

AGREEMENT this 15th day of **March, 2009**

B E T W E E N :

NO FRILLS FRANCHISE STORES
(hereinafter called the "Employer")

- and -

**NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND
GENERAL WORKERS UNION OF CANADA, LOCAL 414**
(hereinafter called the "Union")

WITNESSETH and is hereby agreed as follows: -

ARTICLE 1 - PURPOSE

1.01 The Employer and the Union each represents that the purpose and the intent of this Agreement is to promote co-operation and harmony, to recognize mutual interests, to provide a channel through which information and problems may be transmitted from one to the other, to formulate rules to govern the relationship between the Union and the Employer, to promote efficiency and service, to set forth herein the basic agreements covering rates of pay, hours of work and conditions of employment.

ARTICLE 2 - RECOGNITION

2.01 The Undersigned Employers and other New Franchisees required as a condition of their franchise agreement to participate in the terms of this Agreement, recognizes the Union (CAW Local 414) as the sole and exclusive Bargaining Agent for all employees save and except Produce Manager, Bookkeeper, Associate Manager, Owner/Manager and persons above the rank of Owner/Manager.

Any franchised No Frills location covered by this Collective Agreement that becomes a corporately operated No Frills location shall continue to be covered by this Collective Agreement.

2.02 A full-time employee covered by this Agreement shall be an employee who is normally scheduled to work more than twenty-eight (28) hours per week.

2.03 A part-time employee is one who is normally scheduled to work twenty-eight (28) hours or less per week. The conditions of work of part-time employees shall be governed by Appendix "A" of this Agreement.

ARTICLE 3 - UNION SECURITY

3.01 (a) It is agreed that all employees covered by this Agreement shall become and remain members of the Union in good standing as a condition of employment.

(b) New employees shall make application for membership in the Union at the time of their hiring and shall become and remain members of the Union in good standing, as a condition of employment. The Employer agrees that it will inform all new employees prior to or at the time of hiring of the Union security provisions of the Agreement.

3.02 The Employer shall, during the term of this Agreement, as a condition of employment, deduct from members of the bargaining unit the regular weekly Union Dues and such Dues shall be remitted to the Union prior to the 15th day of the month following the month in which such deduction is made. The Employer shall notify the Union of new full-time employees' classifications and rates of pay in addition to terminations, on a monthly basis. Deduction statements shall be documented by location, containing the full name of the employee and his starting date and social insurance number. The Employer agrees to record the annual Union Dues deductions for each employee on his T4 Form.

3.03 In the event that such weekly Dues are changed during the term of the Agreement, such change must be given to the Employer by notice properly authorized by Union Officials and shall become effective within one (1) month following the date the notice is received.

3.04 New employees shall be documented and documents forwarded to the Union Office within two (2) weeks of hiring.

3.05 The first sixty (60) days at each store shall be considered a probationary period. It is understood between the Employer and the Union that a probationary employee may be terminated for any reason during his probationary period at the sole discretion of the Employer and no Arbitrator shall have jurisdiction to entertain any grievance filed as a result of such termination subject only to the application of the Ontario Human Rights Code.

3.06 The Employer agrees to forward to the Union Office in January, June and September an updated list of all full-time and part-time employees who have moved.

ARTICLE 4 - FUNCTIONS OF MANAGEMENT

4.01 The Union agrees that the Employer has the exclusive right and power to manage its business to direct the working forces and to suspend, discharge or discipline employees for just and sufficient cause, to hire, promote, demote, transfer or lay-off employees, to establish and maintain reasonable rules and regulations covering the operation of the stores, provided however, that any exercise of these rights and powers in conflict with any of the provisions of this Agreement shall be subject to the provisions of the Grievance Procedure as set out herein.

4.02 It is agreed that the direction of the working force shall be at the discretion of the Employer within the terms of this Agreement.

ARTICLE 5 - DISCHARGE AND DISCIPLINE

5.01 No employee, who has acquired seniority, shall be discharged or disciplined except for just and sufficient cause. Discharge or discipline grievances may be settled by confirming the Employer's decision or by reinstating the discharged or suspended employee with full compensation for time lost, less interim earnings if applicable, or by any other arrangement which is just and equitable in the opinion of the parties or of an Arbitrator.

5.02 The Employer agrees that whenever an interview is held with an employee regarding his work or conduct which becomes part of his record, the Store Steward shall be present at such interview.

5.03 In the absence of a union steward an employee will be given his or her choice of union representation at the time of discipline subject to the following considerations:

- The employee chosen is in the store
- Subject to the owners confirmation the employee chosen is not party to the discipline being issued.
- The employee chosen is not engaged in a critical customer service function at the time of the meeting.

ARTICLE 6 - DISCRIMINATION

6.01 There shall be no discrimination on account of race, colour, creed, national origin, sex, age, or membership in the Union.

ARTICLE 7 - UNION SHOP CARDS

7.01 It will be the duty of the Employer to prominently display Union Shop Cards in all their establishments wherein Union members are employed. Those Cards shall remain the property of the Union and the Employer shall have their usage only until such time as the Union shall request their return. The Employer agrees to surrender same immediately upon demand by the Union.

The Employer further agrees that the employees may wear Union Buttons while on duty. For clarity, said buttons shall be those that represent only the legal name of the Union to which the employee is a member.

ARTICLE 8 - UNION PRIVILEGES

8.01 It is agreed that the business representative of the Union shall be admitted during working hours, at reasonable times, to interview employees while on duty or to inspect working conditions; provided however, that such visits shall be calculated to cause a minimum of disturbance with the Employer's business and further, that the business representative shall report his presence to the Company on the occasion of each such visit.

8.02 The Employer will provide Notice Boards for the Union's exclusive use, where the Union will have the right to post notices of meetings or such other Official Union notices as may be required, provided such notices have the prior approval of the Owner for posting. All notices shall be signed on behalf of the Union by one of the following persons, an authorized Representative of the Local Union or a Representative of the National Union.

8.03 The Owners agree to recognize a committee comprised of representatives of the employees, designated by the Union, for the purposes of collective bargaining with the Owners. A committee of up to five (5) employees will be afforded reasonable time off with pay to attend such meetings.

ARTICLE 9 - SHOP STEWARDS

9.01 The Union shall have the right to appoint one (1) Shop Steward and one (1) alternate Shop Steward for the store.

ARTICLE 10 - SENIORITY

10.01 Seniority shall be recognized by the Employer and shall be based on the length of continuous service with the Employer. It is agreed that employees will continue to acquire and exercise seniority on a departmental basis (grocery-produce, and bakery,) within the bargaining unit basis.

10.02 Regular full-time employees shall not attain seniority until they have completed a probationary period with the Employer. Such probationary period shall be sixty (60) days. However, should a probationary employee complete such service, his seniority will date back to the commencement of his continuous full-time employment.

10.03 Lay-off and re-employment shall be based on seniority, availability, qualifications and ability to perform the work.

Employees with less than one (1) year's service at a store will be given one (1) week's notice of lay-off or one (1) week's pay in lieu of notice. Employees with more than one (1) year's service at a store will be given two (2) weeks' notice of lay-off or two (2) weeks' pay in lieu of notice.

A full-time employee who is reduced to part-time due to lay-off shall carry one hundred (100%) percent of their full-time service to the part-time seniority list. For purposes in determining rate of pay, the employee shall slot into the part-time wage progression based on their full-time seniority.

10.04 Seniority lists for full-time employees shall be posted by the Employer quarterly.

10.05 (a) Persons outside the bargaining unit returning to the bargaining unit shall return to a position no higher than their former position in the bargaining unit.

(b) Persons returning to or entering the bargaining unit, shall not cause the demotion of employees within the bargaining unit.

(c) Anyone promoted to a Management position subsequent to the date of ratification of this Agreement will maintain bargaining unit seniority based on their length of service within the bargaining unit.

