaced with a 22 year maximum.

24.04 The Company shall be authorized to deduct from any separation pay payable to an employee hereunder the amount of any Guaranteed Wage Plan payment made to such employee which the employee was not entitled to receive.

24.05 If an employee applies for and accepts a separation payment hereunder, his/her employment is terminated and his/her seniority and other rights under the Collective Bargaining Agreement are cancelled.

SECTION 25: TERMS AND CONDITIONS

25.01 The Employer and employees covered by this Agreement agree to abide by the terms of the Liquor Control Act and Regulations and other relevant statutes.

25.02 All terms and conditions of this Agreement shall be subject to change without notice if, as and when required by reason of any legislation or order of the Federal and/or Provincial Governments.

25.03 This Agreement shall remain in force and effect from the effective date up to and including December 31, 2007, and shall automatically continue from year to year thereafter until either party serves written notice on the other party by registered mail thirty (30) days and not more than sixty (60) days prior to any annual expiration date that changes are desired - such changes to be listed in the said notice. When such notice has been given by either of the parties bound by this Agreement, the party notified shall commence to negotiate within fifteen (15) clear days from notification. However, all conditions of this Agreement are to remain in force until negotiations are completed and/or Conciliation proceedings exhausted.

SIGNED this _____ day of _____, 2005 at Rexdale, Ontario.

BREWERS RETAIL INC. (Operating as The Beer Store)

C. F. Brown
Vice-President, Human Resources

W. F. Melville Director, Employee Relations	R.J. Grenon Director Logistics
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G. George Regional Director, Retail	T.W. Moroz Vice-President, Logistics
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UNITED FOOD and COMMERCIAL WORKERS INTERNATIONAL UNION through
UFCW LOCAL UNION 12R24 hereinafter referred to as the "Union".

J. Montgomery, President

R. Edwards, Secretary Treasurer

R. Walton, Recording Secretary

Charles Hackney, Committee Member

Gene Holdridge, Committee Member

APPENDIX "A"

WAGE RATES:

1. In the event that any job classifications are changed as a result of job evaluation or additional classifications are added, the particular classification or category of employment shall be open for negotiations at the request of either party.
2. The following scale of hourly wage rates shall become effective as and from the dates set out below and shall be paid during the balance of this Agreement to all regular, permanent part time and temporary employees.

REGULAR EMPLOYEES

No provisions of this Agreement are retroactive except where specifically provided for herein. Payable within sixty (60) days following ratification:

All regular 200 Series Employees employed on the Monday following ratification:

Effective January 1, 2005 – Increase to rates - \$0.69
Effective January 1, 2006 – Increase to rates - \$0.71
Effective January 1, 2007 – Increase to rates - \$0.78

All regular 300 Series Employees employed on the Monday following ratification: Minimum pension is prorated on wage rate. Regular employee Health and Dental benefits.

	Start Rate	After 12 Months	After 24 Months	After 36 Months
Jan. 1/05	15.36	17.07	18.44	N/A
Jan. 1/06	15.73	17.44	19.15	N/A
Jan. 1/07	16.11	17.82	19.93	20.23

PERMANENT PART TIME EMPLOYEES

Employed Monday following ratification:

Effective January 1, 2005 - \$14.00 per hour
Effective January 1, 2006 - \$14.49 per hour
Effective January 1, 2007 - \$15.00 per hour

TEMPORARY EMPLOYEES:

	Start Rate	6 mth	12 mth	18 mth	24 mth	30 mth
Jan. 1 2005	9.21	10.00	10.78	11.57	12.36	13.14
Jan. 1 2006	9.53	10.35	11.16	11.98	12.79	13.60
Jan. 1 2007	9.86	10.71	11.55	12.40	13.24	14.08

In order to be eligible for the six month increments, the employee must have worked or been paid for 50 hours during that six month time period.

Employees in the Temporary classification who drive company delivery vehicles will be paid the following rates while so occupied:

Effective January 1, 2005:	\$14.00 per hour
Effective January 1, 2006:	\$14.49 per hour
Effective January 1, 2007:	\$15.00 per hour

Note: All rate increases are effective the first full pay period on or after the above dates.

SCHEDULE OF WAGE RATES:

<u>Classification</u>	<u>Jan.1/05</u>	<u>Jan.1/06</u>	<u>Jan.1/07</u>
Mechanic, Maintenance Serviceman	25.59	26.30	27.08
Retail Checker-Cashier	25.49	26.20	26.98
Delivery Sorter, Draught Equipment Service Serviceman	25.47	26.18	26.96
Tractor Driver, Toronto Maintenance	25.45	26.16	26.94
Warehouse Checker	25.43	26.14	26.92
Driver, Clerk Driver	25.41	26.12	26.90
Stacker Operator	25.33	26.04	26.82
Maintenance Man	25.32	26.03	26.81
Counter Clerk, Driver Helper, Janitor, Stockman, Warehouseman	25.28	25.99	26.77
Licensee Pick-up Checker	25.45	26.16	26.94
Linehaul Driver	25.45	26.16	26.94
Permanent Part-time	14.00	14.49	15.00

LINE HAUL

Preamble

The Company will complete the line haul delivery of beer from the Distribution Centres to the Cross-Docks through the use of TBS line haul employees and equipment based on the following criteria.

Definition

For the purpose of line haul, a Cross-dock is defined as a location used as a transit or transfer site which receives beer product from a DC in turn, delivers to TBS customers.

Payment

TBS employees completing the line haul will be compensated on an activity rate basis. Activity based rates will be utilized for the line haul of deliveries from Distribution Centres to Cross-Docks only. Rate Schedules and Rate Definitions are available in Distribution Centres. The determination of line haul distances is subject to discussion between the parties and will be based on point to point odometer readings.

When calculating vacation, W.I. and LTD benefits, base daily earnings shall be eight (8) hours times the hourly rate for the driver's appropriate classification.

Multipool Deliveries – Payment

A multipool delivery is defined as a trailer load of product that requires the driver to pick up and/or deliver at more than one crossdock. Payment for the first call is incorporated into the applicable line haul rate. For each subsequent call, the driver will be paid a multipool premium equal to fifteen minutes of his or her hourly rate.

Fueling – Payment

Where the line haul driver is required to fuel the truck, the driver will be paid a fueling premium equal to fifteen minutes of his or her hourly rate.

Scheduling of Line Haul Work

The company will establish "Line haul driver" as a classification and will post for these positions. Successful applicants must hold an appropriate, valid driver's license for the position.

Interest Postings will be utilized to determine which qualified TBS employees will be scheduled to the relief line haul. In this instance, qualified means that the employee has the appropriate licence (in good standing) and ability to complete the work assignment. The Company reserves the right to utilize third party carriers where the Company deems it necessary.

If logistics work is available, all active regular drivers will be offered sufficient work each week to allow them to gross the equivalent of 40 hours at the straight time hourly rate. For each day of absence from work by the driver, for any reason, 8 hours will be deducted from the above forty hours. Drivers may exercise an option not to maximize weekly work (40 hour equivalent). On each Thursday, the schedule of line haul work for each day of the following week will be posted with a copy to the Local Union upon request.

A Sunday line haul shift will not commence prior to 5.59 p.m.

Delays

Down time in excess of 30 minutes will be paid at the applicable hourly rate, up to the balance of a day's pay, provided the driver notifies the DC supervisor within one hour of the commencement of the down time. No payment shall be made for the first 30 minutes of down time. Where a significant delay is caused by an MTO inspection, the driver will be paid the equivalent of 30 minutes of his or her hourly rate. The Company will provide communication devices for each line haul.

When delays require that a line haul driver must stay overnight, the Company will reimburse for reasonable meal and lodging expense.

Legal Counsel

The Company will provide legal counsel to defend a driver who is charged under the Highway Traffic Act, while operating a Company vehicle on Company hours if the circumstances are beyond the driver's control. This would not include moving or alcohol related offenses. The Company reserves the right to investigate each incident and based on the circumstance, will then decide if

counsel will be provided.

Statutory Holidays

Kilometers driven or hours worked during a Statutory Holiday between the hours of 12.01 a.m. to 11.59 p.m. will be compensated at a premium rate of 150% of the kilometer rate or hourly rate as well as 150% of the applicable activity rates performed.

The Company and the Union agree to have ongoing dialogue with regard to items of concern that may arise.

Within 60 days of ratification, the Company will implement TBS line haul to the existing cross-docks.

NIGHT SHIFT PREMIUM:

(a) A night shift premium of sixty cents 60¢ per hour shall be paid to those production employees employed in wholesale sections who commence an eight (8) hour shift after 2.00 p.m.

(b) A night shift premium of \$1.00 per hour shall be paid to those production employees employed in wholesale sections who commence an eight (8) hour shift after 10.00 p.m.

(c) "Regular" or "probationary" employees regularly employed in retail stores observing closing hours of sale later than 6:00 p.m. shall receive a premium on the following basis:

Any employee who commences an eight (8) hour shift at 11:00 a.m. shall receive a premium of \$1.40 per diem.

Any employee who commences an eight (8) hour shift at 12:00 noon shall receive a premium of \$1.70 per diem.

Any employee who commences an eight (8) hour shift at 1:00 p.m. shall receive a premium of \$2.00 per diem.

Any employee who commences an eight (8) hour shift at 2:00 p.m. shall receive a premium of \$2.30 per diem.

Any employee who commences an eight (8) hour shift at 3:00 p.m. shall receive a premium of \$2.60 per diem.

(d) Any regular employee who works at least two (2) complete hours beyond 6:00 p.m. and does not otherwise qualify for a night shift premium, will receive a premium at the rate of thirty-five cents (35¢) per hour for hours worked beyond 6:00 p.m. This does not apply to overtime work.

(e) These premiums shall not be used to calculate overtime and premium pay for paid holidays.

"PERMANENT PART-TIME EMPLOYEES"

Each winter at the February meeting, as contemplated in Appendix "D", the District Managers will

establish (a) the number of known vacancies for regular employment in the next twelve (12) months; (b) the employees who have been selected for Permanent Part-time status. The company will increase the number of PPTs to 350 over the term of the agreement. (50 in year one, 30 in year two and 20 in year three).

Temporary employees who are interested in advancement to PPT status will make their interest known to their store manager or DC manager in writing.

The criteria for the appointment to the Permanent Part-Time list is as follows:

- There is sufficient part-time work to afford a Permanent Part-Time employee 24 hours of work per week;
- The employee is available for the assignments;
- The employee has been graded satisfactory by the employer;

The employer will schedule the hours of work and may post on the previous Thursday and/or may change the schedule as operations require. Permanent Part-time employees may access up to forty (40) hours per basic work week in their domiciled store.

The penalty clause as contemplated in 4.11 for regular employees will not apply to permanent part-time employees.

Within any Seniority Group employees in the PPT Classification will be ranked in order of the date they attained PPT status.

Preference will be given in selecting the employees for advancement to Regular status to those permanent part-time employees within the seniority group who have the potential job qualifications and have been graded satisfactory.

PPTs who are domiciled in one operating division and refuse the offer of advancement to full-time status in the opposite operating division, will not be offered future full-time advancement to that opposite operating division.

PPTs who refuse two offers to advancement to full-time status in their own operating division will be reverted to temporary status in accordance with their availability. Should extenuating circumstances exist, the parties may mutually agree to consider alternate resolution.

Upon advancement to Regular status, the employee's name will be placed on the appropriate seniority list and will be credited for half of the service in the PPT classification to a maximum of two years. For the purpose of participating in the Guaranteed Wage Program, an employee shall not be eligible until September 1 of the year following the employee's attainment of three years service as a Regular employee. Permanent part-time employees who do not perform satisfactorily however, will not be considered for advancement nor offered any further hours of work.

