

SOURCE	Union		
EFF.	97	12	01
TERM.	01	11	30
No. OF EMPLOYEES	100		
NOMBRE D'EMPLOYÉS	AA		

COLLECTIVE AGREEMENT

BETWEEN

GRAND & TOY LIMITED

AND

UNITED FOOD & COMMERCIAL WORKERS LOCAL 1518

**DURATION OF AGREEMENT:
DECEMBER 1, 1997 TO NOVEMBER 30, 2000**

12/13(01)

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MEMORANDUM OF AGREEMENT made this 4TH day of SEPTEMBER, 1998.

BY AND BETWEEN: **GRAND & TOY LIMITED**, carrying on business in the Province of British Columbia.

(hereinafter referred to as the "Company")

AND: **UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL 1518**, chartered by the United Food and Commercial Workers International Union, A.F.L., C.I.O., C.L.C.

(hereinafter referred to as the "Union")

WHEREAS: The Company and the Union desire to establish and maintain conditions which will promote a harmonious relationship between the Company and the employees covered by the terms of this Agreement and desire to provide methods of fair and amicable adjustments of disputes which may arise between them;

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

Article 1 BARGAINING AGENCY

The Company recognizes the Union as the sole collective bargaining agency for all employees at and from the Company's-Vancouver Warehouse (**including the proposed new warehouse**) except sales, and office staffs, and all others excluded by the Labour Code of British Columbia.

Article 2 UNFAIR PRACTICES

2.01 No employee shall be discharged or discriminated **against** for any lawful Union activity or for serving on a Union **committee** outside of business hours or for reporting to the Union the violation of any provision of this Agreement.

2.02 It shall be the policy of the Company and the Union not to discriminate because of race, gender, creed, colour, age, religion, national **origin**, ancestry, or sexual orientation.

Article 3 UNION SECURITY AND DEDUCTION OF DUES

3.01 All employees covered by this Agreement who are members **in good standing** of the union in **accordance with** its Constitution and By-laws and all employees **who** become members, **shall as a** condition of employment maintain their membership in the Union in **good** standing.

The Company shall be free to hire new employees who are not members of the Union and such employees shall make application within ten (10) days after employment and become members within **thirty** (30) days.

- 3.02 The Company agrees to provide each new employee at the time of employment with a Union Membership Application form and a Dues Check-off Authorization form, both to be completed by ~~the~~ new employee. **Once** completed, said forms shall be forwarded by the Company to the Union **office**. The Union shall be responsible for furnishing the Company with an adequate supply of blank forms.
- 3.03 The Company **agrees** to provide each new employee at the time of employment **with** a form letter outlining to the employee their responsibility in regard to Union membership and to provide the Union in Writing with the **name** and address of each employee to whom they have presented the form letter, along with the employee's date of hire. The Union **shall** bear the expense of printing the letter, the contents of the letter to be such that it is acceptable to the Company. The Company **further agrees** to provide the Union **once** a month with a **list** containing names of all employees who have terminated their employment during the previous month.

The Company and the Union agree that the policy for determining an employee's date of hire will be as follows:

1. **Start date**
2. **Start time**
3. **Hire date**
4. **Hire time**

- 3.04 The Company agrees to deduct from the wages of each employee, upon proper authorization from the employee affected, such initiation fees, union dues, fines and assessments **as** are authorized by regular and proper vote of the membership of the Union. The Company **further** agrees to automatically deduct union dues from the wages of all new employees. The employee shall, within **thirty** (30) days after commencement of employment, provide the Company with **a** signed authorization for such deductions.
- 3.05 The Company agrees to make deductions in each calendar month for the then current month and to remit the aggregate of the **amounts so** deducted to the Secretary-Treasurer of the Union prior to the last day for the month following the month in which the deductions are made and the **Social** Insurance Number of each employee for whom the deductions were made and the amount of each deduction. The Company agrees to include dues deducted during the year on the employee's T4 slip.
- 3.06 The Union **agrees** to indemnify the Company for any fines, dues, initiation fees or assessments improperly deducted and remitted to the Union on instructions to the Company **from** the Union if such **fines**, dues, initiation fees or assessments are found to have **been** improperly deducted by a court **of** law or the Labour Relations Board.
- 3.07 Visits of Union Representatives: Duly authorized representatives of the Union **shall be** entitled to visit the workplace for the purpose of observing working conditions, interviewing members, signing unsigned employees, and to ensure that the terms of the Collective Agreement **are** being implemented.

The interview of **an** employee by a Union Representative shall be **permitted** after notifying the Branch Manager, or whoever is in charge, and shall be:

1. Carried on **in** an area in the workplace designated by management.

2. Held whenever possible during the lunch period; however, if this is not practical,
3. During regular working hours. Time taken for such an interview in excess of five (5) minutes shall not be on Company time, unless with the approval of management.
4. Held at such times that will not seriously disrupt operations.

