

COLLECTIVE AGREEMENT

BETWEEN:

PHARMA PLUS DRUGMARTS LTD.

- AND -

**UNITED FOOD & COMMERCIAL WORKERS
CANADA, LOCAL 175**

TERM: JANUARY 5, 2011 to JANUARY 4, 2014

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THIS AGREEMENT made and entered into as of ____

BETWEEN: PHARMA PLUS DRUGMARTS LTD.

with respect to its stores in Ontario except the stores in the
Regional Municipality of Ottawa-Carleton

(Hereinafter referred to as the "Company")

- and -

**UNITED FOOD & COMMERCIAL WORKERS
CANADA, LOCAL 175**

(Hereinafter referred to as the "Union")

WHEREAS the Company and the Union desire to co-operate in establishing and maintaining conditions which will promote a harmonious relationship between the Company and the employees covered by this agreement, and in providing methods for a fair and amicable adjustment of disputes which may arise between them, and to promote efficient operation;

NOW, THEREFORE, the Company and the Union mutually agree as follows:

ARTICLE 1 - BARGAINING AGENCY

- 1.01 (a) The Company recognizes the Union as the sole collective bargaining agency for all employees at its retail stores in Ontario, except the stores in the Regional Municipality of Ottawa-Carleton, save and except Assistant Store Manager, persons above the rank of Assistant Store Manager, Graduate and Undergraduate Pharmacists, including Pharmacy Interns and Apprentice Pharmacists, and Office Staff.
- (b) A person classified as a Management Trainee is a member of the bargaining unit until such time as the Company advises the Union that the trainee has successfully, or otherwise, completed his training which shall be done within nine (9) months of each trainee's commencement of training. The Union will be advised in writing of names of management trainees.
- (c) The Company agrees that stores shall be staffed by Assistant Store Managers on the following basis;

All stores shall have one (1) Assistant Store Manager, unless,

- i. The store is open for greater than 100 hours per week or has front store sales volumes in excess of \$100, 000.00 per week, in which case there may be two (2) Assistant Store Managers.
- ii. The store is open for greater than 100 hours per week or has front store sales volumes in excess of \$150, 000.00 per week, in which case there may be three (3) Assistant Store Managers.

Assistant Store Managers shall not be used to the extent that they cause a reduction of hours of any bargaining unit employees.

- 1.02 (a) The term full-time employee or full-time employees whenever herein used, shall mean employees scheduled to work a normal work week of thirty-two (32) to forty (40) hours per week, as defined in Article 5.01.
- (b) The term part-time employee or part-time employees whenever herein used, shall mean employees scheduled to work less than a normal work week of thirty-two (32) hours.

ARTICLE 2 - MANAGEMENT RIGHTS

- 2.01 The Management of the Company and the direction of the working force, including the right to plan, direct and control store operations, to maintain the discipline and efficiency of the employees, and to require employees to observe reasonable Company rules and regulations, to hire, lay-off or assign employees' working hours, to suspend, transfer, promote, demote, discipline and discharge employees for proper cause, are to be the sole right and function of the Management, provided that this right shall be exercised with due regard for the rights of the employees contained in this Collective Agreement.
- 2.02 The parties agree that the foregoing enumeration of Management's rights shall not be deemed to exclude other recognized functions of Management not specifically covered by this Agreement. The Company therefore retains all rights not otherwise specifically covered in this Agreement.
- 2.03 The Company shall be the sole judge as to the merchandise to be handled in its stores.
- 2.04 (a) The Company will not discriminate against any employee on the basis of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, age, record of offenses, marital status, family status, sexual-orientation or disability or participation in the Union or lack thereof pursuant to the provisions of the Ontario Human Rights Code.
- (b) **HARASSMENT**

The Company and the Union agree to co-operate in preventing and eliminating all harassment in the workplace, as defined by the Ontario Human Rights Code.

(c) **NO VIOLENCE IN THE WORKPLACE**

Pharma Plus has a zero tolerance policy for workplace violence. Pharma Plus is committed to providing its employees a work environment that is safe, secure and free of harassment, threats, intimidation and violence.

The Company will endeavour to ensure that incidents of this nature do not occur, however should an unfortunate event take place the Company will take reasonable steps to ensure that the physical, emotional and damage or loss to personal property impact to the employee(s) is rectified.

The Labour Management Committee will continue to review issues of this nature as required.

ARTICLE 3 - EMPLOYEE AND UNION CO-OPERATION

- 3.01 The employee agrees to uphold the reasonable rules and regulations of the Company in regard to punctual and steady attendance, proper notification in case of necessary absence, conduct on the job, and other reasonable rules and regulations established by the Company.
- 3.02 (a) The employee agree to co-operate with the Company in maintaining and improving safe working conditions and good housekeeping of the stores, and caring for equipment and machinery
- (b) A Health and Safety Committee shall be established in each workplace in accordance with the Occupational Health and Safety Act of Ontario.
- 3.03 The Union agrees to co-operate when requested by the Company in correcting inefficiencies of the members which might necessitate discharge.
- 3.04 There will be no Union activity of any kind or solicitation for membership on Company premises except with the written permission of the Company or as specifically provided for in this Agreement.
- 3.05 A union-management committee shall be established. Bargaining Unit representation on the committee shall be comprised of one union appointed representative selected from each employment classification. Management representation on the committee shall include at least one Regional Director, and other representatives as required. The committee will meet three (3) times

per year, as mutually agreed. Employees will be paid regular wages and travel expenses for attendance at such meetings. The union shall select a member who will provide the company with an agenda of issues 2 weeks prior to the meeting. The chairmanship of the committee shall alternate after every meeting between the union and the company. Where mutually agreed decisions are reached by the committee they shall be posted in the stores affected.

- 3.06 (a) The Company will recognize a Bargaining Committee to negotiate renewals of the Collective Agreement of no more than eight (8) members of the bargaining unit who have completed their probationary periods provided that no more than one (1) member comes from any one store. Members of the Committee may request leave of absence to attend negotiating meetings. Such request upon reasonable notice will not be unreasonably denied. The Company will ensure that employees on such authorized leave will not lose pay for regularly scheduled hours of work during days on which negotiations occur (up to the commencement of any work stoppage).
- (b) The Company will recognize one (1) member from each store, elected or appointed by the Union and who has completed his probationary period, as the Union Steward and one (1) member as an alternate steward elected or appointed by the Union and who has completed his probationary period.

Store Managers will advise new employees that a union contract is in place and will identify the Union Steward and introduce them as soon as the schedule permits.

ARTICLE 4 - UNION SECURITY

- 4.01 New employees shall apply for membership on the official Union application form. Upon receipt of these forms from the employee, the Company agrees to forward these forms on the employee's behalf to the Union within ten (10) days after completion of the probationary period.
- 4.02 The Company agrees to deduct from the pay of each employee in the bargaining unit such dues and initiation fees as are set by the Union and communicated to the Company in writing. The Company shall remit such deductions to the Union within ten (10) calendar days of the start of the month following the month in which the deductions are actually made. Along with such remittances, the Company will include the employees' names, addresses, Social Insurance Numbers and sums deducted.
- 4.03 For informational purposes, the company will include on each employee's T-4 taxation form the total amount of Union dues deducted during the previous taxation year.

- 4.04 The Union shall hold the Company harmless with respect to all dues and initiation fees so deducted and remitted and with respect to any liability which the Company might incur as a result of such deduction and remittance.
- 4.05 The remittance statement shall be documented by location containing a dues and initiation report which will be provided in the form of e-mail (remit@ufcw175.com) or on computer diskette as well as a hard copy of the dues report being attached to the remittance cheque. This information provided shall be on a standard spreadsheet, in a format provided by the Union, in Excel Quattro pro, Lotus or other software program acceptable and adaptable to the Union. The Company will also provide the most current basic employee information, as specified by the Union, as known to the Company

ARTICLE 5 - HOURS OF WORK

- 5.01 Unless otherwise mutually agreed between the Company and the Union, the normal work week for full-time employees shall be five (5) days consisting of forty (40) hours, eight (8) hours per day, or four (4) eight (8) hour days and one (1) short day per week, or thirty-two (32) hours comprising of four (4) eight (8) hour days. This paragraph is intended to define the normal hours of work and shall not be construed as a guarantee of hours of work per day or per week or of days of work per week.

An employee who is scheduled to work thirty-two (32) hours per week will be scheduled eight (8) hours per day. This paragraph is intended to define the normal hours of work and shall not be construed as a guarantee of hours of work per day or per week or of days of work per week. A full-time employee scheduled to work Saturday and Sunday will normally be scheduled off either the Friday before or the Monday after. There will be a minimum of eleven (11) hours between scheduled shifts unless otherwise mutually agreed.

In the event it is necessary to reduce a 40-hour employee's workweek to 32 hours, and doing so is without mutual agreement, the layoff procedure in Article 15 shall apply.

Prior to such a reduction of hours, a 32-hour workweek may be offered to other interested full-time employees in the store.

- 5.02 The Company agrees that employees shall not work split shifts.
- 5.03 (a) Full-time employees, when instructed to report to work, shall receive a minimum of five (5) hours pay. If such employees are instructed to report to work and no work is available, they shall receive a minimum of five (5) hours pay.

- (b) The Company agrees to post, in ink, an hours of work schedule for full-time employees by Monday at 5:00PM of each week for the week commencing the Sunday following, and this shall not be changed without three (3) days notice, in writing. Schedules shall remain posted until the last working hour scheduled. Such schedule shall be accessible to all employees and Union Representatives. Work schedules shall refer to any employee by his/her full name, and a copy of the work schedule shall be kept by the Store Manger for one hundred and twenty (120) days. The Company will copy the steward, if requested.
- (c) Any modifications to the posted schedule that may be required of the scheduled workweek shall be clearly identified by pen, on the posted schedule. A copy of the amended schedule will be provided to the steward if requested.

5.04 The Company shall endeavour to schedule full-time employees to work five (5) consecutive days, although the Union recognizes that this may not always be possible in any event, this Clause shall not apply between December 15 and January 15. Any grievance with respect to this Clause shall be commenced at Step No. 2 of the Grievance Procedure by filing it with the Regional Director within five (5) working days after the circumstances giving rise to the complaint have occurred or come to the attention of the individual grievor.

5.05 (a) In scheduling evening work, the Company shall restrict weekly assignment of Regular Full-time employees to one (1) evening per week.

In stores which are open to the public for evening shopping, four (4) evenings per week or more, the Company shall restrict weekly assignments of Regular Full-time employees to no more than three (3) evenings per week which shall be equally rotated amongst the Full-time employees within the classification. Notwithstanding the above, employees who wish to work more than three evenings per week can do so on a mutually agreed basis. It is recognized that this may not be possible due to the needs of the business. This Clause shall not apply in December nor to any all-night store. Any grievance with respect to this clause shall be commenced at Step No. 2 of the Grievance procedure by filing it with the Regional Director within five (5) working days after the circumstances giving rise to the complaint have occurred or come to the attention of the individual grievor.

(b) Where a store closes at 6:00 p.m. the day shift shall end no later than 6:15 p.m. Where a store opens at or before 9:00 a.m. the day shift shall end no later than 6:00 p.m. Where a store opens at 10:00 a.m. the day shift shall end no later than 6:30 p.m.