At the staffing meeting the District Manager's selection to fill a vacancy will be discussed with the Local Union. The District Manager will take into account any representation of the Union in respect to this selection (given 2.01 and 2.03 of the C/A). After this meeting, the District Manager

or his/her representative will advise the candidates selected. A representative of Local Union 12R24 and the Employee Relations Department may be requested to assist the parties.

For those temporary employees who are designated as Permanent Part-time, the employer may grant them preference for temporary work in their own store or in another store or depot. They will also be entitled to:

- (i) Effective April 30, 2003 – full uniform issue;
- (ii) Rate differential for higher classification - see Section 5.06;
- (iii) Rate for Relief of Supervision - See Section 5.07;
- (iv) Safety Footwear;
- (v) Wage Rates - See Appendix "A" - Schedule of Wage Rates.
- (vi) Statutory Holidays (including Easter Monday and Civic Holiday where locally observed) with the qualifying provision as set out in 9.02.
- (vii) Dental (Basic \$600/year per family), Major Medical (\$600 /year per family) subject to Plan deductible. Employees and eligible dependents will not be eligible for these benefits until after twelve (12) months in the classification.
- (viii) 16 hours personal leave

A probationary period for new Regular employees will be established on the following formula:

An applicant with no experience
-- 4 months probation

A PPT who has been on the list less than 6 months
-- 2 months probation

A PPT who has been on the list more than 6 months
-- 1 month probation

A PPT who has been on the list more than 1 year
-- no probation period

All other temporary employees will be employed on a seasonal, casual or temporary basis at the discretion of the employer.

COST OF LIVING ALLOWANCE:

A Cost of Living Allowance in a lump sum payment will be paid to regular employees for all hours worked, including Vacations and Statutory Holidays, in the period from January 1, 2007 to December 31, 2007, the first pay period following publication of the December, 2007 Consumer Price Index, on the basis of 1 cent per hour for each full .3 change in the Consumer Price Index, in the period from January 1, 2007 to December 31, 2007, calculated by subtracting the Consumer Price Index for the month of December, 2006, after adding thereto 7% of the December, 2006 Consumer Price Index, from the Consumer Price Index for the month of December, 2007.

**APPENDIX “B”:
SENIORITY GROUPINGS**

Barrie, Angus, Elmvale, Alcona, Stroud
Belleville, Napanee, Picton, Trenton
Bradford, Newmarket, Aurora
Brampton, Erin Mills, Malton, Milton, Streetsville,
 Woodbridge
Brantford, Paris
Brockville, Prescott, Morrisburg
Chatham, Blenheim, Bothwell, Ridgetown, Tilbury, Wallaceburg
Cobourg, Port Hope
Collingwood, Meaford, Wasaga Beach
Cornwall, Alexandria, Long Sault
Fort Erie, Ridgeway
Grand Bend, Forest, Thedford, Exeter
Guelph, Fergus, Acton, Orangeville, Erin
Hamilton Metro, Ancaster, Burlington, Dundas,
 Caledonia, Grimsby, Stoney Creek, Waterdown
Hanover, Walkerton, Durham
Jackson's Point, Keswick
Kingston, Gananoque
Kitchener, Cambridge, Waterloo, Elmira, New Hamburg
Leamington, Kingsville, Essex, Harrow
Lindsay, Bobcaygeon, Coboconk, Fenelon Falls
London, Strathroy
North Bay
Oakville, Clarkson
Orillia
Oshawa, Ajax, Bowmanville, Whitby
Owen Sound
Ottawa, Orleans, Manotick, Vanier, Gloucester,
 Nepean, Kanata, Cumberland, Embrun, Rockland
Pembroke, Deep River, Eganville, Petawawa,
 Renfrew
Penetang, Midland
Peterborough, Lakefield, Bridgenorth, Campbellford,
 Hastings, Havelock
Port Elgin, Southampton
Sarnia, Petrolia, Point Edward, Corunna
Sault Ste. Marie
Simcoe, Delhi, Port Dover, Port Rowan, Norwich
 Hagersville
Smiths Falls, Carleton Place, Perth
Spanish, Blind River, Elliot Lake
Stratford, St. Marys, Mitchell, Clinton
St. Catharines, Niagara Falls, Niagara-on-the-Lake, Thorold, Beamsville,

Smithville
St. Thomas, Aylmer
Sudbury Regional Municipality
Thunder Bay
Timmins, South Porcupine
Toronto Metro, Cooksville, Markham, Pickering,
Port Credit, Richmond Hill, Stouffville,
Welland, Port Colborne
Warton, Sauble Beach
Windsor Metro, Amherstburg, Belle River,
La Salle, Tecumseh
Woodstock, Ingersoll

"Any stores not within the listed Seniority Groupings will be on a single Seniority Basis".

**APPENDIX "C":
SCALE OF ISSUE - UNIFORMS**

New regular employees will receive a uniform issue (minimum one (1) of each item) on a pro rata basis. Uniforms shall be received no later than April 30, every second year. Replacements of worn or torn clothing will be made on the recommendation and approval by Management.

The above employees will be eligible to receive a pair of either Safety Shoes or Safety Boots once every calendar year.

Effective January 1, 2005, the Employer agrees to pay up to \$120.00 for the above issues of approved Safety Shoes or approved Safety Boots under the Compulsory Safety Shoe Program as outlined in Section 18.

Uniform Optional Selection

Regular employees are assigned 520 points.
PPT employees are assigned 520 points effective April 2003.

In 2005 employees must select a minimum number of uniform components as outlined below:

Tops/Shirts – 4
Trousers – 4

The company will clarify which uniforms may be worn.

Garments available from approved options:

Description	Points
Long sleeve amber shirt	32
Polo golf shirt	18
Tee shirt	13
Fleece sweater – long sleeve	34

Fleece sweater - sleeveless	29
Trousers	40
Mock turtleneck	24
Insulated vest	45
Parka	79
Windbreaker	70
Bomber Jacket	84
Windshirt (Logistics only)	30
Rainwear	22
Shorts	25
Caps - Full regular	6
Mesh style	5
Toque	7

Prior to the 2003 Uniform Issue, the Parties agree to meet to discuss entitlement and option criteria.

Temporary Employees

The Company agrees to provide two shirts per year for each temporary employee who has one year or more of continuous service and has completed 500 hours work in that year.

In addition, in those years when the uniform is issued, the Company agrees to provide a fleece sweater (long sleeve or sleeveless) for each temporary employee who has one year or more of continuous service and has completed 500 hours work in that year.

The determination of allocation of the temporary uniform shirts will be reviewed at each Appendix “D” meeting.

GUIDELINES FOR DECLARING A VACANCY:

In addition to the regular Labour/Management meetings that may be held on a local basis, it is agreed that the District Manager and/or his/her representative(s) and local union officers and/or their representatives (not more than three from each side, unless mutually agreed) shall meet twice per year (February and September) to review vacation schedules, the number of classified positions to be posted and the number of known vacancies to be filled.

The parties agree that representatives of Local 12R24 and the Employee Relations Department may discuss from time to time, such items that may be of mutual interest. In addition, at least twice a year representatives of Local 12R24, the Employee Relations Department and District Managers (or their designates) may discuss items of mutual interest as agreed.

The local meetings held to discuss staffing in each Seniority Group will consider the following items to determine if a vacancy exists:

1. Full work for five (5), eight (8) hour days, for forty-four out of fifty-two consecutive weeks, within a store or within a distribution centre, will be deemed to create a vacancy unless caused by conditions described in (2) below:

In the determination of vacancies, the following shifts will be considered “equivalent eight (8) hour shifts”:

- Straight shifts of seven (7) hours or greater.
- Split eight (8) hour shift that is completed within a fourteen (14) hour span, that is, fourteen (14) hours from the commencement of the first split shift to the conclusion of the last split.

Where “equivalent eight (8) hour shifts “ are used to declare a vacancy, the vacancy will be declared under the following conditions:

- No more than two (2) split eight hour shifts per week can be used to declare a vacancy.
- No more than one employee per site can be hired on the basis of “equivalent eight hour shifts” at any one time.
- Employees appointed to full time under these conditions will also be scheduled under these conditions as required.

2. Absences by other employees on that seniority list who are likely to return will not constitute a vacancy such as:

- Sickness and Accident
- Special vacation and days off arrangements (except vacation bonus days)
- Leave of Absence, including Jury Duty, Bereavement, Union Business, etc.
- Transfers of an employee to another location, on other than a permanent basis.

3. The Company agrees to base a regular employee in a store that is managed by a multi-location manager where the manager is not domiciled at that store and where such store does not currently have a regular employee.

4. Hours worked in the relief of supervisor's vacation and day off will be used in the determination of vacancies.

In addition to the above, hours used in the sorting of empties and hours worked on Sundays will not be involved in the determination of vacancies.

The Union will be provided with Weekly Productive Time Reports.

Vacancies identified under the terms of Appendix "D" as a result of Retirement, Death, Voluntary Exit, Dismissal and Promotion to positions outside the bargaining unit will be filled within thirty days.

APPENDIX "E": SAFETY

The Company shall institute and maintain all reasonable precautions for safeguarding the health and safety of its employees. Both the Company and the Union recognize their mutual obligations to assist in the prevention, correction and elimination of unhealthy and unsafe working conditions and practices. All employees are expected to adhere to safe working practices. The Employer and employees will co-operate in the observance of all safety regulations.

Any outstanding matter relevant to safety conditions may be brought up and dealt with at a meeting between the Union and Management.

- Joint Health and Safety Committees in Distribution Centres will meet quarterly, however, if Joint Chairpersons deem it to be necessary, additional meetings may be held.
- The Employer will continue to pay wages as prescribed under Section 9 OHSA.
- If Joint Chairpersons are in agreement with the necessity to attend, the Employer will pay wages for additional TBS employees to attend at a Provincial Joint Health and Safety Committee meeting.
- Monthly workplace inspections will be placed on the work schedule.

GUARANTEED WAGE PLAN

AGREEMENT between Brewers Retail Inc. and UFCW Local Union 12R24 of the United Food and Commercial Workers International Union.

WHEREAS the Company has entered into a Collective Agreement with the above-named Union covering the Bargaining Unit in the Province of Ontario.

AND WHEREAS the said Parties have agreed to make this supplementary Agreement, which is to be a supplement to the said Collective Agreement, and any grievances arising out of the administration of this supplement may be dealt with under the Grievance Procedure of the Collective Agreement.

NOW THEREFORE the Parties agree to the continuation of the Guaranteed Wage Plan as hereinafter set forth with such continuation to become effective on the 1st day of September, 1988 or on any later date on which approval for continuation has been received from the Federal Government holding that:

- (a) The Plan meets the requirement of Employment and Immigration Canada with respect to Supplemental Unemployment Benefit Plans,
- (b) Payments by the Company pursuant to this Plan will be classed as deductible expenses for corporate income tax purposes, and,
- (c) The receipt by employees of the benefits provided by this Plan will not disqualify such employees from receiving any part of the Employment Insurance Benefits to which they would otherwise be entitled.

1. **Purpose**

The purpose of this Plan is to provide a method of guaranteeing income to certain employees who are laid off.

2. **Eligibility for Participation in the Plan**

Any regular hourly-rated employee having at least one (1) year of seniority determined as of the September 1st immediately preceding his/her layoff, shall be eligible to participate in this Plan.

Notwithstanding the above, employees not classified as regular employees prior to March 21, 1988 shall not be eligible to participate in this Plan, until September 1st of the year following the employees' attainment of three (3) years of seniority.

3. **Exceptions**

This Plan has no application to and provides no benefits for:

(a) Employees who have been laid off for disciplinary reasons and if such layoff is questioned under the Grievance Procedure of the Collective Agreement, final disposition of any grievance will determine the employee's status under the Plan.

