

COLLECTIVE AGREEMENT
Term of Agreement: February 1, 2007 - January 31, 2011

**BETWEEN: THE GOVERNOR AND COMPANY OF ADVENTURERS
OF ENGLAND TRADING INTO HUDSON'S HAY**
(hereinafter called "the Company")

OF THE FIRST PART

**AND: UNITED STEEL, PAPER AND FORESTRY, RUBBER,
MANUFACTURING, ENERGY, ALLIED INDUSTRIAL
AND SERVICE WORKERS INTERNATIONAL UNION,
(UNITED STEELWORKERS) LOCAL NO. 898**
(hereinafter called "the Union")

OF THE SECOND PART

Errors and Omissions Excepted

1/16/16 (05)

INDEX

	Page
ARTICLE 1 Introduction.....	1
<i>Purpose.....</i>	<i>1</i>
<i>Gender References.....</i>	<i>1</i>
ARTICLE 2 Duration And Integrity Of Agreement.....	1
<i>Duration.....</i>	<i>1</i>
<i>Labour Relations Code.....</i>	<i>2</i>
<i>Strikes And Lockouts</i>	<i>2</i>
ARTICLE 3 Union Recognition	2
<i>Recognition Of Exclusive Bargaining Agent.....</i>	<i>2</i>
<i>Performance Of Bargaining Unit Work.....</i>	<i>3</i>
<i>Union Representatives.....</i>	<i>3</i>
ARTICLE 4 Union Security.....	3
<i>Membership</i>	<i>3</i>
<i>Check-Off: Process And Procedures.....</i>	<i>4</i>
ARTICLE 5 Union Stewards.....	5
<i>Shop Stewards.....</i>	<i>5</i>
<i>Grievance Chairperson</i>	<i>6</i>
<i>Management And Union Stewards Meetings</i>	<i>6</i>
<i>Union Orientation Of New Employees.....</i>	<i>6</i>
ARTICLE 6 Health And Safety.....	7
<i>Health And Safety Committee.....</i>	<i>7</i>
<i>Safety Rules.....</i>	<i>7</i>
<i>Injury At Work.....</i>	<i>7</i>
<i>Protective Equipment</i>	<i>7</i>
<i>Gloves and Safety Footwear</i>	<i>7</i>
ARTICLE 7 Management's Rights.....	8
ARTICLE 8 Seniority.....	8
<i>Definitions.....</i>	<i>8</i>
<i>Seniority Lists</i>	<i>9</i>
<i>Accrual Of Seniority.....</i>	<i>9</i>

INDEX

	Page
<i>Maintenance Of Seniority</i>	9
<i>Seniority Lost</i>	10
<i>Loss Of Seniority</i>	10
<i>Probationary Employees</i>	10
<i>Categories Of Employees</i>	11
ARTICLE 9 Procedures For Filling Vacancies	12
<i>Vacancies & New Positions</i>	12
<i>Name Of Successful Applicant</i>	13
<i>Selection Criteria</i>	13
ARTICLE 10 Lay Off And Recall Procedures	14
<i>Layoff</i>	14
<i>Recall</i>	16
<i>Contact Point</i>	16
<i>Notice Of Recall</i>	16
ARTICLE 11 Hours Of Work	16
<i>Store Hours</i>	16
<i>Overtime</i>	17
<i>Week</i>	17
<i>Shift Hours</i>	18
<i>Length Of Shifts</i>	18
<i>Assignment Of Weekly Schedule Of Shifts By Seniority</i>	18
<i>Extra Shift Availability List</i>	19
<i>Meal Breaks And Rest Periods</i>	20
<i>Work Schedules</i>	21
ARTICLE 12 Paid Holidays	22
<i>Eligibility</i>	22
<i>Statutory Holiday Pay</i>	22
<i>Working On A Statutory Holiday</i>	23
<i>Statutory Holiday On A Day Off</i>	23
ARTICLE 13 Wage Rates	23
<i>Temporary Transfers</i>	23

INDEX

	Page
ARTICLE 14 Annual Vacations.....	24
<i>Vacation Scheduling Preference By Seniority.....</i>	<i>25</i>
ARTICLE 15 Leave Of Absence	26
<i>General Leave.....</i>	<i>26</i>
<i>Union Leave.....</i>	<i>26</i>
<i>Bereavement Leave.....</i>	<i>27</i>
<i>Jury Or Witness Duty</i>	<i>27</i>
<i>Maternity And Parental Leaves.....</i>	<i>27</i>
<i>Family Leave</i>	<i>28</i>
ARTICLE 16 Procedure For Settling Disputes	28
Step One.....	29
Step Two	29
Step Three.....	29
ARTICLE 17 Arbitration.....	31
ARTICLE 18 General Provisions.....	32
<i>Duty To Accommodate.....</i>	<i>32</i>
<i>Company Rules.....</i>	<i>32</i>
<i>Humanity Fund.....</i>	<i>32</i>
<i>Termination Pay</i>	<i>33</i>
Notice Required.....	34
Reasons For Absence	34
Medicals	35
<i>Bulletin Boards.....</i>	<i>35</i>
<i>Collective Agreements</i>	<i>35</i>
<i>Employee Records</i>	<i>36</i>
ARTICLE 19 Insurance Benefits.....	37
ARTICLE 20 Commission Sales	37
Big Ticket Variable Commission.....	37
Cosmetic and Fragrance Departments	39
<i>Commission Sales Training.....</i>	<i>39</i>

INDEX

Page

ARTICLE 21 Technological Change.....	39
ARTICLE 22 Harassment Including Sexual or Racial.....	39
APPENDIX “A”.....	42
BAY WAGE RANGES - KAMLOOPS	46
APPENDIX “B”	48
LETTER OF UNDERSTANDING	
#1 Re: Shoppers	50
#2 Re: Transferred Staff.....	52
#3 Re: Commission Sales Deficit	54
#4 Re: Management Making Sales In Commission Departments	55
#5 Re: Annual Vacations.....	56
Grand-Fathered/Holiday	
Entitlement..	58
#6 Re: Introduction of Full-Time Flex Scheduling	62
LETTER OF COMMITMENT	
Contracting Out	66
Letter of Assurance	67

ARTICLE 1 INTRODUCTION**1.01 PURPOSE**

The purpose of this Agreement is to set forth and establish the terms and conditions of employment for those employees who come within the scope of this Agreement, so that stable and harmonious relationships may be established and maintained between the Company and the Union, to the mutual benefit of the Parties to this Agreement.

1.02 GENDERREFERENCES

All articles and clauses referred to in this Agreement apply equally to both male and female employees.

ARTICLE 2 DURATION AND INTEGRITY OF AGREEMENT**2.01 DURATION**

- (a) This Agreement shall be for the period from and including February 1st, 2007 to and including January 31st, 2011. Thereafter, the Agreement shall continue in full force and effect from year to year subject to the right of either Party to serve notice to commence bargaining as provided for in the Labour Relations Code.
- (b) During the period when negotiations are being conducted between the Parties for the renewal of this Agreement, the present Agreement shall continue in full force and effect until:
 - (i) the Union commences a legal strike; or
 - (ii) the Company commences a legal lockout; or
 - (iii) the Parties enter into a new or further Agreement.
- (c) During the continuation period provided in (b) above, neither Party shall attempt to take any action or make any changes in the terms and conditions of employment, which would be inconsistent with the express terms of this Agreement.
- (d) Notice to commence collective bargaining must be in written form.

2.02 LABOUR RELATIONS CODE – SECTION 50(2) AND (3) EXCLUDED

The operation of Section 50(2) and (3) of the Labour Relations Code of British Columbia is hereby excluded.

2.03 STRIKES AND LOCKOUTS

(a) The Union agrees during the term of this Agreement there will be no strike. The Company agrees that during the term of the Agreement there will be no lockout. For the purpose of this Article, a strike is defined as a cessation of work, a refusal to work or to continue to work by employees in combination or in concert or in accordance with a common understanding, or a slow down or other concerted activity on the part of employees that is designed to or does restrict or limit production or services, but does not include:

- (i) a cessation of work permitted under section 63 (3), or
- (ii) a cessation, refusal, omission or act of an employee that occurs as a direct result of and for no other reason than picketing that is permitted by or under the Labour Relations Code.

ARTICLE 3 UNION RECOGNITION

3.01 RECOGNITION OF EXCLUSIVE BARGAINING AGENT

(a) The Company recognizes the Union as the sole and exclusive bargaining agent for all employees, employed at or from its store at #300 - 1320 West Trans Canada Highway, Kamloops, BC except persons excluded by the Certification granted by the Labour Relations Board. It is agreed that persons excluded are in the following positions:

- (i) Store Manager
- (ii) Assistant Store Manager
- (iii) Loss Prevention Manager
- (iv) Loss Prevention Employee
- (v) Sales Manager

(vi) Human Resources Administrator

The Parties agree that any changes or additions to the above positions must meet the test for confidential or managerial exclusion if they are to be excluded from the bargaining unit.

- (b) For the purpose of this Agreement, the terms “*employee*” or “*employees*” shall be understood to mean those persons employed by the Company for whom the Union is the recognized bargaining agent in (a) above.

3.02 PERFORMANCE OF BARGAINING UNIT WORK

The Company agrees not to change current practices of overlap between Management and employees, if such change would have the effect of laying off bargaining unit employee with seniority rights. For the purpose of this clause, a lay off shall be defined as commencing the week following a period of one (1) week during which an employee is not scheduled to work.

3.03 UNION REPRESENTATIVES

Provided permission is granted beforehand, the Company agrees that access to its premises will be granted to members of the staff of the Union when dealing or negotiating with the Company, as well as for the purpose of investigating and assisting in the settlement of a grievance. Union Staff Representatives shall notify the Human Resources/Operations Manager or her designate in advance of their intentions and their purpose of entering and they shall agree on a mutually convenient time and shall not interfere with the operation of the facility. Such permission will not be unreasonably withheld.

ARTICLE 4 UNION SECURITY

4.01 MEMBERSHIP

Each employee shall, as a condition of her hiring or continued employment:

- (i) Authorize the Company in writing to deduct union dues from her pay.

The authorization shall be in a form provided to the Company by the Union; and

- (ii) become a member of the Union and maintain membership.

4.02

CHECK-OFF: PROCESS AND PROCEDURES

- (a) The Company agrees to deduct from each employee who has authorized such deduction, an amount equivalent to the monthly dues provided for in the International Constitution of the United Steelworkers.
- (b) The dues so deducted shall be remitted, along with a completed USWA R115 Form (a summary of the dues calculations made for the month, each month), within two (2) weeks after the end of the month payable to:

International Secretary-Treasurer
United Steelworkers
Unit D Box 34223
Vancouver, BC
V6J 4N1

- (c) **The** monthly remittance shall be accompanied by a statement showing the names of each employee from whose pay deductions have been made and the total amount deducted for the month. Such statements shall also list the names of the employees from whom no deductions have been made and the reasons why.
- (d) Duplicates of the R115 Form [Article 4.02(b)] and the employee deduction statement [Article 4.02(c)] shall be forwarded monthly as follows:

United Steelworkers
1-352 Seymour Street
Kamloops, BC
V2C 2G2

(e) Such deduction shall appear on the employee's annual statement of Remuneration (T4 slip).

