

COLLECTIVE AGREEMENT

BETWEEN:

PHARMX REXALL DRUG STORES LTD.

-AND-

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

TERM: 05 JANUARY, 2009 TO 04 JANUARY, 2012

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THIS AGREEMENT made and entered into as of 27TH day of February, 2009

BETWEEN: PHARMX REXALL DRUGSTORESLTD.

(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 agent for all employees at its retail stores in the Province of Ontario, save and except Assistant Store Manager, third party Pharmacies and Non-Retail Pharmacy Clinics, 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**

Pharmx Rexall Drugstores Ltd. has a zero tolerance policy for workplace violence. Pharmx Rexall Drugstores Ltd. 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 ten (10) 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 (a) 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 between thirty-two and forty (40) hours per week. These hours shall be scheduled in any four (4) or five (5) days per week. 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.

(b) An employee who is scheduled to work thirty-two (32) hours per week will be scheduled eight (8) hours per day, however, such employee may be scheduled for an additional shift of not less than four (4) hours and not more than eight (8) hours for the fifth day of the work week. There will be a minimum of eleven (11) hours between scheduled shifts unless otherwise mutually agreed.
- 5.02 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 four (4) hours pay. If such employees are instructed to report to work and no work is available, they shall receive a minimum of four (4) 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. 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.

- 5.04 (a) In scheduling evening work, the Company shall endeavour to restrict weekly assignments of Regular Full-Time employees to no more than four (4) 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 four (4) 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.
- (b) 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.
- (c) Day shifts are shifts which end prior to 6:30 p.m.
- 5.05 The Company will adjust the wages of any employee who performs the key functions of a higher position for a minimum of four (4) hours of continuous work in the higher position, pursuant to the formula outlined in Article 9.02.
- 5.06 The Company agrees to schedule Full-Time employees off work every fourth (4th) Saturday and Sunday. The Union agrees that this may not always be practical due to scheduling difficulties and operational requirements.

ARTICLE 6 - OVERTIME RATE OF PAY

- 6.01 Authorized overtime, at the rate of time and one-half (1 ½) the regular hourly shall be paid for time worked over forty-four (44) hours in any one (1) week or ten (10) hours in a day. There shall be no pyramiding of overtime payments. 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
Victoria Day	Canada Day
Civic Holiday	Labour Day
Thanksgiving Day	Christmas Day
Boxing Day	Family Day
Floating Holiday	

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 four (4) hours in any one (1) day shall receive one (1) rest period, with pay. Employees scheduled eight (8) hours or more in any one (1) day shall receive two (2) rest periods, with pay. 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-half (1/2) hour without pay.

ARTICLE 9 - WAGES

9.01(a) (i) 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.

(ii) Red circled employees shall maintain their rate of pay for the term of the collective agreement.

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

(c) **Pharmacy Technician**

In recognition of current trends, the present "Pharmacy Assistant" classification will be re-named "Pharmacy Technician".

Certified Pharmacy Technician Classification (CPHT)

All employees currently classified as Pharmacy Assistants will be eligible to move into the new classification of Certified Pharmacy Technician (attached) subject to the following requirements, which have been established and mandated by the Ontario College of Pharmacy:

(i) that they have graduated with an OCP approved two year College Diploma:

OR

where they have completed 3500 hours of work in a retail or hospital dispensary setting.

AND

(ii) that they successfully pass the Ontario College of Pharmacy (OCP) administered examination, which may be written twice yearly, in April and October. (The Company will pay the full cost for the first examination attempt.) A second effort, if required, will be reimbursed, upon successfully passing. This provision will be limited to employees who qualify according to "(i)" above, and who wish to write this examination.

An Annual Maintenance Fee for the CPHT classification will be reimbursed by the Company. The Annual Maintenance Fee as levied by the OCP will be paid by the Company upon presentation of the paid receipt by the Employee.

Presently, a "Get Ready" course is available from Humber College which the Company is prepared to pay in full (including text books) for any employee who qualifies according to "(i)" above. The Company will agree to pay in advance the cost of the "Get Ready" course upon approval of the Regional Pharmacy Manager. Such approval shall not be unreasonably denied.