(b) Employees who have been laid off because of any strike, lockout, slowdown, picketing or other action by employees of this Company or by employees of any other employer who are represented for collective bargaining purposes by the Unions which were party to the Ontario Industry Memorandum of Agreement which led to the renewal of this Plan, or by any Local thereof or successor Unions thereto.

(c) Employees who have been terminated because of specific direction or decree from any Governmental authority which has the effect of curtailing any of the Company's operations unless

(i) the direction or decree is the result of an illegal act committed by the Company or one of its representatives, or

(ii) the direction or decree purports to change the method of beer distribution or beer retailing within the Province.

(d) Employees who have been laid off because of any act of war or the hostile act of any foreign power or by any act of sabotage or insurrection or by any act of God.

(e) Employees who are laid off and who have arranged with the Company to take leave of absence without pay for a specific period in lieu of their layoff.

These employees will be deemed to have opted out of the Plan for such period.

4. **Disqualification for Benefits**

An employee who has been laid off and who would otherwise be eligible for participation in the Plan shall not receive any payments under the Plan for any week:

(i) In which he/she has been on layoff and has failed to apply for E.I. benefits, or in which he/she has been disqualified or disentitled from E.I. benefits for any reason other than serving a two (2) week waiting period.

(ii) In which he/she has been on layoff and has failed to keep himself/herself registered for employment with the Canada Manpower Centre in those cases where such registration is necessary to qualify for E.I. benefits or for reduction of E.I. waiting period.

(iii) In which he/she has failed or refused to accept employment deemed suitable for him/her by the HRDC - Employment Insurance.

(iv) In which he/she has failed to accept and report for any appropriate work assignment of at least one normal working day unless excused for reasonable cause.

(v) In which he/she is in receipt of a benefit provided by the Company's insured

Weekly Indemnity or Long Term Disability Plans.

(vi) After he/she has become entitled to receive any pension under the Company or Government Pension Plan.

(vii) In respect of which he/she is qualified for compensation from the Workplace Safety and Insurance Board for any compensable accident or illness.

5. **Definitions**

For the purposes of this Plan:

"Wages" shall mean actual earnings for work performed and vacation pay, payment for any leave of absence with pay granted, e.g. jury duty, bereavement pay, payment for statutory holidays and call-in pay.

"Week" shall mean the Company's payroll week.

"Compensated and available hours" means as applied to any particular week for any employee:

(a) All hours worked by the employee for the Company or for any other employer in such week, plus

(b) All hours not worked by the employee in such week but for which he/she receives wages from any employer, plus

(c) All hours scheduled in such week for an employee who is not on layoff and which he/she has not worked for any reason other than lack of work, plus

(d) All hours scheduled in such week for an employee who is on layoff and which he/she has not worked for any reason other than lack of work after being given reasonable notice according to the established practice of the Company that such scheduled hours were available to be worked by him/her.

"Week of layoff" means a week in which the employee's compensated and available hours are less than forty (40).

Benefits Provided for Laid Off Employees

Subject to the terms and conditions of the Plan as herein set out each eligible employee who is laid off from the Bargaining Unit shall receive in addition to any wages earned in the week a benefit from the Plan for each week of layoff calculated by determining the product of items 1, 2 and 3 below and deducting from such product the sum of item 4 below.

- 1) Seventy percent (70%) for eligible employees as hereinabove defined.
- 2) The straight time hourly rate of the employee in effect as of time of layoff.

- 3) The excess of forty (40) over the compensated and available hours of the employee.
- 4) The actual benefit, if any, for which such employee is eligible under the Employment Insurance Act for such week.

7. **Benefits During Layoff**

An employee who is laid off continues to participate in the Benefits Plan of the Company applicable to employees in his/her Bargaining Unit to the end of the month following the last month in which he/she has worked in the Bargaining Unit, or until the end of the last month during which he/she has drawn a benefit under this Plan, whichever is the later. Benefits Plan, for the purpose of this section does not include the Pension Plan or the Company's insured Weekly Indemnity and Long Term Disability Plans which cover only indemnity for wages actually lost because of illness or accident.

An employee on layoff who, pursuant to the above, has ceased to participate in the Benefits Plan is restored to participation immediately upon completion of eight (8) hours' work in the Bargaining Unit.

8. **Duration of Benefits**

The maximum benefit entitlement of an employee at any time shall not exceed that benefit established in accordance with Table A. However, the employee's actual benefit entitlement will be less than the maximum benefit entitlement if he/she has used any benefits and has not subsequently restored them. Weeks of benefits are restored based upon the formula of 1/10th of a week for each eight (8) full hours during which the employee earned wages from the Company up to the employee's maximum benefit entitlement set out in Table A below. No credits towards future benefit entitlements are allowed for wages earned during any period in which the employee is already entitled to the maximum benefits set out in Table A.

TABLE A

<u>Completed Years of Seniority Determined as of September 1st Immediately Preceding His/Her Layoff</u>	<u>Maximum Benefit Entitlement</u>
15 years or more	78 Weeks of Benefit
10 years or more	65 Weeks of Benefit
5 years or more	52 Weeks of Benefit
4 years or more	45 Weeks of Benefit
3 years or more	35 Weeks of Benefit

The maximum number of weeks of benefits which an employee may use during any twelve (12) month period commencing September 1st shall not exceed the Maximum Benefit Entitlement

determined as of that September 1st in accordance with Table A above.

Each eligible employee's weeks of benefits shall be decreased by one week for each week in respect of which he/she is on layoff and in receipt of benefits for more than thirty-two (32) hours; and by 4/5ths of one week for each week in which he/she is on layoff and in receipt of benefits for more than twenty-four (24) hours; and by 3/5ths of one week for each week in which he/she is on layoff and in receipt of benefits for more than sixteen (16) hours; and by 2/5ths of one week for each week in which he/she is on layoff and in receipt of benefits for more than eight (8) hours; and by 1/5th of a week in which he/she is on layoff and in receipt of benefits for eight (8) hours or less; and his/her weeks of benefits shall also be decreased by one week for each week in which he/she is on layoff but was disqualified for any of the reasons set out in subsections (i), (ii), (iii) and (iv) of Section 4.

9. **Deductions**

Any payment made under this Plan shall be subject to any deductions required by Federal, Provincial or Municipal authority or by the provisions of the Collective Agreement, or by voluntary authorization from the employee concerned.

10. **Applications**

Employees shall be required to observe such rules and follow such procedures and make such reports and applications as shall be prescribed by the Company after consultation with the Union. The wilful falsification of any fact material to the determination of an employee's benefit rights under the Plan shall result in the forfeiture of any benefit rights he/she may have under the Plan for a period of twelve (12) months subsequent to the discovery of such falsifications, and this shall not preclude any other disciplinary action which may be imposed, subject to the Grievance Procedure of the Collective Agreement.

11. **Reporting**

The Company will make periodic reports to the Union weekly while employees are laid off and receiving benefits under the Plan and quarterly if no employees are on layoff, giving the Union complete information as to the number of employees who have been laid off, the duration thereof, the payments made to each individual under the Plan, the number of ineligible and disqualified employees, and such other similar information as may be relevant.

12. **Duration of Agreement**

This Agreement shall continue until August 31, 2008. During negotiations for renewal of the relevant Collective Agreement, the Union is free to request amendments to this Agreement which shall also be part of such negotiations, but on the understanding that any amendments to this Agreement will not take effect any earlier than September 1, 2008.

13. **Clarification Notes**

1. Under no circumstances will the aggregate of E.I. benefits plus the weekly G.W.P. benefit payable to an eligible employee exceed 95% of the employee's regular weekly wage.
2. Pursuant to Section 4 of the G.W.P., an eligible employee only receives the G.W.P. benefit in respect of a period in which he/she is actually in receipt of E.I. benefits with the only

exception being the two weeks of E.I. waiting period.

3. The employees covered by the Collective Agreement have no vested rights in the G.W.P.
4. Brewers Retail Inc. pays G.W.P. benefits out of its general revenue.
5. The Beer Store uses either the E.I. cheque stub or the E.I. G.W.P. Report to confirm the receipt of E.I. benefits prior to paying G.W.P. benefits to an eligible employee.
6. Payments made out of the G.W.P. do not operate to effect the amount of severance pay to which an employee is entitled pursuant to the Separation Pay provisions of the Collective Agreement.
7. The Plan is applicable only for periods of temporary lay off.

IN WITNESS WHEREOF the parties hereto have affixed their signatures this _____ day of _____, 2005.

BREWERS RETAIL INC. (Operating as The Beer Store)

C. F. Brown, Vice President

W. F. Melville

R.J. Grenon

T. Moroz

G. George

UNITED FOOD and COMMERCIAL WORKERS INTERNATIONAL UNION through
UFCW Local Union 12R24 , hereinafter referred to as the "Union".

J.R. Montgomery, President

R. Edwards, Secretary Treasurer

R. Walton, Recording Secretary

C. Hackney, Committee Member

G. Holdridge, Committee Member

WAREHOUSE CLERKS AGREEMENT

BETWEEN:

BREWERS RETAIL INC. (Operating as The Beer Store) hereinafter referred to as the
"Employer"

and

UNITED FOOD and COMMERCIAL WORKERS INTERNATIONAL UNION through
UFCW Local Union 12R24 hereinafter referred to as the "Union".

The Warehouse Clerks at the Stoney Creek Distribution Centre, 414 Dewitt Road, Stoney Creek, Ontario, the Ottawa Distribution Centre, 2750 Swansea Crescent, Ottawa, Ontario, the Brampton Distribution Centre, 69 First Gulf Blvd., Brampton, Ontario, and the Whitby Distribution Centre, 1655 Tricont Avenue, Whitby, Ontario, will be subject to the conditions of the Master Agreement, as herein stated and the letter (Unionized Warehouse Clerks in Brampton and Whitby DC's) dated March 15, 2002.

PREAMBLE

As in main Agreement.

SECTION 1: UNION RECOGNITION

1.01 Union Recognition to include:

Stoney Creek Distribution Centre Warehouse Clerks, Ottawa Distribution Centre Warehouse Clerks, Brampton Distribution Centre Warehouse Clerks, Whitby Distribution Centre Warehouse Clerks.

1.02 As in main Agreement.

SECTION 2: UNION SECURITY

As in main Agreement.

SECTION 3: HIRING PRACTICES

3.01 There will be three (3) classes of employees:

(a) "Regular" employees mean those so classified under the terms of the expired Collective Agreement.

- (b) "Permanent Part-time".
- (c) All other employees will be classed as "Temporary".

NOTE: "Probationary" employees mean those who are undergoing a prescribed probationary period of satisfactory service with the Employer prior to becoming "Regular" employees. (See Main Agreement)

When a vacancy is declared by the Employer, as per guidelines of Appendix "D" in the Main Agreement, the position will be offered to the senior PPT within the Warehouse Clerks Agreement. If there is no PPT available, the Employer may engage a Probationary Employee to fill the position.

**SECTION 4: HOURS OF WORK & OVERTIME
CONDITIONS**

4.02 The basic work week shall consist of forty (40) hours over a period of not more than five (5) days. Any time worked in excess of scheduled hours on any day or in excess of the basic hours in any one (1) week shall be paid for at time and one-half of the basic wage rate.

4.03 As in main Agreement.

4.04 As in main Agreement.

4.05 As in main Agreement.

4.07 As in main Agreement.

4.08 As in main Agreement.

4.09 It may be necessary for an employee to work on what would have been his/her day off. However, he/she may be excused provided that satisfactory arrangements can be made.

4.10 As in main Agreement.

4.11 As in main Agreement.

4.12 Delete "nine".

4.13 As in main Agreement.

SECTION 5: WORKING CONDITIONS

Does not apply.