(f) The Union agrees to indemnify and save the Company harmless against all claims or other forms of liability that may arise out of, or by reason of deductions made or payments in accordance with this Article.

ARTICLE 5 UNION STEWARDS

5.01 SHOP STEWARDS

(a) The Union is entitled to appoint or elect from among the employees three (3) Shop Stewards.

(b) The Union will advise the Company in writing of the names of the employees so appointed or elected. The Company shall not be required to recognize Stewards until such time as it has been notified in writing of their appointments or elections by the Union.

(c) The Shop Steward's first obligation is the fulfilment of her responsibilities as an employee. During her working hours, the Shop Steward is not entitled to engage in Union activities other than the necessary involvement in the reporting and resolution of grievances.

(d) The functions of Shop Stewards are to consider, investigate and attempt to settle grievances. If, in the course of investigating a grievance, a Steward requires time to fulfill her duties, she must notify her supervisor and the supervisor shall arrange a mutually satisfactory time for such investigation.

(e) The time which is spent by Shop Stewards during their regular working hours in reporting and resolving grievances, or in attending meetings, shall be considered to be time worked.

(f) Shop Stewards shall not be discriminated against or disciplined for the proper performance of their duties on behalf of the Union.

5.02 GRIEVANCE CHAIRPERSON

- (a) The Shop Stewards may elect from their ranks one (1) person who will be the Grievance Chairperson.
- (b) Normally, it will be the Grievance Chairperson who will be recognized by the Company as the official spokesperson on behalf of the Union, with provision by the Union of a designated alternate in the event of absence.
- (c) The Grievance Chairperson, or alternate, will be involved in the adjustment or resolution of grievances which progress beyond the first step of the grievance procedure.

5.03 MANAGEMENT AND UNION STEWARDS MEETINGS

- (a) Company representatives will meet with the Shop Stewards on a bi-monthly basis, to review common concerns that may arise including the operation and application of the Collective Agreement, and to ensure joint input so that the Company is able to maintain and improve itself in a highly competitive market.
- (b) No more than three (3) Stewards will be permitted to attend such meetings without loss of pay, but there must be no resulting overtime or other premium costs to the Company.
- (c) Minutes shall be kept as a record of ~~the~~ matters discussed during these meetings.
- (d) Where the Parties agree there are no problems it will not be necessary to convene the meeting.

5.04 UNION ORIENTATION OF NEW EMPLOYEES

The Company agrees to introduce a new employee to the Local Union President or a Shop Steward on the first day she reports to work. At this time the Local Union President or the Shop Steward will be given time to present the new employee with a new members kit. It is further agreed that the Company will have new hires complete the appropriate cards and forms supplied by the Union on the day of hire.

ARTICLE 6 HEALTH AND SAFETY**6.01 HEALTH AND SAFETY COMMITTEE**

The Company agrees to maintain a Health and Safety Committee. The Health and Safety Committee shall be comprised of three (3) employees selected by the Union and three (3) people selected by the Company. There shall be two (2) co-chairpersons: one (1) Union representative and the other a Company representative. The Committee shall function in accordance with the Workers' Compensation Board's, Industrial Health and Safety Regulations.

6.02 SAFETY RULES

The Company and all employees are to comply with established safety rules. The Union and the Company will undertake to promote safety education among employees in an effort to reduce accidents and industrial disease.

6.03 INJURY AT WORK

Where an employee is injured at work, and as a result cannot complete the balance of her shift and has reported such injury to the Company, she shall be sent home and paid for the balance of her shift at her regular hourly rate.

6.04 PROTECTIVE EQUIPMENT

The Company shall provide an adequate supply of the following protective equipment, at no cost to the employees, for employees required by the Company to use it:

- (i) eye protection
- (ii) ear protection
- (iii) air filter masks
- (iv) rubber gloves

6.05 GLOVES AND SAFETY FOOTWEAR

The Company agrees to provide gloves without cost to employees in the shipping and receiving department, visual presentation

department, sales support team and early morning crew. In addition, once per annum commencing February 1, 2008, the company agrees to pay the above employees (who have completed their probationary periods) up to seventy-five dollars (\$75.00) toward the purchase of safety footwear subject to the production of a receipt or other proof of purchase from an Hbc location. If an employee cannot purchase safety footwear from an Hbc location, a sales manager may reimburse up to seventy-five dollars (\$75.00) subject to the production of proof of purchase.

ARTICLE 7 MANAGEMENT'S RIGHTS

7.01 The Union recognizes and agrees that except as specifically abridged, delegated, granted, or modified by this Agreement, all of the rights, powers, and authority which the Company had prior to the signing of this Agreement are retained solely and exclusively by the Company and remain without limitation within the rights of management, provided that management rights under this Article shall not be exercised in any way inconsistent with or in violation of any terms or provisions of this Agreement.

ARTICLE 8 SENIORITY

8.01 The Parties recognize that job opportunity and security shall increase in proportion to length of service. It is therefore agreed that in all cases of vacancy, transfer, layoff and recall from layoffs, senior employees shall be entitled to preference in accordance with the provisions of this Collective Agreement.

8.02 DEFINITIONS

- (a)** For the purpose of this Agreement, seniority of an individual will be defined as the length of service with the Company since the most recent date of hire.
- (b)** For the purpose of this Agreement, date of hire will be defined as the first (1st) day worked.

8.03 SENIORITY LISTS

- (a) On May 1st and November 1st of each calendar year, seniority lists shall be posted. The seniority list shall contain the following information:
- (i) the employee's name;
 - (ii) length of service from the most recent date of hire.
- (b) The seniority list shall be posted by the Company for a minimum of thirty (30) days. Any objection to the accuracy of a posted seniority list must be lodged with the Company during the thirty (30) days in which the list is posted. Thereafter, the posted list will be deemed to be valid and correct for all purposes of this Agreement.
- (c) At the time of posting, a copy of the seniority list shall be forwarded to the United Steelworkers: 1 - 352 Seymour Street, Kamloops, BC V2C 2G2.
- (d) New employees shall have their seniority calculated and maintained by the Company separately until added to the existing list as provided in this Article.

8.04 ACCRUAL OF SENIORITY

Seniority shall accrue during:

- (a) all approved leaves of absence;
- (b) time lost as a result of a compensable illness or injury for which the employee receives wage loss replacement benefits from the Workers' Compensation Board;
- (c) leaves in accordance with Maternity and Parental leave provisions as per the Employment Standards Act.

8.05 MAINTENANCE OF SENIORITY

- (a) Seniority shall be accrued during non-occupational illness or injury for a period of up to one (1) year; after which the employee's

seniority shall be maintained but shall not further accrue for the balance of the illness or injury; and

- (b) An employee returning to work where seniority has been maintained but not accrued, shall have her anniversary date moved by the same amount of time that seniority was not accruing.

8.06 SENIORITY LOST

Seniority shall be lost if the employee:

- (a) Receives severance pay in accordance with this Agreement;
- (b) Resigns or retires;
- (c) Is discharged for just and reasonable cause and is not reinstated under the Grievance Arbitration procedure;
- (d) Is absent from work in excess of three (3) days without approval, unless it was not reasonably possible for the employee to contact the Company to request such approval;
- (e) Is on layoff for more than six (6) consecutive months; or
- (f) Does not return to work on the date specified following an approved leave of absence other than medical.

8.07 LOSS OF SENIORITY

When an employee loses seniority, the employee's right to continued employment shall cease. In the event of re-employment, the employee shall serve a probationary period. Upon successful completion of the probationary period, the employee's seniority shall be calculated from the employee's most recent date of hire.

8.08 PROBATIONARY EMPLOYEES

All employees are on probation for their first sixty-five (65) days worked, or six (6) calendar months, whichever occurs first. During the probationary period, a probationary employee may be discharged by the Company for any reason. Upon successful completion of the probationary period, an employee shall be

entitled to seniority dating from the employee's first day of work as a probationary employee. Probationary employees do not acquire any seniority rights under this Agreement.

The probationary period does not apply to employees hired for Christmas relief. It is further agreed that the Company can retain a junior Christmas relief employee over a senior Christmas relief employee provided it is done during the Christmas relief period. Employees who are retained after the Christmas relief period will have their seniority back dated to their date of hire.

8.09

CATEGORIES OF EMPLOYEES

- (a) A regular full time employee will be scheduled thirty-seven and one-half (37½) hours per week. All regular full time employees on the payroll as of January 31, 2007 will be grandfathered in this category so long as they remain in the position they held on January 31, 2007.
- (b) A full-time flex employee will be scheduled between twenty-eight (28) and forty (40) hours per week depending on business fluctuations.
- (c) A regular part-time employee works fewer than thirty-seven and one-half (37½) hours per week but is guaranteed a minimum of nine hundred and seventy-five (975) hours per year from September to August. All regular part-time employees on the payroll as of January 31, 2007 will be grandfathered in this category so long as they remain in the position they held on January 31, 2007.
- (d) An auxiliary employee works up to an average of twenty-seven (27) hours per week.
- (e) Christmas employees are employees hired for a period of time between September 15th through January 15th. It is further agreed that if inventory is changed to January, then the Christmas period will be extended to January 31st. During this time, the Union will be given a list containing the names, start date, department and

telephone numbers of all Christmas relief employees. This list will be updated on a weekly basis.

- 8.10** New hires will receive various types of classroom training in their first two (2) weeks of work, which may result in the new employee(s) receiving more hours than a senior auxiliary employee in their designated department. Furthermore, the new hires training hours will be listed on the Departmental Schedule. However, after the second week of employment the new hires will not receive more hours than any available senior auxiliary employee. Classroom training will not include any time whatsoever in the parent department.

ARTICLE 9 PROCEDURES FOR FILLING VACANCIES

9.01 VACANCIES & NEW POSITIONS

- (a) All vacant or new full-time flex positions shall be posted within seven (7) calendar days from when the Company assigns an employee to the position. The position will remain posted for seven (7) calendar days. Such postings shall state the required qualifications and department and will be posted on the bulletin board in the cloakroom and employee lounge.
- (b) The successful applicant's name will be posted for five (5) calendar days within the twenty-one (21) calendar days of the posting coming down. If an applicant is on vacation and is not available for an interview, then the twenty-one (21) calendar day period will be extended to accommodate the applicant's vacation until all applicants have the opportunity to be interviewed.
- (c) The successful applicant will start the new job within fourteen (14) calendar days after being notified or paid the new rate within fourteen (14) calendar days of being notified, providing the new rate is higher than the employee's previous rate.
- (d) Auxiliary employees who wish to fill vacancies in other work areas are required to fill out a request for transfer form. The Company will, when an auxiliary vacancy arises, award the job to the senior qualified auxiliary employee who has requested the transfer.

Auxiliary employees will only be allowed to request a transfer twice (2x) in a calendar year.