- (c) Full-time employees scheduled to work on a Sunday will be paid for eight (8) hours if scheduled for less than eight (8) hours. An employee declining available Sunday work shall not as a direct result suffer a reduction of regularly scheduled available hours.
- 5.06 The Company will adjust the wages of any employee who performs the key functions of a higher position for more than two (2) hours of continuous work in the higher position, pursuant to the formula outlined in Article 9.02.
- 5.07 The Company agrees to schedule full-time employees off work a minimum of every fourth Saturday and Sunday. Such assignment shall be equally rotated amongst full-time employees within the classification. Notwithstanding the above employees who wish to work more weekend shifts can do so on a mutually agreed basis. It is recognized that this may not be possible due to the needs of the business. This clause shall not apply in the month of December.
- 5.08 (a) A part-time employee or a combination of part-time employees shall not be scheduled to the extent they displace, replace or prevent a full-time employee from being scheduled forty (40) hours per week.

(b) Part-time employees shall not be scheduled over a three (3) month period in a manner so as to displace or prevent the hiring of a regular full-time employee, as outlined in (a) above, with the exception of hours worked by part-time employees to relieve full time employee who is absent for any reason.

ARTICLE 6 - OVERTIME RATE OF PAY

- 6.01 Authorized overtime, at the rate of time and one-half (1 ½) the regular hourly rate, shall be paid for time worked over forty (40) hours in any one (1) week or over eight (8) hours in any one (1) day. There shall be no pyramiding of overtime payments. Such overtime shall be offered to the Senior Volunteer within the classification.
- 6.02 Authorized overtime will be paid at the rate of time and one-half (1 ½) the normal rate over thirty-two (32) hours per week, or eight (8) hours in one (1) day if one (1) statutory Holiday is observed in any one (1) week. Such overtime shall be offered to the Senior Volunteer within the classification.
- 6.03 Authorized overtime will be paid at the rate of time and one-half (1 ½) the normal rate over twenty-hour (24) hours per week, or eight (8) hours in one (1) day if two (2) statutory Holidays are observed in any one (1) week. Such overtime shall be offered to the Senior Volunteer within the classification.

ARTICLE 7 - STATUTORY HOLIDAYS

7.01 There shall be eleven (11) paid holidays for regular full-time employees during the term of this Agreement. These holidays are as follows:

New Year's Day	Good Friday	Personal Holiday
Victoria Day	Canada Day	
Civic Holiday	Labour Day	
Thanksgiving Day	Christmas Day	
Boxing Day	Family Day	

and all other public holidays proclaimed by Civic, Federal, or Provincial Governments. In the case of a holiday proclaimed by the City or Municipality, the holiday is applicable to only those stores that are closed. The floating holiday is to be taken in the calendar year it becomes due subject only to the completion of the probationary period. During the period December 1 to 31 employee requests to take the floating holiday will be subject to the needs of the business.

7.02 All full-time employees regularly scheduled to work on a holiday referred to in Article 7.01 (a), will be paid a regular day's pay for such holiday whether they work or not, and employees required to work shall be paid an additional amount at the rate of time and one-half (1 ½) hours worked. Such overtime shall be offered to the Senior Volunteer within the classification.

7.03 The Company and the Union may agree in advance to exchange Good Friday for Easter Monday in a particular store.

7.04 In order for an employee to receive Statutory Holiday pay, they must not have been absent from work on their scheduled work day prior to or following such holiday, unless the absence was justified on bona fide grounds provided for under this collective agreement.

7.05 (a) In a week in which one (1) Statutory Holiday occurs, the normal basic work week for full-time employees shall be reduced by eight (8) hours for said holiday, or the number of working hours occurring and ordinarily observed in a day upon which the holiday occurs.

(b) In a week in which two (2) Statutory Holidays occur, the normal basic workweek for full-time employees shall be reduced by eight (8) hours for each holiday, or the number of working hours occurring and ordinarily observed in the days upon which the holidays occur.

7.06 Holiday pay for full-time employees will be computed on the basis of eight (8) hours for each such holiday.

ARTICLE 8 - REST PERIODS

8.01 Employees working over three (3) hours in any one (1) day shall receive one (1) rest period, with pay. Employees scheduled six (6) hours or more in any one (1) day shall receive two (2) rest periods, with pay. Employees scheduled nine (9) hours or more in any one (1) day shall receive three (3) rest periods. Rest periods shall be of fifteen (15) minutes duration and scheduled by the Company as near as possible to the midway point of the work period. The lunch period shall be one thirty (30) minutes or one (1) hour by mutual agreement, without pay. The Company will also endeavour to schedule a break for employees scheduled to work three (3) hours.

ARTICLE 9 - WAGES

9.01 (a) The minimum hourly rate of wages for all employees coming under this Agreement shall be as per Appendix "B" of this Agreement, provided that where an individual employee's wages are higher, such rate of wages shall not be reduced by reason of this Agreement. The rates of pay provided in Appendix "B" are minimum rates and apply to the job classifications and not to the individual.

(b) Appendix "A", "B" and "C" attached hereto shall form part of this agreement.

9.02 When an employee is promoted to a higher rated classification, she will continue to receive the same wage rate she was receiving previously, provided his former wage rate is set out in the range of the new classification. If his previous wage rate is not set out in the range of the higher rated classification, then the employee's wage rate will be that of the next highest rate on the range for the new classification. In all cases, the employee's movement across the range of his new classification will commence at the rate in the range which is determined above.

9.03 For the purpose of placement on the wage schedule only, employees with previous experience working in a Pharma Plus will be granted full credit for such experience provided they left the employ of the Company no later than six (6) months prior to their rehire. This does not change the probationary status of the employee for their rehire.

9.04 Relieving Rate of Pay for Management

(a) When an employee is assigned to be "In Charge" in the absence of the Store Manager for one (1) day or more, such employee shall receive a premium of two dollars and fifty cents (\$2.50) per hour for all hours worked during the Store Managers absence. The above named employee shall be identified in a posting, which shall include the assigned management duties.

- (b) When an employee is assigned to be "In Charge" for store closing, such shall receive a premium of one dollar and fifty cents (\$1.50) per hour for four (4) hours that day. Management duties will be as assigned and such employee shall be required to close the store at the end of the business day.
- (c) When an employee is assigned to open the store and to be "In Charge" for store opening, such shall receive a premium of one dollar and fifty cents (\$1.50) per hour for their first three (3) hours of work. Management duties will be as assigned.
- (d) There shall be no duplication of premiums, only one premium will apply per employee per shift.

ARTICLE 10 - TRAVEL TIME

- 10.01 Any employee who is transferred from one store to another during the regular working day, by mutual agreement, or to attend meetings at the Company's direction at a place other than their store shall be paid his or her hourly rate for all traveling time.
- 10.02 Employees shall be compensated for actual expenses of public or private transportation if such transportation is required by the Company. Prior to employees agreeing, they shall be made aware of the Company's Travel Expense Policy as it pertains to traveling allowance.

ARTICLE 11 - VACATIONS

- 11.01 The Company will grant vacations of one (1) week at 4% of the regular rate to all full-time employees who have been employed continuously for less than one (1) year, but more than six (6) months, prior to July 1st of the year in which the vacation is to be taken. Vacation pay will be paid on the basis of an employees' normal workweek for each week of vacation eligibility except for individuals on voluntary leave and/or Long Term Disability who will receive a percentage of their earnings.

Employees who shall have completed one (1) to four (4) years of continuous service, prior to July 1st of the year in which the vacation is to be taken, shall receive two (2) weeks at 4% vacation pay.

Employees who shall have completed five (5) to nine (9) years of continuous service, prior to July 1st of the year in which the vacation is to be taken, shall receive three (3) weeks at 6% vacation pay.

Employees who shall have completed ten (10) to fourteen (14) years of continuous service, prior to July 1st of the year in which vacation is to be taken, shall receive four (4) weeks at 8% vacation pay.

Employees who shall have completed fifteen (15) to nineteen (19) years of continuous service, prior to July 1st of the year in which vacation is to be taken, shall receive five (5) weeks at 10% vacation pay.

Employees who shall have completed twenty (20) years or more of continuous service, prior to July 1st of the year in which the vacation is to be taken, shall receive six (6) weeks at 12% vacation pay.

11.02 Vacations shall be taken in the year in which they are due, and may not be accumulated unless mutually agreed upon.

11.03 (a) If a Statutory Holiday occurs during an employee's vacation period, an extra day's vacation shall be scheduled, by the Company, immediately preceding or following his vacation period.

(b) If granting an extra day's vacation will hamper operations or interfere with the arrangements of vacation schedules, an extra day's pay, in accordance with Article 7 of this Agreement, shall be given in lieu of an extra day's vacation, by mutual agreement.

11.04 A vacation request form shall be posted between February 1 and March 15 and all employees who are entitled to request vacations shall indicate on the form within three (3) weeks, the dates on which they wish to have vacation. The choice of vacation dates will be according to seniority, providing that it does not result in a schedule which interferes with the operation of the business. However, after March 15, any further scheduling shall be on a first-come, first-served basis. In order to ensure equitable distribution of vacations, those employees entitled to three (3) weeks of vacation or more, will only have priority over less senior employees with respect to the scheduling of two (2) such weeks in the period between June 1st and September 1st each year. No vacation time will be scheduled by the Company during the period from December 1st to December 24th. It is understood that all full-time employees shall have preference of vacation dates over all part-time employees up until March 15.

It is understood employees may use this form to indicate their desire to have their regular day off scheduled immediately preceding and/or following any vacation of one or more weeks duration.

The Company shall notify the employee in writing in the event their vacation is denied by March 31st.

11.05 An employee who submits a written request for advance vacation pay to the Store Manager, at least six (6) weeks prior to going on vacation, shall receive (from either Payroll or a cash advance from the Store Manager) their advanced net vacation pay for that vacation period prior to going on that vacation.

In the event that an employee receives a store cash advance, this advance will be deducted from the employee's vacation pay.

The vacation pay advance shall be identified separately on their pay cheques.

ARTICLE 12 - MATERNITY LEAVE

12.01 Maternity/Parental Leave

The Company agrees to provide Maternity and Parental leave in accordance with the Employment Standards Act of Ontario.

12.02 Notwithstanding Article 12.01, an employee, for medical reasons (mother or child), may apply for an additional leave of absence for up to seven (7) weeks. Such request shall be accompanied by a certificate from a qualified medical practitioner.

12.03 The employer will contribute one hundred percent (100%) to all benefits for an employee while on maternity leave.

ARTICLE 13 - JURY DUTY

13.01 If an employee is required to serve as a juror in any Court of Law or is required by subpoena to attend a Court of Law in connection with a case arising from the performance of his duties with the Company, or is required by subpoena to act as a witness for the Crown, he/she shall not lose his/her regular pay because of such attendance provided that he/she:

- (a) notifies the Company immediately upon his/her notification that she/he will be required to attend Court;
- (b) presents proof of service requiring her/his attendance;
- (c) promptly repays to the Company the amount paid to him for such service or attendance other than for his expenses.

ARTICLE 14 - NO STRIKE - NO LOCKOUT

14.01 It is mutually agreed upon that there shall be no strikes, lockouts, stoppages of work or slowdowns during the life of this Agreement.

ARTICLE 15 - SENIORITY

15.01 Seniority shall be defined as length of continuous employment with the Company in the bargaining unit. Seniority shall be effective only after an employee has completed the forty-five (45) calendar day probationary period, and shall be computed from the date of his first employment. New employees

hired as "Management Trainees" subsequent to date of ratification of this Agreement, shall serve a ninety (90) calendar day probationary period computed from the date of their first employment.

Seniority shall be the governing factor in matters such as vacations, layoff, transfers, demotions, promotions, reduction to part-time, rehire after layoff, and in the filling of new positions, providing the employee has the ability and willingness to perform the work as required.