Substitute:

"The previous practice of Supervisors and office staff performing duties of the Warehouse Clerks during emergencies, relief periods, training, and to assist during peaks will be continued."

When a Clerk "B" or a Clerk Level 5 (Toronto only) is transferred for a full shift to a higher Classification, he/she will receive the higher rate while so occupied.

SECTION 6: SENIORITY

6.01 Add:

"The seniority of the Warehouse Clerks shall be recognized as a separate group and listed on Appendix "B", Stoney Creek Warehouse Clerks, Ottawa Warehouse Clerks, Brampton Warehouse Clerks, Whitby Warehouse Clerks". Provided that while any clerk is on layoff, he/she will also be on the Metro Seniority List in his/her community as a regular employee with full recall rights.

6.02 to 6.10 As in main Agreement.

SECTION 7: LAYOFF AND RECALL

7.01 to 7.03 As in main Agreement.

SECTION 8: GRIEVANCE PROCEDURE AND ARBITRATION

As in main Agreement.

SECTION 9: PAID HOLIDAYS

As in main Agreement.

SECTION 10: VACATION PLAN

As in main Agreement.

SECTION 11: PERSONAL LEAVE

As in main Agreement.

Comment: Page: 73
Change Sick Leave to Personal Leave.

SECTION 12: BULLETIN BOARDS

As in main Agreement.

SECTION 13: EMPLOYER/EMPLOYEE

RELATIONSHIP

As in main Agreement.

SECTION 14: LEAVE OF ABSENCE

As in main Agreement.

SECTION 15: JURY DUTY

As in main Agreement.

SECTION 16: BEREAVEMENT ALLOWANCE

As in main Agreement.

SECTION 17: REST PERIODS

17.03 Will apply.

SECTION 18: UNIFORMS

As in main Agreement.

SECTION 19: PENSION AND BENEFITS

As in main Agreement.

SECTION 20: PAY DAY

As in main Agreement.

SECTION 21: DISCRIMINATION

As in main Agreement.

SECTION 22: MANAGEMENT FUNCTIONS

As in main Agreement.

SECTION 23: STRIKES AND LOCKOUTS

As in main Agreement.

SECTION 24: SEPARATION PAY

As in main Agreement.

SECTION 25: TERMS AND CONDITIONS

As in main Agreement.

APPENDIX "A": WAGE RATES

No provisions of this Agreement are retroactive except where specifically provided for herein.
Payable within sixty (60) days following ratification:

All regular 100 Series Employees employed on the Monday following ratification:

Effective January 1, 2005 – Increase to rates - \$0.69
Effective January 1, 2006 – Increase to rates - \$0.71
Effective January 1, 2007 – Increase to rates - \$0.78

<u>Classification</u>	<u>Jan.1/05</u>	<u>Jan.1/06</u>	<u>Jan. 1/07</u>
Clerk "A"	25.49	26.20	26.98
Clerk "B"	25.28	25.99	26.77
Permanent Part Time	14.00	14.49	15.00
Temporary	Jan. 1/05	Jan.1/06	Jan. 1/07
	13.14	13.60	14.08
(Toronto Only <u>Level 5</u>)	23.26	23.97	24.75

New Classification as in Main Agreement (300 base regular)

Increases to be effective the first full pay period on or after the above dates.

NIGHT SHIFT PREMIUM

As in main Agreement.

COST OF LIVING ALLOWANCE

As in main Agreement.

APPENDIX "B": SENIORITY GROUPINGS

Add: “Stoney Creek Warehouse Clerks”
“Ottawa Warehouse Clerks”
“Brampton Warehouse Clerks”
“Whitby Warehouse Clerks”

APPENDIX “C”: SCALE OF ISSUE - UNIFORMS

As in main Agreement.

APPENDIX “E”: SAFETY

As in main Agreement.

DULY EXECUTED BY THE PARTIES HERETO THIS _____ day of _____, 2005.

Comment: Page: 76
Changed signing page to add new management names.

BREWERS RETAIL INC. (Operating as The Beer Store)

C. F. Brown, Vice President

W. F. Melville

R.J. Grenon

T. Moroz

G. George

UNITED FOOD and COMMERCIAL WORKERS INTERNATIONAL UNION through **UFCW LOCAL UNION 12R24**, hereinafter referred to as the “union”.

J.R. Montgomery, President

R. Edwards, Secretary Treasurer

R. Walton, Recording Secretary

C. Hackney, Committee Member

G. Holdridge, Committee Member

The Beer Store

Corporate Office

5900 Explorer Drive
Mississauga, Ontario
L4W 5L2
(905) 361- 4175
(905) 361-4297

March 15, 2002

Mr. John Montgomery
President, UFCW Local 12R24
61 International Blvd.
Suite 200
Rexdale, Ontario
M9W 6K4

LETTER OF UNDERSTANDING

Dear Mr. Montgomery:

Re: Benefit Plan – (Renewed and Amended March 20, 2005)

It is understood and agreed that with respect to the terms and conditions of the Benefit Plan, a copy of which has been provided to the Union, the Union may process a grievance and arbitrate any issue in dispute. The Arbitrator's powers shall be limited to the application and interpretation of the Benefit Plan. The Arbitrator shall have no power or authority to rescind, alter, amend or modify any provisions or benefits outlined in the Benefit Plan. The arbitrator is empowered to uphold or deny any grievance filed in respect to the denial of any claim for benefits under the benefit plan. The Company agrees that there will be no diminishment of benefits provided by Manulife when a new carrier is selected. The benefits will be increased as negotiated in the memorandum of agreement dated March 20, 2005.

It is understood that this letter shall form part of the Collective Agreement.

W.F. Melville
Director, Employee Relations

The Beer Store

Corporate Office

5900 Explorer Drive
Mississauga, Ontario
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(905) 361- 4175
(905) 361-4297

March 15, 2002

Mr. John Montgomery
President, UFCW LOCAL 12R24
61 International Blvd.
Suite 200
Rexdale, Ontario
M9W 6K4

LETTER OF UNDERSTANDING

Dear Mr. Montgomery:

Re: 4.14 – (Renewed March 20, 2005)

When the availability of an unrestricted temporary employee changes for a period of greater than 30 days for reasons other than illness or injury, that temporary employee shall be considered to have restricted availability. Should that same temporary employee's availability revert to unrestricted at a later date, his or her seniority date, for the purposes of scheduling, will be that date when they reverted to unrestricted availability.

It is understood that this letter shall form part of the Collective Agreement.

W.F. Melville
Director, Employee Relations

The Beer Store

Corporate Office

5900 Explorer Drive
Mississauga, Ontario
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(905) 361-4175
(905) 361-4297

March 15, 2002

Mr. John Montgomery
President, UFCW Local 12R24
61 International Blvd.
Suite 305
Rexdale, Ontario
M9W 6K4

LETTER OF UNDERSTANDING

Dear Mr. Montgomery:

Re: Permanent Part Time Employees – (Renewed March 20, 2005)

It is understood that Permanent Part Time employees who do not work 24 hours on a regular basis, unless the hours are not available, will be reclassified to Temporary classification.

It is understood that this letter shall form part of the Collective Agreement.

W.F. Melville
Director, Employee Relations

The Beer Store

Corporate Office

5900 Explorer Drive
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(905) 361-4175
(905) 361-4297

March 15, 2002

Mr. John Montgomery
President, UFCW Local 12R24
61 International Blvd.
Suite 200
Rexdale, Ontario
M9W 6K4

LETTER OF UNDERSTANDING

Dear Mr. Montgomery:

Re: Pension Committee – (Renewed March 20, 2005)

The Company acknowledges the right of the Union to appoint a Pension Committee with membership, roles and responsibilities as defined under Section 24 of the *Pension Benefits Act* (Ontario).

For further clarification, Brewers Retail Inc. will remain the administrator of the Plan and the “Pension Committee” will have an advisory or consultative role only.

It is understood that this letter shall form part of the Collective Agreement.

W.F. Melville
Director, Employee Relations

The Beer Store

Corporate Office

5900 Explorer Drive
Mississauga, Ontario
L4W 5L2
(905) 361-4175
(905) 361-4297

March 15, 2002

Mr. John Montgomery
President, UFCW Local 12R24
61 International Blvd.
Suite 200
Rexdale, Ontario
M9W 6K4

Dear Mr. Montgomery:

Re: Employees Affected by Consolidation – (Renewed March 20, 2005)

For regular employees who are affected by consolidation(s), the company is prepared to do the following:

- 1.) Voluntary severance of 2.5 weeks per year of service to a maximum of 50 weeks reduced by 3.0 % per month for every month over the age of 63, will be offered to those regular employees in areas that are affected by distribution centre consolidation. This voluntary severance clause will be in effect from the announcement of the consolidation until eight months after the close of the consolidation. Voluntary severance opportunities will be limited to the number of employees not accommodated in numbers 2 and 3 below.
- 2.) Full time positions that remain in such an area or full time positions that are available in an adjacent seniority group within the same local will be offered to the remaining affected regular employees on a seniority basis.
- 3.) Full time vacancies that exist or are created in the new, consolidated distribution centre will be offered to the remaining affected regular employees on a seniority basis.
- 4.) Those remaining affected regular employees who do not have full time positions after implementation of steps 1 through 3, will be offered work on the basis of 40 hours over six days including split shifts in their area, including in retail stores, in order to access 40 hours in a week.
- 5.) Transfers to full time vacancies outside the area of the affected employees and outside the consolidated distribution centre will be offered to those remaining affected regular employees on a seniority basis. This clause would only be applicable to regular employees who could not be accommodated by 1 through 4 above.
- 6.) When a vacancy occurs in an area that was affected by consolidation, an employee originally employed in that area, who transferred to another area under these conditions, will be offered a transfer back to the declared vacancy according to seniority, for a period of 24 months following the close of consolidation.
- 7.) When a vacancy occurs in a consolidated DC or cross-dock facility, a full time employee

who had expressed preference to work in that DC or cross-dock facility at the time of consolidation, but, was denied that preference, will be offered a transfer to that declared vacancy according to seniority for a period of 24 months following the close of consolidation.

- 8.) The transferring employee will retain his/her existing seniority on the seniority list of the area to which he/she has been transferred.
- 9.) Effective January 1, 2002, employees who are eligible for VSP under the terms and conditions of this letter and who retire under the 85 point provision who are between the ages of 55 and 59 inclusive will receive a monthly supplement of \$600 until the earlier of reaching 60 years of age or becoming eligible for C.P.P. They will continue existing benefit coverage, with the exception of wage loss replacement (no benefit coverage) and life insurance (normal retiree benefit coverage), up to age 60 at which time they will be covered by the benefit plan for retired employees.
- 10.) Appendix "D" remains in force, however, hours worked becoming available as a result of employees having elected to take VSP, will not be considered in the determination of vacancies, for a period equal to the number of weeks of VSP to a maximum of 50 weeks.
- 11.) The above terms and conditions will also apply to employees at the following locations:
 - Employees in the Brampton, Toronto, and Oshawa Seniority groups are eligible for VSP until May 10, 2002 (these employees must declare their intention to elect VSP by April 26, 2002).
 - Employees involved in the Ottawa/Cornwall/Smiths Falls/Brockville consolidation are eligible for VSP until October 25, 2002.
 - Employees involved in the Hamilton/St. Catharines/Welland/Brantford/Fort Erie/Simcoe consolidation are eligible for VSP until November 11, 2002.
- 12.) The company and the union agree to have ongoing dialogue with the designated committees to handle items of concern to either party.

It is understood that this letter shall form part of the Collective Agreement.