10.06 Seniority shall be terminated if an employee:

(a) voluntarily leaves the employment of the Employer;

(b) is discharged for cause;

(c) is absent from work for more than three (3) working days without prior notification to the Employer;

(d) is absent from work due to sickness or disability for more than three (3) days and fails upon return to work to produce a certificate from a medical practitioner verifying such absence;

(e) fails to return to work after a recall from lay-off within seven (7) days after the delivery of notice of recall by registered mail;

(f) fails to return to work upon the conclusion of a leave of absence unless his failure to return is for reasonable cause;

(g) fails to take a medical examination by a qualified medical practitioner when requested by the Employer;

(h) is not recalled to work when laid off due to lack of work, his name shall be retained on the seniority list for an eighteen (18) month period or the length of his seniority, whichever is the lesser, but in no event, less than six (6) months.

(i) uses an approved leave of absence for reasons other than those specified

10.07 Full-time employees who become part-time employees shall carry full seniority to the part-time seniority list.

10.08 Following the successful completion of the full-time probationary period, a part-time

employee who is hired full-time shall be credited with fifty (50%) percent of his part-time bargaining unit seniority, up to a maximum of one (1) year for the purpose of bargaining unit seniority.

10.09 In the event of a vacancy occurring for a full-time bargaining unit position employees covered under Appendix "A" of this agreement shall receive preference for such full-time positions provided they have the necessary seniority, availability, qualifications and ability to perform the work. The owner shall determine when a vacancy occurs. The position shall be posted on the bulletin board for not less than six (6) days.

ARTICLE 11 - HOURS OF WORK AND OVERTIME

11.01 Employees are expected to attend work regularly. When unable to attend, the Manager, or designate must be notified, as soon as it is reasonably possible prior to the commencement of the scheduled shift of the employee, giving the reason why the employee is unable to attend, when he expects to return to work and how the Manager or designate can call him relative to his absence.

11.02 The basic work week for full-time employees will consist of forty (40) hours per week, made up of five (5) days of eight (8) consecutive hours duration.

11.03 (a) Overtime at the rate of time and one-half (1-1/2) the regular hourly rate will be payable after eight (8) hours in a day and forty (40) hours in a week.

11.04 During each work day, employees shall be granted two (2) rest periods with pay of fifteen (15) minutes in duration each and one (1) hour unpaid (one-half [1/2] hour by mutual consent) meal period, scheduled at the mid-point of each half shift and the mid-point of the daily shift.

11.05 Work schedules shall be posted by 5:00 p.m. Thursday of the previous week which will include start and quit times, and breaks. Employees will be given three (3) working days notice of changes in their regular working schedule, except for absences.

11.06 Employees may be designated to work two (2) nights per week for customer shopping convenience after 6:00 p.m. Full Time employees hired prior to March 15th 2009 may be designated to work a 3rd night beyond 6 pm and will receive a premium of \$0.50 an hour in addition to their regular wage rate for hours worked on the 3rd night.

Full Time employees hired after March 15th 2009 may be designated up to three (3) nights and will not be eligible for the above premium.

Where an Owner identifies a need for a full time position that would normally be required to work more than three (3) evenings a week such a position may be posted as such and the successful applicant will be required to work evenings as necessary.

11.07 A night shift premium of fifty-five (55) cents per hour shall be paid to any full-time or part-time employee who works on a night shift at 12 a.m. midnight and ending not later than 8:30 a.m., and such shift shall be eight (8) hours in duration. In the event a regularly scheduled night shift of forty (40) hours is implemented, such night shift shall be scheduled on the basis of five (5) consecutive nights.

Any full-time or part-time employee who is scheduled to work beyond 11 p.m. shall be paid a thirty-five (35) cents per hour premium for all hours worked beyond normal store closing time.

The Employer may call employees in to attend a staff meeting of up to two (2) hours duration not more than (4) four times per calendar year. The Employer agrees that attendance at such meetings shall be voluntary. For clarity the rate payable for the attendance is at straight time rate.

11.08 Any full time or part time employee hired prior to November 17, 2002 who is scheduled to work on a Sunday shall be paid their regular hourly rate plus \$1.60 premium for every hour worked. Any part time employee hired prior to November 17, 2002 who is promoted to full time will continue to receive the \$1.60 premium.

It is understood that Sunday work is voluntary for employees hired prior to September 4, 2001.

Each store owner will decide whether Sunday hours will or will not be part of the regular work week.

ARTICLE 12 - STATUTORY HOLIDAYS

12.01 The following holidays shall be recognized as legal holidays:

New Year's Day
Family Day
Good Friday
Victoria Day
Dominion Day

Labour Day
Thanksgiving Day
Christmas Day
Boxing Day

12.02 Pay for the above-specified legal holidays shall be in accordance with the provisions of the Ontario Employment Standards Act (ESA, 2000). Should a legal holiday occur within an employee's leave of absence, he shall not be paid for such legal holiday.

An employee hired prior to January 29, 2006 who is required to work on any of the aforementioned holidays shall receive two (2) times their hourly rate for all hours worked. An employee hired after January 29, 2006 who is required to work on any of the aforementioned holidays shall receive one-and-a-half (1.5) times their hourly rate for all hours worked.

12.03 Work on any of the aforementioned holidays shall be voluntary and no employee shall be coerced to work.

ARTICLE 13 - VACATIONS

13.01 Employees who have been employed by the Company on a continuous full-time basis, for less than one (1) year at March 1 shall be paid vacation as outlined in the Employment Standards Act.

13.02 Employees who have been employed for more than one (1) year but less than five (5) years shall be entitled to two (2) weeks vacation with pay calculated at four (4%) of their gross earnings of the previous calendar year.

13.03 Employees who have been employed for more than five (5) years or more at March 1 shall be entitled to three (3) weeks vacation with pay calculated at six (6%) of their gross earnings of the previous calendar year.

13.04 Employees who have been continuously employed for more than ten (10) years shall be entitled to four (4) weeks vacation with pay calculated at eight (8%) percent of their gross earnings of the previous calendar year. The qualifying date for vacation entitlement, shall be March 1st of the current year.

13.05 The qualifying date for vacation entitlement shall be March 1st of the current year.

13.06 When a legal holiday as defined in Article 12 occurs during the employee's vacation period, the employee shall be entitled to receive either one (1) day's extra vacation or one (1) day's pay, as follows:

(a) Wherever possible, the extra day is to be taken in conjunction with the vacation, at either the beginning or the end of the vacation period, i.e. Saturday preceding or Monday following.

(b) In certain cases, the employee may wish to save the extra day for a special occasion later in the year. The day off will be by mutual agreement between the employee and the owner.

(c) If the day prior to or succeeding the vacation period cannot be given and the employee does not wish to take it at a later date, he would then receive an extra day's pay.

(d) Arrangements under this section are to be completed prior to the commencement of the vacation period.

13.07 The completed vacation schedule shall be posted on May 1 of each year. The owner agrees that he will not change the vacation period of any employee unless unforeseen circumstances arise. Such changes shall be by mutual consent between the employee and the owner. Any employee who has not submitted their vacation plan by April 15 will only be permitted to book vacation at a time that will not interfere with another employee's vacation. The Union encourages all employees to submit their vacation plans as early as possible.

13.08 In rare and exceptional circumstances (unrelated to injury or illness) a full-time employee may request to carry-over one week of vacation to the calendar/vacation year following the one in which it would otherwise have to be taken. The Employer agrees that it will not unreasonably deny a request to carry-over vacation.

ARTICLE 14 - COMPENSATION

14.01 The Employer agrees that it will continue to be enrolled under the provisions of the

Workplace Safety and Insurance Board for all employees. The Employer will also pay an employee for the remainder of the shift in which the accident occurred that would require the employee to take time off.

14.02 The employer agrees to notify the Union of the time, date and location of any meeting held with an employee regarding workplace accommodation. The Union representative or designate may attend such meeting.

ARTICLE 15 - GRIEVANCE AND ARBITRATION

15.01 Either the Employer, the Union or any employee has a right to lodge a grievance with respect to any matter arising out of this Agreement or concerning the interpretation, application or alleged violation of this Agreement.