- 15.02 (a) Full-time employees who wish to be considered for a promotion, transfer, or a new position shall inform the Human Resources Department using the proscribed form. The proscribed form will remain in effect for a period of twelve (12) month from the date the Company confirms receipt of such form. Confirmation of receipt will be returned to the employee. When a promotion, transfer, or a new position becomes available, employees who have so informed the Human Resources Department will be given preferential consideration provided that they have the necessary skill, ability, experience and qualifications. Where two (2) or more employees entitled to such preferential consideration are approximately equal in skill, ability experience and qualifications, seniority will be the governing factor.
- (b) Every month the Company will publish for display, on each bulletin board, a list of promotions, transfers and new positions filled within the bargaining unit during the previous month. This list shall indicate the successful employee's name, classification, seniority, and the store location where the position was filled.
- 15.03 Seniority rights shall be terminated and an employee shall be deemed to have quit if he or she:
- (a) is duly discharged by the Company;
 - (b) voluntarily quits or resigns or retires;
 - (c) has been laid off or promoted out of the bargaining unit continuously for a period of more than twelve (12) months. Upon return from layoff an employee will be provided a 14-day familiarization period to the responsibilities of their position;
 - (d) is called back to work, by registered mail to her last known address, after a layoff and does not return within ten (10) days of the date on which the registered letter of call back was mailed by the Company. The employee is responsible for advising the Human Resources Department, in writing, of any change in his or her address;
 - (e) fails to return to work on the completion of an authorized leave of absence, unless such failure is due to provable sickness.

- (f) is absent without leave for three (3) consecutive shifts and fails to advise the Company without a legitimate reason.
- 15.04 The company agrees to give two (2) weeks' notice prior to changing an employee's status from full-time to part-time.
- 15.05 Where it will not interfere with the efficiency of the Store operation, employees will be offered an opportunity of employment in the Company Store nearest to their residence, if a vacancy arises in that classification.
- 15.06 The Company agrees to supply the Local Union Office with seniority lists by Store, Region, and bargaining unit in October of each year.
- 15.07 **LAY-OFFS**

1. **Layoffs - Full-Time**

Where the Company lays off staff, the following procedures will apply:

Employees laid off shall have the option to displace any junior employee with less seniority than themselves in any of the following situations:

(A) **Their own classification** in any one of the following locations:

- 1. their own Store
- 2. the City
- 3. a Store within a 45 km radius of their own Store
- 4. the business region
- 5. the bargaining unit

(B) **lateral classifications (at the same pay rate):**

Where they have the ability and willingness to perform the work in any one of the following locations:

- 1. their own Store
- 2. the City
- 3. a Store within a 45 km radius of their own Store
- 4. the business region
- 5. the bargaining unit

(C) **Lower classification (at a lower pay rate):**

Where they have the ability and willingness after a two (2) day training period to satisfactorily perform the work in any one of the following locations:

1. their own Store
2. the City
3. a Store within a 45 km radius of their own Store
4. the business region
5. the bargaining unit

(D) **Part-Time classifications:**

Where they have the ability and willingness after a two (2) day training period to satisfactorily perform work in the classifications (lateral or lower), as described in (a), (b), and (c) above, in any one of the following locations:

1. their own Store
2. the City
3. a Store within a 45 km radius of their own Store
4. the business region
5. the bargaining unit

(E) Take the layoff with recall rights.

2. **Lay-offs - Part-Time**

As per the full-time application. It is understood that part-time employees may not displace full-time employees.

3. **Recall**

(a) At the time that an employee selects B., C., D., or E. above, as a result of layoff, he/she will indicate, in writing, one of the following locations to which he/she will return to work upon recall:

1. their own Store
2. the City
3. a Store within a 45 km radius of their own Store
4. the business region
5. the bargaining unit

(b) Full-time employees who elected A., B., C., D., or E. above shall have the "preferred" right to return to their former position in their former store for 6 months.

(c) Full-time employees who elected B. or C. above, will lose their recall rights to their former classification for declining to accept recall to their former classification or after six months have elapsed since layoff.

- (d) Employees who elect D. above, as a result of layoff, will have "preferred" seniority over part-time employees for the selection of hours, and for further layoffs, for one full selection of hours period as per Part-Time Article 11.05. Refusing to accept recall to their full-time classification will result in a loss of preferred seniority over part-time employees for the selection of hours and further layoffs.
- (e) Employees who have elected D. above as a result of layoff will lose their full-time seniority rights after six (6) months have elapsed since layoff.
- (f) Full-time employees who elected E. above, will lose their bargaining unit seniority for failure to respond to recall as per Article 15.03 (d).

ARTICLE 16 - DISCHARGE OF EMPLOYEES SUBJECT TO ARBITRATION

- 16.01 If an employee is of the opinion that there has been an improper dismissal and same is not adjusted by mutual agreement, then such dismissal may constitute a grievance to be adjusted through utilizing the procedure under the Grievance and Arbitration Article of this Agreement.
- 16.02 It is understood that the Company may discharge an employee who has not completed her probationary period for any reason satisfactory to the Company, and such discharge shall not be the subject of a grievance. It is also understood that the Company may discharge an employee who has been found unacceptable to the Company's Bonding Company, and such discharge shall not be the subject of a grievance.
- 16.03 The specific penalty for proven pilferage shall be discharge and shall not be unreasonably applied.

ARTICLE 17 - NOTICE REQUIRED FOR PAY IN LIEU OF NOTICE IN CASES OF DISMISSAL

- 17.01 The Company agrees to abide by the current Employment Standards Act in respect to notice required or pay in lieu of notice in cases of layoff as defined in the Employment Standards Act.

ARTICLE 18 - BUSINESS AGENTS VISITS

- 18.01 The authorized Business Agent, or Representative of the Union, shall receive permission from the Store Manager, or Assistant Manager, to talk with any employees, who are members of the Local, regarding Union matters during regular working hours. All interviews of employees by the Union Representative shall be carried on in a place in the Store provided by the Company. Providing that such interviews will not interfere with the efficiency of

the operation of the Store, time taken for such interviews shall not be in excess of ten (10) minutes.

ARTICLE 19 – GRIEVANCE AND ARBITRATION PROCEDURE

19.01 Complaints

Any employee, subject to this Agreement, believing she has been unjustly dealt with, or that any of the provisions of this Agreement have not been complied with, may take up the complaint with the Store Manager orally in an effort to effect a settlement. The matter shall be taken up with the Store Manager within five (5) working days after the circumstances giving rise to the complaint have occurred. The employee's Steward shall be involved at the request of the employee. The Store Manager shall respond orally to the employee within two (2) working days thereafter. If the employee wishes, she may go directly to the Steps of the Grievance Procedure without following this complaint procedure.

19.02 Adjustment of Grievances

Any complaint, disagreement, or differences of opinion between the Company and the Union, or between the Company and an employee covered by this Agreement, which concerns the interpretation, application, operation or alleged violation of the terms and provisions of this Agreement may be considered as a grievance.

19.03 Any individual grievance which is not presented within fourteen (14) days following the event giving rise to such grievance, or within fourteen (14) days of the last day worked in the case of dismissal, shall be forfeited and waived by the aggrieved party.

19.04 Either the Company or the Union shall file a Policy Grievance concerning the interpretation, application, operation or alleged violation of the Collective Agreement on a matter arising directly between the Union and the Company. Such grievances may commence at the third Step of the procedure set out below in Article 19.05. However, Policy Grievances shall not be used to avoid the proper processing of individual employee grievances, in accordance with the procedure set out below in Article 19.05. Grievances arising from Article 5.05 (b) may be referred to Step 3 in the Grievance Procedure.

19.05 The procedure for adjustment of grievances and disputes by an employee shall be as follows:

STEP NO. 1

Any individual grievance must first be submitted to the Store Manager. The employee's Steward shall be involved. The grievance will set out, in writing, the nature of the grievance, and the remedy requested. The Store Manager

shall reply, in writing, within five (5) working days thereafter. If the employee does not receive a satisfactory response, she may proceed to the next Step of the Grievance Procedure.

STEP NO. 2

The grievance may be submitted by the Union to the Regional Director within a further ten (10) working day period from the decision of Step No. 1. The grievance will set out, in writing, the nature of the grievance, the Section or Sections of the Agreement alleged to have been violated, and the remedy requested. Within the next ten (10) working days, the Regional Director may schedule a meeting with the Union, which the grievor may be requested to attend, prior to answering the grievance although the Regional Director will answer the grievance, in writing, within fifteen (15) working days of the receipt of the grievance. If a satisfactory settlement cannot be reached, then;

STEP NO. 3

Within ten (10) working days from receipt of the reply at Step No. 2, the grievance may be submitted to the Director of Industrial Relations or their designate, who may schedule a meeting with the Union, which the grievor may be requested to attend, prior to answering the grievance although the grievance will be answered in writing within fifteen (15) working days of the receipt of the grievance. Policy Grievances, as referred to in Article 19.04, shall be commenced at this Step.

ARBITRATION

Within thirty (30) days of receipt of the Company's Step No. 3 reply either party may elect to proceed to arbitration using one of the following Arbitrators:

Joe Carrier, Randy Levinson, John Stout, W. Marcotte, David McKee, Steve Raymond, Mary Ellen Cummings, Marilyn Nairn, Peter Chauvin, Brian Sheehan, Susan Tacon, Rob Herman, Nimal Dissanyake and George Surdykowski.

The grievance shall be referred to a mutually agreed Arbitrator on the list.

In the event the parties fail to agree to an Arbitrator from the list or to a hearing date such grievance shall be referred to the Arbitrator on the list with the earliest hearing date.

The Company and the Union can at anytime by mutual agreement add or remove an Arbitrator from the agreed list.

19.06 No matter may be submitted to Arbitration which has not been properly carried through all previous steps of the grievance Procedure, except in the case of

terminations where the Grievance Procedure will commence at Step No. 3, and such grievance will be submitted directly to the Director of Industrial Relations.

- 19.07 Any agreement reached between the Company and the Union to resolve a grievance shall be binding on both parties and upon any employee involved.
- 19.08 The Arbitrator shall receive and consider such material evidence and contentions as the parties may offer. Also, the Arbitrator may request from the parties such other evidence as is relevant to its determination of the issues involved. In reaching its decisions, the Arbitrator shall be governed by the provisions of this Agreement, and shall have no authority to alter, amend, or change the provisions of this Agreement.
- 19.09 The Arbitrators findings and decisions shall be binding and enforceable on both parties and upon any employee(s) involved.
- 19.10 The expense of the Chairman of the Board shall be borne equally by the parties to the Arbitration.
- 19.11 It is the intention of the parties that the provisions of the Article shall provide a peaceful method of adjusting grievances so that there shall be no suspension or interruption of normal operations as a result of any grievance. The parties shall act in good faith in proceeding to adjust grievances in accordance with the provisions in this Article.
- 19.12 When an employee has given twelve (12) consecutive months with no unsatisfactory conduct documentation on his/her file, the company agrees it will not use such past documentation when addressing future discipline. Suspensions of five (5) days or more shall remain for eighteen (18) months, as described above. The Employer will, upon written request by the employee, provide the employees' home store with a complete copy of their personnel file which may be viewed in the presence of the Store Manager.
- 19.13 The Union acknowledges that the stewards have their regular duties to perform and that such persons will not leave their regular duties without receiving permission from the Store Manager or appointee, which permission will not be unreasonably withheld. The Company will compensate such Steward at their regular straight time hourly rate for time spent servicing complaints or grievances hereunder during their regular working hours within the store.

ARTICLE 20 - CASH SHORTAGES

- 20.01 No employee may be required to make up cash register shortages unless she is given the privilege of checking the money and daily receipts upon starting and completing the work shift, and unless the employee has exclusive access to the cash register during the work shift, except as specified below.

20.02 No employee may be required to make up register shortages when Management exercises the right to open the register during the employee's work shift, unless the register is opened in the presence of the employee, and the employee is given the opportunity to verify all withdrawals and/or deposits.