Yours truly,
W.F. Melville

The Beer Store

Corporate Office

5900 Explorer Drive
Mississauga, Ontario
L4W 5L2
(905) 361-4175
(905) 361-4297

March 15, 2002

Mr. John Montgomery
President, UFCW Local 12R24
61 International Blvd.
Suite 200
Rexdale, Ontario
M9W 6K4

LETTER OF UNDERSTANDING

Dear Mr. Montgomery:

Re: Job Security – (Renewed March 20, 2005)

While the Company believes that job security is achieved through providing the maximum customer service more efficiently than anyone else, the Company does recognize the Union's concerns and undertakes the following for the duration of this Collective Agreement in an effort to resolve those concerns:

1. The unloading/reloading of brewery trucks and BRI trucks at BRI locations will be completed by BRI employees. However, where there is a safety concern and/or possible delay in turn-around, the driver may be requested by a BRI employee to provide assistance.

The objective is to improve turn-around times and not to reduce the number of hours used in BRI stores.

2. If a change in method/practice will effect lay-off and/or job loss, the Company will discuss the change with the Union 90 days prior to implementation to allow the Union time and opportunity to offer

possible alternatives that would achieve similar benefits as the proposed change.

It is understood that this letter shall form part of the Collective Agreement.

Yours truly,

W.F. Melville
Director, Employee Relations

The Beer Store

Corporate Office

5900 Explorer Drive
Mississauga, Ontario
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March 15, 2002

Mr. John Montgomery
President, UFCW Local 12R24
61 International Blvd.
Suite 200
Rexdale, Ontario
M9W 6K4

LETTER OF UNDERSTANDING

Dear Mr. Montgomery:

Re: Members' Assistance Programme – (Renewed March 20, 2005)

Effective the Monday following ratification, the Company agrees to pay \$.10 per hour for all hours worked, including paid holidays and vacation to the Brewers Retail Inc. UFCW Local 12R24 Members' Assistance Programme Fund. Contributions, along with a list of employees for whom they have been made, the amount of the contributions for each employee, broken down by period, shall be forwarded by the employer within 15 days after the closing of the employer's accounting period.

Contributions provided for above shall be for the purpose for providing assistance to members of the bargaining unit as shall be determined from time to time by the Officers of UFCW Local 12R24.

It is understood that this letter shall form part of the Collective Agreement.

W.F. Melville
Director, Employee Relations

The Beer Store

Corporate Office

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March 15, 2002

Mr. John Montgomery
President, UFCW Local 12R24
61 International Blvd.
Suite 200
Rexdale, Ontario
M9W 6K4

LETTER OF UNDERSTANDING

Dear Mr. Montgomery:

Re: Weekly Indemnity – (Renewed March 20, 2005)

Should a dispute arise over the adjudication of a claim due to a doctor's visit, a representative from the Company shall meet with a representative of UFCW Local 12R24 to attempt to resolve the issue based on the following criteria:

An employee must visit a physician and benefits will not start prior to this visit. In exceptional circumstances where the employee has not been able to immediately visit a physician, the date of the employee's phone call to the physician may constitute a visit for the purposes of establishing the date of disability, only when certified by the physician with an explanation of why the employee could not attend the physician's office.

W.F. Melville
Director, Employee Relations

The Beer Store

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March 15, 2002

Mr. John Montgomery
President, UFCW Local 12R24
61 International Blvd.
Suite 200
Rexdale, Ontario
M9W 6K4

Dear Mr. Montgomery:

Re: Health and Safety – (Renewed March 20, 2005)

The Company and the union agree to reinstate the Provincial Joint Health and Safety Committee.

Effective January 1, 1998, for stores / depots not covered by existing Joint Health and Safety Committees, a local Union Representative and a Company Representative will visit these stores / depots at random and complete the Monthly Workplace Inspection Report (S31). Such stores / depots may be visited once per year. Local management will follow-up on joint recommendations, and a copy of the Workplace Inspection Report (S31) will be posted in the location. Unresolved issues may be submitted to the Provincial Joint Health and Safety Committee.

The Company will grant the aforementioned local Union Representative a leave of absence without pay to complete the inspections. Operational needs must be taken into consideration when scheduling these inspections. The Company is not responsible for the expenses of the local Union Representatives and these Representatives are not to be characterized as Representatives as defined in Section 8 and 9 of the Occupational Health and Safety Act.

During negotiations, the Union raised concerns regarding potential changes to the existing Occupational Health and Safety Act. Accordingly, the Parties agree that the Health and Safety Legislation that is in effect Monday following ratification will continue to apply for the term of the Agreement.

It is understood that this letter shall form part of the Collective Agreement.

W.F. Melville
Director, Employee Relations

The Beer Store

Corporate Office

5900 Explorer Drive
Mississauga, Ontario
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(905) 361-4175
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March 15, 2002

Mr. John Montgomery
President, UFCW Local 12R24
61 International Blvd.
Suite 200
Rexdale, Ontario
M9W 6K4

LETTER OF UNDERSTANDING

Dear Mr. Montgomery:

Re: Administration and Training Fund – (Renewed March 20, 2005)

Effective the Monday following ratification, the Company agrees to pay \$0.05 per hour for all hours worked, including paid holidays and vacation to UFCW Local Union 12R24 Administration and Training Fund.

W.F. Melville
Director, Employee Relations

The Beer Store

Corporate Office

5900 Explorer Drive
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(905) 361-4297

March 15, 2002

Mr. John Montgomery
President, Local 12R24
61 International Blvd.
Suite 200
Rexdale, Ontario
M9W 6K4

LETTER OF UNDERSTANDING

Dear Mr. Montgomery:

Re: Bulletin Boards

The Company agrees to dedicate space on bulletin boards under Section 12.01 for the use of the union to post notices of union activities.

Yours truly,

W.F. Melville
Director, Employee Relations

The Beer Store

Corporate Office

5900 Explorer Drive
Mississauga, Ontario
L4W 5L2
(905) 361- 4175
(905) 361-4297

March 15, 2002

Mr. John Montgomery
President, UFCW Local 12R24
61 International Blvd.
Suite 200
Rexdale, Ontario
M9W 6K4

LETTER OF UNDERSTANDING

Dear Mr. Montgomery:

Re: Crown Subpoenaed Witnesses – (Renewed March 20, 2005)

Effective with the signing of this agreement, the Company agrees to compensate Temporary Employees and PPT's for time actually spent as Crown subpoenaed witnesses or when acting on behalf of the Company on TBS related issues. (such as robbery investigations etc.)

Sincerely,

W.F. Melville
Director, Employee Relations

The Beer Store

Corporate Office

5900 Explorer Drive
Mississauga, Ontario
L4W 5L2
(905) 361-4175
(905) 361-4297

March 15, 2002

Mr. John Montgomery
President, UFCW Local 12R24
61 International Blvd.
Suite 200
Rexdale, Ontario
M9W 6K4

LETTER OF UNDERSTANDING

Dear Mr. Montgomery:

Re: Labour Management Meetings – (Renewed March 20, 2005)

The parties agree that representatives of UFCW Local Union 12R24 and the Employee Relations Department will meet four times a year (quarterly) to discuss items of mutual interest as agreed.

Sincerely,

Fin Melville
Director, Employee Relations

The Beer Store

Corporate Office

5900 Explorer Drive
Mississauga, Ontario
L4W 5L2
(905) 361- 4175
(905) 361-4297

March 15, 2002

(Renewed March 20, 2005)

Mr. John Montgomery
President, UFCW Local 12R24
61 International Blvd.
Suite 200
Rexdale, Ontario
M9W 6K4

Dear Mr. Montgomery:

This will confirm the understanding reached by the parties at negotiations with respect to claims submitted by an employee to Manulife Financial for benefits. The medical information gathered by Manulife to establish or review the validity of the claim will not be disclosed to anyone other than BRI Benefits Department unless authorized by the employee or as may be required by legal process or statutory authority.

Sincerely,

W.F. Melville
Director, Employee Relations

The Beer Store

Corporate Office

5900 Explorer Drive
Mississauga, Ontario
L4W 5L2
(905) 361- 4175
(905) 361-4297

March 15, 2002

Mr. John Montgomery
President, UFCW Local 12R24
61 International Blvd.
Suite 200
Rexdale, Ontario
M9W 6K4

Dear Mr. Montgomery:

Re: Scheduling Practices – (Renewed March 20, 2005)

With respect to the declaration of vacancies, it is not the intent of the Company to preclude or avoid vacancies through scheduling of other than standard eight hour shifts.

Should a dispute arise pertaining to the Company's scheduling practice(s), the issue(s) will be the subject matter of a local labour-management meeting. Should the matter(s) not be resolved to the satisfaction of either party, the issue(s) will be subject to review by senior union and management officials.

The Company will make available to the local union a copy of the completed weekly work schedules. The work schedules will include pertinent staffing information, i.e., shift times, reasons for absences, etc.

This letter will form part of the Collective Agreement.

Yours truly,

W.F. Melville
Director, Employee Relations

The Beer Store

Corporate Office

5900 Explorer Drive
Mississauga, Ontario
L4W 5L2
(905) 361-4175
Fax (905) 361-4927

February 13, 2002

Mr. John Montgomery
President, UFCW Local 12R24
61 International Blvd.
Suite 200
Rexdale, Ontario
M9W 6K4

(Renewed March 20, 2005)

Dear Mr. Montgomery:

Re: Future Temporary Employees Hired Based on Sunday Availability

It is understood, that effective Monday following ratification, the Company may hire future temporary employees, who as a condition of employment, are available for Sunday work in Retail stores on a regular basis. Employees who are hired on this basis may not be offered further hours of work should they subsequently restrict their Sunday availability.

It is understood that this letter shall form part of the Collective Agreement.

Yours truly,

W.F. Melville
Director, Employee Relations

The Beer Store

Corporate Office

5900 Explorer Drive
Mississauga, Ontario
L4W 5L2
(905) 361-4175
Fax (905) 361-4297

March 5, 2002

Mr. John Montgomery
President, UFCW Local 12R24
61 International Blvd.
Suite 200
Rexdale, Ontario
M9W 6K4

(Renewed March 20, 2005)

Dear Mr. Montgomery:

An employee will be eligible for an unpaid leave of absence in order to be a candidate for election to full time office in Federal, Provincial, or Municipal elections. An employee who is elected to public office (municipal, provincial, or federal) will be granted a leave of absence, without loss of seniority, for the duration of the first term for that office.

Should the employee run for and be elected to a second consecutive term, the leave of absence will be withdrawn and employment will be terminated.

During such leaves, the terms and conditions of the Collective Agreement will not apply. The employee will continue to accrue service during the period of the approved leave.

It is understood that this letter shall form part of the Collective Agreement.

Yours truly,

W.F. Melville
Director, Employee Relations

The Beer Store

Corporate Office

5900 Explorer Drive
Mississauga, Ontario
L4W 5L2
(905) 361-4175
Fax (905) 361-4297

March 5, 2002

Mr. John Montgomery
President, UFCW Local 12R24
61 International Blvd.
Suite 200
Rexdale, Ontario
M9W 6K4

(Renewed March 20, 2005)

Dear Mr. Montgomery:

If, at any time during the life of this contract, the Union structure changes, the parties agree to meet for the purpose of discussing re-alignment.

It is understood that this letter shall form part of the Collective Agreement.

Yours truly,

W.F. Melville
Director, Employee Relations

The Beer Store

Corporate Office

5900 Explorer Drive
Mississauga, Ontario
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Fax (905) 361-4297

March 13, 2002

Mr. John Montgomery
President, UFCW Local 12R24
61 International Blvd.
Suite 200
Rexdale, Ontario
M9W 6K4

Dear Mr. Montgomery:

Re: WSIB Form – 7 – (Renewed March 20, 2005)

The Company agrees to provide a copy of the WSIB Form - 7 and attachments to the injured worker for which the Form 7 and attachments apply.

It is understood that this letter shall form part of the Collective Agreement.