Upon confirmation that they have passed the OCP administered examination, "Pharmacy Technicians" will immediately move to the new CPHT classification corresponding to their placement on the grid;

In recognition of the experience gained over many years of service, the Company will place all "Pharmacy Technicians" who have completed 10 or more years of service on the appropriate wage grid corresponding to the new CPHT classification. These employees will remain classified as "Pharmacy Technicians" until they have successfully written the above named examination and received the CPHT designation by the OCP;

The wage grid of the new collective agreement will asterisk the CHPT and PT classifications, and contain a "note" which will state: "For the purposes of the Collective Agreement (except the wage appendixes) Pharmacy Technician and Certified Pharmacy Technician shall be deemed to be the same classification."

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 **Relieving Rate of Pay for Management**

(a) When an employee accepts to be "In Charge" in the absence of the Store Manager for one (1) full week or more, such employee shall receive a premium of two dollars (\$2.00) per hour for all hours worked during the Store Managers absence. The above named employee shall chosen at the sole discretion of the Company

- (b) When an employee accepts to be "In Charge" for store closing, such shall receive a premium of one dollar (\$1.00) per hour for two (2) 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 (\$1.00) per hour for their first two (2) hours of work. Management duties will be as assigned.

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) year of service but less than five (5) 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) year of service but less than ten (10) years of continuous service, prior to July 1st of the year in which the vacation is to be taken, shall receive ~~two~~ ^{three} (3) weeks at 6% vacation pay.

Employees who shall have completed ten (10) years of service but less than fifteen (15) years of continuous service, prior to July 1st of the year in which the vacation is to be taken, shall receive ~~three~~ ^{four} (4) weeks at 8% vacation pay.

Employees who shall have completed fifteen (15) years of service but less than twenty (20) years of continuous service, prior to July 1st of the year in which the vacation is to be taken, shall receive ~~three~~ ^{five} (5) weeks at 10% vacation pay.

Employees who shall have greater than twenty ~~(20)~~ ⁽²⁰⁾ years of continuous service, prior to July 1st of the year in which 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 vacation request form shall be posted between March 1 and April 30 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 April 30, 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 31st. It is understood that all Full-Time employees shall have preference of vacation dates over all part-time employees up until April 30.

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.

11.04 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, as defined in the Labour Relations Act, 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 the governing factor in matters such as vacations, layoff, transfers, demotions, reduction to part-time,

rehire after layoff, providing the employee has the ability and willingness and qualifications to do the available work.

15.02 Seniority shall be effective only after an employee has completed the ninety (90) calendar day probationary period, and shall be computed from the date of his first employment. During the probationary period an employee may be dismissed by the Company without recourse. Upon completion of the probationary period an employee shall be added to the seniority list and the seniority shall be computed from the day he first commenced work for the Company.

15.03 In filling job vacancies, including promotions, the job shall be awarded within fifteen (15) calendar days of the posting. The Employer shall be governed by the following factors, as between two or more applicants.

- (i) the ability and qualifications of the individual to fulfil the requirements of the job,
- (ii) the seniority ranking of the applicants,
- (iii) where ability and qualifications of candidates are relatively equal, seniority shall govern.

15.04 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.

15.05 The Company agrees to give two (2) weeks' notice prior to changing an employee's status from Full-Time to part-time.

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 20 mile 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 20 mile 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 20 mile 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 20 mile 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 20 mile 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.

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 - COMPLAINTS AND GRIEVANCE 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 Definition 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.

9.03 Any individual grievance which is not presented within ten (10) working days following the event giving rise to such grievance, or within ten (10) working days of the last day worked in the case of dismissal, shall be forfeited and waived by the aggrieved party.

9.04 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.

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 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.

STEP NO. 4

If the Union and the Company cannot reach a settlement, either party may, within thirty (30) calendar days of the reply given in Step No. 3, submit the grievance to Arbitration by nominating an Arbitrator. These time limits may be extended, with mutual agreement.