ARTICLE 21 - SICK LEAVE WITH PAY

21.01 All full-time employees, hired after June 12, 1994, and after completion of three (3) months' continuous service, shall be entitled to receive pay for absence on account of sickness, as specified below:

- (a) All cases of sickness, to qualify for allowance, must be reported by the employee to the Store Manager (or her designate) within three (3) hours after the time at which the employee should have reported for duty.

Wherever possible, employees should report their absence to the appropriate Store authority in advance of their scheduled starting time.

- (b) The allowance for sick pay shall commence on the first day of illness, provided the illness is reported as requested in (a) above.
- (c) The maximum pay allowance shall be as follows:
 - (i) During the first three (3) months of service - no allowance;
 - (ii) During the following nine (9) months of service (that is the remainder of the first year of service), an employee will be credited with nine normal work days, to be paid at 90 percent of their normal hourly rate, to be utilized at any time during the rest of the year, but to be earned on the basis of one (1) day per month;
 - (iii) At the commencement of each subsequent year of service, an employee will be credited with twelve (12) normal work days, to be paid at 90 percent of their normal hourly rate, for sick leave, which credits may be used at any time during the year, but which will be earned on the basis of one (1) day per month to a maximum of twelve (12) days per year;
 - (iv) If an employee leaves the employ of the Company, it is agreed that the Company may deduct any used but unearned portion of the sick pay from the wages of the employee;
 - (v) Effective June 13, 1994 employees may accumulate or re-accumulate to a maximum of fifteen (15) normal workweeks to be paid at 90 percent of their normal hourly rate for use in subsequent years. Once the bank is reduced below fifteen (15) normal

workweeks the employee may re-accumulate up to a maximum of fifteen (15) normal workweeks at 90 percent of their normal hourly rate.

- (d) Management reserves the right to require sickness to be proven by satisfactory evidence and any cost incurred in providing such evidence satisfactory to the Company, based on the Company's request, shall be borne by the Employer upon presentation of a paid receipt by the employee;
- (e) Sick leave and allowances are approved and provided for causes of illness only, and if it is proven an employee has abused her sick leave privilege, such employee may be subject to disciplinary action;
- (f) The above Sick Leave with Pay clause shall be subject to revision if and when the "Unemployment Insurance Act" is revised to include sick pay privileges for employees of the Company.
- (g) Full-time employees who transfer to part-time status will retain any accumulated sick leave credits.

21.02 All employees hired prior to June 13, 1994 shall be entitled to sick leave as follows:

- (a) All cases of sickness, to qualify for allowance, must be reported by the employee to the Store Manager (or her designate) within three (3) hours after the time at which the employee should have reported for duty.

Wherever possible, employees should report their absence to the appropriate Store authority in advance of their scheduled starting time.

- (b) The allowance for sick pay shall commence on the first day of illness, provided the illness is reported as requested in (a) above.
- (c) The maximum pay allowance shall be as follows:
 - (i) Effective January 1, 1994 employees may accumulate or re-accumulate sick leave credits to a maximum of fifteen (15) normal work weeks. Prior to January 1, 1995 sick leave will be paid at 100 per-cent of their normal hourly rate and after January 1, 1995 sick leave will accumulate and be paid at 90 percent of their normal hourly rate for use in subsequent years. Once the bank is reduced below fifteen (15) normal workweeks the employee may re-accumulate up to a maximum of fifteen (15) normal workweeks at 90 per-cent of their normal hourly rate.

- (ii) Sick leave credits for 1994 will be increased from ten (10) normal working days to twelve (12) at 100 per-cent of their normal hourly rate. All past sick bank credits (to a maximum of 11 weeks) accumulated up to December 31, 1994 will be paid at 100 per-cent, in the event of sickness, at their normal hourly rate and will be exhausted prior to the application of (i) above.
- (d) Management reserves the right to require sickness to be proven by satisfactory evidence and any cost incurred in providing such evidence satisfactory to the Company, based on the Company's request, shall be borne by the Employer upon presentation of a paid receipt by the employee;
- (e) Sick leave and allowances are approved and provided for causes of illness only, and if it is proven an employee has abused his or her sick leave privilege, such employee may be subject to disciplinary action;
- (f) The above Sick Leave with Pay clause shall be subject to revision if and when the "Unemployment Insurance Act" is revised to include sick pay privileges for employees of the Company.

ARTICLE 22 - BEREAVEMENT LEAVE WITH PAY

- 22.01 Full-time employees shall be granted leave of absence without loss of pay, for scheduled hours of bereavement leave as follows:
- (a) five (5) days – husband, wife, children, parents, brother, sister, parents-in-law, grandparents, grandchildren; step-parents, step-children, common-law spouse as defined by law.
 - (b) three (3) days - brother-in-law, sister-in-law, son-in-law, and daughter-in-law.
 - (c) one (1) day - grandparents-in-law, aunt, uncle, niece, nephew

ARTICLE 23 - LEAVE OF ABSENCE WITHOUT PAY

- 23.01 Employees shall be entitled to request, in writing, one special two-week leave of absence, without pay, at a time mutually satisfactory to both parties which may be adjacent to her vacation, if sufficient notice is given to the Company. Such request shall be made to the Human Resources Department. A request for a longer period will not be unreasonably denied. If an employee's request for leave is denied, the Company will notify the employee, in writing, concerning the reasons for such denial.

ARTICLE 24 - DOCTOR'S APPOINTMENT

24.01 Where an employee is unable to schedule her doctor's appointment on her day off, the Company agrees to allow the employee time off from work without pay, for the purpose of attending to her doctor's appointment, provided the employee endeavours to provide at least one (1) days' notice of such appointment.

ARTICLE 25 - HEALTH AND WELFARE

25.01 (a) **Life Insurance Benefits**

The Company agrees to pay 100% of the premium cost for each full-time employee, effective the first of the month upon completion of three (3) months continuous service. Total Life Insurance is \$25,000.

(b) **Accidental Death and Dismemberment Benefits**

The Company agrees to pay 100% of the premium cost for each full-time employee, effective the first of the month upon completion of three (3) months continuous service. Total Accidental Death and Dismemberment Insurance is \$25,000.

(c) **Long Term Disability**

The Company agrees to pay fifty (50) per-cent of the premium cost for each full-time employee, effective the first of the month upon completion of three (3) months continuous service. Coverage -- 66 2/3 of base salary to a monthly maximum of \$2,000.00 monthly, effective after 15 consecutive weeks of absence due to illness as set out in the Pharma Plus Benefits Summary.

(d) **Extended Health Care**

The Company agrees to pay 90 per-cent of premium cost for each full-time employee and her dependants when eligible for the following benefits, effective the first of the month upon completion of three (3) months continuous service:

(i) **Semi-Private Room**

Semi-private hospital room and board charges incurred in Canada in excess of ward accommodation up to the hospital charges for accommodation:

(ii) **Major Medical**

Co-insurance at 75 per-cent insurer and 25 per-cent insured. Eligible expenses are as per the Pharma Plus Benefits Summary.

(iii) Coverage will be extended to include orthopedic inserts, to a maximum of three hundred dollars (\$300.00) in a 24-month period.

(e) **Ontario Health Insurance Plan (O.H.I.P.)**

The Company agrees to pay 100% of the premium cost for each full-time employee and her dependants for the Ontario Health Insurance Plan (O.H.I.P.), effective the first of the month after completion of three (3) months of continuous service by the employee involved.

(f) **Pay Direct Drug Plan**

The Company agrees to pay 100% of the premium cost for each full-time employee effective the first of the month upon completion of three (3) months continuous service.

(g) **Optical Plan**

The Company agrees to pay 100% of the premium cost for each full-time employee effective the first of the month upon completion of three (3) months continuous service. Coverage - maximum of three hundred dollars (\$300.00) every two (2) years for new or changed prescriptions for the employees and their reported dependants.

The cost of eye examinations on the basis of one exam in each 24-month period will be covered by the Plan to a maximum of fifty dollars (\$50.00) per visit.

It is understood that all coverages, listed above, are for full-time employees covered under this Agreement.

25.02 **United Food and Commercial Workers Trusteed Dental Plan**

Effective January 5, 2011, the Company agrees to contribute thirty-two cents (32¢) for each hour worked by each employee in the bargaining unit to a maximum of forty (40) hours per week for each employee, to the United Food and Commercial Workers Trusteed Dental Plan. Effective January 5, 2012 – increase thirty-three cents (33¢) to thirty-four (34¢) (only if required by the Trustees of the plan). Effective January 5, 2013 – increase thirty-three cents (33¢) to thirty-four cents (34¢) (only if required by the Trustees of the plan).

ARTICLE 26 - CANADIAN COMMERCIAL WORKERS INDUSTRY PENSION PLAN

- 26.01 Effective January 5, 2011, the Company agrees to contribute one dollar and twenty-five cents (\$1.25) per hour to the Canadian Commercial Workers Industry Pension Plan ("Pension Plan") for all non-overtime, vacation, holidays, and sick day hours paid in accordance with the Collective Agreement, for all full-time and part-time employees in the bargaining unit, to a maximum of forty (40) hours per week per employee.
- 26.02 The contributions made by the Company and the Fund assets accruing there from, shall be used to provide retirement benefits and, if applicable, disability benefits, death benefits, termination benefits and such other additional benefits as the Trustees of the Pension Plan may decide, from time to time, as being applicable to the Pharma Plus employees who are or have been members of the Pension Plan, and applicable to their families and/or designated beneficiaries who may be entitled to benefit.
- 26.03 The Company shall forward all contributions, together with a list of all full-time and part-time employees, and the number of hours paid and worked for each reporting period, within fifteen (15) days following the end of each of the Company's four (4) week accounting periods.
- 26.04 The Employer's liability for contributions to the Pension Plan shall be limited solely to the payment of the amount due to the Fund, in accordance with paragraph 26.01 above and Letter of Agreement #1 and #2.
- 26.05 As a consequence of the Agreement in this Article between the Company and the Union, the Company will enter into a "Participation Agreement" with the Board of Trustees of the Canadian Commercial Workers Industry Pension Plan, and supply such actuarial data as may be reasonably required with respect to the administration of the Pension Plan.
- 26.06 The other undertakings and obligations of the Company and the Union shall be as per the Letter of Agreement #1 and #2 between the parties attached to this Collective Agreement as Appendix "D".
- 26.07 The Company will sign the Canadian Commercial Workers Industry Pension Plan Participation Agreement provided such Agreement is identical to the Agreement signed by the former Company (Boots Drug Store (Canada) Ltd.)

ARTICLE 27 - COMPANY MEETINGS

- 27.01 Employees who voluntarily agree to attend Company meetings, or approved training courses that the employee has been authorized to attend by the Company, during their off hours, will be given equivalent time off at a time mutually agreed upon between the employee and the Store Manager, within four (4) weeks of the date of the meeting.

ARTICLE 28 - SUPPLIER'S REPRESENTATIVE

- 28.01 The Company will endeavour to ensure that salesmen, other than those working for greeting card companies, book and magazine vendors, cosmetic companies, potato chip companies, Pharmasales, or their successors, shall not perform bargaining unit work normally performed by clerks. However, the above-mentioned company salesmen may order and reset merchandise, and select merchandise for return or credit.
- 28.02 It is agreed that the total bargaining unit hours in a store will not be reduced solely as a direct result of the use of any of the supplier salesmen listed above.

ARTICLE 29 - FATIGUE MATS

- 29.01 The Company will provide in each Store, Fatigue mats at the front, Post Office and Pharmacy cash points and replace as needed.

ARTICLE 30 - EMPLOYEE PRIVILEGES

- 30.01 Employee privileges presently in effect, including the Employee Advantage Card, but which are not specifically mentioned in this Agreement and are not contrary to the purpose and intent of this Agreement, shall continue in full force.