Sincerely,

W.F. Melville
Director, Employee Relations

The Beer Store

Corporate Office

5900 Explorer Drive
Mississauga, Ontario
L4W 5L2
(905) 361-4175
Fax (905) 361-4297

March 15, 2002

Mr. John Montgomery
President, UFCW Local 12R24
61 International Blvd.
Suite 200
Rexdale, Ontario
M9W 6K4

Dear Mr. Montgomery:

Re: Manulife Benefits – (Renewed March 20, 2005)

The parties agree to meet to discuss issues pertaining to the administration of Manulife benefits within 60 days following ratification.

It is understood that this letter shall form part of the Collective Agreement.

Sincerely,

W.F. Melville
Director, Employee Relations

The Beer Store

Corporate Office

5900 Explorer Drive
Mississauga, Ontario
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(905) 361-4175
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March 15, 2002

Mr. John Montgomery
President, UFCW Local 12R24
61 International Blvd.
Suite 200
Rexdale, Ontario
M9W 6K4

Dear Mr. Montgomery:

Re: Job Security – (Renewed March 20, 2005)

In the event of circumstances that result in job loss, be it caused by outside influences or curtailment of business or change in the Employer's business plan, the Employer agrees to meet with the Union to discuss job security for those affected employees.

It is understood that this letter shall form part of the Collective Agreement.

Sincerely,

W.F. Melville
Director, Employee Relations

The Beer Store

Corporate Office

5900 Explorer Drive
Mississauga, Ontario
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(905) 361-4175
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March 20, 2005

Mr. John Montgomery
President, UFCW Local Union 12R24
61 International Blvd.
Suite 200
Rexdale, Ontario
M9W 6K4

Dear Mr. Montgomery:

Re: Temporary Employee Shift Cancellation

Temporary employees, who report for their scheduled shift and are not required to complete their shift, will work a minimum of two hours or will be paid two hours pay at their classified rate in lieu thereof.

Sincerely,

W.F. Melville
Director, Employee Relations

The Beer Store

Corporate Office

5900 Explorer Drive
Mississauga, Ontario
L4W 5L2
(905) 361-4175
Fax (905) 361-4297

March 20, 2005

Mr. John Montgomery
President, UFCW Local Union 12R24
61 International Blvd.
Suite 200
Rexdale, Ontario
M9W 6K4

Dear Mr. Montgomery:

Re: 4.14 - Restricted vs. Unrestricted

Logistics Division

A Temporary employee who is available for any and all work assignments during the basic work week exclusive of Sundays.

Retail Division

A Temporary employee who is available for any and all work assignments from Thursday 5.00 p.m. through Saturday 11.30 p.m.

New Hires

Newly hired temporary employees will be considered to be restricted until April or October when they may exercise their option to restate their availability to unrestricted.

Availability Forms

Availability Forms are to be completed by each temporary employee in April and October of each year.

Copies of Availability Forms will be provided to the Union upon request. All stores and DC's will post and maintain the lists of unrestricted and restricted employees.

Change Availability

Temporary employees may change their "unrestricted" status to "restricted" status at any

time. An employee who becomes restricted will be allocated hours of work among restricted employees in accordance with their date of hire.

Temporary employees may change their "restricted" status to "unrestricted" status in April or October only. An employee who becomes unrestricted will be allocated hours of work among unrestricted employees in accordance with the date they became unrestricted.

Transferred Employees

A Temporary employee who transfers to another store will be placed at the bottom of the restricted list in that store. The date of transfer will be considered as date of hire for the purpose of allocating hours of work. Temporary employees may change their "restricted" status to "unrestricted" status in April or October only.

The employee will retain rate of pay status at the time of transfer.

Sincerely,

W.F. Melville
Director, Employee Relations

The Beer Store

Corporate Office

5900 Explorer Drive
Mississauga, Ontario
L4W 5L2
(905) 361-4175
Fax (905) 361-4297

March 20, 2005

Mr. John Montgomery
President, UFCW Local Union 12R24
61 International Blvd.
Suite 200
Rexdale, Ontario
M9W 6K4

Dear Mr. Montgomery:

Re: Access to Stores

Service representatives employed by UFCW Local 12R24 shall be permitted to visit the Company's premises (Retail Stores and Distribution Centres) to carry out the business of the Union as it relates to the administration of the collective agreement with The Beer Store. Such business shall not in any way disrupt the Company' business.

Access to areas not normally accessible by the general public is only upon approval by management. Such access will not unreasonably be withheld.

Sincerely,

W.F. Melville
Director, Employee Relations

The Beer Store

Corporate Office

5900 Explorer Drive
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(905) 361-4175
Fax (905) 361-4297

March 20, 2005

Mr. John Montgomery
President, UFCW Local Union 12R24
61 International Blvd.
Suite 200
Rexdale, Ontario
M9W 6K4

Dear Mr. Montgomery:

Re: Rest Periods

Rest periods are designed to provide employees with the opportunity to rest and prepare themselves for the next portion of their shift. TBS Retail is an environment where customer flow is occasionally unpredictable and the opportunity may not exist for a full rest period during a working shift.

Every effort should be made to allow employees to take rest periods in accordance with the collective agreement. When extenuating circumstances prevent an employee from receiving the appropriate rest period, the employee will be compensated in pay or time off.

This is not meant to alter current arrangements between store management and employees which are satisfactory to the employees and the operation.

Where a dispute arises with regard to formal rest periods in stores where there is only one employee on duty, the issue will be investigated and where it is determined that the employee missed a break, the employee will be compensated in pay or time off. Should the matter not be resolved to the satisfaction of either party, representatives of Local 12r24 and the Employee Relations Department may be requested to assist.

Sincerely,

W.F. Melville

The Beer Store

Corporate Office

5900 Explorer Drive

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March 20, 2005

Mr. John Montgomery
President, UFCW Local Union 12R24
61 International Blvd.
Suite 200
Rexdale, Ontario
M9W 6K4

Dear Mr. Montgomery:

Re: 22.03 - Disclosure

Once a TBS investigation is complete and should such an investigation lead to the suspension or discharge of an employee, the Company will provide the Union with the core facts which led to the decision to issue discipline. Should the Company subsequently become aware of additional facts which it may use to support the discipline, it shall advise the Union of such additional facts.

Should the matter also be the subject of a police investigation, TBS will not have any obligation to release documents to the Union until authorized by the investigating officer.

Sincerely,

W.F. Melville

The Beer Store

Corporate Office

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Fax (905) 361-4297

March 20, 2005

Mr. John Montgomery
President, UFCW Local Union 12R24
61 International Blvd.
Suite 200
Rexdale, Ontario
M9W 6K4

Dear Mr. Montgomery:

Re: PPTs

The Company will provide the Union with the selection process and criteria and will notify the Union of any changes to be made to the process or criteria that will allow the Union to make representations with respect to the changes.

- The Company will post the selection process in all Stores and DC's
- The Company will identify locations where PPT positions are to be made available.
- These positions will be posted within the applicable seniority group and will be filled from the appropriate seniority group first.
- All eligible candidates who have expressed interest will be interviewed as per the PPT Selection Process.
- Candidates will be notified in writing whether they are to be advanced or not. Unsuccessful candidates will be advised where development or improvement is required and will be provided training and support to assist them in future success.
- Should a complaint about the process arise, the local union and management will meet to discuss. Upon request, documents relevant to the process will be supplied to the local union provided the employees involved have consented.

Retail Store employees will be advanced to PPT status in accordance with the PPT Selection Criteria Retail.

Distribution Centre employees will be advanced to PPT status in accordance with the PPT Selection Criteria Logistics.

Sincerely,

W.F. Melville
Director, Employee Relations

The Beer Store

Corporate Office

5900 Explorer Drive
Mississauga, Ontario
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(905) 361-4175
Fax (905) 361-4297

March 20, 2005

Mr. John Montgomery
President, UFCW Local Union 12R24
61 International Blvd.
Suite 200
Rexdale, Ontario
M9W 6K4

Dear Mr. Montgomery:

Re: Uniform Components – Points

The points assigned to individual components of the uniform issue will not be increased during the term of this (2005-07) collective agreement.

Sincerely,

W. F. Melville
Director, Employee Relations

**BREWERS RETAIL INC.
BENEFITS PLAN
FOR
UNION EMPLOYEES**

WHO IS COVERED?

This Benefits Plan applies to all Regular employees on the Seniority Lists. New employees must make such applications and submit such information as is required. Individual certificates of coverage will be issued to each employee.

A description of the various benefits are shown, in detail, on the following pages under individual headings.

Your eligible dependents who will be insured are:

Insurance Company-

- (i) an employee's spouse; and
- (ii) unmarried children from date of birth to 21st birthday, or until age 25 if in full time attendance at a recognized school of learning. Any mentally or physically handicapped child who was covered up to the maximum age shall continue to be covered provided the child is incapable of self-sustaining employment and totally relies upon the employee for support.

NOTE I:

Probationary employees will be enrolled in this Benefits Plan when they attain Regular status.

NOTE II:

This booklet is intended to give you a description of your coverage. Complete provisions are contained in the Group Master Policies issued by the Insurance Company.

The entire cost of this Benefits Plan is paid for by the Company except for an annual major medical deductible.

ESSENTIAL INFORMATION

Reporting of Claims

Weekly Indemnity claims must be submitted to the Corporate Office Benefits Department on the required claim form. Claims must be received by the insurance company within 90 days following the date of disability.

Claims for Long Term Disability are to be submitted on the appropriate claim forms directly to the Corporate Office Benefits Department and must be received by the insurance company within 6 months after the date of completion of the qualifying period.

The employee will pay for any initial medical report required. The Company will ensure that the employee is reimbursed for any medical report required subsequent to the initial report, pertaining to that claim.

Life Insurance and Accidental Death and Dismemberment claims must be reported to the Corporate Office Benefits Department as soon as reasonably possible and filed with the insurance company within 90 days after the date of loss.

Claims for Hospital Benefits, Major Medical Expense Benefits and Dental Expense Benefits must be submitted to the insurance company on the appropriate insurance forms and received by the insurance company by the end of the calendar year following the year in which the expense was incurred.

Change in Status

It is essential that you notify the Company, immediately, of any changes in status which will result in change from one to the other of the following classes:

- (i) an employee without dependents
- (ii) an employee with dependents

Change in dependant coverage will not be made retroactively for a period greater than thirty (30) days.

Termination of Employment

All benefits under this Plan will cease immediately upon termination of employment, with the following exception: Life Insurance coverage will remain in force for thirty-one (31) days from date of termination.

Layoff

In the case of layoff, all benefits, with the exception of Weekly Indemnity, will continue to the end of the month following the month in which you are laid off. For employees with one (1) or more years of seniority, see Guaranteed Wage Plan for possible additional coverage. If, while you are on layoff status, you work eight (8) hours in a month, your coverage will be extended to the end of the next month.

For Weekly Indemnity applicable during layoff, please refer to the Collective Agreement.

Leave of Absence

If you are granted leave of absence for any reason other than sickness or accident, for more than ten (10) working days, your coverage other than Weekly Indemnity and Long Term Disability Benefits may remain in force upon your payment of the required premiums, for the full period of leave, prior to taking such leave.

Strikes

If you are absent from work because of an illegal strike, such absence will be treated as a termination of employment for the purpose of this Benefits Plan.

Life Insurance for Employees

Your life is insured under a Group Life Policy as follows:

(providing you are actively at work)

Effective date of ratification:	\$49,000.**
Effective January 1, 2006:	\$50,000.**
Effective January 1, 2007:	\$51,000.**

Comment: Page: 80
Amounts and dates changed below as per
page 23 of the memorandum.

**Employees absent due to illness or accident on the above effective dates will remain under the terms of the life insurance plan in effect at the time disability commenced.

You may change your beneficiary at any time in accordance with the laws of the Province of Ontario.