15.02 Any employee believing that he has been unjustly dealt with or that the provisions of this Agreement have not been complied with, shall have the right to place such grievances in the hands of the Union for review and adjustment by the Employer, if necessary. Such grievances shall be processed as follows: -

Step One

Between the employee concerned, his Union representative and the Company. The grievance must be filed within eighteen (18) working days after the event giving rise to the grievance occurs and within this period of time it shall be discussed at this Step. The Manager shall give an oral decision within four (4) working days from the date the discussion took place. If the Union wishes to appeal to the next Step, the grievance shall be reduced to writing and the appeal shall be filed with the Store Manager within six (6) working days from the Store Manager's oral decision.

Step Two

Between the employee concerned, the Union representative, the Department Manager, and the Company. The discussion at this Step shall be held within seven (7) working days of the date of the appeal. The decision of the Employer at this Step shall be in writing and be made within four (4) working days of the date of the meeting. Should the Union wish to appeal, such notice of appeal must be in writing to the Company/operator within one (1) week of the decision of the Company at STEP TWO.

Step Three

The grievance shall be forwarded to the Employer, which shall have one (1) week to dispose of the grievance. The disposition shall be in writing and returned to the officers of the Union. If considered necessary by the parties, a meeting may be held by the parties and may include the interested persons. If a meeting is held, the decision shall be given to the other party within seven (7) days from the date of the meeting.

15.03 In the case of a dismissal, a grievance may be filed by an employee who feels he was unjustly dealt with. Such grievance must be filed within five (5) working days from the date of dismissal and shall commence at STEP TWO. In any subsequent disposal of this case during the grievance procedure, the Employer may re-instate the employee with full back pay, suspend the employee for a definite period or sustain the discharge.

15.04 Grievances concerning rates shall be handled in accordance with the above procedure and the disposition of such grievances, if sustained, shall include the determination of the effective date of the increase with retro-activity thereto.

15.05 The Employer and the Union may file grievances commencing at STEP THREE.

15.06 (a) Failing settlement under the foregoing procedure, such grievance may be submitted to Arbitration, as hereinafter provided;

(b) The time limits as prescribed above may be modified by mutual agreement of the parties.

Arbitration

15.07 Should the grievance involve the misinterpretation or alleged violation of the Agreement, either party may be free to appeal to Arbitration from STEP THREE within thirty-one (31) days from the date the decision was given at this STEP. The party requesting Arbitration shall advise the party in writing of its request, together with a statement as to the issue to be arbitrated and shall include in its notice the names and addresses of three (3) Arbitrators. The other party shall within one (1) week of its receipt of the notice advise the other party if any of the three arbitrators is acceptable. If none of the original three (3) arbitrators is acceptable the second party shall return the names and addresses of an additional three (3) Arbitrators. If the parties are unable to agree upon the selection of an Arbitrator, the Minister of Labour for the Province of Ontario shall be requested to appoint an Arbitrator. The Arbitrator shall hear their dispute and the decision shall be final and binding upon the parties.

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

Each of the parties hereto share equally the expenses of the Arbitrator.

15.08 The parties agree that an Arbitrator shall have the power to award compensation or damages to any party who, or employee who is dealt with contrary to the provisions of this Agreement.

15.09 a) All disciplinary warnings or reprimands which are placed in an employee's record and all notices of demotion for cause, discharge or suspension, shall be in writing and shall contain the reasons for the warning, reprimand, suspension or discharge. One copy shall be given to the employee and one copy shall be given to the Union.

b) A disciplinary warning or reprimand which is not in writing shall not be adduced in evidence an employee in any subsequent disciplinary proceedings in which the employee is involved.

c) Other than discipline arising from Harassment or Violence in the Workplace, all discipline will be removed from an employee's file eighteen – (18) months after the discipline was issued.

ARTICLE 16 – WAGES

16.01 The following are the minimum rates of pay for all full time clerks.

	Mar 29, '09	Mar 15, '09	Mar 15, '09
Start	10.00	11.00	11.00
6 Months	10.50	11.50	11.50
12 Months	11.00	12.00	12.00
18 Months	11.50	12.50	12.50
24 Months	12.00	13.00	13.00
30 Months	13.00	13.50	13.50
36 Months	15.90	16.20	16.50

16.02 Wage adjustments under the automatic progression schedule shall be made half (1/2) yearly for each employee, the pay period following the employees anniversary date.

16.03 The Company may, from time to time, introduce incentive programmes in addition to the prevailing wage schedules.

16.04 Notwithstanding the above wage progression set out in Article 16.01, a full-time employee, hired on or before January 29, 2006, currently moving through the progression will receive an amount equal to the end rate increases for the balance of the progression he is currently at and then shall proceed on the wage grid as set out in the collective agreement.

16.05 Notwithstanding the above wage progression set out in Article 16.01, where there is an increase in the minimum wage in Ontario it shall become the new start rate and those employees so affected shall remain at such rate of pay until their service with the Employer would permit them an increase in their wage rate in accordance with the wage grid.

16.06 Employees who are currently being paid in excess of the collective agreement end rates shall receive an increase in their rate of pay in an amount equal to the end rate increases when they come into effect.

16.07 (a) When a full time employee is temporarily assigned by the Owner or his designate, for more than two (2) days in a calendar week to perform the majority of the duties of a higher classification he shall be paid the appropriate rate of pay for that classification retro-active to the first day of such temporary assignment. Temporary assignments, when filled, will be filled by seniority provided the senior employee has the qualification and ability to perform the work.

For clarity the majority of the duties means half the duties or more.

(b) Where such assignment is to perform the majority of the duties of a position not set out in the collective agreement then the full time employee so assigned shall receive their own rate of pay plus a premium of \$1.00 per hour for each hour worked. It is understood that this provision shall apply for temporary assignments of more than three (3) days in a calendar week. Temporary assignments when filled will be by seniority provided the senior employee has the qualifications and ability to perform the work.

ARTICLE 17 - CO-OPERATION

17.01 (a) The union shall be notified in writing of all Company Rules and Regulations covering those covered by this Agreement.

(b) The Union agrees to co-operate with the Employer in maintaining and improving safe working conditions and practices, in improving the cleanliness and good housekeeping of the store and in caring for equipment and machinery.

There shall be a safety committee operating in all stores, with at least two (2) bargaining unit members on the committee.

All locations will make parkas and gloves available for use by employees when exposed to cold temperatures for extended periods of time. Reflective vests will be made available to employees carrying out cart retrieval.

(c) The Owners agree to provide a microwave and fridge in the employee's lunchroom, and where the microwave and/or fridge are broken through carelessness and/or horseplay then they are not subject to replacement by the Owner.

(d) Employees shall obtain seniority on a store basis. The seniority list for part-time employees shall be posted in each store and shall be updated at the end of March, June, September, December of each calendar year.

ARTICLE 18 - PART-TIME HELP

18.01 It is agreed and recognized by both the Union and the Employer that due to the nature of the Employer's business it may be necessary to employ both full-time and part-time employees. The Employer agrees that part-time employees will not be scheduled to work in excess of twenty-eight (28) per week, except as specified in Appendix "A", Article 3.04.

ARTICLE 19 - NO STRIKE, NO LOCK-OUT

19.01 There will be no strike or lock-out during the term of this Agreement. The Employer has the exclusive right to determine what merchandise will be carried in its store, except that the Employer agrees that, in the event of a legal strike in the plant of a supplier, it will not

handle merchandise from such plant, provided however, that merchandise that was on the premises of the Employer or in transit to the Employer's premises at the time such legal strike commenced, will be handled. In the event of strikes, lock-outs or similar problems involving suppliers of goods or service, the Employer and the Union agree to meet and discuss such situation as it involves the parties to this Agreement, to endeavor to solve such problems in the best interest of the Employer, the Union and the employees, to the best of the abilities of the parties.

ARTICLE 20 - FIRST AID KITS

20.01 First Aid Kits shall be provided and maintained in the store.

ARTICLE 21 - NOTICE OF ABSENCE AND LEAVE OF ABSENCE

21.01 Employees are expected to attend work regularly. When unable to attend, the Manager, or designate must be notified, as soon as it is reasonably possible prior to the commencement of the scheduled shift of the employee, giving the reason why the employee is unable to attend, when he expects to return to work and how the Manager or designate can call him relative to his absence.