9.02 NAME OF SUCCESSFUL APPLICANT

- (a) The name of the successful applicant for any position posted in accordance with this Article will be posted within five (5) calendar days of the decision on all bulletin boards where it will remain for seven (7) calendar days.
- (b) The Company may fill vacancies on a temporary basis pending the completion of the posting process.

The employee transferred to fill a position temporarily will receive that job's rate of pay according to their career hours providing that that rate is higher than their regular rate.

9.03 SELECTION CRITERIA

The successful applicant will be determined on the basis of seniority, and the qualifications to do the work. When, in the judgment of the Company, two (2) or more applicants are for all intents and purposes equal, the applicant having the greater seniority will be selected.

The successful applicants for any postings will be given an opportunity to perform the job with a training period of up to thirty-seven and one-half (37½) hours. Should the employee not qualify or the employee decides that they do not want the new position, she will revert back to her previous job and or department and the opportunity will be given to the next applicant.

For the purposes of the Collective Agreement, "*qualifications*" shall be defined as an employee's skill, ability, experience, special relevant retail knowledge, productivity and suitability to do the work.

Whenever the Company selects the junior employee on the basis of "*suitability*" and/or "*productivity*" as expressed in the definition of "*qualifications*" above, the Company shall by letter advise the

Union and the applicant who was not awarded the job of the reasons for its decision.

If the Union is not satisfied with the reasons and explanation provided by the Company with respect to the application of “*suitability*” and/or “*productivity*”, the Union may follow the regular grievance procedure, or may refer the matter to a “*Special Arbitrator*” within ten (10) days following receipt of the letter of explanation from the Company. The “*Special Arbitrator*” shall first endeavour to mediate a resolution of the difference and shall, failing settlement, arbitrate the matter in as expeditious and informal a manner as s/he considers advisable and shall decide the matter and issue his/her Award/Decision within ten (10) days following the Referral by the Union.

The “*Special Arbitrator*” shall convene a meeting/hearing at such times and places suitable to the “*Special Arbitrator*” without regard to the convenience of the Parties or their representatives/agents. The “*Special Arbitrator*” shall determine if the Company has acted reasonably in concluding that the junior employee should be awarded the job rather than the senior employee, having regard to the reasons and explanation provided by the Company to the Union and the senior employee as aforesaid.

The “*Special Arbitrator*” shall be any of Merv Chertkow, Ken Albertini or David McPhillips or, failing their ability or willingness to serve as “*Special Arbitrator*” such other person as shall be named by the Minister of Labour of the Province of British Columbia. Any decision of the “*Special Arbitrator*” shall be non-precedential in terms of the application of this Article.

ARTICLE 10 LAY OFF AND RECALL PROCEDURES

10.01 LAYOFF

- (a) It is understood that employees’ hours of work within categories, departments and classifications may fluctuate according to the Company’s business cycles; in this regard, hours of work are assigned to employees with the most seniority within specific

departments pursuant to Clause 11.06. It is also understood that relatively short term layoffs (that is, of eight (8) weeks' duration or less) may occur due to the nature of the retail business. When such short term layoffs occur in a classification in a department, the following procedure will apply within the specific department and classification:

- (i) the Company will lay off auxiliary employees beginning with the employee with the least seniority and continue until all auxiliary employees are laid off, if necessary;
 - (ii) if the layoff continues, regular part-time employees will be laid off beginning with the employees with the least seniority and continue until all part-time employees are laid off, if necessary;
 - (iii) if the layoff continues, regular full-time and full-time flex associates will be laid off beginning with the employee with the least seniority.
- (b)** Notwithstanding (a) above, when a layoff exceeds eight (8) weeks)and providing the employee has twelve (12) months of seniority), or where an employee is displaced from her job as a result of the closure of a department or a restructuring of the workforce, she shall be re-assigned on the following basis:
- (i) to a vacancy in her current employment category provided she has the qualifications pursuant to Clause 9.03 to do the job;
 - (ii) if there is no vacancy pursuant to (i), to the job held by the most junior employee that she can displace, within her current employment category, provided she has the qualifications pursuant to Clause 9.03 to do the job;
 - (iii) if there is no job within her current employment category pursuant to (ii), to the job held by the most junior employee in any employment category that she can displace, provided she has the qualifications pursuant to Clause 9.03 to do the job; or

(iv) elect to be laid off.

Note: Prior to taking any action pursuant to 10.01 (b), the Company will consult with the Union on the procedures to be followed.

10.02 RECALL

When a recall from layoff occurs, the Parties agree to the following procedure subject to the employee's qualifications pursuant to Clause 9.03 to do the job:

- (a) If the layoff was eight (8) weeks or less, return to work will occur in accordance with Clause 10.01 (a); or
- (b) If the layoff was more than eight (8) weeks return to work will occur in accordance with Clause 10.01 (b).

10.03 CONTACT POINT

An employee who has been laid off and wishes to be recalled must insure that the Company has a current phone number and address for the purpose of recall. Failure on the part of the employee to provide this information may result in the employee forfeiting her recall rights.

10.04 NOTICE OF RECALL

- (a) The Company agrees that recall notification will be by registered mail. Any employee failing to report for duty within five **(5)** calendar days from the time of receipt of such notification, shall be considered to have resigned without notice.
- (b) On notification of recall the Company and employee will arrange a mutually acceptable return date within a one (1) week time frame.

ARTICLE 11 HOURS OF WORK

11.01 STORE HOURS

The Company reserves the right to schedule hours of operations, employees' hours of work, length of and time of shifts, rest

periods, lunch periods, and overtime work, subject to the provisions set out below.

11.02 OVERTIME

- (a) The normal work week for full-time flex employees shall consist of between twenty-eight (28) and forty (40) hours per week. The work week shall consist of up to five (5) days.
- (b) The normal work week for regular full-time employees shall consist of thirty-seven and one-half (37½) hours per week and the normal work day for such employees shall consist of seven and one-half (7½) hours per shift exclusive of an unpaid meal period. The work week shall consist of five (5) days.
- (c) Any hours worked in excess of eight (8) hours in a day and forty (40) hours in a week, but excluding from the calculation hours worked in excess of eight (8) hours in a day, shall be compensated at time and one-half (1½) the employee's regular straight time hourly rate. Any hours worked in excess of eleven (11) hours in a day and forty-eight (48) hours in a week, but excluding from the calculation hours worked in excess of eleven (11) hours in a day, shall be compensated at double (2x) the employee's regular straight time hourly rate.
- (d) Any grandfathered regular full-time or regular part-time employee shall be compensated at time and one-half (1½) the employee's regular straight time hourly rate hours worked in excess of seven and one-half (7 1/2) hours in a day and thirty-seven and one-half (37 1/2) hours in a week, but excluding from the calculation hours worked in excess of seven and one-half (7 1/2) hours in a day.
- (e) There shall be no duplication or pyramiding of hours worked for the purpose of computing overtime.

11.03 WEEK

For the purpose of this Article "**week**" means the period between midnight on Saturday and midnight on the following Saturday.

11.04 SHIFT HOURS

Four (4) hour shifts shall be the minimum shift in any one day.

11.05 LENGTH OF SHIFTS

- (a) The Company is obligated to schedule shifts in a department according to classifications, categories and by seniority. The Parties further agree that regular auxiliary, regular part-time, and regular full time and full-time flex employees may receive the same length of shift on any given day:
- (i) full-time flex employees could receive the longest shift, if business dictates it;
 - (ii) regular full time employees may receive the next longest shift, if business dictates that the full-time flex employees receive the longest shift;
 - (iii) regular part-time employees will receive the next longest shift;
 - (iv) auxiliary employees will receive the shortest shift available.
- (b) While the Company is entitled to schedule shifts of various lengths as provided for in this Agreement, it is agreed where additional work becomes available during the work schedule, senior employees will have their shift extended up to seven and one-half (7½) hours before any junior employees' hours are extended, subject to adequate coverage.
- (c) In the event of a reduction in the number of available hours in a schedule that has already been posted, employees will have their hours reduced in the order of reverse seniority, subject to adequate coverage.

11.06 ASSIGNMENT OF WEEKLY SCHEDULE OF SHIFTS BY SENIORITY

- (a) Within categories of employees, departments and classifications, the Company must offer and assign the weekly schedules of shifts

with the greatest number of hours to employees with the most seniority. For the purpose of this Article the following work areas are considered to be departments:

- (i) Ladies Wear and Lingerie;
- (ii) Jewellery and accessories;
- (iii) Shoes;
- (iv) Cosmetics (by cosmetic manufacturers' line);
- (v) Fragrances;
- (vi) Men's Wear;
- (vii) Central Cash, Children's Wear, and toys;
- (viii) Major Home Fashions;
- (ix) Gift Registry, China, Housewares, Seasonal and Linens;
- (x) Office;
- (xi) Shipping and receiving;
- (xii) Visual presentation;
- (xiii) In Store Marketing;
- (xiv) Early Morning Crew;
- (xv) Sales Support Team.

Nothing in this Article shall restrict the Company's right to require an employee to work in another department during the employee's shift.

- (b) In all departments listed, the 6th shift will be offered in department first, before going to Extra Shift Availability list.

(c) **Extra Shift Availability List**

Where an extra shift is available in a department and employees in the department are not available to work it, the Company shall follow the procedure set out below:

- (i) employees who are interested in extra shifts must sign the *Extra Shift Availability List* which will be kept in the office and posted in the staff lounge;
- (ii) only full-time flex, regular part-time employees and auxiliary employees (in that order), who have passed their

probationary period, are eligible for extra shifts pursuant to this provision;

- (iii) extra shifts worked pursuant to this provision shall not result in overtime rates being paid;
- (iv) consistent with efficiency of operation within each department and classification, the extra shift shall be offered to the most senior employee in the classification who has the qualifications and ability to do the work and who is on a scheduled day off; and
- (v) under no circumstances shall an extra shift be offered to an employee if it will result in that employee working more than thirty-seven and one-half (37½) hours in a week.

11.07 MEAL BREAKS AND REST PERIODS

- (a) Employees who work seven (7) hours or more per day shall receive one (1) hour unpaid meal period, and one (1) fifteen (15) minute paid rest periods in each completed half (2) shift.
- (b) Employees who work five (5) hours or more, but less than seven (7) hours per day, are entitled to one-half (1/2) hour or two (2) fifteen (15) minute paid rest periods.
- (c) Employees who work four (4) hours or more, but less than five (5) hours, shall receive one (1) fifteen (15) minute rest period.
- (d) The Company will schedule meal and rest periods as near as practicable to the midway point of the shift.
- (e) The Parties agree that the unpaid meal period time referred to above may be reduced to one-half (½) hour by mutual agreement of the employee and management.
- (f) Employees who are working scheduled overtime shall receive a paid 15 minute rest period during overtime between 1 and 2 hours and a paid 30 minute rest period during overtime of greater than 2 hours.

11.08 WORK SCHEDULES

- (a) A work schedule shall be posted on Sunday of the week prior to the schedule taking effect, for the information of all scheduled employees.

The work schedule shall contain the following information for each scheduled employee:

- (i) employee's name;
- (ii) days off; and
- (iii) starting and stopping times.