The increased life insurance will become effective upon your return to active full-time employment.

If your employment is terminated, Life Insurance coverage will remain in force for thirty-one (31) days from date of termination. Within this period, you have the privilege of converting the Life Insurance to an individual policy on any full participating plan then issued by the Insurance Company. No medical examination or other evidence of health will be required within this thirty-one (31) day period.

The Life Insurance is payable in the event of your death for any cause, at any time or place, while you are insured. The full amount of your insurance will be paid in one (1) lump sum to your beneficiary. If a different form of settlement is requested, it can be arranged subject to the Company's approval.

Should you become totally and permanently disabled as a result of either sickness or accident before the age of sixty-five (65), the total amount of your insurance will remain in force until you reach age sixty-five (65), providing you remain totally and permanently disabled. (For Life Insurance benefits after age sixty-five (65), see section on Pensioners.)

Accidental Death and

Dismemberment Insurance for Employees

If, as a result of an accident, you suffer the loss of life, limbs, or sight, you will receive Accidental Death and Dismemberment Benefits up to the following maximum: (This is in addition to all other benefits.)

Comment: Page: 82
Amounts and dates changed below as per page 23 of the memorandum.

(providing you are actively at work)

Effective date of ratification:	\$49,000.**
Effective January 1, 2006:	\$50,000.**
Effective January 1, 2007:	\$51,000.**

**Employees absent due to illness or accident on the above effective dates will remain under the terms of the A.D. & D. Plan in effect at the time disability commenced.

The increased A.D. & D. will become effective upon your return to active full-time employment.

If your employment is terminated, your coverage will be cancelled as and from the date of termination.

The full amount of your insurance will be paid if the accident caused the loss of life, or both hands or both feet, or the sight of both eyes, or one hand and one foot, or one hand and the sight of one eye, or one foot and the sight of one eye, or hearing in both ears and speech, or use of both hands or use of both feet.

Three quarters of the amount of your insurance will be paid if the accident caused the loss of one arm, or one leg, or the use of one arm or the use of one leg.

Two thirds of the amount of your insurance will be paid if the accident caused the loss of one hand, or one foot, or the entire sight of one eye, or speech, or hearing in both ears, or use of one hand, or use of one foot.

One third of the amount of your insurance will be paid if the accident caused the loss of one thumb and index finger, or at least four fingers of one hand.

One quarter the amount of your insurance will be paid if the accident caused the loss of the hearing in one ear, or all toes on one foot.

Twice the amount of your insurance will be paid if the accident caused quadriplegia, or paraplegia, or hemiplegia.

As a result of a covered accident you will be eligible to apply for the following benefits (subject to a maximum benefit payable):

- ◆ Hotel and travel expenses actually incurred by a member of your immediate family if you are confined to a hospital which is located 150 kilometers or more from your normal place of

residence.

- ◆ Expenses incurred for the repatriation of your body in the event of an accident which has occurred more than 150 kilometers or more from your normal place of residence.
- ◆ In the event of your death, reimbursement of post-secondary school level tuition expenses incurred for eligible dependants.
- ◆ The cost of your participating in a formal rehabilitation program in order to again qualify for active employment.
- ◆ In the event of your death, the cost of formal occupational training for your spouse to become specifically qualified for active employment.
- ◆ Death or injury benefits as a direct result of a covered accident related to air travel.

If a person suffers more than one loss as a result of the same accident, the total benefit payable will not exceed 100% of the amount specified (except for hemiplegia, paraplegia, or quadriplegia; in which case the total benefit will not exceed 200%). Losses due to different accidents will be considered new claims.

All losses must occur within three-hundred-sixty-five (365) days from the date of the accident and must be caused by external, violent or accidental means.

Weekly Indemnity Benefits for Employees

This benefit is payable while you are disabled and unable to work due to sickness or accident which is not covered by Workplace Safety and Insurance Board.

Weekly Indemnity claims must be submitted within 90 days of the onset of disability or declination by WSIB to be considered for payment.

To qualify for payment of Weekly Indemnity, you must be under the care and treatment of a physician or surgeon legally licensed to practice medicine:

- 1) If your disability is due to an accident and if your disability commences within two (2) weeks from the date of the accident, you may be eligible to receive benefits from the date of the accident provided you have visited your physician and he has certified you disabled from the date of the accident. If you do not visit your physician on the date of the accident, benefits will commence from the day you first visit your physician provided you have been certified disabled from that date.
- 2) If your disability is due to an illness or if your disability commences more than two (2) weeks following an accidental injury, you may be eligible to receive benefits after a three day waiting period has been applied. Payment will be made from the fourth day after which your

physician certifies you as disabled, but in no event will benefits be payable prior to the fourth day of absence and the first day you visit your physician.

Payment will be made at the end of each week for which satisfactory proof of disability has been received.

Weekly Indemnity will continue for a period not exceeding twenty-six (26) weeks for any one illness providing you are under the continuous care and treatment of a physician or surgeon.

Benefits are on the basis of 70% of your base rate of pay in effect at any time during this twenty-six (26) week period, and are fully integrated with the Canada Pension Plan Disability Pension and/or other government legislated disability benefits to which you may be entitled.

Should you return to work before receiving benefits for twenty-six (26) weeks and within fourteen (14) calendar days be again disabled due to the same or related cause, you will receive weekly benefits for the balance of the twenty-six (26) week period, only. You will commence a new claim if (a) you have been back to work for more than fourteen (14) days and again become disabled due to the same or related cause - or - (b) you have a disability which is entirely unrelated to the causes of your previous disability, and which commences after you have returned to active full-time employment.

Where it is necessary for an employee to have dental surgery, claims under the Weekly Indemnity Plan will be recognized and payments will commence on the fourth day and will continue up to a maximum of two (2) weeks for any such claim upon the receipt of the proper certification by a dental Oral Surgeon.

Weekly Benefits are prorated on a seven (7) day week and are subject to payment of Income Tax.

Pregnancy Leave of Absence

Benefits for approved Leave of Absence due to Pregnancy are covered under the Employment Insurance Commission.

Long Term Disability Benefits for Employees

I. Benefits shall be payable when you have been totally disabled and unable to work due to illness or accident subject to the following qualifying period:

You must have been totally disabled for a minimum period of twenty-six (26) weeks and have exhausted the Weekly Indemnity or have received Workplace Safety and Insurance Board payments for twenty-six (26) weeks.

II. Benefits are on the basis of 66-2/3% of your base rate of pay in effect at any time during

the first seventy-eight (78) weeks of receiving Long Term Disability Benefits and are fully integrated with the Canada Pension Plan Disability Pension, Workplace Safety and Insurance Board Payments and/or other government legislated disability benefits to which you may be entitled. Information and forms for the applications of C.P.P. benefits will be forwarded to each employee upon attainment of thirteen weeks of disability, when there is no prognosis of return to work until after the twenty-six weeks of disability.

III. Commencing with the 79th week, Long Term Disability Benefits will be 66-2/3% of your base rate of pay in effect at the end of the seventy-eight (78) week period referred to in II, above.

IV. Benefits will continue providing you are under the continuous care and treatment of a physician or surgeon until age sixty-five (65), or until you cease to be Totally Disabled, as hereinafter defined, whichever first occurs.

V. "Totally Disabled" shall mean for the Qualifying Period and the first seventy-eight (78) weeks following the qualifying period for which Long Term Disability Benefits are paid, that you are wholly and continuously disabled by illness or accidental bodily injury which prevents you from performing your own occupation. Thereafter, "Totally Disabled" shall mean inability to perform the duties of any job for any employer for which you are reasonably qualified by training, education or experience.

VI. (i) Should you return to work at anytime during the first seventy-eight (78) weeks of receiving Long Term Disability Benefits and within fourteen (14) calendar days again be disabled due to the same or related cause, your claim shall be treated as a continuation of the immediately preceding disability. You will commence a new claim if (a) you have been back to work for more than fourteen (14) calendar days and again become disabled due to the same or related cause - or - (b) you have a disability which is entirely unrelated to the causes of your previous disability, and which commences after you have returned to active full-time employment.

(ii) Should you return to work at any time after the first seventy-eight (78) weeks of receiving Long Term Disability Benefits and within six (6) months again be disabled due to the same or related cause, your claim shall be treated as a continuation of the immediately preceding disability. You will commence a new claim if (a) you have been back to work for more than six (6) months and again become disabled due to the same or related cause - or - (b) you have a disability which is entirely unrelated to the causes of your previous disability, and which commences after you have returned to active full-time employment.

VII. Long Term Disability Benefits are prorated on a seven (7) day week and are subject to payment of Income Tax.

VIII. Effective date of Ratification, if an employee in receipt of post definition change (hard) LTD should die, the final payment will be for a full month for the month in which the employee died.

NOTE:

For disabilities which commenced prior to January 1, 1979, Long Term Disability Benefits will be subject to the terms of the Plan in effect at the time disability commenced.

**Ontario Health Insurance Plan
for Employees and Dependents**

I. Basic Hospital Coverage provides Standard Ward care and defined extras, as stipulated under the regulations of the Ontario Health Insurance Plan.

II. Surgical, medical, anesthetists, diagnostic, chiropractor and osteopath benefits as defined in the rules and regulations of the Ontario Health Insurance Plan.

**Semi-Private Hospital Benefits
for Employees and Dependents**

You and your qualified dependents are entitled to 100% of charges made for Semi-Private accommodation while an in-patient in a hospital which has received payment for the Standard Ward care from the Ontario Health Insurance Plan.

**Major Medical Expense Benefits
for Employees and Dependents**

Major Medical Expense Insurance is designed to help protect you and your qualified dependents against expenses resulting from prolonged or serious illnesses or accidents which may run into substantial sums of money.

Major Medical Insurance provides payments towards necessary and reasonable charges incurred by you or your qualified dependents for supplies and services recommended by a physician or surgeon, for treatment of disease or bodily injury.

WHAT DOES THE PLAN COVER?

The Major Medical Insurance Plan pays on behalf of yourself and each qualified dependent, in each calendar year, 100% of all eligible expenses, after first deducting an amount of \$10.00 per person, maximum \$20.00 per family (hereinafter referred to as the "Deductible Amount") up to the limits as set out in the policy.

Eligible Expenses Covered:

- 1) Drugs and medicines requiring a written prescription by a licensed physician or dentist.

Effective Monday following ratification, drug plan coverage will continue for eligible dependents of full time employees for a period of six (6) months after the date of death of

the full time employee.

Where a generic equivalent of a prescription drug exists, reimbursement shall be made only for the cost of the generic equivalent, except where substitution is precluded by the employee's physician.

Comment: Page: 88
The next sentence has been added as per the last paragraph on page 24 of the memorandum.

- 2) Services of registered graduate nurses, other than members of the insured's family.
- 3) Services of duly qualified and licensed physiotherapists, other than members of the insured's family, when not covered under the Ontario Health Insurance Plan.
- 4) Professional ambulance services when not covered under the Ontario Health Insurance Plan.
- 5) Rental of wheelchair, hospital bed, iron lung, respirator or ventilator.
- 6) Splints, trusses, braces, crutches, casts, artificial limbs and eyes.
- 7) Fees of a licensed dentist or oral dental surgeon for accidental injury to natural teeth where services are performed within six (6) months of the accident and are not covered under the Ontario Health Insurance Plan.
- 8) Drugs and supplies available without a prescription and required as a result of a colostomy or ileostomy and/or for the treatment of cystic fibrosis, diabetes, parkinsonism and heart disease.
- 9) Oxygen, including the equipment necessary for its administration.
- 10) Rental and/or purchase of life sustaining durable medical equipment when a portion of the expense is paid by the government Assistive Devices Program (ADP).
- 11) Purchase of 2 pairs of orthotics every 3 calendar years when prescribed by a medical doctor, chiroprapist, podiatrist, or orthopaedic surgeon.