ARTICLE 31 - DISCIPLINARY INTERVIEWS

- 31.01 (a) When an employee is to be interviewed by the Company or Security regarding discipline or dismissal, the union steward, or in the absence of the union steward any other bargaining unit member of the employee's choice in their store will be present to observe the discussion.
- (b) Should any reprimand, warning or disciplinary measure be issued in writing, the employee in question shall receive a copy of such written reprimand, warning or disciplinary measure.

ARTICLE 32 - UNION DECAL

- 32.01 The Company agrees to display the current official Union Decal of the United Food and Commercial Workers Canada, Local 175 in a location where it can be seen by customers.

ARTICLE 33 - EXPIRATION AND RENEWAL

This agreement shall be effective from January 5, 2011 to January 4, 2014 and shall continue in full force and effect thereafter from year to year, except that either party may, at any time within ninety (90) days before the expiry date of such Agreement, give notice in writing to the other party of their intentions to revise or abrogate this Agreement.

DATED at Hamilton, Ontario, this 5th day of April, 2011.

FOR THE UNION

FOR THE COMPANY

Sue Schouten

Stacy Panek

Kimberly MacDuff

Brenda Blakney

Brenda Stoakes

Brian McLaughlin

Barbara Richter

Jason Russell

Sylvia Groom

Shawn Haggerty

Harold Sutton

PART-TIME APPENDIX "A"

All matters relative to part-time employees and the wages and working conditions shall be contained within this Appendix which forms part of this Collective Agreement.

ARTICLE 1 - BARGAINING AGENCY

As per Article 1 of the Full-time Agreement

ARTICLE 2 - MANAGEMENT RIGHTS

As per Article 2 of the Full-time Agreement

ARTICLE 3 - EMPLOYEE AND UNION CO-OPERATION

As per Article 3 of the Full-time Agreement

ARTICLE 4 - UNION SECURITY

As per Article 4 of the Full-time Agreement

ARTICLE 5 - HOURS OF WORK

- 5.01 (a) Part-time employees shall receive a minimum of four (4) hours pay, provided that there are four (4) hours of work available from the time they report for work until the store is closed. No employee shall be scheduled and/or receive less than four (4) hours.
- (b) The Company agrees to post in ink, an Hours of Work Schedule for part-time employees by Monday at 5:00PM of each week for the week commencing the Sunday following. Schedules shall remain posted until the last working hour scheduled. It is understood that such schedule may be changed by mutual agreement between the Manager and employee by pen. Such schedule shall be accessible to all employees and Union Representative. Work schedule shall refer to an employee by his/her full name, and copy of the work schedule shall be kept by the Store Manager for one hundred and twenty (120) days. The Company will copy the Steward, if requested.
- 5.02 Authorized overtime at the rate of time and one-half (1 ½) of the regular hourly rate, shall be paid for time worked over forty (40) hours in any one (1) week or over eight (8) hours in any one (1) day. Such overtime shall be offered to the Senior Volunteer within the classification.
- 5.03 The Company agrees that employees shall not work split shifts.

5.04 The Company will adjust the wages of any employee who performs the key functions of a higher position for more than two (2) hours of continuous work in the higher position pursuant to the formula outlined in Article 9.02 full-time.

ARTICLE 6 - STATUTORY HOLIDAYS

6.01 There shall be ten (10) paid holidays for part-time employees during the terms of this Agreement. These holidays are as follows:

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

and all other public holidays proclaimed by Civic, Federal or Provincial Governments. In the case of a holiday proclaimed by the City or Municipality the holiday is applicable only to those stores that are closed.

Holiday pay shall be paid for the above mentioned holidays provided:

- (a) They have earned wages on at least ten (10) working days during the four (4) weeks immediately preceding the holiday.
- (b) They have worked their regularly scheduled day before and after the holiday, unless the absence was justified on bona fide grounds provided for under this collective agreement.
- (c) Part-time employees required to work on a holiday referred to in Article 6.01 above, shall be paid, in addition to any holiday pay, at the rate of time and one-half (1 ½) for such hours worked on the holiday. The payment for the holiday will be based on the total hours worked, including any paid holiday time taken, and any paid bereavement leave time taken during the four (4) weeks immediately preceding the holiday divided by the number of shifts worked. For the purpose of determining entitlement and payment calculation, where an authorized leave for vacation occurs during the above four (4) weeks, the four (4) week period will be extended by the equivalent vacation period. That four (4) week period (preceding the holiday) shall be used for entitlement and calculation of holiday pay. Such overtime shall be offered to the Senior Volunteer within the classification.

6.02 The Company and the Union may agree in advance to change Good Friday for Easter Monday in a particular store.

ARTICLE 7 - REST PERIODS

As per article 8.01 of the Full-time Agreement

ARTICLE 8 - VACATIONS

8.01 Employees working other than full-time shall receive vacation pay as follows:

- (a) Up to one year service as of June 30th - 4% of earnings
- (b) Over one year as of June 30th - 4% of earnings;
- (c) Over five years as of June 30th - 6% of earnings;
- (d) Over ten years as of June 30th - 8% of earnings;
- (e) Over fifteen years as of June 30th - 10% of earnings;
- (f) Over twenty years as of June 30th - 12% of earnings.

8.02 (a) The Company will provide an employee with a separate vacation pay cheque prior to the actual vacation of the employee, provided sufficient notice of a request for such a cheque is made to Payroll.

- (b) The Company will pay all outstanding earned vacation pay to part-time employees in the first full pay period of July each year.

8.03 Employees will take a minimum of two (2) weeks vacation time off work after completion of one or more years of continuous service prior to July 1st of the year in which the vacation is to be taken. Employees may elect to take time off in addition to the two-week minimum, up to their equivalent percentage entitlement, as per 11.01 full-time.

8.04 Vacations shall be taken in the year in which they are due, and may not be accumulated unless mutually agreed upon.

8.05 A vacation request form will be circulated between March 15 and May 15, and all employees who are entitled to request vacations shall indicate on the form within three (3) weeks, the dates on which they wish to have vacation. It is understood that from February 1st to March 15th, full-time employees shall have preference of vacation dates over part-time employees, provided such dates were requested during the posting period. The choice of vacation dates will be according to seniority, providing that it does not result in a schedule which interferes with the operation of the business. However, after May 15th, any further scheduling shall be on a first-come first-served basis. No vacation time will be scheduled by the Company during the period from December 1st to December 24th.

ARTICLE 9 - JURY DUTY

As per Article 13 of the Full-time Agreement

ARTICLE 10 - NO STRIKE - NO LOCKOUT

As per Article 14 of the Full-time Agreement

ARTICLE 11 – SENIORITY

- 11.01 (a) Seniority shall be defined as length of continuous employment with the Company in the bargaining unit. Seniority shall be effective only after an employee has completed her probationary period, and shall be computed from the date of her first employment.
- (b) The probationary period for part-time employees will be forty-five (45) worked days or ninety (90) calendar days, whichever occurs first.
- 11.02 Seniority rights shall be terminated and an employee shall be deemed to have quit if he or she:
- (a) is duly discharged by the Company;
- (b) voluntarily quits or resigns or retires;
- (c) has been laid off or promoted out of the bargaining unit continuously for a period of more than twelve (12) months. Upon return from layoff an employee will be provided a 14 day familiarization period to the responsibilities of their position;
- (d) is called back to work by registered mail to her last known address after a layoff and does not return within ten (10) days of the date on which the registered letter of call back was mailed by the Company. The employee is responsible for advising the Human Resources Department, in writing, of any change in her address;
- (e) fails to return to work on the completion of an authorized leave of absence, unless such failure is due to provable sickness.
- (f) is absent without leave for three (3) consecutive shifts and fails to advise the Company without a legitimate reason.

- 11.03 (a) Part-time employees who are desirous of becoming full-time employees shall inform the Human Resources Department using the proscribed form. The proscribed form will remain in effect for a period of twelve (12) month from the date the Company confirms receipt of such form. Confirmation of receipt will be returned to the employee. Where there is more than one part-time employee desirous of becoming a full-time employee, the Company will take into account seniority, skill, ability, and qualifications. Where skill, ability, and qualification are relatively equal, the Company will give priority to the most senior part-time employee.

Part-time employees who are desirous of increasing their hours of work shall inform their Regional Director in writing. Where there is more than one part-time employee desirous of increasing their hours, the Company will take into account seniority, skill, ability, and qualifications. Where skill, ability, and qualification are relatively equal, the Company will give priority to the most senior part-time employee.

- (b) Every month the Company will publish for display on each Store Bulletin Board, a list of promotions and new positions filled within the Region during the previous month. This list shall indicate the successful employee's name, classification and seniority, and the Store location where the position was filled.

- 11.04 (a) For the purpose of calculating full-time seniority, part-time employees hired prior to January 1, 1979, shall be credited with all their calendar years of part-time service prior to January 1, 1979, should they be transferred to a full-time classification subsequent to that date. They shall also be credited, as will part-time employees hired after January 1, 1979, with one-half ($\frac{1}{2}$) of their calendar years of part-time service subsequent to January 1, 1979, provided, however, that the maximum credit in all cases shall be fifteen (15) years.

- (b) In the event of a full-time employee's status is changed to part-time, the employee will be granted her length of continuous service with the company as a new part-time seniority date.

- 11.05 (i) **Scheduling**

Employees selecting 24 hours per week will work them over 5 days unless mutually agreed.

Part-time employees with more than six (6) months seniority at the time of selection shall be entitled on February 28th and August 31st of each year, to select their number of regular hours per week, in the Store concerned, up to a maximum of twenty-four (24) hours per week, and shall work such hours if all of the following conditions are fulfilled:

- (a) that the number of regular hours selected are available in the employee's classification pursuant to the requirements of the Store as determined by the Store Manager. Should the number of hours selected by the employees not be available, the right to claim the number of hours selected shall be on the basis of seniority;
 - (b) that the employee has the ability and willingness to perform the work required;
 - (c) that the employee has, prior to February 28th and August 31st of each year, completed the form provided by the Company, selecting the number of regular hours per week he/she wishes to work. (Such selection of the number of regular hours per week shall be fixed for the entire six (6) months in question.)
 - (d) that once an employee has selected his/her number of regular hours per week, in writing, the employee shall have no right to claim additional hours in excess of the number of hours he/she has selected.
 - (e) the Employer shall endeavour not to schedule employees on a regular basis in excess of the number of hours selected.
 - (f) where it will not interfere with the efficient operation of the store, senior employees will be able to choose available day shifts and eight hour shifts when available over junior employees.
- 11.05 (ii) **Subsequent Assignment**
- (a) Preference for hours of work which require assignment subsequent to scheduling, shall be offered to senior part-time employees within the store concerned so far as such offer is consistent with their ability, availability, and willingness to perform the work required.
 - (b) If no employee accepts the offer, the junior employee contacted with the ability to perform the work required must perform the work.
- 11.06 (a) A part-time employee or a combination of part-time employees shall not be scheduled to the extent they displace, replace or prevent a full-time employee from being scheduled forty (40) hours per week.
- (b) Part-time employees shall not be scheduled over a three (3) month period in a manner so as to displace or prevent the hiring of a regular full-time employee, as outlined in (a) above, with the exception of hours worked by part-time employees to relieve full time employee who is absent for any reason.

11.07 As between regular part-timers, seniority shall be the governing factor with respect to the assignment of vacations, layoffs, and recall after layoff providing the part-time employee has the ability and willingness to perform the work as required.

11.08 The Company agrees to supply the Local Union Office with seniority lists by Store, Region, and bargaining unit in October of each year.