The Company may require the employee to produce a medical certificate from a duly qualified medical practitioner upon his return to work for absences of three days or less.

The Company agrees to pay an employee for the additional cost incurred in obtaining the certificate beyond what O.H.I.P. provides.

21.02 The Company may grant leave of absence without pay to any employee for legitimate reasons. Such permission and request are to be in writing on the standard leave of absence request form two (2) months in advance, except in any emergency. The Company reply to the request for leave of absence will be given within two (2) weeks, provided the Supervisor involved is not absent on vacation, sickness, etc., in which event the reply will be given within one (1) week following his return. When leave of absence is granted, there shall be no loss of seniority. A claim that the Company withheld permission without justification may be the subject of a grievance and processed accordingly. Any leave of absence granted in conjunction with the employee's vacation will be deemed to follow his vacation period.

21.03 The provisions of the Employment Standards Act shall govern regarding pregnancy and parental leaves of absence.

21.04 The Company agrees that an employee appointed by the Union as a full-time representative shall be granted leave of absence without pay while serving in such capacity. Such persons shall continue to accumulate seniority while serving as Union representatives and shall be entitled to return to the bargaining unit should their service be terminated by the Union, with full accumulated seniority. The Employer shall grant a leave of absence without pay to one (1) employee per store who is required to attend Union Conferences or Conventions.

21.05 An Arbitrator dealing with a grievance involving discharge or loss of seniority of an employee resulting from an absence caused by a Court conviction (where the Company has refused to grant leave of absence for such conviction) shall have the power to re-instate the employee with full seniority rights or by any other arrangements which is just in its opinion. In determining this question, the Arbitrator shall consider the nature of the offence for which the employee was convicted, the duration of the conviction, the length of service of the employee and his work record.

ARTICLE 22 - BEREAVEMENT PAY

22.01 Should a bereavement occur in an employee's immediate family (parent, parent-in-law, spouse, child, brother, sister, grandparent, brother-in-law, sister-in-law, son-in-law, daughter-in-law, grandchild, step-parent or step-child) the employee shall be granted such time off from work with pay as is reasonable under the circumstances, up to a maximum of three (3) days.

22.02 Should an employee request a one (1) day leave of absence without pay, to attend the funeral of a close friend or relative, not covered in this article, reasonable effort will be made to grant the request.

ARTICLE 23 - RETRO-ACTIVITY

23.01 No part of this Agreement shall be deemed retro-active unless specifically stated. All provisions contained in this Agreement, unless specifically stated to be retro-active in nature, are effective on the date of ratification of this Agreement.

ARTICLE 24 - JURY DUTY

24.01 An employee who is called for jury duty or who is required to attend at court in any matter arising out of his employment, or who is subpoenaed by the Crown to appear in court as a witness, will receive for each day of necessary absence in that account, up to a maximum of ten (10) working days, the difference between his regular hourly rate of pay for eight (8) hours for that day and the amount of the fee received from the court, provided the employee furnishes the Employer with evidence that his attendance is required and satisfactory evidence as to the amount of fee received.

An employee's regular scheduled days off shall not be rescheduled during any period that an employee is required to serve as a juror or as a Crown witness.

ARTICLE 25 - TERM OF AGREEMENT

25.01 (a) This Agreement shall come into force and effect on the 15th day of March, 2009 and shall continue to the 15th day of March, 2012 and shall thereafter be automatically renewed for the period of one (1) year unless either party, on written notice to the other, within a period of not more than ninety (90) days before the expiry date serves notice of intent to terminate or modify the Agreement.

(b) In the event either party serves notice of a desire to negotiate changes into this Agreement as above set out, it is agreed that the Employer and the Union, without undue delay, shall begin negotiations on the proposed changes.

(c) Pending the results of negotiations, neither party shall change the conditions existing under the Agreement.

DATED AT TORONTO this _____ day of _____, 20____ .

**NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND GENERAL WORKERS
UNION OF CANADA, LOCAL 414**

NO FRILLS FRANCHISE OWNERS

1382019 Ontario Limited
372 Pacific Avenue, Toronto

Tim Murphy

1594414 Ontario Limited
920 Dundas Street W., Whitby

Frank Palmieri

812918 Ontario Limited
125 Cross Avenue, Oakville

Kevin Jesty

1691143 Ontario Limited
305 Barrie Street, Bradford

John van Teunenbroek

1292711 Ontario Limited
6460 Lundy's Lane, Niagara Falls

Ron Fairburn

1683676 Ontario Limited
1435 King Street, Toronto

Corporate

1683676 Ontario Limited
1951 Eglinton Avenue W, Toronto

Corporate

1784007 Ontario Limited
449 Parliament Street, Toronto

Luciano Graziano

1548069 Ontario Limited
657 John Street, Alymer

Ryan Barrett

2168741 Ontario Limited
269 Coxwell Avenue, Toronto

John Rocca

1660651 Ontario Limited
1050 Simcoe Street N., Oshawa

Chris Brown

839688 Ontario Limited
3555 Thickson Road, Whitby

Don Scrimgeour

1683676 Ontario Limited
303 Brock Street, Whitby

Corporate

1176607 Ontario Limited
319 Blake Street, Barrie

Robert Decaria

1283512 Ontario Limited
500 Division Street, Cobourg

David Crimi

1365654 Ontario Limited
105 Bayly Street W., Ajax

Tom Batchelor

1395359 Ontario Limited
450 Centre Street N., Napanee

Shawn Hibbert

1323185 Ontario Limited
680 O'Brien Road, Renfrew

Mike Sterling

983828 Ontario Limited
220 Royal York Road, Etobicoke

Mario Spudic

APPENDIX "A"

ARTICLE 1 - PURPOSE

1.01 The Employer and the Union each represents that the purpose and the intent of this Agreement is to promote co-operation and harmony, to recognize mutual interests, to provide a channel through which information and problems may be transmitted from one to the other, to formulate rules to govern the relationship between the Union and the Employer, to promote efficiency and service, to set forth herein the basic agreements covering rates of pay, hours of work and conditions of employment.

ARTICLE 2 - RECOGNITION

2.01 For the purpose of this Appendix, a part-time employee is an employee who is normally scheduled to work twenty-eight (28) per week or less.

2.02 The Employer namely _____ONTARIO LIMITED, a Company incorporated under the laws of the Province of Ontario, recognizes the CAW Local 414 as the sole and exclusive bargaining agency for all part-time employees at stores located at: 125 Cross Avenue, Oakville; 305 Barrie Street, Bradford; 2355 Warden Avenue, Scarborough; 6460 Lundy's Lane, Niagara Falls; 1435 King St. W., Toronto; 1951 Eglinton Ave. W., Toronto; 449 Parliament Street, Toronto; 372 Pacific Avenue, Toronto; 657 John Street N., Aylmer; 269 Coxwell Avenue, Toronto; 1050 Simcoe St. N., Oshawa; 3555 Thicksen Road, Whitby; 303 Brock Street, Whitby. 319 Blake Street, Barrie, 105 Bayly St. W., Ajax; 450 Centre Street N., Napanee; 920 Dundas St. W., Whitby; 500 Division St., Cobourg; 1455 McCowan Rd, Scarborough; 680 O'Brien Road, Renfrew; 220 Royal Yorak Road, Etobicoke.

ARTICLE 3 - SENIORITY

3.01 (a) Upon completion of sixty (60) days worked or six (6) months (whichever occurs first) at each store, employees covered by this Appendix shall be deemed to have served their probationary period and then shall be placed on the seniority list of part-time employees, and their seniority shall date back to the first day they commenced work for the Employer.

(b) The provisions contained in Article 10.06 (a), (b), (c), (d), (f), (g), (i) of the main body of this Agreement affect all employees covered by this Appendix.