STEP NO. 5

Within fifteen (15) days thereafter, the other party shall also nominate an Arbitrator, and the two nominees shall attempt to agree upon a third member. The third member shall act as Chairman of the Board. If agreement cannot be reached in respect to the appointment of the Chairman of the Board of Arbitration, the matter shall be referred to the appropriate Government Agency. No person involved directly in the controversy under consideration shall be a member of the Board of Arbitration. If the other party fails to nominate an Arbitrator, the grieving party may ask the appropriate Government Agency to make the appointment.

19.06 If the party filing a grievance does not process it from one Step to the next within the time limits set out above, then the grievance will be considered to

have been dropped by the party instituting the grievance. If the responding party does not respond within the time limits of the Grievance Procedure, then the grieving party may process the grievance to the next step.

- 19.07 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 Industrial Relations.

The Union Representative and the Company Regional Director may by mutual agreement have a Step 2 Meeting to discuss the termination during the ten (10) day period.

- 19.08 Any agreement reached between the Company and the Union to resolve a grievance shall be binding on both parties and upon any employee involved.
- 19.09 The Board of Arbitration shall receive and consider such material evidence and contentions as the parties may offer. Also, the Arbitration Board may request from the parties such other evidence as is relevant to its determination of the issues involved. In reaching its decisions, the Arbitration Board shall be governed by the provisions of this Agreement, and shall have no authority to alter, amend, or change the provisions of this Agreement.
- 19.10 The findings and decisions of the Board of Arbitration on all arbitrable questions shall be binding and enforceable on the parties and the employees.
- 19.11 The expense of the Chairman of the Board shall be borne equally by the parties to the Arbitration.
- 19.12 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.
- 19.13 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.
- 19.14 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 - BEREAVEMENT LEAVE WITH PAY

- 21.01 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,; step-parents, step-children, common-law spouse as defined by law.
 - (b) three (3) days - parents-in-law, brother-in-law, sister-in-law, son-in-law, and daughter-in-law.
 - (c) one (1) day - grandparents, grandchildren grandparents-in-law,

ARTICLE 22 - LEAVE OF ABSENCE WITHOUT PAY

- 22.01 Employees shall be entitled to request, in writing, a leave of absence, without pay, which will be approved or denied in accordance with the needs of the business. Request shall not be unreasonably denied.

ARTICLE 23 - HEALTH AND WELFARE

- 23.01 (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 one and one-half your total annual salary, reducing by 50% at age 65.

(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 up to 150% of annual earnings.

(c) **Short Term Disability**

The Company agrees to pay one hundred (100) 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 -- $66 \frac{2}{3}$ of base salary of your gross weekly earnings, to a maximum of seventeen (17) consecutive weeks of absence due injury or illness. Coverage commences after a ten (10) day waiting period in the event of sickness or accident.

All full time employees shall be credited with ten (10) sick days per year, paid at $66 \frac{2}{3}$ of the employee's base salary. These sick days are inclusive of the seventeen (17) week STD Plan.

(d) **Long Term Disability**

The Company agrees to pay one hundred (100) 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 -- $66 \frac{2}{3}$ of base salary of the first \$2,250.00 of your gross monthly earnings plus 40% of the remainder to a maximum of \$10,000.00 or 85% of your pre-disability income whichever is less, effective after 17 consecutive weeks of absence due injury or illness.

(e) **Extended Health Care**

The Company agrees to pay 100% per-cent of premium cost for each Full-Time employee and her dependants when eligible for the following benefits, subject to a 25% deductible per calendar year, 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 Rexall 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 for 80% coverage of the cost of generic equivalent drugs or upgrade bundle at the employee's expense pays for 100% of the cost of generic drug equivalents.

(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 two hundred dollars (\$200.00) or at the employee's expense upgraded bundle to a maximum of three hundred (\$300.00) dollars 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 (50) dollars.