- (b) It is the Company's responsibility to keep the work schedule up to date and to ensure that any changes are clearly noted. It is the responsibility of every scheduled employee to check the posted work schedule for changes.

- (c) The Parties are agreed that once the schedule is posted there will be no changes with less than 48 hours notice except by mutual agreement of the Parties involved.

- (d) The employees agree there will be no switching or changing of shifts without the approval of their immediate supervisor and with the approval of the employees involved.

- (e) The Company shall endeavour to schedule full time employees for no more than five (5) consecutive days, except by mutual agreement between the employee and management.

11.09 The hours of work clauses are not to be construed as a guarantee of hours.

11.10 Auxiliary employees must be available to work two (2) shift per week, unless sick, on WCB, on approved vacation, or on approved leave of absence. Any auxiliary employee on the May 2004 seniority list whose availability is one shift per week as of that date will not be required to make herself available to work two shifts per week.

- 11.11** The employee must provide availability two (2) weeks prior to the Sunday of schedule posting, and further, be available for the shift assigned by seniority.

ARTICLE 12 PAID HOLIDAYS

- 12.01** The Company shall observe the following Statutory holidays:

New Years' Day	Good Friday
Victoria Day	Canada Day
B.C. Day	Labour Day
Remembrance Day	Thanksgiving Day
Christmas Day	Boxing Day

Regular full-time, full-time flex, and R.P.T. employees shall be entitled to one (1) floating holiday in each calendar year. This holiday will be taken at a time that is mutually acceptable.

12.02 ELIGIBILITY

Once an employee has worked for an Employer for thirty (30) calendar days, the employee is entitled to Statutory Holidays with pay.

12.03 STATUTORY HOLIDAY PAY

- (a) An employee with a regular schedule of hours who has worked at least fifteen (15) of the thirty (30) calendar days prior to a Statutory Holiday is entitled to a regular day's pay for the holiday.
- (b) An employee who has worked irregular hours on at least fifteen (15) of the thirty (30) days prior to a Statutory Holiday is entitled to an average day's pay for the holiday. This amount is calculated by dividing the employee's total wages, excluding overtime, earned in the thirty (30) days period by the number of days worked.
- (c) An employee who has worked fewer than fifteen (15) of the thirty (30) days prior to a Statutory Holiday is entitled to pro-rated Statutory Holiday pay. This amount is calculated by dividing the

employee's total wages, excluding overtime, earned in the thirty (30) days period by fifteen (15).

- (d) If an employee is on annual vacation, the employee's vacation days and vacation pay are counted as days worked and wages earned when calculating Statutory Holiday pay.

12.04 WORKING ON A STATUTORY HOLIDAY

An eligible employee who works on a Statutory Holiday must be paid time and a half (1.5x) for the first eleven (11) hours and double time (2x) after eleven (11) hours. The employee must also be given an alternate day off with pay within thirty (30) calendar days of the Statutory Holiday at a time mutually agreed by the employee and the Company.

- (i) An employee not eligible for the Statutory Holiday who works on the holiday may be paid as if it were a regular work day, and is not entitled to an alternate day off.

12.05 STATUTORY HOLIDAY ON A DAY OFF

Where a Statutory Holiday falls on a non-working day for an eligible employee, the employee must be given an alternate day off with pay. This day off must be scheduled and paid as outlined above.

ARTICLE 13 WAGE RATES

- 13.01 The Company agrees to pay and the Union agrees to accept the job classifications and compensation program set forth in Appendix "A" and the Bay Wage Ranges – Kamloops document which are attached to and form part of this Agreement.

13.02 TEMPORARY TRANSFERS

If the Company temporarily transfers an employee to a different job and the wage rate of the job is less than the wage rate of the employee's regular job, she shall be paid her regular wage rate during the period of such transfer. However, after an employee has been transferred to a position on more than three (3) occasions

where the wage rate is higher, the employee shall be paid the higher rate as defined in Article 9.02.

Further, experience gained while on a temporary transfer will not be used to assist any employee during the **job** posting process outlined in Article 9.

- 13.03** It is agreed that the Company has the right to create new job classifications, not specifically set out in the attached Appendix of this Agreement. In such circumstances, the Company will set a rate for that new classification and advise the Union. The Union and the Company will discuss the new classification and rate. If there is a disagreement between the Parties regarding the wage rate of the new job, the Store Manager and the Local Union President will meet to resolve the disagreement.

ARTICLE 14 ANNUAL VACATIONS

14.01 (Subject to the Letter of Understanding #8 in respect to Annual Vacation between the Parties).

- (a) All Regular employees (Regular Full-time, full-time flex and Regular Part-time) shall receive two (2) weeks vacation with pay after the completion of one year of regular service.
- (b) Employees with less than twelve (12) months are entitled to one (1) day of vacation with pay for each completed month of service to September 1st, **up** to a maximum often (10) days.
- (c) In the calendar year in which an employee's 4th anniversary of Regular service occurs and thereafter, an employee shall receive an additional week of vacation with pay - a total of three (3) weeks for Regular staff.
- (d) In the calendar year **in** which an employee's 10th anniversary of Regular service occurs and thereafter, an employee shall receive a further additional week's vacation with pay - a total of four (4) weeks for Regular staff.
- (e) In the calendar year in which an employee's 1st anniversary of Regular service occurs and thereafter, an employee shall receive a

further additional week's vacation with pay - a total of five **(5)** weeks for Regular staff.

- (f) In the calendar year in which an employee's 20th anniversary of Regular service occurs and thereafter, an employee shall receive a further additional week's vacation with pay - a total of six (6) weeks for Regular staff.
- (g) Auxiliary employees vacation entitlement will be as per Employment Standards — four percent **(4%)** vacation pay and six percent **(6%)** vacation pay after five **(5)** years of consecutive service.

14.02 VACATION SCHEDULING PREFERENCE BY SENIORITY

- (a) The Company has the right to schedule vacations, taking into account the operational requirements of the Company. Regular full-time, full-time flex, regular part-time and auxiliary employees have preference in respect to annual vacations within their department according to their seniority provided they file applications before March 1st of each year for vacations to be taken in that year. Employees will be granted vacation on a first-come, first-served basis for vacation in the months of January and February in each calendar year. Employees with less than two (2) weeks vacation entitlement must take their entitlement at one time. Employees with four **(4)** weeks or more vacation entitlement must take their entitlement in at least two **(2)** periods, no period being greater than three weeks. **An** employee must take at least one **(1)** week of vacation at any one time. In special circumstances and upon written request to the Regional Human Resources Manager, four **(4)** weeks of vacation may be scheduled; permission in this regard will not be unreasonably withheld.
- (b) Once vacations are approved they cannot be changed unless mutually agreed to by the employee(s) and management.

14.03 Auxiliary employees will receive any annual vacation pay to which they are entitled with their regular pay cheques for each pay period.

14.04 When an employee's service terminates and she has not had her annual vacation or received vacation pay, the Company shall pay to the employee, in addition to other monies due her, the appropriate percentage of vacation pay pursuant to Article 14.01 (a).

ARTICLE 15 LEAVE OF ABSENCE

15.01 GENERAL LEAVE

(a) Employees may be granted leaves of absence without pay for sufficient reason.

(b) An employee granted a leave of absence shall be considered having quit if she does not return to work on the date stated for return except in an emergency beyond the employee's control.

15.02 UNION LEAVE

(a) Upon ten (10) days notice in writing to the Company, an employee who has been elected or appointed by the Union to attend Union functions shall be granted a leave of absence without pay for this purpose. With the Company's permission, up to three (3) employees may be on leave at any one time. Such leaves are not to exceed one (1) week.

(b) The Company will grant one (1) employee leave of absence without pay for up to four (4) months per contract year to do work for the Union. During absence under this clause, an employee's seniority continues to accumulate. She will return to work at the job she left. It is further agreed that each calendar year's leave of absences will not run consecutively. An employee returning from a leave of absence under Article 15.02 (b) shall not be entitled to another leave of absence until she has worked in the store for a time equal to half (1/2) of her most recent leave of absence.

- (c) Leaves of absence without pay shall be granted to members of the Union selected by the Union to do negotiations with the Company.

15.03 BEREAVEMENT LEAVE

- (a) In the event of the death of a member of her immediate family, a regular full time, full-time flex or a regular part-time employee will be granted up to five **(5)** consecutive days leave of absence with pay commencing with the date of death and concluding with the day following the funeral. An employee may also request additional unpaid leave. Such requests will not be unreasonably denied.
- (b) In the event of the death of a member of her immediate family, an auxiliary employee will be granted a leave of absence with pay for scheduled shifts commencing with the date of death and concluding with the day following the funeral to a maximum of 3 shifts. An employee may also request additional unpaid leave. Such requests will not be unreasonably denied.
- (c) *“Immediate family”* shall be understood to include the employee’s mother, father, son, daughter, sister, sister-in-law, brother, brother-in-law, spouse, father-in-law, mother-in-law, grandparents, grandchildren, step-parents, stepchildren and foster-children. Common-law relationships, including same-sex relationships, will be recognized as above.

15.04 JURY OR WITNESS DUTY

An employee called to jury duty or subpoenaed as a witness (provided neither the employee nor the Parties to this Agreement are litigants) shall be paid for each day of service on which she was scheduled to work, the difference between her regular straight time rate and the payment she receives for service. The employee will present proof of service and of the amount of pay received.

15.05 MATERNITY AND PARENTAL LEAVES

Employees shall be granted all benefits contained in the Employment Standards Act, as amended from time to time, for maternity and parental leave.

15.06 FAMILY LEAVE

An employee is entitled to up to five (5) days of unpaid leave per employment year to meet responsibilities related to the care, health or education of any member of the employee's "*Immediate family*" means the spouse, child, parent guardian, sibling, grandchild or grandparent of an employee and any person who lives with the employee as a member of the employee's family.

ARTICLE 16 PROCEDURE FOR SETTLING DISPUTES

16.01 (a) The Parties agree that it is desirable that any complaints or grievances should be adjusted as quickly as possible. Employees are therefore urged to try to settle their complaints with their supervisor as soon after they originate as possible. An employee has no grievance until such time as she has brought the situation to the attention of her supervisor and the supervisor has had an opportunity to resolve it.

(b) The Company is willing to meet its employees, or their representatives, for the purpose of discussing grievances or complaints with the object of reaching a satisfactory solution. Such meetings shall be held at a mutually agreeable time. The time which is spent by employees during their regular working hours attending such meetings shall be considered to be time worked.

16.02 (a) If an alleged violation of this Agreement affects more than one (1) employee, the Union may sign and file the grievance on behalf of the employee(s) specifying the alleged violation of the Agreement and, if identifiable, specifying name and department. Such grievance shall be presented at Step 2.

(b) A grievance submitted by the Company or by the Union shall be in writing and shall be submitted at Step 3 within ten (10) days of the event giving rise to the grievance.