3.02 (a) Seniority shall begin after the employee's probationary period has been served. Lay-offs and re-employment shall be based on seniority, availability, ability and qualifications to perform the work. The seniority rights of an employee shall be terminated after six (6) months following lay-off due to lack of work. In the event of an opening occurring in the full-time staff, employees covered under this Appendix shall receive preference for such full-time position providing they have the necessary seniority, ability and qualifications to perform the work.

Following the successful completion of the full-time probationary period, a part-time employee who is hired full-time shall be credited with fifty (50%) of his part-time bargaining unit seniority up to a maximum of one (1) year for the purpose of bargaining unit seniority.

(b) Part-time employees are expected to attend work in accordance with their schedule of hours. When unable to attend, the employee must notify the Company, or designate prior to his scheduled starting time, giving the reason why he is unable to attend.

3.03 Hours of work shall be allotted according to seniority by store, providing the senior employee(s) has the necessary ability and qualifications to perform the work and is available.

For clarity of the above, the Owner will schedule part-time employees so that no part-time employee receives fewer scheduled hours of work than a junior part-time employee subject to the above proviso.

3.04 It is agreed and recognized by both the Union and the Employer that due to the nature of the Employer's business, it may be necessary to employ both full-time and part-time employees. The Employer agrees that part-time employees will not be scheduled to work in excess of twenty-eight (28) per week, except in the following circumstances: -

- a) when a full-time employee is absent on Union duties;
- b) in a store in which an employee is absent due to illness, accident, compensation or bereavement, leave of absence, or an emergency in the said store;
- c) to cover off for vacations;

- d) where an employee is on a leave of absence provided the Union is notified of such leave of absence;
- e) from December 1st to January 1st;
- f) during the months of May 1st through September 30th;
- g) for the two (2) weeks previous to and eight (8) weeks directly following the opening of a new store and the commencement date of promotional activities in a store which has been completely refurbished.
- h) during the six (6) working days immediately preceding a legal holiday;
- i) for training purposes;
- j) during promotional periods when an increase in business is anticipated.

3.05 In the event that a part-time employee works for more than twenty-eight (28) hours in a given week for reasons other than as outlined in Article 3.04, they shall be paid a bonus of forty cents (\$0.40) per hour for all such hours worked in excess of twenty-eight (28)

3.06 A part time employee who works forty (40) hours per week for seven (7) consecutive weeks for reasons other than as outlined in Article 3.04 will receive a premium of two (2) dollars per hour on all hours worked within the seven week period. Weeks in which forty (40) hours are worked due to circumstances outlined in Article 3.04 will be deemed not to disrupt what would otherwise be seven (7) or more consecutive weeks at forty (40) hours. (example: an employee works eight (8) consecutive weeks at forty (40) hours with only the third week covered under Article 3.04 would be entitled to the premium).

ARTICLE 4 - UNION SENIORITY

The provisions contained in Article 3 of the main body of this Agreement affect all employees covered by this Appendix.

ARTICLE 5 - FUNCTIONS OF MANAGEMENT

The provisions contained in Article 4 of the main body of this Agreement affect all employees covered by this Appendix.

ARTICLE 6 - DISCHARGE AND DISCIPLINE

The provisions contained in Article 5 of the main body of this Agreement affect all employees covered by this Appendix.

ARTICLE 7 - DISCRIMINATION

The provisions contained in Article 6 of the main body of this Agreement affect all employees covered by this Appendix.

ARTICLE 8 - UNION PRIVILEGES

The provisions contained in Article 8 of the main body of this Agreement affect all employees covered by this Appendix.

ARTICLE 9 - HOURS OF WORK

9.01 The regular working day shall consist of up to eight (8) hours for all employees. Part-time employees or a combination of part-time employees will not be used to the extent that they displace existing full-time employees or, except in the event of sales and/or profit declines, reduce the current level of full-time employees.

9.02 Employees shall not be scheduled for a shift of less than 4 hours duration except by mutual agreement or for training purposes.

ARTICLE 10 - HOURS OF WORK AND OVERTIME

10.01 The provisions of Article 11.01, 11.03, 11.04 & 11.05 of this Agreement will apply.

If a part-time employee is ordered or scheduled to report for work and no work is available the employee shall receive three (3) hours pay.

ARTICLE 11 - STATUTORY HOLIDAYS

11.01 a) The following holidays shall be recognized as legal holidays:

New Year's Day
Family Day
Good Friday
Victoria Day
Dominion Day

Labour Day
Thanksgiving Day
Christmas Day
Boxing Day

- b) Pay for the above-specified legal holidays shall be in accordance with the provisions of the Ontario Employment Standards Act (ESA, 2000).
- c) An employee hired prior to January 29, 2006 who is required to work on any of the aforementioned holidays shall receive two (2) times their hourly rate for all hours worked. An employee hired after January 29, 2006 who is required to work on any of the aforementioned holidays shall receive one-and-a-half (1.5) times their hourly rate for all hours worked.

ARTICLE 12 - VACATIONS

12.01 Employees with less than five (5) years' seniority shall receive Vacation Pay Allowance of four percent (4%) of their earnings during the previous calendar year. Employees with five (5) or more years' service as at March 1st of the current year shall receive Vacation Pay Allowance of six (6%) percent of their earnings during the previous calendar year.

Such vacation pay shall be issued on the employee's normal week's pay, and shall be paid not later than December 15th of each year.

12.02 The Company may grant a leave of absence without pay up to a maximum of four (4) weeks' duration to an employee for vacation purposes. Such request and permission shall be in writing. When a leave of absence is granted, there shall be no loss of seniority. A claim that the Company unjustly withheld permission to grant such leave of absence may be made the subject of a grievance and processed accordingly.

Part-time employees will be required to submit their vacation intentions by April 1st each year.

ARTICLE 13 - LEAVE OF ABSENCE - BEREAVEMENT

13.01 Should a bereavement occur in the immediate family of an employee with twelve (12) or more months of seniority, the employee will be given up to three (3) days paid time off (if scheduled), to attend the funeral. The three (3) days shall be: the day before the funeral, the day of the funeral, and the day following the funeral. Immediate family shall be defined in Article 22 of the main body of this Collective Agreement.

Should an employee request a one (1) day leave of absence without pay, to attend the funeral of a close friend or relative, not covered in this article, reasonable effort will be made to grant the request.

ARTICLE 14 - WORKERS' COMPENSATION

14.01 The provisions contained in Article 14 of the main body of this Agreement affect all employees covered by this Appendix.

ARTICLE 15 - GRIEVANCE AND ARBITRATION

15.01 The provisions contained in Article 15 of the main body of this Agreement affect all employees covered by this Appendix.

ARTICLE 16 - WAGES

16.01 The following minimum rates of pay for all part time employees hired prior to August 10, 1997.

Mar. 29, '09	Mar. 15, '10	Mar. 15, '11
\$12.60	\$12.90	\$13.20

16.02 The following minimum rates of pay for all part time employees hired between August 10, 1997 and November 17, 2002.

Mar. 29, '09	Mar. 15, '10	Mar. 15, '11
\$11.75	\$12.00	\$12.25

16.03 The following are the minimum rates of pay for all part time employees hired after November 17, 2002.

Hours Worked	Mar. 29, '09	Mar. 15, '10	Mar. 15, '11
0 - 300	\$9.50	\$10.25	\$10.25
301- 650	\$9.55	\$10.30	\$10.30
651-1300	\$9.60	\$10.35	\$10.35

1301-1950	\$9.65	\$10.40	\$10.40
1951-2600	\$9.70	\$10.45	\$10.45
2601-3250	\$9.75	\$10.50	\$10.50
3251-3900	\$9.85	\$10.55	\$10.55
3901-4550	\$9.95	\$10.65	\$10.65
4551-5200	\$10.05	\$10.75	\$10.75
5201-5850	\$10.15	\$10.85	\$10.85
5851-6500	\$10.25	\$10.95	\$10.95
6501 +	11.00	11.25	11.50

The below are the minimum rates of pay applicable to Part Time Student employees hired after March 15th 2009 in food or DSTM areas of the store.