23.02 Dental 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.

The plan pays 80% of the cost of basic treatment on the current year fee guide, with no coverage for major restorative coverage. At the employee's

expense the upgrade bundle pays 100% for basic treatment and 80% for major restorative treatment.

ARTICLE 24 - PENSION PLAN

24.01 All full time employees shall be covered by the Katz Group Pension Plan and shall be governed by the plan text for store associates.

ARTICLE 25 - DISCIPLINARY INTERVIEWS

- 25.01 (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 26 – EMPLOYEE PRIVILEGES

26.01 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 27 - UNION DECAL

27.01 The Company agrees to display the current official Union Decal of the United Food and Commercial Workers International Union in a location where it can be seen by customers.

ARTICLE 28 - EXPIRATION AND RENEWAL

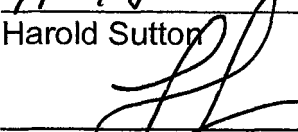
28.01 This agreement shall be effective from January 5, 2009 to January 4, 2012, and shall continue in full force and effect thereafter from year to year, except that either party may, at any time within ninety (90) days before the expiry date of such Agreement, give notice in writing to the other party of their intentions to revise or abrogate this Agreement.

DATED at Mississauga, Ontario, this 17th day of April, 2009.

FOR THE UNION



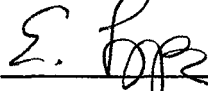
Harold Sutton



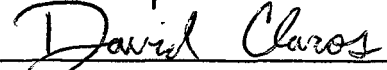
Luc Lacombe




Sam Caetano



Emmanuelle Lopez



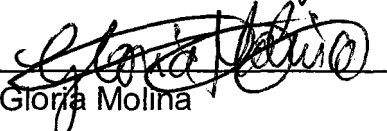
David Claros



Shelley Davies



Lorie Boily



Gloria Molina

FOR THE COMPANY



Mark Mockler



Stacy Panek



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 will work within their scheduled shifts and shall normally work less than thirty-two (32) hours per week.
- (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. It is understood that such schedule may be changed by mutual agreement between the Manager and employee. 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-four (44) hours in any one (1) week or ten (10) hours in a 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.

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 The vacation entitlement for part time employees is as per Article 11.01 of the Full-time Agreement.

ARTICLE 9 - NO STRIKE - NO LOCKOUT

As per Article 14 of the Full-time Agreement

ARTICLE 10 – SENIORITY

- 10.01 (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 five hundred (500) hours worked.
- 10.02 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.

- 10.03 (a) Part-time employees who are desirous of becoming full-time employees shall inform the Human Resources Department, on or about November 15 of each year using the proscribed form. Confirmation of receipt will be returned to the employee.
- (b) Where more than one part time employee is desirous of becoming a full time employee the Company shall take into account:
- (i) The ability and qualifications of the individual to fulfil the requirements of the job,
 - (ii) The seniority ranking of the applicants,
 - (iii) where ability and qualifications of candidates are relatively equal, seniority shall govern.
- 10.04 (a) A part time employee hired to full time status shall be credited with one-half (%) of their calendar years of part-time service to a maximum credit of two (2) 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.

10.05 **Scheduling**

The weekly schedule of hours of work shall be allotted according to seniority providing the senior employee has the necessary ability and qualifications to perform the work and is available.

For clarity, the Employer will schedule part-time hours so that the senior part-time employee(s) will have the opportunity to work a weekly schedule of hours that may be up to thirty-two (32), but in no event less than a junior part-time, provided they have the necessary ability and qualifications to perform the work and are available.

In the event of hours of work becoming available, within a given week, beyond the schedule of hours for that given week, due to approved absences, sickness, compensation, bereavement and/or an unanticipated increase in business; the Employer or his delegate will call the most senior part-time employee not scheduled that day provided the employee is available and has the qualifications to perform the available work.

- 10.06 A part-time employee will be placed on the permanent full-time staff where her normal work week exceeds thirty-two (32) hours per week for a period in excess of eighteen (18) consecutive weeks, except if relieving for sickness, vacation, holiday, or leaves of absence.
- 10.07 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.
- 10.08 The Company agrees to supply the Local Union Office with seniority lists by Store and city, and bargaining unit in October of each year.
- 10.09 **Lay-offs and Recall**

As per Article 15.08 of the Full-time Agreement.