11.09 **Lay-offs and Recall**

As per Article 15.07 of the Full-time Agreement.

ARTICLE 12 - DISCHARGE OF EMPLOYEES SUBJECT TO ARBITRATION

As per Article 16 of the Full-time Agreement

ARTICLE 13 - NOTICE REQUIRED FOR PAY IN LIEU OF NOTICE IN CASES OF DISMISSAL

As per Article 17 of the Full-time Agreement

ARTICLE 14 - BUSINESS AGENTS VISITS

As per Article 18 of the Full-time Agreement

ARTICLE 15 - COMPLAINTS AND GRIEVANCE PROCEDURE

As per Article 19 of the Full-time Agreement

ARTICLE 16 - CASH SHORTAGES

As per Article 20 of the Full-time Agreement

ARTICLE 17 - DENTAL PLAN

As per Article 25.02 of the Full-time Agreement

ARTICLE 18 - WAGES

(a) As per Article 9.01, 9.02, 9.03, 9.04 and Appendix "B" of the Full-time Agreement. The minimum hourly rate of wages for all Part-time, shall be as per Appendix "B" of this Agreement.

(b) All other appendixes attached hereto shall form part of this Agreement.

ARTICLE 19 - MATERNITY LEAVE

As per Article 12 of the Full-time Agreement

ARTICLE 20 - BEREAVEMENT LEAVE

20.01 Part-time employees shall be granted leave of absence, without loss of pay, for scheduled hours for consecutive days of bereavement leave as follows:

- (a) five (5) days - husband, wife, children, parents, brother, sister, parents-in-law, grandparents, grandchildren; step-parents, step-children, common-law spouse as defined by law.
- (b) three (3) days - brother-in-law, sister-in-law, son-in-law, and daughter-in-law.
- (c) one (1) day – grandparents-in-law, aunt, uncle, niece, nephew

ARTICLE 21 - SICK LEAVE

21.01 All Part-time employees hired after June 12, 1994, who have regularly worked for the Company for at least one (1) continuous year, shall be entitled to receive a sick pay allowance from normally scheduled work on account of sickness, subject the following rules:

- (a) Employees who, after June 12, 1994, have regularly worked for the Company for more than one continuous year, shall be credited with one (1) hour of sick pay allowance for every twenty-five (25) hours actually worked by the employee, up to a maximum of fifty (50) hours of sick pay allowance. The same system of credit shall be applied in each subsequent year of continuous employment.
- (b) Subject to rule (a) above, after June 12, 1994, when a part-time employee commences her second year of continuous employment and subsequently upon the commencement of each year of continuous employment thereafter, she shall be credited with one (1) hour of sick pay allowance (to be paid at 90 per-cent of their regular hourly rate) for every twenty-five (25) hours actually worked by the employee during the previous twelve (12) months, up to a maximum of fifty (50) hours of sick pay allowance per year. Sick leave credits will be paid at 90 per-cent of the employee's part-time hourly rate.
- (c) The sick pay allowance shall commence on the first day of illness, provided the illness is reported as requested in (d) below, and shall cover only those hours for which the part-time employee would normally have been scheduled to work.

- (d) All cases of sickness to qualify for allowance must be reported by the employee to the store Manger (or her designate), within three (3) hours after the time at which the employee should have reported for duty. Wherever possible, employees should report their absence to the appropriate Store authority in advance of their scheduled starting time.
- (e) Sick leave shall be cumulative from year to year, to a maximum of one hundred and twenty (120) hours of sick leave allowance.
- (f) The Company reserves the right to require sickness to be proved by satisfactory evidence and any costs incurred in providing such evidence satisfactory to the Company, based on the Company's request, shall be borne by the employer upon presentation of a paid receipt by the employee.
- (g) Sick leave and allowances are approved and provided for sickness only, and if it is proven that an employee has abused her sick leave privilege, such employee may be subject to disciplinary action.
- (h) This Article shall be subject to revision if and when the Unemployment Insurance Act is revised to include sick pay privileges for employees of the Company.
- (i) In the event that a full-time employee is transferred into a part-time position, her date of commencement of employment shall remain the same. Full-time employees who transfer to part-time status will retain any accumulated sick leave credits

21.02 All employees hired prior to June 13, 1994 who have regularly worked for the Company for at least one (1) continuous year, shall be entitled to receive a sick pay allowance from normally scheduled work on account of sickness, subject the following rules:

- (a) Employees who, on April 1, 1979, have regularly worked for the Company for more than one continuous year, shall be credited with one (1) hour of sick pay allowance, at 100 per-cent of their normal hourly rate, for every twenty-five (25) hours actually worked by the employee during the preceding twelve (12) months, up to a maximum of fifty (50) hours of sick pay allowance.
- (b) Subject to rule (a) above, after April 1, 1979 and before December 31, 1994, when a part-time employee commenced her second year of continuous employment and subsequently upon the commencement of each year of continuous employment thereafter, she shall be credited with one (1) hour of sick pay allowance at 100 per-cent of her regular hourly rate for ever twenty-five (25) hours actually worked by the

employee during the previous twelve (12) months, up to a maximum of fifty (50) hours of sick pay allowance per year.

- (c) The sick pay allowance shall commence on the first day of illness, provided the illness is reported as requested in (d) below, and shall cover only those hours for which the part-time employee would normally have been scheduled to work.
- (d) Prior to January 1, 1995 sick leave will accumulate and be paid at 100 per-cent of their normal hourly rate and after January 1, 1995 sick leave will accumulate and be paid at 90 percent of their normal hourly rate for use in subsequent years. Sick leave credits accumulated at 100 percent will be exhausted prior to the application of sick leave at 90 percent.
- (e) All cases of sickness to qualify for allowance must be reported by the employee to the store Manger (or her designate), within three (3) hours after the time at which the employee should have reported for duty. Wherever possible, employees should report their absence to the appropriate Store authority in advance of their scheduled starting time.
- (f) Sick leave shall be cumulative from year to year, to a maximum of one hundred and twenty (120) hours of sick leave allowance.
- (g) The Company reserves the right to require sickness to be proved by satisfactory evidence and any costs incurred in providing such evidence satisfactory to the Company, based on the Company's request, shall be borne by the employer upon presentation of a paid receipt by the employee.
- (h) Sick leave and allowances are approved and provided for sickness only, and if it is proven that an employee has abused her sick leave privilege, such employee shall be discharged.
- (i) This Article shall be subject to revision if and when the Unemployment Insurance Act is revised to include sick pay privileges for employees of the Company.
- (j) In the event that a full-time employee is transferred into a part-time position, her date of commencement of employment shall remain the same. If the transferred employee has regularly worked for the Company for more than one (1) continuous year, her part-time sickness allowance of the time prior to the commencement of her next year of continuous employment shall be one-half ($\frac{1}{2}$) of her outstanding annual full-time sick pay allowance for the year in which the transfer occurred.

ARTICLE 22 - EMPLOYEE PRIVILEGES

As per Article 30.01 of the Full-time Agreement

ARTICLE 23 - WORK CLOSEST TO HOME

As per Article 15.05 of the Full-time Agreement

ARTICLE 24 - TRAVEL TIME

As per Article 10 of the Full-time Agreement

ARTICLE 25 - LEAVE OF ABSENCE WITHOUT PAY

25.01 A part-time employee shall be entitled to request, in writing, one special two (2) week leave of absence, without pay, at a time mutually satisfactory to both parties which may be adjacent to her vacation, if sufficient notice is given to the Company. Such request shall be made to the Human Resources Department. A request for a longer period will not be unreasonably denied. If an employee's request for leave is denied, the Company will notify the employee, in writing, concerning the reasons for such denial.

ARTICLE 26 - CANADIAN COMMERCIAL WORKERS INDUSTRY PENSION PLAN

As per Article 26 of the Full-time Agreement

ARTICLE 27 - HEALTH AND WELFARE

27.01 **Optical Plan**

- (a) The Company agrees for each part-time employee effective first of the month upon completion of 2 years of continuous service, to cover a maximum of three hundred dollars (\$300.00) every two (2) years for new or changed prescriptions for the employee only. The Company agrees for each part-time employee hired after the date of ratification, effective the first of the month upon completion of five (5) years of continuous service, to cover a maximum of two hundred dollars (\$200.00) every five (5) years for new or changed prescriptions for the employee only.
- (b) The cost of eye examinations on the basis of one exam in each 24-month period will be covered by the Plan to a maximum of fifty (\$50.00) dollars per visit.

27.02 **Drug Plan**

All part-time employees who have completed their probationary period, will be provided with a drug plan at a rate of the cost of the drug. Spouses and dependent children of part-time employees who have completed the probationary period may purchase their drugs at cost. The cost to part-time employees for drugs purchased will be the same cost as the drug benefit recipient pays. This applies on behalf of purchases for employees and their dependents. No co-pay applies.

ARTICLE 28 - FATIGUE MATS

As per Article 29 of the Full-time Agreement

ARTICLE 29 - COMPANY MEETINGS

As per Article 27.01 of the Full-time Agreement

ARTICLE 30 - DISCIPLINARY INTERVIEWS

As per Article 31 of the Full-time Agreement

ARTICLE 31 - EXPIRATION AND RENEWAL

As per Article 33 of the Full-time Agreement

APPENDIX B-1

Pharma Plus Drugmarts Ltd. – **Schedule 1**
 Full Time and Part Time hired prior to March 2005
 All Job Classifications

<u>Job Classifications</u>	<u>Start</u>	<u>6/12/18</u> <u>Months</u>	<u>24</u> <u>Months</u>	<u>30</u> <u>Months</u>	<u>36</u> <u>Months</u>	<u>42</u> <u>Months</u>	Effective	Effective	Effective
							5-Jan-11 48 <u>Months</u>	5-Jan-12 48 <u>Months</u>	5-Jan-13 48 <u>Months</u>
Registered Pharmacy Technician	-	-				18.00	18.25	18.50	
Pharmacy Assistant	-	-	-				16.00	16.25	16.50
Cosmetician	-	-	-				14.82	15.07	15.32
Merchandise Clerk	-	-	-				14.66	14.91	15.16
Postal Clerk	-	-	-				14.23	14.48	14.73
Sales Clerk/Driver/Stock Clerk	-	-	-				14.10	14.35	14.60

The new grid is effective April 1, 2011.

Any employee below rates shall be placed at 48 month rate effective date of ratification.

- 1) On January 5, 2012 all employees on grid twenty-five cents (25¢) increase (only top rate adjusted by 25¢). Part-time employees (Red Circled) shall receive a lump sum of two hundred (\$200.00) dollars. Full-time (Red Circled) shall receive a lump sum of four hundred (\$400.00) dollars.
- 2) On January 5, 2013 all employees on grid twenty-five cents (25¢) increase (only top rate adjusted by 25¢). Part-time employees (Red Circled) shall receive a lump sum of two hundred (\$200.00) dollars. Full-time (Red Circled) shall receive a lump sum of four hundred (\$400.00) dollars.

Note: Red Circled employees are employees with pay rates above the top rates contained on grids.