(c) Should a dispute arise between the Company and any employee regarding the application, operation, interpretation or alleged violation of this Agreement, including any question as to whether a

matter is arbitrable, an earnest effort shall be made to settle the dispute in the following manner:

Step One

Within ten **(10)** days after the alleged grievance has arisen, or within ten (10) days from the time the employee should reasonably have known of the occurrence of the event, the employee and her Shop Steward may present the grievance in writing to her sales manager. The sales manager shall reply in writing within three **(3)** days. Failing a satisfactory settlement, the employee may process the grievance to Step 2.

Step Two

Within five **(5)** days from the time settlement could have been made in the previous Step, the employee, accompanied by the Grievance Chairperson, may present the grievance in writing to the Assistant Store Manager. The Assistant Store Manager shall reply in writing within five **(5)** days of presentation of the grievance under Step 2. Failing a satisfactory settlement at this stage, the employee may process the grievance to Step 3.

Step Three

Within ten (10) days from the time settlement could have been made within the time limits of the previous Step, the Grievance Chairperson and/or Staff Representative or designates thereof, may take the matter up with the Store Manager and/or his designate. Prior to submission to the Manager, there shall be a written statement outlining the nature of the grievance, the remedy sought and the section or sections of the Agreement which are alleged to have been violated. The Manager shall reply in writing within five **(5)** days of the presentation of the grievance under Step 3. Failing a satisfactory settlement at this stage, the matter must be referred to arbitration within thirty **(30)** calendar days from the date settlement could have been made in Step 3.

- 16.03** Time limits may be extended by mutual agreement between the Company and the Union.
- 16.04** If either Party fails to act within any of the time limits, or within an agreed upon extension, it will be deemed that Party has abandoned its position and that the position of the other Party has been established, except in a case where the Union or the Company withdraws the grievance.
- 16.05 (a)** Any agreement between the Company and the Union shall be final and binding upon the Company, the Union and the employee(s) concerned.
- (b)** Answers shall be given in writing to the Union on a first, second and third stage grievance and shall be sent to the grievor, the Shop Steward involved and the Grievance Chairperson.
- 16.06** If it is not practical to follow the steps in the grievance procedure because some department may have no Company or Union representative or the Company or Union representative is not available, then by mutual consent the next step may be proceeded to.
- 16.07** The grievance procedure shall be carried out on the Company's property or at such other place or time as the Union and the Company shall mutually agree upon.
- 16.08** If it is necessary for a Shop Steward or other employee(s) to take time off during working hours in connection with a grievance, she must notify her supervisor and they must arrange a mutually satisfactory time. Time off shall not be unreasonably withheld.

ARTICLE 17 ARBITRATION

- 17.01** Either Party must within thirty (30) calendar days of the completion of Step 3 of the grievance procedure outlined in Article 16, notify the other Party in writing of its desire to submit to arbitration an unsettled grievance relating to the application, operation, interpretation or alleged violation of this Agreement, including any question as to whether the matter is arbitrable.
- 17.02 (a)** Should the Parties mutually agree to submit the matter to a single Arbitrator, then within seven (7) days following such notice, the Parties will agree upon a mutually acceptable single Arbitrator.
- (b)** Failing mutual agreement to refer the matter to a single Arbitrator, then, within ten (10) days the Parties shall appoint their respective nominees to the Board of Arbitration and they shall select a mutually acceptable Chair.
- 17.03** The Arbitrator or Arbitration Board shall hear and determine the difference or allegation and shall within a maximum of thirty (30) days following arbitration render a decision.
- 17.04** The Parties shall jointly bear the costs of the Chair. Each of the Parties shall bear the expenses of the respective nominees to the Board of Arbitration and any witnesses called by it. No costs of arbitration shall be awarded to or against either Party.
- 17.05** Arbitration procedures shall be expedited by the Parties.
- 17.06** At arbitration, the Parties may have the assistance of the employee(s) concerned and any necessary witnesses.
- 17.07** An Arbitrator or Arbitration Board named in accordance with this Article shall be governed by the provisions of this Agreement and, subject only to the provisions of Article 13, Sub-section 13.03 shall not have the right to add to, delete from, to change, or make any decision contrary to the provisions of this Agreement. The decision of the Arbitrator shall be final and binding on both Parties. Except as otherwise provided in this Agreement, no Arbitrator may award retroactively beyond thirty (30) days preceding the date of the written grievance.

ARTICLE 18 GENERAL PROVISIONS

18.01 The Company will consult at the local level with the Union in advance of eliminating or reducing any benefit or practice which currently applies to employees in the bargaining unit but is not specifically dealt with in this Collective Agreement. The Company will generally only take such action on a Company-wide basis and not just with respect to the particular employees in this bargaining unit.

18.02 DUTY TO ACCOMMODATE

The Company and the Union recognize that they have a duty to accommodate in accordance with the provisions of the Human Rights Act.

18.03 COMPANY RULES

The Company may make and alter reasonable workplace rules, to be observed by all employees. Changed rules shall be communicated to the Union and the employees prior to implementation.

18.04 HUMANITY FUND

For the purpose of international aid and development, the Company agrees to deduct on an annual basis on pay period twenty-six (26), the amount of one cent (\$0.01) per hour from the wages of all employees in the bargaining unit as of the date of the deduction, for all hours worked by that employee during the preceding year. The amount so deducted shall be payable to the *'Steelworkers Humanity Fund'* and forwarded to:

Steelworkers Humanity Fund
234 Eglinton Avenue E., 7th Floor
Toronto, Ontario
M4P 1K7

The Company shall also advise in writing both the Steelworkers Humanity Fund at the aforementioned address and the Local Union that such payment has been made, the amount of such payment and

the names of all employees in the bargaining unit on whose behalf such payment has been made.

It is understood and agreed that participation by any employee in the bargaining unit in the program of deductions set forth above may be discontinued by any employee in the bargaining unit after the receipt by the Company and the Local Union of that employee's written statement of her desire to discontinue such deductions from her pay which may be received during the four (4) weeks following ratification of the Agreement or at any time thereafter.

It is agreed that the total for each employee's yearly deduction will be entered in Box 46 (Charitable Contribution) of the Revenue Canada T4 slip for the year it has been deducted. For this purpose, the payroll department will note the following Charitable Donation number for the "Humanity Fund":
RI 19172278RR 0001.

18.05

TERMINATION PAY

1. A Notice Period (or Pay in Lieu of Notice) as per Employment Standards.
2. (a) For up to five (5) years of service: One (1) week of Termination Pay for every year of complete service.
 - (b) More than five (5) years of service:

Five (5) weeks for the first five (5) years of service, plus one point five (1.5) weeks per completed year of service for each subsequent year up to a maximum of thirty (30) weeks in total.

It is understood that an employee who receives Termination Pay will lose her seniority and her employment will be terminated for all purposes.

- 18.06 (a) Employees required to wear articles of clothing with the Company logo by the Company shall have such articles of clothing supplied and kept in good repair without cost to the employee. The store's uniform policy will be consistent with the Company policy across Canada.
- (b) It is agreed that employees in the Cosmetic department will be supplied uniforms by the Cosmetic Company when required at no cost to the employee. The Parties agree that employees will launder and maintain their uniforms. The Company will pay for any alterations when required.
- (c) Where an employee's personal clothing becomes soiled or damaged at work by circumstances beyond the control of the employee, the Company will be responsible for the cleaning, repair or replacement of the item.
- 18.07 No employee shall be asked to make a written or verbal agreement with the Company regarding hours of work, wages or working conditions contrary to the terms of this Agreement.
- 18.08 (a) **NOTICE REQUIRED**
- Employees are required to attend work regularly. When unable to attend the employee must contact her sales manager as far in advance as possible of her scheduled starting time, giving the reason she is unable to attend work, the date of her expected return, and the details as to where she can be contacted during her absence. **If** the employee cannot contact her sales manager, she must contact another Manager at the store prior to the employee's scheduled starting time. If the sales manager **or** another Manager is not available, the employee will leave a message **and** indicate where she can be contacted.
- (b) **REASONS FOR ABSENCE**
- An employee may be required by the Company to substantiate the reasons for any absence.

(c) MEDICALS

The Union acknowledges that the Company may require medical information about an employee in order to administer the Company's benefit plans for eligible employees, meet its duty to accommodate, and ensure that employees who are returning to work from illness or injury are fit to work safely.

In such cases, the Company reserves its right to require an employee to be examined by an independent medical expert. Medical information may be obtained by the Regional Human Resources Manager and will be treated as strictly confidential. The Kamloops Store Manager will receive a certificate from the medical expert indicating whether, and if possible, when an employee is fit to return to work and whether the employee has any restrictions on the return to work.

Any fee charged by the medical expert to which an employee is referred by the Regional Human Resources Manager will be paid by the Company and the employee will be reimbursed in these circumstances for any reasonable travel costs associated with attending at the office of such medical expert. It is understood that employees will not suffer any **loss** of wages arising from application of this clause.

18.09 BULLETIN BOARDS

The Company shall make available places in mutually agreeable locations for the purpose of posting notices regarding meetings and other similar Union matters. All such notices must be signed by a Union officer. A portable bulletin board may be used at the staff entrance before store opening on days that the Union wants to announce meetings. A copy of the Collective Agreement will be posted on the Union bulletin boards.

18.10 COLLECTIVE AGREEMENTS

The Company and the Union will jointly share the cost of printing the Collective Agreement subject to a maximum contribution by the Company **of** five hundred dollars (\$500.00).

18.11 EMPLOYEE RECORDS

- (a) When an employee receives discipline from the Company (defined as any written record of a verbal warning, written warning, record of suspension and/or termination), such record of discipline shall remain on the employee's record subject to the provisions of paragraph (b). The Company will have just cause before issuing any verbal warning, written warning, record of suspension and/or termination. The Union will receive a copy of the written record/letter of discipline.
- (b) Provided that the employee receives no discipline of a similar kind for a period of two (2) years, the disciplinary notations in the employee's record will be removed. Where an employee does not have a clean disciplinary record for a period of two (2) years, all disciplinary notations in the employee's record shall be considered relevant for the purposes of progressive discipline.

18.12 In the event the Company requires an employee to attend a meeting where discipline will be issued, the employee will be advised of the purpose of the meeting, and the employee can request a union representative to observe the meeting. Failure to comply with this provision shall not affect the validity of the discipline.

18.13 The Company agrees to recognize the Negotiating Committee of up to three (3) employees. Such committee members will be paid by the Company for all regular hours spent in negotiations up to seven and one-half (7 1/2) hours per day for a maximum of eight (8) days, unless the Parties mutually agree to additional days.

ARTICLE 19 INSURANCE BENEFITS

- 19.01** It is agreed that the application of the Company benefits shall continue in respect to the employees in conformity with their general application throughout the Company. While the application of such benefit plans may be the subject of a grievance, it is understood that the benefits plans are not part of the Collective Agreement, and are not themselves subject to the grievance procedure or arbitration.
- 19.02** The Company will ensure that each employee in the bargaining unit is provided an outline of the insurance benefits.
- 19.03** The Company will consult with the Union before introducing changes to the insurance benefit package.