ARTICLE 11 - DISCHARGE OF EMPLOYEES SUBJECT TO ARBITRATION

As per Article 16 of the Full-time Agreement

ARTICLE 12 - NOTICE REQUIRED FOR PAY IN LIEU OF NOTICE IN CASES OF DISMISSAL

As per Article 17 of the Full-time Agreement

ARTICLE 13 - BUSINESS AGENTS VISITS

As per Article 18 of the Full-time Agreement

ARTICLE 14 - COMPLAINTS AND GRIEVANCE PROCEDURE

As per Article 19 of the Full-time Agreement

ARTICLE 15 - CASH SHORTAGES

As per Article 20 of the Full-time Agreement

ARTICLE 16 - WAGES

- (a) As per Article 9.01, 9.02, 9.03, and Appendix “B” of the Full-time Agreement. The minimum hourly rate of wages for all Part-time employees shall be as per Appendix “B” of this Agreement.
- (b) All other appendixes attached hereto will form part of this Agreement.

ARTICLE 17 - MATERNITY LEAVE

As per Article 12 of the Full-time Agreement

ARTICLE 18 - BEREAVEMENT LEAVE

As per Article 21:00 of the Full Time Agreement

ARTICLE 19 - TRAVEL TIME

As per Article 10 of the Full-time Agreement

ARTICLE 20 - LEAVE OF ABSENCE WITHOUT PAY

20.01 Employees shall be entitled to request, in writing, a leave of absence, without pay, which will be approved or denied in accordance with the needs of the business and shall not be unreasonably denied.

ARTICLE 21 - DISCIPLINARY INTERVIEWS

As per Article 26 of the Full-time Agreement

ARTICLE 22 - EXPIRATION AND RENEWAL

As per Article 28 of the Full-time Agreement

APPENDIX B-1

Job Classifications	Start	Six Months	12 Months	18 Months	24 Months	30 Months	36 Months	42 Months	Effective Date of Ratification 48 Months	Effective 5 Jan 2010 48 Months	Effective 5 Jan 2011 48 Months
Certified Pharmacy Technician	11.50	11.75	12.00	12.25	12.50	13.00	14.00	14.50	16.25	16.55	16.85
Pharmacy Assistant	11.00	11.25	11.50	12.00	12.25	12.75	13.75	14.00	14.92	15.22	15.52
Cosmetician	9.50		10.75	11.25	11.50	11.75	12.00	12.25	12.80	13.10	13.40
Merchandise Clerk	9.50		10.25		11.00		11.75		12.30	12.60	12.90
Postal Clerk	9.50		10.25		11.00		11.75		12.30	12.60	12.90
Sales Clerk/Driver/Stock Clerk	9.50		10.25		11.00		11.75		12.30	12.60	12.90

- 1) Effective Date of Ratification all employees shall receive a minimum of a thirty cents (30¢) per hour increase
- 2) Effective January 5, 2010 all employees shall receive thirty cents (30¢) per hour increase
- 3) Effective January 5, 2011 all employees shall receive a thirty cents (30¢) per hour increase

Any employee who is over scale by \$2.00 or less than the end rate in the Collective Agreement shall receive a thirty (30) cent per hour increase effective on ratification.

They shall then be red circled (frozen) for the balance of the term of the Collective Agreement.

Employees who are paid more than \$2.00 over scale shall be red circled (frozen) for the term of the Collective Agreement.

For the purpose of the Collective Agreement (except this wage appendix) Pharmacy Assistant and Certified Pharmacy Technician shall be deemed to be the same classification.