Chiropractic and Acupuncture Treatment

Effective June 1, 2002, coverage for services of licensed, certified or registered Chiropractors and Acupuncturists. Payment will be based upon a 50% co-insurance to a combined maximum of \$200 per insured person per annum.

Outside Canada Coverage

- 1) Drugs and medicines requiring a written prescription by a licensed physician or dentist incurred as a result of an emergency while the employee is travelling, vacationing or otherwise temporarily residing outside Canada.

- 2) Licensed ambulance services (including air ambulance) as a result of an emergency while the employee is traveling, vacationing or otherwise temporarily residing outside Canada.
- 3) Substance Abuse expenses of up to \$425 U.S. per day for ward accommodation including supplies, medication and therapy, for a period of 31 days or the length of the program, whichever is less. Physicians' charges are not included.

Expenses not Covered:

- 1) Injury sustained in the course of any employment for remuneration or profit; illness for which the employee or his/her qualified dependents are entitled to indemnity in accordance with the provisions of any Workplace Safety and Insurance Board or similar law.
- 2) Any services, treatments or supplies for which no charge is made, including services provided under any governmental program.
- 3) Periodic health check-ups; insurance examinations; or travel for health; eye refractions or eyeglasses; hearing aids.
- 4) Any illness or injury resulting from an act of war, whether war is declared or not.
- 5) Any treatment as the result of a self-inflicted injury or illness.
- 6) Plastic or cosmetic surgery, except when the operation is performed to correct deformities resulting from injury or sickness or some congenital defects as interfere with function.
- 7) Drugs, sera, injectables, and supplies which are not approved by Health and Welfare Canada, or are experimental, or limited in use whether or not so approved.
- 8) Physician's charges for his time spent traveling, broken appointments, transportation costs, room rental charges or advice given by telephone or any other means of telecommunication.
- 9) Expenses incurred outside Canada, except as specified for emergency or referral treatment under Outside Canada Coverage. Such expenses incurred outside Canada on an elective basis are not payable.
- 10) Experimental medical procedures or treatment methods not approved by the Provincial Medical Association or the appropriate medical specialist society.

Maximum Benefits

Subject to an overall maximum of \$25,000 payable for each person during any period of 3 consecutive calendar years.

Reinstatement Provision

As of the second January 2nd following the effective date of this insurance, and on each January 2nd thereafter, \$5,000.00 of the original Major Medical maximum is reinstated automatically. If, after this reinstatement, the unused portion of the maximum is less than \$5,000.00, an employee or his/her qualified dependent may have the full maximum reinstated by submitting satisfactory evidence of insurability at the employee's expense.

Comment: Page: 89
The amount of the reinstatement was changed from \$2,500 as per page 24 of the memorandum.

Health Care

Effective Monday following ratification, drug plan coverage and dental coverage will continue for eligible dependents of full time employees for a period of six months after the date of death of the full time employee.

Carry-Over Provision

Any eligible expenses incurred during the last three (3) months of a calendar year which were used to satisfy the Deductible Amount, either in full or in part, may be carried over into the following year to again satisfy the Deductible Amount.

This provision eliminates the application of two (2) \$10.00 deductibles over the end and the beginning of a calendar year.

Family Deductibles

Should more than one (1) member of one (1) family become eligible for Major Medical Insurance, the Deductible Amount in any calendar year shall be \$20.00 per family.

Common Accident Provision

In the event that two (2) or more insured members of a family are injured in the same accident, the Deductible Amount will be applied only once for all their injuries arising out of the accident.

Extension of Benefits

If, on the date coverage would cease, an employee is totally disabled or a dependent is confined to hospital, reimbursement will be made for eligible expenses incurred due to such disability, or hospital confinement, until the earliest of:

- a) the 365th day following the date coverage would normally cease;
- b) for an employee, the date total disability ceases;

- c) for a dependent, the date hospital confinement is no longer necessary;
- d) the date such employee or dependent has received the maximum amount allowable.

Maternity Benefits

Benefits for pregnancy or complication of pregnancy become effective after an employee or the dependent of an employee has been insured for nine (9) consecutive months.

If your insurance is terminated, benefits will apply for any existing pregnancy, provided at least nine (9) months have elapsed between the date insurance became effective and the date of delivery.

Maternity Leave

Eligibility

Regular full-time female employees who have been employed by TBS for the period of time prescribed by the Employment Standards Act.

Periods of Leave

Maternal leave – total of 17 weeks which are covered by E.I.

Top-Up

All full time female hourly employees who are eligible for E.I benefits are eligible to receive top-up benefits if they conform to the requirements under Employment Standards. TBS will top up the E.I. payments so that the total pre-tax income received equals 90% of the base pay rate. The top up will continue for the number of weeks of E.I. eligibility, to a maximum of 17 weeks.

Seniority, vacation and Health and Welfare benefits (excluding wage loss provisions) continue during maternity leaves of absence.

Vision Care

\$150.00 for each regular employee and each dependent every twenty-four (24) consecutive months.

Tractor Drivers – Medical Exams

Effective date of Ratification the Company agrees to reimburse Logistics employees who have valid AZ licenses for the cost of license renewal medical examinations up to a maximum of \$150 every three years.

Dental Expense Benefits for Employees and Dependents

Eligible Services

All reasonable and customary dental services, which are recommended as necessary and are performed by a qualified dentist or physician, are eligible for benefits under the Plan.

Dental services are classified under three (3) major categories:

a) **Basic Services**

Examinations and cleaning of teeth (once in any six (6) month period); extractions, fillings and other necessary treatment for relief of dental pain.

b) **Restorative Services**

Crowns and inlays, bridgework, dentures, root canal therapy (endodontics) and the treatment of tissues and bones supporting the teeth (periodontics).

c) **Orthodontia**

Proper fitting of natural teeth and prevention or correction of irregularities of teeth.

Benefits

You will be reimbursed for:

- * 100% of the cost of eligible Basic Services;
- * 75% of the cost of eligible Restorative Services;
- * 50% of the cost of eligible Orthodontia Services

incurred by you or your dependents subject to the limitations and exclusions described below.

Benefits will be paid on the basis of the lesser of the actual fee charged or the amount stated in the current Ontario fee schedule of the Dental Association. In the event that optional procedures are possible, the procedure involving the lowest fee will be considered as the eligible expense provided it is consistent with good dental care.

Limitations and Exclusions

1) Benefits paid in respect of each insured person will be limited to the following maximum amounts:

- *a) \$1000.00 per calendar year for Basic Services (effective January 1, 2002); and
- *b) \$5,000.00 effective Monday following ratification combined lifetime maximum for Restorative Services and Orthodontia.
- *c) Effective January 1, 1995 there will be an annual re-instatement of up to \$600.00 at the beginning of each calendar year, if required, to restore such lifetime

Comment: Page: 92
The amount was increase from \$4,000 and the date changed from March 1, 1991..

Comment: Page: 92
The Date was changed from January 1, 1992 and the amounts from \$500 and \$4,000 respectively.

maximum to a level of \$5,000.00.

- 2) When the cost of a series of dental treatments is expected to exceed \$650.00, such treatments must be authorized in advance by the Insurance Company to be covered under the Plan.
- 3) Expenses incurred for the replacement of dentures is permitted under the Plan at three (3) year intervals.

No benefits will be paid for the replacement of dentures which have been lost or misplaced.

- 4) Dental Services which may become eligible for *payment in the future, under any Workplace Safety and Insurance Board or other government plan, as well as any service for which the employee or dependent would not otherwise have to pay, are not covered under the Plan.

An "Attending Dentist's Statement" form must be completed by the Dentist and the employee for all claims.

PENSIONERS

The following benefits will apply to employees who retire after April 1, 1988 and will continue during the lifetime of the pensioner only:

1. Employees who retire normally at age sixty-five (65), with ten (10) or more years of service; employees who retire under the Partial Disability Clause of the Pension Plan; employees who on and after January 1st, 1973 retire at age sixty (60) or over with thirty (30) or more years of service; employees who retire after March 1, 1991 on the 85 Point Retirement:

Life Insurance:

\$4,000.00 (for those employees who retire after January 1, 1988)

Ontario Health Insurance Plan for Pensioner and eligible dependents:

Basic Hospital coverage provides Standard Ward care and defined extras as stipulated under the regulations of the Ontario Health Insurance Plan.

Surgical, medical, anesthetists, diagnostic, chiropractor, osteopath benefits as provided under the Ontario Health Insurance Plan.

Semi-Private Hospital Benefits for Pensioners and eligible dependents:

You and your eligible dependents are entitled to 100% of charges made for Semi-Private accommodation while an in-patient in a hospital which has received payment for the Standard Ward care from the Ontario Health Insurance Plan.

**Major Medical Expense Benefits
for Pensioners and eligible dependents:**

If, on the date coverage would normally cease a dependent is confined to hospital, reimbursement will be made for expenses incurred due to such hospital confinement until the date hospital confinement is no longer necessary.

Effective Monday following ratification, surviving spouses only of deceased retirees will continue to be covered for Major Medical Expense Benefits for Pensioners subject to Plan policy provisions.

1) The Plan pays on behalf of yourself and each eligible dependent, in each calendar year, 80% of all eligible expenses, after first deducting an amount of \$10.00 per person, maximum \$20.00 per family. This means that, in each calendar year, you will pay the first \$10.00 of any expenses incurred on behalf of yourself and \$10.00 for expenses incurred on behalf of your dependents - the Plan will then pay 80% of the remaining eligible expenses up to a lifetime maximum of \$9,000.00 per person.

As of the second January 2nd following the effective date of this insurance, and on each January 2nd thereafter, \$1800.00 of the original Major Medical maximum is reinstated automatically.

2) Employees who retire early at their own request, and where their pension is subject to actuarial reduction:

All benefits of the Benefits Plan will be cancelled effective with the date of such early retirement.

85 point retirement

Effective the Monday following ratification and up to and including December 31, 2007, employees who retire under the 85 point provision who are between the ages of 55 and 59 inclusive will receive a monthly supplement of \$600 until the earlier of reaching 60 years of age or becoming eligible for C.P.P. They will continue existing benefit coverage, with the exception of wage loss replacement, up to age 60 at which time they will be covered by the benefit plan for retired employees.

DEFERRED RETIREMENT

Should mandatory retirement at age 65 be no longer permitted by law in this province and a regular employee continues in employment beyond his/her normal retirement date, the following

conditions shall govern such employment and be added to the Collective Agreement.

1. The Pension to which the employee has become entitled at his/her normal retirement date (the "Pension") shall be frozen as of the employee's normal retirement date as defined in the Pension Plan.
2. The employee's Pension shall become payable as of the first day of the month immediately following the month the employee ceased to be employed with the Company or as of the first day of the month immediately preceding the employee's seventy-first (71) birthday whichever shall first occur (the "Pension Date").
3. The employee's Pension will include any escalation benefits which occur from his/her normal retirement date to his/her Pension Date.
4. No contribution to the Pension Plan will be made after the employee has reached his/her normal retirement date and no service shall be credited after the aforementioned date.
5. An employee's Pension will not be affected by any amendments made to the Pension Plan after the employee's normal retirement date.
6. An employee's Pension benefits will be actuarially reviewed effective as at the Pension Date having regard to the employee's Pension having been deferred since his/her normal retirement date.
7. For purposes of calculation any minimum pension supplement, the Canada Pension Plan and old age security Benefits, where applicable, will be taken into account at the level in effect at the employee's normal retirement date.
8. An employee who continues in the employ of the Company after his/her normal retirement date as defined in the Pension Plan, shall be entitled to only the insured welfare benefits provided to employees on retirement as at his/her normal retirement date.