ARTICLE 20 COMMISSIONSALES

- 20.01** Commission policies for the Kamloops Store, other than those fixed for the duration of this Collective Agreement by its terms, will be applied in conformity with their general application throughout the region.

Commission sales employees must abide by the guidelines established in the Commission Manual or Commission Manuals established by the Company for the region as a whole.

(a) Big Ticket Variable Commission:

Commission rates payable will be in accordance with the December 2000 modifications to The Bay Commission system including the new variable percentage commission program.

In keeping with the overall variable commission program, commission rates will not be reduced without a six (6) month notice period being provided.

The parties agree that the optimum complement of home fashion employees is 7 based on annual volume of \$2,500,000.

An additional full time home fashion employee may be added once volume reaches \$2,850,000 in any 12 month period and the total gross commission earnings earned on the new volume level exceeds the total gross commission earnings from the preceding 12 month period by \$18,000.

Going forward, the complement of home fashion employees may be increased by 1 every subsequent time volume increases by \$350,000 and total gross commission earnings exceed the total gross commission earnings from the preceding 12 month period by \$18,000. Additionally, a 9th ~~or~~ subsequent home fashion employee will not be hired until at least 12 months have elapsed since the most recent hiring.

The Company retains the discretion to staff the major home fashion area to optimum numbers. Before a new home fashion employee is hired the Company will provide the Union with a report showing the increase in sales volume and the change in gross commission earnings.

Any new home fashion employee who cannot match her draw during her probationary period may be dismissed before the conclusion of her probationary period for that reason or any other reason.

If the volume of sales drops by \$200,000 in a 12 month period, the Company will reduce the number of home fashion employees by 1 by way of reverse seniority. The number of home fashion employees will not drop below 7. Home fashion employees who are reduced due to a decline in sales volume will not be entitled to displace other employees pursuant to Article 10.01.

In the event of a major plan to expand existing business or to open new ones, the Company and the Union will meet to discuss the above requirements to reach a mutual agreement.

The Union and Company further agree that a business plan to add employees outside of these parameters will be examined on its own merits and in good faith.

(b) Cosmetic and Fragrance Departments:

Hourly rate plus three percent (3%), subject to Appendix B.

20.02 Details of the commission policies will be distributed by the Company to all employees affected.

20.03 The Company will consult with the Union at the local level in advance of making any changes in the current commission policies in the region.

20.04 Commission Sales Training

The Parties agree that it is important to ensure that employees in commission sales areas receive product knowledge training. Therefore the Company agrees to send employees to courses so that they are able to increase sales and their commissions.

The Parties further agree that employees will receive up to seven and one-half (7.5) hours for each day of training, and the Company will pay all costs associated with the training courses (hotel, travel, per diem, etc). The Company will determine which courses will be attended.

ARTICLE 21 TECHNOLOGICAL CHANGE

Where the Company intends to introduce new technological equipment that shall result in decreased staff hours or layoff, the matter shall be discussed with the Union in advance to review the implementation process and discuss any other implications.

ARTICLE 22 HARASSMENT INCLUDING SEXUAL OR RACIAL

22.01 The Company and the Union agree to subscribe to the principles of the Human Rights Act of British Columbia, which Act prohibits harassment in the form of discrimination because of race, colour, ancestry, place of origin, political belief, religion, marital status, family status, physical disability, mental disability, sex, sexual orientation, age or because that person has been convicted of a criminal or summary conviction offence that is unrelated to the employment or to the intended employment of that person.

- 22.02 The Company acknowledges its duty to provide a workplace which is free from all harassments including sexual and racial harassment. The Union will not tolerate or condone harassment of any kind whatsoever including sexual or racial harassment by any of its members.
- 22.03 The Company and the Union agree that retaliation or threats of retaliation against a person because that person complains or has complained or is named or was named in a complaint of harassment including sexual or racial harassment, gives evidence or otherwise assists in respect of a complaint constitute prohibited harassment.
- 22.04 An employee who complains of harassment including sexual or racial harassment by virtue of the alleged conduct of an employee within or outside of the bargaining unit will report such harassment to management and management will be provided a reasonable opportunity to have the matter resolved.
- 22.05 Where the complaint is not resolved by management to the satisfaction of the employee, the employee may refer the complaint to an outside investigator who will investigate the complaint, resolve it with the agreement of the affected employees or provide the Company and the Union with a report of the investigation.
- 22.06 This process is intended to be strictly confidential so far as permitted within the prescriptions of law and the requirements of due process.
- 22.07 An employee may seek the assistance of a Union representative during any part of the procedure.
- 22.08 If, in the investigator's opinion, the complaint is without merit or is not a properly grounded complaint pursuant to this Letter of Understanding, she may refuse to commence a formal investigation, or otherwise bring the complaint to a conclusion.

- 22.09** The investigation shall be completed within thirty **(30)** days following the commencement of the formal investigation stage. Once the investigation has been completed, the investigator's report will be discussed by the investigator with the complainant, the Union, the alleged harasser and the Company.
- 22.10** The investigator will submit a written report with any recommendations to the Company and the Union. The recommendations will not include discipline or discharge for anyone. With the exception of any proceedings external to the Collective Agreement, the investigator's report will not be referred to by either the Union ~~or~~ the Company.
- 22.11** The investigator agreed to by the Parties is Moira Francis.

APPENDIX "A"

1. On August 1, 2007 each employee shall have her wage rate adjusted pursuant to sections 2 and 3 of this Appendix (except major home fashion employees). Wage rates shall be adjusted each subsequent August 1 pursuant to sections 2 and 3 of this Appendix throughout the term of this Agreement (e.g. 2008,2009,2010).
2. In 2007 and 2008 all eligible employees will receive a 1.25% wage increase. In 2009 and 2010 all eligible employees will receive a 1.0% wage increase.
3.
 - (a) Each eligible employee's individual performance will be assessed and communicated to the employee prior to August 1 of each year;
 - (b) The Company's criteria to determine each employee's performance will be in accordance with the Company's Performance Achievement Review ("PAR") documents used in the spring of 2007. Those documents and criteria will not be changed over the term of this Agreement. No employee will be disciplined as a result of her Performance Achievement Review;
 - (c) An employee will be assessed at one of the performance rating levels identified in the Company's PAR process. For the term of this Agreement, the performance rating levels shall be as follows (in sequence from lowest rating to highest):
 - (i) Below Standard 1
 - (ii) Below Standard 2
 - (iii) Below Standard 3
 - (iv) Working Towards 1
 - (v) Working Towards 2
 - (vi) Working Towards 3
 - (vii) Meets Standard 1
 - (viii) Meets Standard 2
 - (ix) Meets Standard 3
 - (x) Exceeds Standard 1

- (xi) Exceeds Standard 2
 - (xii) Exceeds Standard 3
- (d) On August 1 of each year of this Collective Agreement, each employee will be eligible for a wage increase to her existing wage rate based on the results of her most recent **PAR** evaluation. The amount of the wage increase will be determined by her **PAR** rating. The percentage increase will be as follows:
- (i) Employees assessed as Working Towards 3 in 2007 and 2008 will receive a wage increase of 0.25%. Employees assessed as Working Towards 3 in 2009 and 2010 will receive a wage increase of 0.50%.
 - (ii) Employees assessed as Meets Standard 1 in 2007 and 2008 will receive a wage increase of 0.50%. Employees assessed as Meets Standard 1 in 2009 and 2010 will receive a wage increase of 0.75%.
 - (iii) Employees assessed as Meets Standard 2 in 2007 and 2008 will receive a wage increase of 0.75%. Employees assessed as Meets Standard 2 in 2009 and 2010 will receive a wage increase of 1.0%.
 - (iv) Employees assessed as Meets Standard 3 in 2007 and 2008 will receive a wage increase of 1.0%. Employees assessed as Meets Standard 3 in 2009 and 2010 will receive a wage increase of 1.25%.
 - (v) Employees assessed as Exceeds Standard 1 in 2007 and 2008 will receive a wage increase of 1.25%. Employees assessed as Exceeds Standard 1 in 2009 and 2010 will receive a wage increase of 1.50%.
 - (vi) Employees assessed as Exceeds Standard 2 in 2007 and 2008 will receive a wage increase of 1.50%. Employees assessed as Exceeds Standard 2 in 2009 and 2010 will receive a wage increase of 1.75%.
 - (vii) Employees assessed as Exceeds Standard 3 in 2007 and 2008 will receive a wage increase of 1.75%. Employees assessed as Exceeds Standard 3 in 2009 and 2010 will receive a wage increase of 2.0%.

4. The Company will provide the Local Union President with a list of all employees' performance achievement ratings after August 1 of each year of this Agreement. A copy of each employee's PAR evaluation will be kept on her personnel file.
5. An employee who disagrees with her assessed level of performance must advise the assistant store manager of the disagreement and the reasons for it in writing within 5 days of being advised of the results of PAR assessment. The assistant store manager will convene a meeting with the employee, and a shop steward if the employee requests one, to hear the employee's concerns. The assistant store manager will review the employee's PAR and either confirm or vary the assessment within 7 days of the meeting. If the assistant store manager varies the assessment the employee will receive the wage increase equivalent to the varied assessment.
6. The determination of an employee's wage rate in accordance with sections 3 and/or 5 of this Appendix is an exercise of a management right and shall not give rise to a difference or dispute between the parties or be the subject of a grievance for any reason unless it is alleged that the employee's assessment was arbitrary, discriminatory, or in bad faith and the employee's assessment dropped two (2) or more rating levels from the previous year. The review process set out in section 5 of this Appendix must have been completed before a grievance can be filed. Additionally, if in the administration of the compensation system the Company fails to assess the employee in a timely manner or fails to pay the employee in accordance with the assessment, then the employee may file a grievance pursuant to the provisions of the Collective Agreement.
7. An unqualified or inexperienced new employee will start at the minimum hiring rate for her position as set out in the attached Bay Wage Ranges-Kamloops document. Subject to the provisions of Article 8.08 of the Collective Agreement, the employee will be entitled to a one time wage increase, as follows:
 - (a) Before the end of her probationary period the employee will be assessed under the Company's 30-60-90 program for assessing probationary employees. If the employee receives a satisfactory assessment and will have continued employment at the end of her

probationary period, she will receive an end-of –probation wage increase of 4%.

- (b) New employees shall be eligible for the wage increase described in sections 2 and 3 of this Appendix on the August 1 in the calendar year after their date of hire.
- (c) A qualified or experienced new employee who is hired at a wage rate above the minimum hiring rate **is** not eligible for the end-of-probation wage increase unless her initial wage rate is within 4% of the minimum hiring rate. In those circumstances, the employee's wages will be topped **up** to the equivalent of the minimum hiring rate **plus** 4% at the end of her probationary period. The provisions of article 8.08 apply to qualified or experienced new employees. Such an employee will receive a PAR assessment before the end of her probation period, but the results of that assessment cannot form the basis of a wage increase unless the assessment is sufficiently close in time to August 1.
- (d) An employee who returns to work from an approved leave of absence which caused her to miss an annual assessment will have a PAR assessment done 3 months after her return to work. If eligible, that employee will receive a wage increase commensurate with her evaluation immediately after the PAR assessment, unless the assessment is sufficiently close in time to August 1, in which case she will receive her wage increase on August 1.
- (e) An employee who moves between positions pursuant to Articles 9 or 10 of the Collective Agreement shall have her wage rate in the new position determined by the ratio of her wage rate in the old position in relation to the Job Rate of her old position multiplied by the Job Rate of the new position. Job Rates are set out in the attached Bay Wage Ranges – Kamloops document.
- (f) Qualified employees who are scheduled as First Aid attendants will be paid a First Aid premium of \$0.40 per hour.