APPENDIX B-2

Pharma Plus Drugmarts Ltd. – **Schedule 2**
 Part Time AFTER March 2005
 All Job Classifications

<u>Job Classifications</u>	<u>Start</u>	<u>Step 2</u> <u>Six</u> <u>Months</u>	<u>Step 3</u> <u>12</u> <u>Months</u>	<u>Step 4</u> <u>18</u> <u>Months</u>	<u>Step 5</u> <u>24</u> <u>Months</u>	<u>Step 6</u> <u>30</u> <u>Months</u>	<u>Step 7</u> <u>36</u> <u>Months</u>	<u>Step 8</u> <u>42</u> <u>Months</u>	<u>Step 9</u> Effective 5-Jan-11 <u>48</u> <u>Months</u>	<u>Step 9</u> Effective 5-Jan-12 <u>48</u> <u>Months</u>	<u>Step 9</u> Effective 5-Jan-13 <u>48</u> <u>Months</u>
Registered Pharmacy Technician	16.00	-	16.50	-	17.00	-	17.50	-	18.00	18.25	18.50
Pharmacy Assistant	11.00	11.25	11.50	12.00	12.25	12.75	13.75	14.00	16.00	16.25	16.50
Cosmetician	10.25	-	10.80	-	11.00	-	12.00	-	13.50	13.75	14.00
Merchandise Clerk	10.25	-	10.60	-	11.00	-	11.50	-	12.75	13.00	13.25
Postal Clerk	10.25	-	10.60	-	11.00	-	11.50	-	12.00	12.25	12.50
Sales Clerk/Driver/Stock Clerk	10.25	-	10.60	-	11.00	-	11.50	-	12.00	12.25	12.50

This Grid is effective April 1, 2011.

For the purpose of implementation of the new Grid the following shall apply: When an employee is placed on the new grid the employee will receive the same wage rate they were receiving previously, provided their former wage rate is set out in the new grid. If their wage rate is not set out in the range of the new grid, then the employees wage rate will be that of the next higher rate in the range on the new grid. In all cases, the employees movement across the range on the new grid will commence at the rate in the range of the new grid.

- 1) On January 5, 2012 all employees on grid twenty-five cents (25¢) increase (only top rate adjusted by 25¢). Part-time employees (Red Circled) shall receive a lump sum of two hundred (\$200.00) dollars. Full-time (Red Circled) shall receive a lump sum of four hundred (\$400.00) dollars.
- 2) On January 5, 2013 all employees on grid twenty-five cents (25¢) increase (only top rate adjusted by 25¢). Part-time employees (Red Circled) shall receive a lump sum of two hundred (\$200.00) dollars. Full-time (Red Circled) shall receive a lump sum of four hundred (\$400.00) dollars.

APPENDIX B-3

Pharma Plus Drugmarts Ltd. – **Schedule 3**
 New Full Time Hired AFTER March 2005
 All Job Classifications

<u>Job Classifications</u>	<u>Start</u>	<u>Step 2 Six Months</u>	<u>Step 3 12 Months</u>	<u>Step 4 18 Months</u>	<u>Step 5 24 Months</u>	<u>Step 6 30 Months</u>	<u>Step 7 36 Months</u>	<u>Step 8 42 Months</u>	<u>Step 9 Effective 5-Jan-11 48 Months</u>	<u>Step 9 Effective 5-Jan-12 48 Months</u>	<u>Step 9 Effective 5-Jan-13 48 Months</u>
Registered Pharmacy Technician	16.00	-	16.50	-	17.00	-	17.50	-	18.00	18.25	18.50
Pharmacy Assistant	11.00	11.25	11.50	12.00	12.25	12.75	13.75	14.00	16.00	16.25	16.50
Cosmetician	10.70	-	11.25	-	12.00	-	12.75	-	13.85	14.10	14.35
Merchandise Clerk	10.40	-	11.00	-	11.60	-	12.20	-	12.85	13.10	13.35
Postal Clerk	10.40	-	11.00	-	11.60	-	12.20	-	12.85	13.10	13.35
Sales Clerk/Driver/Stock Clerk	10.40	-	11.00	-	11.60	-	12.20	-	12.85	13.10	13.35

This Grid is effective April 11, 2011.

For the purpose of implementation of the new Grid the following shall apply: When an employee is placed on the new grid the employee will receive the same wage rate they were receiving previously, provided their former wage rate is set out in the new grid. If their wage rate is not set out in the range of the new grid, then the employees wage rate will be that of the next higher rate in the range on the new grid. In all cases, the employees movement across the range on the new grid will commence at the rate in the range of the new grid.

- 1) On January 5, 2012 all employees on grid twenty-five cents (25¢) increase (only top rate adjusted by 25¢). Part-time employees (Red Circled) shall receive a lump sum of two hundred (\$200.00) dollars. Full-time (Red Circled) shall receive a lump sum of four hundred (\$400.00) dollars.
- 2) On January 5, 2013 all employees on grid twenty-five cents (25¢) increase (only top rate adjusted by 25¢). Part-time employees (Red Circled) shall receive a lump sum of two hundred (\$200.00) dollars. Full-time (Red Circled) shall receive a lump sum of four hundred (\$400.00) dollars.

APPENDIX "C-1"

LETTER OF AGREEMENT #1

Between:

PHARMA PLUS DRUGMARTS LTD.

And

**UNITED FOOD & COMMERCIAL WORKERS' CANADA
LOCAL 175**

Re: COSMETIC COMMISSION PAYMENT

OBJECTIVE:

To define how cosmetic commissions are calculated, who receive them and how and when they are paid.

SCOPE:

Applies to all staff classified as cosmetician, after completion of probationary period, employed by Pharma Plus Drugmarts Ltd., whether full-time or part-time, in the stores covered by this collective agreement. Effective January 1/93 -commissions will be paid on a pro-rata basis for relief time worked to individuals who are qualified as cosmetician who are relieving for leave of absence and periods of illness for more than one week. Applies to all cosmetic products having the cosmetic coloured ticket.

HOW CALCULATED:

The primary basis for the calculation of cosmetic commissions payable is the net cosmetic sales figure for your store. This figure is obtained from data on the Daily Weekly Store Cash Summary and is the same information that shows for "cosmetic sales " on the Store Performance Report.

Commission amount due will be calculated by the paid through the Payroll department. Any questions regarding the payment of commission should be directed to the Payroll department.

Commission will be paid to eligible cosmeticians within 30 days of the end of the relevant quarter. Commission payments will be included with the regular pay, and details of the entitlement will be provided.

Commission quarters are outlined as follows:

- 1st quarter - Periods 1, 2 and 3;
- 2nd quarter - Periods 4, 5, 6 and 7;
- 3rd quarter - Periods 8, 9 and 10;
- 4th quarter - Periods 11, 12 and 13;

The amount of commission for which the cosmetician(s) in a store are eligible currently remains at 2% of net cosmetic sales.

Where relevant for purposes of paying commission, hours worked will include all vacation hours, and exclude sick leave and leave of absence.

COMMISSION PAYMENT

One Cosmetician/Store

The total scheduled hours for the accounting period are totaled. If the cosmetician worked 100% of the scheduled hours she will receive 100% of the commission. If she worked less than 100% of the scheduled hours, the percentage must be calculated.

Example:	Commission is	...	\$2,360.52
	Scheduled hours	...	480.00
	Hours worked	...	464.00
	464 divided by 480	...	97%
	\$2,360.52 97%	...	\$2,289.70 (Commission paid)

Two or more Cosmetician/Store

Where more than one cosmetician is employed in a store during the accounting period, payment is divided according to hours worked plus a weekly hourly bonus of two hours for every year of service as a cosmetician, up to a maximum of 10 years.

Example:

	Start Date as Cosm.	Hours Wrkd	Years of Service	Bonus Wks in Quarter	Hours & Total Bonus Comm.	Total Commission Hours Paid
A)	01/01/96	320 +	(5 x 2 x 12) =	440 x \$2,500 %	760 = \$1,447.37	
B)	01/01/94	152 +	(7 x 2 x 12) =	320 x \$2,500 %	760 = \$1,052.63	

DATED at Hamilton, Ontario, this 5th day of April, 2011.

For the Union

Harold Sutton

For the Company

Brian McLaughlin

Signed as per Letter of Agreement #16 contained herein.

APPENDIX "C-2"

LETTER OF AGREEMENT #2

Between:

PHARMA PLUS DRUGMARTS LTD.

And

**UNITED FOOD & COMMERCIAL WORKERS' CANADA
LOCAL 175**

Re: Protocol for New Stores and Acquisitions

In order to facilitate the growth of the Company, the Union and Company agree to the following protocol in the event of new store openings and acquisitions:

1. "Green field" sites (new physical locations with no acquisition)

Full-time positions will be filled first by employees on layoff, then on file as per article 15.02 full-time and 11.03 part-time. Thereafter unfilled full-time positions will be posted throughout the bargaining unit.

2. Acquisitions rolled into a new Pharma Plus store.

For acquisitions rolled into a new Pharma Plus store, qualified employees on file are entitled to full-time positions to match the number of full-time complements transferring-in from the new acquisition. However, it is understood that the full-time positions being offered to the employees on file may not always be in the same location or classification, but will be in the geographic area.

3. Acquisition

For acquisitions not rolling into an existing Pharma Plus store, future positions will be filled pursuant to article 15.02 full-time and 11.03 part-time.

4. Acquisition Wages & Benefits

Employees hired through acquisitions will be placed on the wage grid based on their recognized previous service with their former employer. They will also be given credit for vacation entitlement only based on their prior service.

5. Acquisition Seniority and Service Dates

Employees hired through Acquisitions will receive their original date of hire with their former employer as their service date and such date shall be used in item #4 above.

Seniority dates shall be based on the date the employee entered the bargaining unit. In the event that more than one (1) employee has the same seniority date, then the employee with the longer service date will be deemed to have the higher seniority date.

DATED at Hamilton, Ontario, this 5th day of April, 2011.

For the Union

For the Company

Harold Sutton

Brian McLaughlin

Signed as per Letter of Agreement #16 contained herein.

APPENDIX "C-3"

LETTER OF AGREEMENT #3

Between:

PHARMA PLUS DRUGMARTS LTD.

And

**UNITED FOOD & COMMERCIAL WORKERS' CANADA
LOCAL 175**

Re: Technological Change

The Employer agrees that in the event of the introduction of new technology which may result in the loss of hours, or layoff of employees that the Union and the Company shall meet prior to such introduction in an effort to minimize such impact on affected employees.

DATED at Hamilton, Ontario, this 5th day of April, 2011.

For the Union

Harold Sutton

For the Company

Brian McLaughlin

Signed as per Letter of Agreement #16 contained herein.

APPENDIX "C-4"

LETTER OF AGREEMENT #4

Between:

PHARMA PLUS DRUGMARTS LTD.

And

**UNITED FOOD & COMMERCIAL WORKERS' CANADA
LOCAL 175**

Re: Staff Training

The Company recognizes the need to provide training on an ongoing basis. The Company agrees to offer training to employees on a regular basis as deemed required by the regional director, in keeping with the needs of the region, and at no cost to the employee. Such training will include the Cosmetician course, the Merchandise Clerk course and Pharmacy Technician course. The Company agrees that this letter will not be unreasonably applied.

DATED at Hamilton, Ontario, this 5th day of April, 2011.

For the Union

Harold Sutton

For the Company

Brian McLaughlin

Signed as per Letter of Agreement #16 contained herein.

APPENDIX "C-5"

LETTER OF AGREEMENT #5

Between:

PHARMA PLUS DRUGMARTS LTD.

And

**UNITED FOOD & COMMERCIAL WORKERS' CANADA
LOCAL 175**

Re: UFCW Leukemia Fund

The Company agrees to make regular payroll deductions subject to receiving a signed authorization form from an employee for Childhood Leukemia. Such deductions shall be forwarded to the UFCW Local 175 Leukemia Fund in May and December of each calendar year.

DATED at Hamilton, Ontario, this 5th day of April, 2011.

For the Union

Harold Sutton

For the Company

Brian McLaughlin

Signed as per Letter of Agreement #16 contained herein.

APPENDIX "C-6"

LETTER OF AGREEMENT #6

Between:

PHARMA PLUS DRUGMARTS LTD.