Hours Worked	Mar. 29, '09	Mar. 15, '10	Mar. 15, '11
0 - 1300	\$8.90	\$9.60	\$9.60
1301- 1950	\$8.95	\$9.65	\$9.65
1951 +	\$9.00	\$9.70	\$9.70

A student is defined as an employee under the age of 18 who is actively undertaking a course of study.

Upon reaching their 18th birthday or upon permanently ceasing to be a student an employee will move from the Part Time Employee Student wage progression to the regular Part Time wage progression for employees hired after March 15th 2009 at the wage rate dictated by their accumulated hours.

16.04 (a) The Company may from time to time, introduce incentive programs in addition to the prevailing wage schedules.

(b) When the Company pays a new employee more than the starting rate in his classification, such employee shall (for the purpose of wage progression only) receive increases in accordance with the wage schedule and be deemed to have the appropriate service.

(c) Employees who are receiving rates of pay in excess of the rate set out in the wage schedules mentioned above, shall receive the general increases.

(d) No wage currently enjoyed by an employee, which is in excess of rates set out in the wage schedules herein, shall be reduced during the lifetime of the Agreement.

16.05 Employees Pays shall be made available on Thursday of each pay period for work performed in the previous pay period. An exception is when a Holiday falls on Thursday, whereby the pay will be available on Friday.

16.06 (a) At the time of ratification and again on September 14, 2006 and September 14, 2007 all part time employees hired after August 10, 1997 will be moved to the new wage progressions in 16.02 or 16.03 above. In the event that an employee's movement to a new wage progression does not generate an increase of at least 30¢ per hour in years 1 and 3 such employee will receive an off-scale increase in an amount that assures that they receive an increase of at least 30¢ per hour. In the event that an employee's movement to a new wage progression does not generate an increase of at least 25¢ per hour in year 2 such employee will receive an off-scale increase in an amount that assures that they receive an increase of at least 25¢ per hour. Any off-scale increase shall have effect for the remainder of the progression step the employee is presently at and they shall then proceed on the progression based on their accumulated hours of work.

For clarity, employees hired after the date of ratification will not be eligible to receive off-scale increases.

(b) Notwithstanding the wage progressions in this agreement, where there is an increase in the minimum wage in Ontario it shall become the new start rate and those employees so affected shall remain at such rate of pay until their hours worked with the Employer would permit them an increase in their rate of pay in accordance with their wage progression.

16.07 A part time employee who assumes a majority of the unique responsibilities of:

- i) the bookkeeper
- ii) the full time individual responsible for the area of the store that sells and merchandises meat products

for more than three (3) days in a week will receive a premium of one (1) dollar per hour.

ARTICLE 17 - REST PERIODS

- 17.01 a) Employees covered by this Appendix shall be entitled to one (1) fifteen (15) minute paid rest period for each four (4) hour period worked. Each rest period shall occur at approximately the mid-point of each four (4) hour period.
- b) An employee working a shift of more than five (5) hours, but less than six (6) hours is entitled an additional fifteen (15) minute unpaid rest period to be taken in conjunction with their paid fifteen (15) minute rest period. By mutual agreement with the owner these fifteen (15) minute rest periods may be taken non-consecutively.
- c) Where an employee is working a daily shift of more than six (6) hours, he shall have one (1) hour (or a half-hour (1/2) hour, by mutual consent), off for lunch and one-half (1/2) hour for supper, if applicable.

ARTICLE 18 - WORKING CONDITIONS

- 18.01 The Union will co-operate with the Employer in maintaining good working conditions.
- 18.02 The Employer agrees that it will not change conditions of employment or working conditions as a result of the signing of this Agreement.
- 18.03 In the event the Employer requires employees to wear a uniform the Employer shall supply such uniforms at no cost to the employees. Employees shall be responsible for the cleaning of their own uniform.
- (a) An employee whose name has not appeared on the payroll of the store for over six (6) months due to lack of work, shall receive consideration on re-application as a new employee. The Company agrees that it will consider past experience with the Company and the duration of the person's earlier service with the Company when establishing the hourly rate of pay for such an employee in the wage progression.

ARTICLE 20 - NO STRIKE, NO LOCK-OUT

The provisions contained in Article 19 of this Agreement affect all employees covered by this Appendix.

ARTICLE 21 - TERM OF AGREEMENT

The provisions contained in Article 25 of this Agreement affect all employees covered by this Appendix.

APPENDIX "B"

LIFE INSURANCE

The Employer agrees to provide active full-time employees until retirement at no cost, Life Insurance equivalent to one (1) times an employee's annual earnings.

The Employer further agrees to provide Life Insurance to retired employees in the amount of \$2,000.00.

ACCIDENTAL DEATH AND DISMEMBERMENT

The Employer agrees to provide all active full-time employees with Accidental Death and Dismemberment benefit coverage equal to one (1) times their annual earnings in case of accidental death. Coverage is also provided for other losses such as speech and hearing, use of arms and legs, etc.

SHORT TERM DISABILITY

The Employer agrees to provide Short Term Disability benefits to all active full-time employees from the first (1st) day of an accident or the first (1st) full-time day of hospitalization or the fourth (4th) day of sickness. The Plan will pay sixty-six and two thirds percent (66 2/3%) of basic earnings for the first two (2) weeks, then Unemployment Insurance will pay fifteen (15) weeks, then the Plan will resume payments for thirty-five (35 weeks).

LONG TERM DISABILITY

The Employer agrees to provide Long Term Disability benefits for active full-time employees after fifty-two (52) weeks if an Employee is unable to perform any occupation (reasonably suited by means of training, education or experience). The Plan will provide for sixty-six and two thirds percent (66 2/3%) of an Employee's basic monthly earnings to a maximum of \$1,500.00. Coverage would cease the date an Employee attains normal retirement age.

SEMI-PRIVATE HOSPITAL

The Employer agrees to provide for Semi-Private hospital care, and O.H.I.P. Supplemental or Supplementary Health Care benefits for active full-time employees on the following basis:

- (i) twenty-five dollars (\$25.00) deductible for single, and fifty dollars (\$50.00) deductible for family each calendar year.
- (ii) the Plan provides for reimbursement of eighty percent (80%) of Semi-Private hospital costs.
- (iii) the plan provides for reimbursement of one hundred (100%) of Prescription Drugs with no deductible for this coverage.

O.H.I.P. SUPPLEMENTAL OR SUPPLEMENTARY HEALTH CARE

The Plan provides coverage for active full-time employees which includes ambulance services, rental of wheel chairs and hospital equipment, private nursing (with a ten thousand dollar [\$10,000.00] maximum every thirty-six (36) months), artificial limbs and braces. Also, included are services of a chiropractor, osteopath, naturopath, podiatrist, physiotherapist, speech therapist and masseur (each with a maximum of ten dollars [\$10.00] per visit, thirty [30] visits per year). In addition, services of a psychologist (three hundred dollars [\$300.00] per year) and hearing aids (three hundred dollars [\$300.00] lifetime) are also covered. Dental treatment for accidental injury to the teeth and outside Canada coverage for physicians and surgeons are covered.

DENTAL

The Employer agrees to provide Dental coverage for active full-time employees after a twenty-five dollar (\$25.00) deductible for single, and fifty dollar (\$50.00) deductible for family each calendar year.

The Plan provides for one hundred percent (100%) reimbursement for cleaning, polishing, x-rays and fluoride treatments, one (1) time per nine (9) month period. Extractions, fillings, injections, consultations, root canal therapy and periodontic treatment.

The Plan provides for a maximum of one thousand dollars (\$1000.00) per family member per year. Effective May 1st, 2009 reimbursement is based on the 2007 Ontario Dental Association Fee Guide. Effective May 1, 2010 reimbursement is based on the 2008 Ontario Dental Association Fee Guide. Effective May 1, 2011 reimbursement is based on the 2009 Ontario Dental Association Fee Guide.

All employees must participate in the Plan, however, if a spouse is covered by Health and Dental benefits, he or she may waive the Health and Dental coverage. Coverage would be made available if for some reasons the duplicate coverage ceases.