BAY WAGE RANGES - KAMLOOPS

Wage Group	Position Title	Job Code	Minimum Hiring Rate	Job Rate	Performance Maximum
1	General Worker (Non Cash Trained)	SA112	\$8.11		\$12.60
	Sales Associate (Non-Commission)	SA100	\$8.21	\$11.80	
	Beauty Advisor & Fragrance Consultants (Base +3% Commission)	SA103	\$8.21	\$11.80	
	Junior Clerical (Stock Auditor, Item Record Clerical)	BO190	\$8.21	\$11.80	
	Visual Presentation Helper	VM138	\$8.21	\$11.80	
	In Store Marketer	SA109	\$8.21	\$11.80	
	Dept. Stock Person	MM120	\$8.21	\$11.80	
	Dockhand/ Receiver Helper	MM125	\$8.21	\$11.80	
	Sales Support Team Associate	SA153	\$8.21	\$11.80	
2	Department Head (Non-Commission)	SA102	\$10.20	\$13.93	\$14.70
	Intermediate (Cash Off, Switchbd, Audit, Big Ticket)	BO191	\$8.42	\$13.00	
	Bridal Consultant	MC114	\$10.20	\$13.93	
	Visual Presentation I (Store Display)	VM140	\$9.32	\$13.73	
3	General (Human Resources Clerical)	BO192	\$9.63	\$14.29	\$15.75
	General (Basics Co-ordinator)	BO307	\$9.63	\$14.29	
	Sales Support Team Lead	SA159	\$9.63	\$14.29	

4	Visual PresentationII (VP Co-ordinator)	VM141	\$12.43	\$15.83	\$17.00
	Store Receiver	MM128	\$11.36	\$15.39	
	New Hire Commission Associate	SA107	Draw 9.03		
	Commission Associate (With 1 year on the job)	SA107	\$17.71		
<p><u>Note:</u> The maximum draw rate is equal to 150% of the Sales Associate job rate or 75% of the commission Associates previous year's earnings, whichever is lower.</p>					

APPENDIX “B”

1. Cosmetics and Fragrance employees will continue to be compensated at a base rate plus commission model, but a cosmetic employee will have the opportunity to advance to various levels provided she meets the criteria set out below, and the Company, in its sole discretion, determines that the individual is suitable for advancement, and that the economic strength of the store can support a cosmetic employee advancing to another level. When determining individual suitability, the process set out in Article 9.03 may be used.
2. Each line will have no more than 1 Counter Manager, and there may be no Counter Manager for a specific line.
3. If sales volume drops and as a result the Counter Manager does not meet the criteria for her level over 2 fiscal years, she will move down to the appropriate level.
4. If a counter with more than 1 line is split into more than 1 counter, the incumbent counter manager will stay at the same level if she retains responsibility for one of the new counters. A new counter manager may be appointed at the appropriate level based on the sales volume of the new counter.
5. The minimum hiring rate for a Counter Manager is \$8.64.

Beauty Advisor & Fragrance Consultants

The following is a non-exhaustive list of expectations:

- Provides exceptional customer service
- Reports to the designated counter manager and/or cosmetic sales manager
- Helps with the execution of special events, seasonal GWP, holiday programs, etc.
- Assists in maintaining counter image and merchandising standards
- Communicates to the counter manager any stock needs and concerns
- Attain the required key performance indicators (KPIs) and daily sales goal as outlined by each line

Counter Manager – Level D

- Manages a counter with one or more brands with a sales volume **up** to \$150,000
- Usually no supervisory responsibilities
- Counter responsibilities as outlined above
- Base salary same as Beauty Advisor/Fragrance Consultant

Counter Manager – Level C

- Manages a counter with a sales volume of \$150,000 to \$300,000
- May be required to oversee **up** to one FTE (could be one full time person or 2 part time/auxiliary)
- Responsibilities as outlined above
- Base salary shall include a 5% premium over what she would receive as a Beauty Advisor/Fragrance Consultant

Counter Manager – Level B

- Manages a counter with a volume of \$300,000 to \$500,000
- May be required to oversee **up** to two FTE (could be 2 full time or 1 full time and 1 or 2 part time/auxiliary)
- Responsibilities as outlined above
- Base salary shall include a 10% premium over what she would receive as a Beauty Advisor/Fragrance Consultant

Counter Manager – Level A

- Manages a counter with a sales volume of \$500,000 to \$1 million
- May be required to oversee **up** to three FTE (could be 3 full time or 1 or 2 full time and part time/auxiliary)
- Responsibilities as outlined above
- Base salary shall include a 15% premium over what she would receive as a Beauty Advisor/Fragrance Consultant

LETTER OF UNDERSTANDING #1

BETWEEN: THE GOVERNOR AND COMPANY OF ADVENTURERS
OF ENGLAND TRADING INTO HUDSON'S BAY
(*hereinaftercalled "the Company"*)

AND: UNITED STEEL, PAPER, AND FORESTRY, RUBBER,
MANUFACTURING, ENERGY, ALLIED INDUSTRIAL
AND SERVICE WORKERS INTERNATIONAL UNION,
LOCAL NO. 898
(*hereinaftercalled "the Union"*)

RE: SHOPPERS, MINI SHOPPERS AND ANY OTHER SUCH PERSON

The Parties agree that the use of internal and external Shoppers is beneficial to both the Company and the employees when their reports are not subject to abuse or misunderstanding.

Accordingly, it is agreed that Shoppers of any kind may be used to ensure customers services id assured. However, the oral or written Shopping Reports prepared by these people can only be used in an advisory capacity to promote improved customer service, and not for any disciplinary purposes whatsoever, except where a copy of any such Shoppers Report is provided to the Union within forty-eight (48) hours following the incident which is the subject of the said Shoppers Report in which case the oral and documentary evidence of these people can be adduced in evidence before an arbitrator with responsibility to adjudicate a matter where the oral or written Report of these people is relevant.

In witness whereof the Parties hereto have executed the Letter of Understanding on the ____ day of _____, **2007**.

SIGNED ON BEHALF OF

THE COMPANY

THE UNION

Al Avila

Randy Gatzka

Giles Fernando

Elizabeth Shymko

Cathleen Simpson

Barb Garras

LETTER OF UNDERSTANDING #2

BETWEEN: THE GOVERNOR AND COMPANY OF ADVENTURERS
OF ENGLAND TRADING INTO HUDSON'S BAY
(hereinaftercalled "the Company")

AND: UNITED STEEL, PAPER, AND FORESTRY, RUBBER,
MANUFACTURING, ENERGY, ALLIED INDUSTRIAL
AND SERVICE WORKERS INTERNATIONAL UNION,
LOCAL NO. 898
(hereinaftercalled "the Union")

RE: Transferred Staff

The Parties agree that for the purpose of this Agreement the seniority date for all employees will be their first day of hire.

For Bay staff that are transferred from other Bay stores or from Management, the Parties further agree that for seniority purposes they will be considered as new employees and their first day in the bargaining unit will be their first day worked for calculation of seniority.

The Parties also agree that benefits such as pensions and vacations may be carried from other Bay locations to the Kamloops store.

In witness whereof the Parties hereto have executed the Letter of Understanding on the ____ day of _____, 2007.

SIGNED ON BEHALF OF:

THE EMPLOYER

THE UNION

Al Avila

Randy Gatzka

Giles Fernando

Elizebeth Shymko

Cathleen Simpson

Barb Garras

LETTER OF UNDERSTANDING#3

BETWEEN: THE GOVERNOR AND COMPANY OF ADVENTURERS OF ENGLAND TRADING INTO HUDSON'S BAY
(hereinaftercalled "the Company")

AND: UNITED STEEL, PAPER, AND FORESTRY, RUBBER, MANUFACTURING, ENERGY, ALLIED INDUSTRIAL AND SERVICE WORKERS INTERNATIONAL UNION, LOCAL NO. 898
(hereinaftercalled "the Union")

RE: Commission Sales Deficit

This letter will serve to confirm the Company's commitment to forgive the deficit of any commission sales employee upon her termination of employment.

In witness whereof the Parties hereto have executed the Letter of Understanding on the ____ day of _____, **2007**.

SIGNED ON BEHALF OF:

THE EMPLOYER

THE UNION

Al Avila

Randy Gatzka

Giles Fernando

Elizebeth Shymko

Cathleen Simpson

Barb Garras

LETTER OF UNDERSTANDING #4*

BETWEEN: THE GOVERNOR AND COMPANY OF ADVENTURERS OF ENGLAND TRADING INTO HUDSON'S BAY
(hereinafter called "the Company")

AND: UNITED STEEL, PAPER, AND FORESTRY, RUBBER, MANUFACTURING, ENERGY, ALLIED INDUSTRIAL AND SERVICE WORKERS INTERNATIONAL UNION, LOCAL NO. 898
(hereinafter called "the Union")

RE: Management Making Sales In Commission Departments

This letter will confirm the commitment made at bargaining to ensure that an equitable system of distributing sales made by management personnel is instituted in the Kamloops Store.

The Parties agree to meet and resolve any problem associated with management making sales in commission areas.

In witness whereof the Parties hereto have executed the Letter of Understanding on the _____ day of _____, 2007.

SIGNED ON BEHALF OF:

THE EMPLOYER

THE UNION

AI Avila

Randy Gatzka

Giles Fernando

Elizebeth Shymko

Cathleen Simpson

Barb Garras

* Note – only renewed for the term of 2007 – 2011 agreement

LETTER OF UNDERSTANDING #5

BETWEEN: THE GOVERNOR AND COMPANY OF ADVENTURERS
OF ENGLAND TRADING INTO HUDSON'S BAY
(*hereinaftercalled "the Company"*)

AND: UNITED STEEL, PAPER, AND FORESTRY, RUBBER,
MANUFACTURING, ENERGY, ALLIED INDUSTRIAL
AND SERVICE WORKERS INTERNATIONAL UNION,
LOCAL NO. 898
(*hereinaftercalled "the Union"*)

RE: Annual Vacations

As part of the 1997-2000 Collective Agreement and enforceable, the Parties agree that those employees who were hired by the Bay prior to February 1, 1997, will receive their weekly vacation entitlement in accordance with the Annual Vacation provisions in the preceding Collective Agreement, to a maximum of four (4) weeks.

In addition, those employees who received four (4) weeks, five (5) weeks, or six (6) weeks in respect of Annual Vacation entitlement, on the date of execution of the 1997-2000 Agreement, will have their Annual Vacation entitlement frozen at that level, or at the level as per Company Policy, whichever is greater, or until such time as the Company Policy exceeds the frozen vacation level. **AT** that time employees will receive vacation entitlement **as** per the Company Policy.