Part-Time Employees

Job Classifications	Start	Six Months	12 Months	18 Months	24 Months	30 Months	36 Months	42 Months	Effective Date of Ratification 48 Months	Effective 5 Jan 2010 48 Months	Effective 5 Jan 2011 48 Months
Certified Pharmacy Technician	11.50	11.75	12.00	12.25	12.50	13.00	14.00	14.50	16.25	16.55	16.85
Pharmacy Assistant	11.00	11.25	11.50	12.00	12.25	12.75	13.75	14.00	14.92	15.22	15.52
Cosmetician	8.75		9.50	-	10.25	10.50	10.75	11.00	11.80	12.10	12.40
Sales Clerk/Driver/Stock Clerk/ Merchandise Clerk/Home Health Clerk, Receiver	8.75		9.50	-	10.25		10.50	-	11.10	11.40	11.70

- 1) All employees on date of ratification shall receive a minimum of thirty cents (30¢) per hour increase.
- 2) Effective January 5, 2010, all employees shall receive thirty cents (30¢) per hour increase.
- 3) Effective January 5, 2011, all employees shall receive a thirty cents (30¢) per hour increase.

Any employee who is over scale by \$2.00 or less than the end rate in the Collective Agreement shall receive a thirty (30) cent increase effective on ratification. They shall then be red circled (frozen) for the balance of the term of the Collective Agreement.

Employees who are paid more than \$2.00 over scale shall be red-circled (frozen) for the term of the Collective Agreement

For the purpose of the Collective Agreement (except this Wage Appendix) Pharmacy Assistant and Certified Pharmacy Technician shall be deemed to be the same classification.

APPENDIX "C-1"

LETTER OF AGREEMENT #1

Between:

PHARMX REXALL DRUGSTORES 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 Pharmx Rexall Drugstores Ltd., whether full-time or part-time, in the stores covered by this collective agreement. 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 Hours	Commission 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

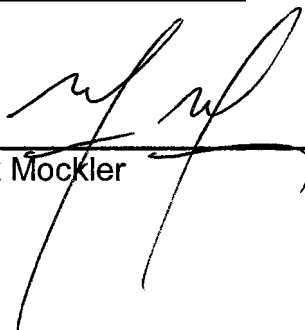
Dated this 17th day of April, 2009 at Mississauga, Ontario

FOR THE UNION



Harold Sutton

FOR THE COMPANY



Mark Mockler

APPENDIX "C-2"

LETTER OF AGREEMENT #2

Between:

PHARMX REXALL DRUGSTORES 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 10.03 part-time. Thereafter unfilled full-time positions will be posted throughout the bargaining unit.

2. Acquisitions rolled into a new Rexall store.

For acquisitions rolled into a new Rexall 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 Rexall store, future positions will be filled pursuant to article 15.03 full-time and 10.03 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.

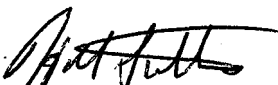
Seniority dates shall be based on the date the employee entered the bargaining unit. In the event that more than one (1) employee has the same seniority date, then the employee with the longer service date will be deemed to have the higher seniority date.

6. Newly Organized Units

- (a) Employees employed at a company retail location which is not part of the Pharmx Rexall Collective Agreement shall upon certification be covered by all terms and conditions of the Pharmx Rexall Collective Agreement for all stores in the province of Ontario.
- (b) Service and seniority dates shall be in accordance with provision # 5 above.
- (c) Upon notification by the Union the Sturgeon Falls Rexall store shall **be** covered by this Agreement.

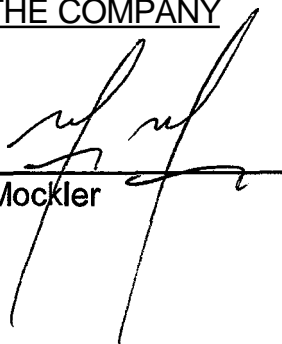
Dated this 17th day of April, 2009 at Mississauga, Ontario

FOR THE UNION



Harold Sutton

FOR THE COMPANY



Mark Mockler



APPENDIX "C-3"

LETTER OF AGREEMENT #3

Between:

PHARMX REXALL DRUGSTORES 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.