OPTICAL

Effective August 10, 1997 full time employees and their eligible dependents shall be eligible for a maximum of \$150 every two (2) years. Effective May 1, 2000 this coverage shall increase to \$175 every two (2) years. Payment will be made upon receipt of proof of purchase.

POST SIXTY-FIVE (65) YEARS OF AGE BENEFITS

The coverage under the following headings within this Appendix are extended to age 67; short term disability, semi-private hospital, O.H.I.P Supplemental or Supplementary Health Care, Dental, Optical.

EMPLOYEE COST SHARING

Employees hired full time after July 1, 2010 will contribute 15% of the cost of the benefits provided for in the Appendix "B" subject. These contributions will be deducted from employees' pay on a weekly basis and will be subject to a maximum of \$5.00 per week for single coverage and \$10.00 per week for family coverage.

APPENDIX "C"

PHARMACY OPERATIONS

- 1) Pharmacists and pharmacy students shall be excluded from the bargaining unit.
- 2) The pharmacy shall constitute a separate seniority department.
- 3) Part time pharmacy employees shall be covered by Appendix "A", Article 3.04. In addition they shall be covered for the following periods: "during flu season, allergy season and other peak periods in the pharmacy department.

The following are the minimum rates of pay for all full time Pharmacy Technicians.

	Mar 29, '09	Mar 29, '10	Mar 29, '11
Start	\$13.00	\$13.00	\$13.00
6 months	\$13.50	\$13.50	\$13.50
12 months	\$13.80	\$13.80	\$13.80
18 months	\$14.10	\$14.10	\$14.10
24 months	\$14.30	\$14.30	\$14.30
30 months	\$14.70	\$14.70	\$14.70
36 months	\$17.40	\$17.70	\$18.00

The following are the minimum rates of pay for all part time Pharmacy Technicians.

Min. Hours Worked	Mar. 29, '09	Mar. 29, '10	Mar. 29, '11
0 – 300	\$10.00	\$10.75	\$10.75
301-650	\$10.25	\$11.00	\$11.00
651-1300	\$10.50	\$11.25	\$11.25
1301-1950	\$10.75	\$11.50	\$11.50
1951-2600	\$11.00	\$11.75	\$11.75
2601-3250	\$11.25	\$12.00	\$12.00
3251-3900	\$11.50	\$12.25	\$12.25
3901-4550	\$11.75	\$12.50	\$12.50
4551-5200	\$12.00	\$12.75	\$12.75
5201-5850	\$12.25	\$13.00	\$13.00
5851-6500	\$12.50	\$13.25	\$13.25
6501+	\$13.15	\$13.40	\$13.65

Notwithstanding the above wage progressions where there is an increase in the Ontario minimum wage rate it shall become the new start rate and those employees so affected shall remain at such rate of pay until their hours worked with the Employer would permit them an increase in their rate of pay in accordance with the wage grid.

Effective December 1, 2009 Pharmacy Technicians must have a demonstrated ability to manage a new prescription from intake to the Pharmacist's sign off. New Pharmacy Technicians hired externally will also be required to demonstrate this ability prior to being employed as a Pharmacy Technician.

Pharmacy Clerks

Pharmacy Clerks will be paid in accordance with the rates of pay applicable to clerks within this Collective Agreement. Pharmacy Clerks may express interest in becoming a Pharmacy Technician and will be afforded the opportunity to do so provided that they are able to demonstrate the ability to manage a new prescription from intake to the Pharmacist's sign off and provided that there is a suitable opening as determined by the Employer.

In the event that there is a dispute regarding an employee's suitability for an opening, the Director of Pharmacy, Loblaw Companies will review the work history, education, availability and skills of the candidate and make a final determination of the suitability of the candidate.

APPENDIX "D"

NO FRILLS "PLUS" MODEL STORES

1. The full No Frills Franchise Stores Collective Agreement, Appendices, and Letters of Understanding shall apply to No Frills "Plus" model locations except as specifically noted within this Appendix.
2. A No Frills location may be designated by No Frills as a "Plus" model provided that:
 - a. the total store square footage is greater than 30,000 square feet; and
 - b. 30% or more of the total selling area of the store is dedicated to the merchandising of Department Store Type Merchandise (DSTM).
3. The non union exclusions within a "Plus" model No Frills store are as follows:
 - a. Owner/Manager
 - b. Persons above the rank of Owner/Manager
 - c. Bookkeeper
 - d. Produce Manager
 - e. Up to two (2) Associate Managers
 - f. Up to four (4) additional non union "food-side" managerial positions
 - g. Up to twelve (12) DSTM Supervisors
 - h. Up to six (6) Assistant DSTM Supervisors
4. No Frills shall determine the number and composition of DSTM departments utilized within a given No Frills location.
5. For clarity, DSTM merchandise shall include but not be limited to: Home Décor, Bed and Bath, Cook and Table, Kids Kloz, Photo Lab, Photo Studio, Electronics, Seasonal, HABA, Home Office, Book and Magazines, Cards and Party, Cosmetics, Housewares, Sporting Goods, Toys, Leisure, Automotive, Hardware, Footwear, Apparel, Optical, and Dollar Zone. It is recognized by the parties that the extent and variety of DSTM may differ by location and over time as the DSTM business evolves generally.

6. There will be two part time seniority lists within each “Plus” model No Frills. Part time employees within a “Plus” model No Frills location shall acquire seniority within either the Food or DSTM area of the store.

The DSTM area of the store shall be considered one department for the purpose of seniority.

Transferring of part- time employees from the DSTM Area to the Food Area of the store shall be governed by the following:

- (a) Part-time employees working in the DSTM Area of the store, who indicate their interest to management in being transferred to the Food Area of the store may be hired as a new part time employee in the Food Area, provided there is a vacancy. Management reserves the right to determine the area of food side of the store to which the part time employee will be assigned.
- (b) Part-time employees must have worked more than 2000 hours in the DSTM Area of the store before being eligible to transfer to the Food Area of the store.
- (c) It is understood those part-time employees will carry their seniority to the new position, they will be slotted in the applicable part time wage progression at their current rate of pay and will progress in that wage progression from that point on.
- (d) It is understood that the eligibility to transfer to the Food Area of the store will occur only once, and that such transfer will be permanent, those part-time employees who do transfer will not be entitled to return to the DSTM Area of the store.

7. The following scales shall establish the minimum hourly rates of pay for part time DSTM employees. Appendix “A”, Articles 16.01, 16.02, 16.03 and 16.04 (c) shall not apply to DSTM employees.

Min Hours Worked	Mar. 29, '09	Mar. 29, '10	Mar. 29, '11
0 – 650	\$9.50	\$10.25	\$10.25
651 – 1300	\$9.55	\$10.30	\$10.30
1301 – 1950	\$9.60	\$10.35	\$10.35

1951 – 2600	\$9.65	\$10.40	\$10.40
2601 – 3250	\$9.70	\$10.45	\$10.45
3251 – 3900	\$9.75	\$10.50	\$10.50
3901 – 4550	\$9.80	\$10.55	\$10.55
4551 – 5200	\$9.85	\$10.60	\$10.60
5201 – 5850	\$9.90	\$10.65	\$10.65
5851 – 6500	\$9.95	\$10.70	\$10.70
6501 – 7150	\$10.00	\$10.75	\$10.75
7151 – 7800	\$10.05	\$10.80	\$10.80
7801 – 8750	\$10.10	\$10.85	\$10.85
8751 +	\$10.75	\$11.00	\$11.25

APPENDIX "E"

NO FRILLS DEFINED CONTRIBUTION PENSION

Full time and part time employees of No Frills locations will be eligible to participate in a defined contribution pension plan on the following basis. Participation will be voluntary.

In order to join the defined contribution plan an employee must have worked a minimum of 700 hours or earned 35% of the YMPE for each of two consecutive calendar years.

Participation in the defined contribution plan will require that an employee make contributions equal to those of the Employer. The contributions will be made via payroll deduction.