And

**UNITED FOOD & COMMERCIAL WORKERS' CANADA
LOCAL 175**

Re: Rotation of Sales Clerks from Cashiering Duties

The Company shall endeavour to rotate cashiers off cash duties upon the individual request where business permits.

DATED at Hamilton, Ontario, this 5th day of April, 2011.

For the Union

For the Company

Harold Sutton

Brian McLaughlin

Signed as per Letter of Agreement #16 contained herein.

APPENDIX "C-7"

LETTER OF AGREEMENT #7

Between:

PHARMA PLUS DRUGMARTS LTD.

And

**UNITED FOOD & COMMERCIAL WORKERS' CANADA
LOCAL 175**

Re: Liability Insurance

The Company agrees to provide all insurance to cover employees for any work related liability which shall provide full indemnity to employees in the event of a patient/customer claim.

DATED at Hamilton, Ontario, this 5th day of April, 2011.

For the Union

Harold Sutton

For the Company

Brian McLaughlin

Signed as per Letter of Agreement #16 contained herein.

APPENDIX "C-8"

LETTER OF AGREEMENT #8

Between:

PHARMA PLUS DRUGMARTS LTD.

And

**UNITED FOOD & COMMERCIAL WORKERS' CANADA
LOCAL 175**

Re: Permanent Layoff

In the event of a permanent layoff and the employee electing to forfeit all seniority rights under the Collective Agreement, the affected employees shall be offered the following:

- 1) Full-time employees receive severance pay of 1.5 weeks per full complete years of service less applicable statutory deductions. The maximum payment shall not exceed the annual wages of the affected employees. Minimum payout shall be 1.5 weeks pay.
- 2) Part-time employees shall receive severance pay in accordance with #1 above calculated based on average hours worked over previous thirteen (13) week period.
- 3) All monies mentioned above shall be paid by separate deposit and may be directed to an RRSP upon request of the employee, subject to any applicable provision of the Income Tax Act.

DATED at Hamilton, Ontario, this 5th day of April, 2011.

For the Union

Harold Sutton

For the Company

Brian McLaughlin

Signed as per Letter of Agreement #16 contained herein.

APPENDIX "C-9"

LETTER OF AGREEMENT #9

Between:

PHARMA PLUS DRUGMARTS LTD.

And

**UNITED FOOD & COMMERCIAL WORKERS' CANADA
LOCAL 175**

Re: Pharma Plus Store Guarantee

The Company confirms there are 144 stores covered by this collective agreement. A schedule of these stores is attached herein.

The Company agrees it shall continue to operate no less than 135 of these stores under this Collective Agreement regardless of Banner or Signage on the front of the store for the term of this Collective Agreement.

DATED at Hamilton, Ontario, this 5th day of April, 2011.

For the Union

Harold Sutton

For the Company

Brian McLaughlin

Signed as per Letter of Agreement #16 contained herein.

APPENDIX "C-10"

LETTER OF AGREEMENT #10

Between:

PHARMA PLUS DRUGMARTS LTD.

And

**UNITED FOOD & COMMERCIAL WORKERS' CANADA
LOCAL 175**

Re: Law Protection Inc.

The Company agrees to participate in the **L.P.I. LawNET** program. All members of the bargaining unit shall be covered.

The Company shall remit the sum of \$6.00 per employee to **Law Protection Inc.** within sixty (60) days from ratification.

The above-mentioned amount shall be paid annually as follows:

Within sixty (60) days of ratification - \$6.00 per employee.

January 4, 2012 - \$6.00 per employee.

January 4, 2013 - \$6.00 per employee.

The Company agrees the above are annual amounts to enroll members of the bargaining unit in this program.

The Company may at their discretion add non-bargaining unit employees to this program provided they remit names and payment to **Law Protection Inc.**

DATED at Hamilton, Ontario, this 5th day of April, 2011.

For the Union

Harold Sutton

For the Company

Brian McLaughlin

Signed as per Letter of Agreement #16 contained herein.

APPENDIX "C-11"

LETTER OF AGREEMENT #11

Between:

PHARMA PLUS DRUGMARTS LTD.

And

**UNITED FOOD & COMMERCIAL WORKERS' CANADA
LOCAL 175**

**Re: Service, Seniority and Wages Pharmx Rexall Drug Store Bargaining Unit
Employees**

This letter shall confirm agreement by the parties as follows:

Any UFCW Local 175 bargaining unit employee employed under the Pharma Plus Collective Agreement who transfers into a Pharmx Rexall Drug Store after March 1, 2009 shall be credited with their Pharma Plus seniority date and service date provided the Pharmx Rexall Collective Agreement provides for the same under their Collective Agreement.

Any employee transferred after March 1, 2010 shall maintain their existing rate of pay or be placed on the wage scale with an increase whichever is greater and progress in the time interval shown.

Laid off Pharma Plus employees shall be considered for any employment opportunities in Pharmx Rexall stores which are not filled by bargaining unit employees prior to the Employer hiring from outside.

Laid off Pharmx Rexall bargaining unit employees shall be considered for employment opportunities in Pharma Plus stores in the same manner as outlined in the paragraph above.

DATED at Hamilton, Ontario, this 5th day of April, 2011.

For the Union

For the Company

Harold Sutton

Brian McLaughlin

Signed as per Letter of Agreement #16 contained herein.

APPENDIX "C-12"

LETTER OF AGREEMENT #12

Between:

PHARMA PLUS DRUGMARTS LTD.

And

**UNITED FOOD & COMMERCIAL WORKERS' CANADA
LOCAL 175**

Re: Full-time thirty-seven (37) hour work week

Notwithstanding Article 5.08 of the Collective Agreement the parties agree that the Company may schedule full-time employees less than forty (40) hours per week based on sales volumes and operational needs. When full-time employees are scheduled less than forty (40) hours per week the hours being reduced will not be replaced by using part-time hours.

DATED at Hamilton, Ontario, this 5th day of April, 2011.

For the Union

Harold Sutton

For the Company

Brian McLaughlin

Signed as per Letter of Agreement #16 contained herein.

APPENDIX "C-13"

LETTER OF AGREEMENT #13

Between:

PHARMA PLUS DRUGMARTS LTD.

And

**UNITED FOOD & COMMERCIAL WORKERS' CANADA
LOCAL 175**

Re: CANADIAN COMMERCIAL WORKERS INDUSTRY PENSION PLAN

WHEREAS it is provided in paragraph 1.B of Appendix 'B' to the Collective Agreement executed between the parties on June 12, 1990, past service contributions shall be made by the Company at the rate of eleven (11) cents per hour and;

WHEREAS it is provided in Article 26, Section 26.01 the contribution levels to be made by the Company on behalf of the employees to the Canadian Commercial Workers Industry Pension Plan, such contributions include the eleven (11) cents per hour past service contributions, and;

WHEREAS the past service liability is discharged, such contributions to discharge the past service debt have been discontinued, current service contributions shall continue at the rate of fifty-one (51) cents per hour for the term of the Collective Agreement executed on January 5, 1997.

In the event members are found to have a deficiency in their past service credit which requires additional past service contributions to provide them with such past service credit as they are entitled to, the Company shall make such contributions at the rate of eleven (11) cents per hour in the event the amount is substantial or may make a lump sum payment for an amount not considered substantial until the deficiency is paid in full to the fund.

In either case once such liability is discharged, past service contributions shall cease.

DATED at Hamilton, Ontario, this 5th day of April, 2011.

For the Union

For the Company

Harold Sutton

Brian McLaughlin

Signed as per Letter of Agreement #16 contained herein.

APPENDIX "C-14"

LETTER OF AGREEMENT #14

Between:

**PHARMA PLUS DRUGMARTS LTD.
(FORMERLY KENT DRUG STORES)**

And

**UNITED FOOD & COMMERCIAL WORKERS' CANADA
LOCAL 175**

Re: Former Kent Drug Stores

Whereas the Company and the Union agree that on or about June 30, 1995 all employees of the former Kent Drugs having merged with Pharma Plus Drugmarts Ltd. shall become members of the Canadian Commercial Workers' Pension Plan ("Pension Plan") effective from that date.

Effective January 5, 1997 the Company shall contribute fifty-one (51) cents per hour to the Pension Plan for all non-overtime, vacation, holiday, and sick pay hours paid in accordance with the Collective Agreement, for all full-time and part-time employees in the bargaining unit, to a maximum of forty (40) hours per week per employee.

An employee who is enrolled and an active member of the Oshawa Group Retirement Income Plan ("O.G.R.") at the time of membership to the "Pension Plan" shall cease ongoing participation in the "O.G.R." and have vesting as provided in the "O.G.R." for past service.

DATED at Hamilton, Ontario, this 5th day of April, 2011.

For the Union

Harold Sutton

For the Company

Brian McLaughlin

Signed as per Letter of Agreement #16 contained herein.

APPENDIX "C-15"

LETTER OF AGREEMENT #15

Between:

PHARMA PLUS DRUGMARTS LTD.

And

**UNITED FOOD & COMMERCIAL WORKERS' CANADA
LOCAL 175**

Re: Drug Warehouse Retail Stores

PURPOSE

1. The general purpose of the Appendix is to establish and maintain the collective bargaining relations between the Company and the Union at the Company's Drug Warehouse Retail stores in the bargaining unit. The Company recognizes the Union as the sole collective bargaining agency for all employees at its Drug Warehouse Retail stores in Ontario, except the stores in the Regional Municipality of Ottawa-Carleton, save and except Assistant Store Managers, persons above the rank of Assistant Store Manager, Graduate and Undergraduate Pharmacists, including Pharmacy Interns and Apprentice Pharmacist, bookkeepers and Office Staff. It is understood that this Appendix forms part of the Collective Agreement.
2. In the event the company desires to open Drug Warehouse Retail Stores, the terms and conditions will be discussed and agreed to prior to the opening.

DATED at Hamilton, Ontario, this 5th day of April, 2011.

For the Union

Harold Sutton

For the Company

Brian McLaughlin

Signed as per Letter of Agreement #16 contained herein.

APPENDIX "C-16"

LETTER OF AGREEMENT #16

Between:

PHARMA PLUS DRUGMARTS LTD.

And

**UNITED FOOD & COMMERCIAL WORKERS' CANADA
LOCAL 175**

Re: Signing of Letters of Agreement Numbers One (1) Through Fifteen (15)

The parties agree by signing this Letter of Agreement that they are signing and agreeing to the following Letters of Agreement being part of the Collective Agreement between Pharma Plus Drugmarts and United Food and Commercial Workers Canada, Local 175 and are attached herein.

Letter of Agreement # 1	Cosmetic Commission Payment
Letter of Agreement # 2	Protocol for New Stores and Acquisitions
Letter of Agreement # 3	Technological Change
Letter of Agreement # 4	Staff Training
Letter of Agreement # 5	UFCW Leukemia Fund
Letter of Agreement # 6	Rotation of Sales Clerks from Cashiering Duties
Letter of Agreement # 7	Liability Insurance
Letter of Agreement # 8	Permanent Layoff
Letter of Agreement # 9	Pharma Plus Stores Guarantee
Letter of Agreement # 10	Law Protection Inc.
Letter of Agreement # 11	Service, Seniority and Wages Pharmx Rexall Drug Store Bargaining Unit Employees
Letter of Agreement # 12	Full-time Thirty-Seven (37) Hour Work Week
Letter of Agreement # 13	Canadian Commercial Workers Industry Pension Plan
Letter of Agreement # 14	Former Kent Drug Stores
Letter of Agreement # 15	Drug Warehouse Retail Stores

These Letters are all signed by both parties in accordance with this Letter.

DATED at Hamilton, Ontario, this 5th day of April, 2011.

For the Union

For the Company

Harold Sutton

Brian McLaughlin

Sylvia Groom

Stacy Panek