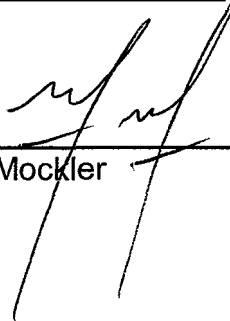
Dated this 17th day of April, 2009 at Mississauga, Ontario

FOR THE UNION



Harold Sutton

FOR THE COMPANY



Mark Mockler

HM

APPENDIX " C-4"

LETTER OF AGREEMENT #4

Between:

PHARMX REXALL DRUGSTORES 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 and Pharmacy Technician course. The Company agrees that this letter will not be unreasonably applied.

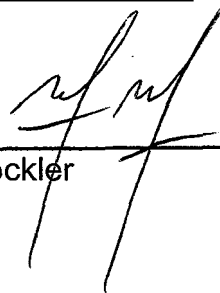
Dated this 17th day of April, 2009 at Mississauga, Ontario

FOR THE UNION



Harold Sutton

FOR THE COMPANY



Mark Mockler

APPENDIX "C-5"

LETTER OF AGREEMENT #5

Between:

PHARMX REXALL DRUGSTORES 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.

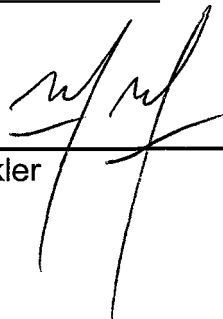
Dated this 17th day of April, 2009 at Mississauga, Ontario

FOR THE UNION



Harold Sutton

FOR THE COMPANY



Mark Mockler

Handwritten initials

APPENDIX "C-6"

LETTER OF AGREEMENT #6

Between:

PHARMX REXALL DRUGSTORES 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 this 17th day of April, 2009 at Mississauga, Ontario

FOR THE UNION



Harold Sutton

FOR THE COMPANY



Mark Mockler



APPENDIX "C-7"

LETTER OF AGREEMENT #7

Between:

PHARMX REXALL DRUGSTORES LTD.

And

UNITED FOOD & COMMERCIAL WORKERS' CANADA
LOCAL 175

Re: Minimum Wage

In the event that the Government of Ontario repeals the increases to minimum wage which are scheduled for March 31, 2009 and March 31, 2010, the parties agree that the wage scale in effect up to January 5, 2010 shall continue in full force and effect for the duration of the Collective Agreement. The thirty (30) cent increase that is then scheduled for January 5 in 2010 and 2011 shall be given effective on that date, however, only the end rate of the Collective Agreement shall be adjusted by the thirty (30) cents. The balance of the scales shall remain status quo.

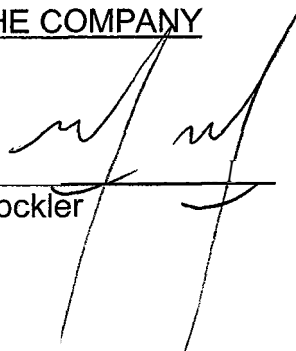
Dated this 17th day of April, 2009 at Mississauga, Ontario

FOR THE UNION



Harold Sutton

FOR THE COMPANY



Mark Mockler



APPENDIX " C-8"

LETTER OF AGREEMENT #8

Between:

PHARMX REXALL DRUGSTORESLTD.

And

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

Re: Part-Time Drug Benefit

All part-time employees who have completed their probationary period, will be provided with a drug plan which at a rate of the cost of the drug. Spouses and dependent children of part-time employees who have completed their probationary period may purchase their drugs at cost. No co-pay applies.

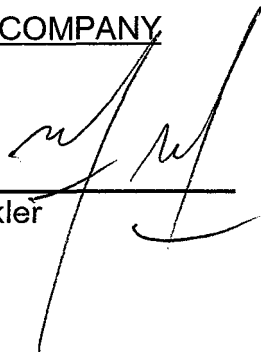
Dated this 17th day of April, 2009 at Mississauga, Ontario

FOR THE UNION



Harold Sutton

FOR THE COMPANY



Mark Mockler

HS/kk
CEP 571-0
30 April 2009

HS