Contributions will be made on each hour worked by the employee. The contribution level will be service based as follows:

	2 – 5 years	Over 5, below 10	10 years +
Employee	10¢ / hour	15¢ / hour	20¢ / hour
Employer	10¢ / hour	15¢ / hour	20¢ / hour

Years of service for the purposes of the defined contribution plan will be determined based on the employee's years of completed service as of December 31st of the previous year.

Employer contributions will become vested after two (2) years of plan participation.

The plan will commence on or about July 1, 2006 using hours worked from 2004 and 2005 to determine initial eligibility.

Employees declining participation in the defined contribution plan at start-up will have one opportunity to join at a later time. Employees who terminate their participation in the plan will not be permitted to re-join at a later date.

The "Plan Document" will be the governing document over this defined contribution plan and a conflict between the Collective Agreement and the Plan Document will be resolved in accordance with the Plan Document. The Employers retain the right to amend the plan at their sole discretion as necessary (example: legislative issues, administrative issue, etc).

APPENDIX "F"

COMPUTER ASSISTED ORDERING (CAO) MANAGER

In association with the introduction of the CAO program each location may exclude from the bargaining unit a position which will be called the Computer Assisted Ordering (CAO) Manager.

In the alternative, the Owner of each location may at their discretion elect to integrate the CAO duties fully into a current or future bargaining unit positions. In the event that a full time bargaining unit position is created to perform CAO duties it is agreed that this position will be filled by appointment.

LETTER OF UNDERSTANDING #1

March 15, 2009

Mr. Michael Langdon
National Representative
CAW Canada
205 Place Court
Toronto, ON
M2H 3H9

RE: MEAT DEPARTMENT

In the event a location or locations implement a conventional meat department during the term of this agreement, then the Owner and the Union will meet to discuss such implementations i.e. rates of pay, department seniority and classifications.

For clarity, a conventional meat department is one that requires the expertise of a meat cutter for the purpose of cutting and trimming meat in a manner that it can be overwrapped, weighed and priced in preparation for sale to the consumer.

NO FRILLS OWNERS

LETTER OF UNDERSTANDING #2

March 15, 2009

Mr. Michael Langdon
National Representative
CAW Canada
205 Place Court
Toronto, ON
M2H 3H9

RE: STATUTORY HOLIDAYS

In the event stores are allowed to legally open on a statutory holiday with no premium pay, then the parties will meet with a view to amend the Collective Agreement. Work on these holidays will remain voluntary.

NO FRILLS OWNERS

LETTER OF UNDERSTANDING #3

March 15, 2009

Mr. Michael Langdon
National Representative
CAW Canada
205 Place Court
Toronto, ON
M2H 3H9

RE: MEAT PREMIUM

The parties recognize that any full time incumbent or future full time individual who is responsible for the area of the store that sells and merchandises meat products will receive an hourly rate of pay not less than fifty cents (50¢) per hour more than the full time clerk rate of pay as defined under the Collective Agreement.

NO FRILLS OWNERS

LETTER OF UNDERSTANDING #4

March 15, 2009

Mr. Michael Langdon
National Representative
CAW Canada
205 Place Court
Toronto, ON
M2H 3H9

RE: SUNDAY WORK

While employees do not have a contractual right to exercise a preference for Sunday work, the Employers commit that the elimination of Sunday premium for new hires is not intended to result in the loss of Sunday work for employees (collectively) who continue to receive said premium. It is expected that the effect of turnover will allow a progressive blending of employees in receipt of Sunday premium and employees who do not receive Sunday premium.

NO FRILLS OWNERS

LETTER OF UNDERSTANDING #5

March 15, 2009

Mr. Michael Langdon
National Representative
CAW Canada
205 Place Court
Toronto, ON
M2H 3H9

RE: PART TIME OPTICAL BENEFIT

The parties agree that a part time optical benefit will be provided to employees as described below.

Eligible employees will be reimbursed up to eighty (80) percent of the cost of frames, lenses, and the fitting of prescription eye glasses when recommended by a doctor or optometrist up to a maximum of one hundred and seventy-five (175) dollars in each two (2) year period of active employment. The cost of prescription contact lenses will be covered in the same amount.

Eligible employees must have five (5) years of continuous service and must have worked a minimum of six hundred (600) hours in each of the two calendar years preceding any reimbursement. This plan provides employee coverage only.

NO FRILLS OWNERS

LETTER OF UNDERSTANDING #6

March 15, 2009

Mr. Michael Langdon
National Representative
CAW Canada
205 Place Court
Toronto, ON
M2H 3H9

RE: HMR MANAGER

In any location in which the Employer operates a 'Home Meal Replacement' (HMR) program one HMR Manager may be excluded from the bargaining unit.

NO FRILLS OWNERS

LETTER OF UNDERSTANDING #7

March 15, 2009

Mr. Michael Langdon
National Representative
CAW Canada
205 Place Court
Toronto, ON
M2H 3H9

RE: SAFETY FOOTWEAR

All employees hired prior to March 15, 2009 that are required by the Employer to purchase and use safety footwear will be reimbursed **\$30** upon presentation of a receipt. Safety shoes must be entirely black in colour and must be Canadian Standards Approved (CSA). This reimbursement is on a one-time basis during the life of this agreement.

NO FRILLS OWNERS

LETTER OF UNDERSTANDING #8

March 15, 2009

Mr. Michael Langdon
National Representative
CAW Canada
205 Place Court
Toronto, ON
M2H 3H9

RE: ENHANCED SEVERANCE

In the event of a permanent discontinuance of the operations of any of the No Frills covered by this Collective Agreement the affected employees will receive severance in the amount of 1.5 times their normal weekly earnings multiplied by their completed years of service. This payment is deemed to be inclusive of any payments required by law.

Enhanced severance shall not be payable to employees who secure employment with another retailer within the Loblaw group of companies.

NO FRILLS OWNERS

LETTER OF UNDERSTANDING #9

March 15, 2009

Mr. Michael Langdon
National Representative
CAW Canada
205 Place Court
Toronto, ON
M2H 3H9

RE: REGISTERED PHARMACY TECHNICIANS

It is expected that “Registered Pharmacy Technicians” will be introduced in the Province of Ontario at some time during the term of this Collective Agreement. The parties agree that once this designation is recognized in the province, individuals working in the Pharmacy operations who hold this designation shall be excluded from the bargaining unit. The Employer and Union agree to meet at the time this occurs to discuss any potential issues.

NO FRILLS OWNERS

LETTER OF UNDERSTANDING #10

March 15, 2009

Mr. Michael Langdon
National Representative
CAW Canada
205 Place Court
Toronto, ON
M2H 3H9

RE: Make Up Employee Sick Time

Notwithstanding Article 11, Hours of Work and Overtime, a full-time employee who is absent from work due to sickness shall be entitled to the following:

In the four (4) weeks subsequent to the absence a full-time employee shall be eligible to work the equivalent number of hours of the absence at a time to be mutually agreed upon between the Employer and the employee.

The maximum number of equivalent hours shall be limited to forty (40) hours over a maximum of five (5) occurrences per calendar year. It is understood that these provisions shall not apply in the instance where an employees is eligible for payment for the absence by some other form of coverage.

NO FRILLS OWNERS

LETTER OF UNDERSTANDING #11

March 15, 2009

Mr. Michael Langdon
National Representative
CAW Canada
205 Place Court
Toronto, ON
M2H 3H9

RE: Ontario Minimum Wage

This Collective Agreement reflects wages and wage adjustments that are negotiated on the basis that the Ontario Minimum Wage is scheduled to increase as follows on March 31, 2010.

March 31, 2010 – Adult minimum: \$0.75 increase to \$10.25
Student minimum: \$0.70 increase to \$9.60

In the event that the 2010 minimum wage increase announced by the Province of Ontario does not occur as announced, the “1st Anniversary” and “2nd Anniversary” part time scale adjustments as found as found throughout the collective agreement shall not occur. In lieu of these scale adjustments the end rate only of the Part Time scales will be increased by \$0.25 per hour. This adjustment will not be made to the Part Time Student wage scale end rate. Full Time scales throughout the collective agreement are not affected by this letter.

NO FRILLS OWNERS