Vacation pay for Regular Full-time and Regular Part-time employees who are at 4, 5, 6 weeks of vacation levels will be paid weekly based on the following:

Regular Full-time employees will be paid their weekly rate they are at, at the time of their vacation. Commission Associations will be paid their non-productive rate while on vacation (which is calculated on the previous calendar year's gross earnings).

Regular Part-time will be paid their weekly vacation entitlement which is based on the previous calendar year's gross earnings.

In witness whereof the Parties hereto have executed the Letter of Understanding on the ____ day of _____, 2007.

SIGNED ON BEHALF OF:

THE EMPLOYER

THE UNION

Al Avila

Randy Gatzka

Giles Fernando

Elizebeth Shymko

Cathleen Simpson

Barb Garras

GRANDFATHERED HOLIDAY ENTITLEMENT

FULL TIME STATUS

NAME	SEN. DATE M/D/Y	RPT/FT DATE M/D/Y	CUR. C.A.	BAY POLIC Y	GR. FATHE R WKS	NEXT HOL. INC.
BEN SPAGNUT	10/01/73	10/01/73	6	6	n	--
SHERRY BALOGH	13/15/74	09/01/74	WCB	--	--	--
ELIZEBETH SHYMKO	06/14/79	11/08/79	5	5	0	5-1999
NARINDER DHILLON	09/01/79	09/01/79	6	6	0	--
JOANNE PIAZZA	06/10/80	08/17/81	5	5	0	5-2001
LOIS WHITE	03/16/81	06/07/84	5	5	0	5-2001
MARILYN STRUTZ	06/15/81	06/15/81	5	5	0	5-2001
PAT OLSON	06/22/81	07/30/81	5	5	0	5-2001
GINA PAGNOTTA	07/13/81	01/10/94	5	5	0	5-2014
KAREN DEAN	09/28/87	09/28/87	LTD	--	--	--
STEVE BELL	08/25/96	02/13/91	3	3	0	4-2001 5-2006 5-2011

GRANDFATHERED HOLIDAY ENTITLEMENT

REGULAR PART TIME

NAME	SEN. DATE M/D/Y	RPT/FT DATE M/D/Y	CUR. C.A.	BAY POLIC Y	GR. FATHE R WKS	NEXT HOL. INC.
JOAN REILLY	09/01/76	06/01/78	6	6	--	
DONNA SHEA	11/19/79	09/26/88	5	4	1	6-2008
SUZY JOLY	06/15/81	05/22/88	5	4	1	6-2008
LYNDA FIC	06/15/81	10/03/88	5	4	1	6-2008
DIANA MARTENS	08/16/83	04/07/96	5	3	2	6-2016
GLORIA HRYCEWICH	02/04/85	06/01/86	4	4	0	5-2001 6-2006
RITA HODGE	09/04/85	01/12/86	4	4	0	5-2001 6-2006
FINA SIRIANNI	07/18/85	10/24/93	4	3	1	5-2008 6-2013
FAYE FOLK	11/28/85	06/12/89	4	3	1	5-2004 6-2009
BARB LUCIW	10/05/88	04/10/94	4	3	1	5-2009 6-2014
LAVON MCLEOD	04/08/89	04/08/89	3	3	0	4-1999 5-2004 6-2009
CATHY SIMPSON	08/29/89	04/28/90	3	3	0	4-1999 5-2005 6-2010
DEBRA BEBEK	10/10/89	11/28/99	3	3	0	4-1999 5-2014 6-2019
MARJORIE LEAVITT	10/27/89	09/09/90	3	3	0	4-1999 5-2005 6-2010

LEANNA KAZAKOFF	09/05/90	06/22/92	3	3	0	4-1999 5-2007 6-2012
JOANNE GRACE	08/24/93	02/02/97	3	3	0	4-2003 5-2012 6-2017
MAE ERICKSON	08/24/93	03/27/94	3	3	0	4-2003 5-2009 6-2014
CATHY PILE	07/29/94	11/28/99	3	2	1	4-2004 5-2014 6-2019

REGULAR PART TIME

	SEN. DATE M/D/Y	RPT/FT DATE M/D/Y	CUR. C.A.	BAY POLIC Y	GR. FATHE R WKS	NEXT HOL. INC.
BRIGITTA VOGEL	09/16/94	02/13/2005	4	4	0	3-1998 4-2004 5-2020 6-2025
MONIQUE ANDRES	08/24/95	04/05/98	2	2	0	3-1999 4-2005 5-2013 5-2018

GRANDFATHERED HOLIDAY ENTITLEMENT

AUXILIARY STATUS

NAME	SENIORITY DATE	CUR. VAC. PAY %	BAY POLICY	HOL. PAY % GRAND .	NEXT INC. GRAND
TAMME FOSSETT	07/06/81	10	6	10	N/A
JEAN SHEBLEY	07/20/81	10	6	10	N/A
JIM SMITH	10/19/85	8	6	8	N/A
KATHY RICHARDSON	12/03/88	6	6	6	8%-1998
LYNN ELLSAY	09/09/91	6	6	6	8%-2001
SHARON PHELPS	11/18/91	6	6	6	8%-2001
BARB SMITH	08/13/94	4	4	--	6%-1998 8%-2004
DEBORAH BIRD	09/14/94	4	4	--	6%-1998 8%-2004
DALJIT KANG	07/18/95	4	4	--	6%-1999 8%-2005
SHIRLEY THOMPSON	10/05/96	4	4	--	6%-2000 8%-2006

LETTER OF UNDERSTANDING #6

BETWEEN: THE GOVERNOR AND COMPANY OF ADVENTURERS
OF ENGLAND TRADING INTO HUDSON'S BAY
(*hereinaftercalled "the Company"*)

AND: UNITED STEEL, PAPER AND FORESTRY, RUBBER,
MANUFACTURING, ENERGY, ALLIED INDUSTRIAL
AND SERVICE WORKERS INTERNATIONAL UNION,
LOCAL No. 898 (*hereinaftercalled "the Union"*)

RE: Introduction of Full-Time Flex Scheduling

The parties have agreed to implement a new program for scheduling employees in the Kamloops store that addresses business needs throughout the year. This program is referred to as the "Full Time Flex Scheduling Program". This program will be implemented immediately upon ratification of the new collective agreement.

The Full-Time Flex Scheduling Program gives Regular Full Time employees at the Kamloops store, as of January 31, 2007 ("Current Regular Full Time Associates") the option to work 28.0 to 40.0 hours per week. In addition, the Regular Part Time (RPT) employment category will be eliminated. Cosmetic employees are not eligible to participate in the Full-Time Flex Program.

The Full-Time Flex Scheduling Program offers greater flexibility to schedule in a manner which is more reflective of business fluctuations that occur during the course of the year. It also helps to retain qualified employees. And finally, this program allows the Company to accommodate the request (from employees) to provide flexibility thus allowing a greater work life balance.

Full-Time Flex Scheduling Program Details

- *Voluntary* for Current Regular Full Time Employees
- Current Regular Full Time Employees will be given the option to:
 - a. remain at 37.5 hours per week
 - or
 - b. move to flexible hours per week (28.0 to 40.0 hours per week) [“Full-Time Flex”]
- Full-Time Flex Employees will have the option to work between 28.0 to 40.0 hours per week:
 - Flexible scheduling guarantees a minimum of 28.0 hours
 - hours vary weekly and will range from 28.0 to 40.0 hours per week
 - Hours will be based on the needs of the business
 - Hours will be scheduled over 4 to 5 days throughout the course of the year
 - Any employee who chooses to remain at 37.5 hours per week will be grandfathered as long as she is in her current position. Moving to a different position will cause employees to move to flexible scheduling.

New Job Posting

- Effective immediately after ratification, all new jobs will be posted as:
- Full time = Full-Time Flex (28.0 to 40.0 hours per week)

Elimination of RPT Positions

- RPT employees will be offered the option to move into a **full** time position if there is a vacancy available and is endorsed by their Manager, with the exception of the offers set out in Part 3 of this Letter of Understanding.

- In the event a future vacancy is created by the departure of an RPT department head; and the Company decides to post a full time flex position in Wage Group I; and after a competition, an RPT department head is the successful applicant, the RPT department head will keep the same wage rate.
- No future RPT positions will be posted
- All RPT employees will be grandfathered

Auxiliary Employee Maximum Hour Adjustment

- Currently auxiliary employees can work a maximum of 975 hours per year but this will change, auxiliary employees will be able to work from 0 to 27 hours per week
- Hours could be expanded during critical business timeframes (i.e. Christmas)

The Company will offer Full-Time Flex employment to the following RPT employees at their current wage rates upon ratification of the renewed collective agreement:

1. Ken Helin, Receiving
2. Gloria Hrycewich, Linens
3. Diana Martens, SST
4. Linda Fic, Jewellery
5. Joan Reilly, Office

If one of the employees listed above decline the offer, the Company will not offer the position to anyone else, nor will it introduce a Full-Time Flex position into that scheduling area unless there is a vacancy caused by the departure of an existing regular full-time or RPT employee.

In witness whereof the Parties hereto have executed the Letter of Understanding on the ____ day of _____, 2007.

THE COMPANY**THE UNION**

Al Avila

Randy Gatzka

Giles Fernando

Elizebeth Shymko

Cathleen Simpson

Barb Garras

LETTER OF COMMITMENT

BETWEEN: **THE GOVERNOR AND COMPANY OF ADVENTURERS
OF ENGLAND TRADING INTO HUDSON'S BAY**
(hereinafter called "the Company")

AND: **UNITED STEEL, PAPER AND FORESTRY, RUBBER,
MANUFACTURING, ENERGY, ALLIED INDUSTRIAL
AND SERVICE WORKERS INTERNATIONAL UNION,
LOCAL No. 898**
(hereinafter called "the Union")

RE: CONTRACTING OUT

This is to confirm that before any department or specific service is contracted out at the Kamloops Store, local management will consult with the Union a reasonable period in advance of the date on which the contracting out is to occur. The Company will provide the Union with its reasons for contracting out the specific department or service and will give consideration to any alternatives the Union may propose.

SIGNED ON BEHALF OF THE COMPANY:

AI Avila
General Manager
The Bay (Kamloops)

Date

LETTER OF ASSURANCE *

To: USWA Local #898
Sales Managers

From: **AI** Avila
Store Manager
Kamloops Bay

Re: Health and Safety Meetings

The Union has raised a concern about members of the Health and Safety Committee not being scheduled for meetings of the Committee.

I am writing to confirm that all Sales Managers should schedule all Employee Representatives for all Health and Safety Committee meetings.

I will advise you of the date of upcoming Committee meetings in advance so you can ensure that all members are scheduled on that date.

"AI Avila"

A small, square, light-colored stamp containing a handwritten signature in black ink. The signature appears to be 'AI Avila'.

* Note – only renewed for the term of 2007 – 2011 agreement