Article 4 BASIC WORKWEEK, OVERTIME AND STATUTORY HOLIDAYS

- 4.01**
- a) The basic workweek for full time employees shall consist of forty (40) hours per week comprised of five (5) days, Monday to Friday of eight (8) hour days. This shall not, however, be construed as a guarantee of hours of work per day or per week or of days of work per week.
 - b) For the purposes of this Agreement, day shifts will start at or after 0500 and end no later than 1800. Afternoon shifts will start at or after 1200 and end no later than 2400. If midnight shifts are contemplated, they will end no later than 0800.
 - c) **Job classifications scheduled for both morning and afternoon shifts within the Order Filler Group and Checking Group shall rotate. The schedule posted every two (2) weeks will reflect this. It is understood that, depending on each individual employee's job classification, employees will not necessarily change shifts every two (2) weeks. Should the Company maintain two (2) afternoon shifts, rotation shall occur on the earlier afternoon shift only. Requests for permanent afternoon shift shall apply to the later afternoon shift only. The remaining groups shall maintain shift preference by seniority.**
 - d) If an employee voluntarily wishes to work straight afternoon shifts, they will be allowed to do this provided the Company has received this request in writing at least two (2) weeks prior to the start of the start date of the shift change. If they then wish to return to rotating shifts, they must then notify the company in writing at least two (2) weeks prior to the start date of the shift change.

4.02 The Company agrees that time and one half (1½) shall be paid for all time worked in excess of eight (8) hours per day, five (5) days per week or forty (40) hours per week, except:

- a) Overtime in excess of three (3) hours in any one (1) day shall be paid at double time.
- b) **Sunday Work: All** work performed on Sunday, unless part of an employee's regular work week, shall be paid at double time.
- c) **Statutory Holidays Worked:** All work performed on Statutory Holidays shall be paid at time and one half (1½) in addition to regular pay for that day. All work performed over eleven (11) hours in one day shall be paid at two (2) times regular pay in addition to regular pay for that day.
- d) Overtime hours in excess of eight (8) hours in any one week shall be paid at double time.

e) All overtime must have the prior approval of Management.

- 4.03** Overtime shall ~~be~~ voluntary ~~and~~ shall be allocated by shift seniority provided the employee has the requisite skill and ability. Overtime on Saturday or Sunday shall be ~~on~~ the basis of overall warehouse seniority provided the employee has the requisite ~~skill~~ and ability. In the event that insufficient numbers of employees volunteer, the Company will allocate overtime by reverse seniority.
- 4.04 Overtime pay shall be included on the pay cheque following the period during which overtime was worked.
- 4.05** The Company will schedule a fifteen **(15) minute** break each half ~~shift~~ and an unpaid lunch period of one half (½) hour ~~as~~ close to the middle of the ~~shift~~ ~~as~~ possible. ~~The meal~~ period may be extended to one (1) hour upon mutual agreement of all employees on the ~~shift~~ and the Company.
- 4.06** If ~~the~~ employee is required to work at least two (2) hours overtime at the end of ~~a~~ regular ~~shift~~, the employee required to work overtime shall be entitled to a fifteen **minute** break prior to the commencement of the overtime.
- 4.07** The Company **agrees** to continue the practice of allowing employees to leave work one hour prior to their regular quitting time ~~on~~ summer Fridays, without loss of pay, provided the employees agree to forgo one (1) fifteen **(15) minute** rest period and if work is completed.
- 4.08** When ~~an~~ employee is especially called back to work in case of ~~an~~ emergency outside their scheduled hours of work, ~~and~~ that employee is required to make ~~an~~ additional trip to ~~and~~ from work that day, they shall be through when the emergency is over, but shall be paid at the greater of (a) four **(4)** hours at their straight-time pay, or (b) for the time actually worked, at the overtime rate of pay.
- 4.09 Any employee who reports for work and who by reason of a breakdown or any other cause for which they are not responsible, are dismissed for the day, shall receive at least four **(4)** hours' pay ~~at~~ their applicable ~~rate~~ of pay.
- 4.10 Staff Meetings: Staff meetings and new product orientation sessions whether on or ~~off~~ the premises, shall ~~be~~ considered ~~as~~ time worked and paid for at the employees' applicable ~~rate~~.
- 4.11 The Company **agrees** to pay all eligible employees statutory holiday pay on each of the following statutory holidays:

~~New Year's~~ Day
Good Friday
Remembrance Day
Christmas Day
Canada Day

Labour Day
~~Thanksgiving~~ Day
Victoria Day
Boxing Day
B.C. Day

All employees shall receive holiday pay for the average number of hours in their normal work day provided that:

- i) the individual ~~has~~ been employed for a minimum of thirty (30) calendar days
 - ii) the employee ~~has~~ earned wages for a least fifteen (15) days during the thirty (30) calendar days immediately preceding the holiday.
- 4.12 If a paid statutory holiday falls on a Saturday, the Friday prior to the ~~statutory~~ holiday shall be observed ~~as~~ the holiday. If a paid statutory holiday falls on a Sunday, the Monday immediately following the Sunday shall be observed ~~as~~ the holiday.
- 4.13 If a paid holiday falls within the employee's vacation period, the Company shall allow the employee concerned a compensatory day's holiday with pay, one day prior to or one day after vacation.
- 4.14 The Company shall provide a time clock to enable employees to record their **own** time for payroll purposes. Employees shall record the time they **start** and finish work.
- 4.15 There shall be no pyramiding of overtime or other premiums provided for in ~~this~~ Agreement.
- 4.16 **Accommodation for Religious Minorities** Members of religious minorities shall have the right to absent themselves from working on their religious holidays. Whenever possible this shall be accomplished by using either a vacation day, or other day which is owed. When the employee has no such days owing them, then the day off may be without pay. These days (not to exceed two [2]) shall be subject to mutual agreement between the Company and the Union. A meeting shall be held in December of each year between representatives of the Company and the Union to allocate these days for the following year.

Article 5 ANNUAL VACATIONS

- 5.01 Any employee who, on the 31st day of March in each year has:
- a) completed less than one (1) year of continuous service with the Company shall receive vacation pay in accordance with the provisions of the Employment Standards Act.
 - b) completed one (1) year of continuous service but less than five (5) years of continuous service with the Company shall receive two (2) weeks' vacation per year with pay equal to four percent (4%) of the employee's earnings for the previous year.
 - c) completed five (5) years of continuous service but less than ten (10) years of continuous service with the Company shall receive three (3) weeks' ~~vacation~~ per year with pay equal to ~~six~~ percent (6%) of the employee's earnings for the previous year.
 - d) completed ten (10) years of continuous service but less than ~~sixteen~~ (16) years of continuous service with the Company shall receive four (4) weeks' vacation per year with pay equal to eight percent (8%) of the employee's **earnings** for the previous year.
 - e) ~~completed~~ sixteen (16) years of continuous service but less than ~~seventeen~~ (17) years of continuous service with the Company shall receive four (4) weeks plus one (1) days' vacation per year with pay equal **to** eight point four percent (8.4%) of the employee's earnings for the previous year,

- f) completed seventeen (17) years of continuous service but less than eighteen (18) years of continuous service with the Company shall receive four (4) weeks plus two (2) days' vacation per year with pay equal to eight point eight percent (8.8%) of the employee's earnings for the previous year.
- g) completed eighteen (18) years of continuous service but less than nineteen (19) years of continuous service with the Company shall receive four (4) weeks plus three (3) days' vacation per year with pay equal to nine point two (9.2%) of the employee's earnings for the previous year.
- h) completed nineteen (19) years of continuous service but less than twenty (20) years of continuous service with the Company shall receive four (4) weeks plus four (4) days' vacation per year with pay equal to nine point six percent (9.6%) of the employee's earnings for the previous year.
- i) completed twenty (20) years or more of continuous service with the Company shall receive five (5) weeks vacation per year with pay equal to ten percent (10%) of the employee's earnings for the previous year.
- j) in the employee's twenty-fifty (25th) year only, he shall be entitled to six (6) weeks' vacation with pay equal to twelve percent (12%) of the employee's earnings for the previous year.

5.02 Calculation of Vacation Pay: All employees shall receive pay on the basis of two percent (2%) of their earnings for the previous year for each week of vacation.

- 5.03 a) All employees shall become eligible for vacation on April 1st each year. Vacations must be taken in units of not less than one (1) week at a time designated by the employee between April 1st and March 31st inclusive, in each year.
- b) Vacations taken during the period of June 1 to August 31 inclusive shall be selected by Company seniority within each Operational Group (i.e.: Receiving, Order Filling, Checking and Furniture) as outlined in Appendix "C", subject to operational requirements, to a maximum of two (2) weeks. Once initial vacations have been selected, any unclaimed weeks will be made available by seniority.

5.04 The Company will post a vacation schedule on April 1st of each year, upon which employees shall indicate their desired vacation times. The selection of vacations shall be completed by no later than May 30th, with the allotted time signed for by both parties and a copy forwarded to the Chief Shop Steward. An employee may leave their vacation schedule open beyond March 31st, however, will lose seniority preference in their vacation selection. Any employee who has not indicated their desired vacation time on the vacation schedule by December 1st shall be subject to placement on the vacation schedule at a time assigned by Management.. Any conflict between employees with respect to scheduling vacation shall be dealt with as outlined in Article 5.05.

5.05 Seniority shall be the determining factor for establishing employee vacation periods. Employees with the greatest seniority shall have the right of choice in the event all employees desiring certain periods cannot be spared at one time.

5.06 In the event of an employee's employment terminating before the completion of a working year, such employee shall be paid, in lieu of vacations, **an** amount equal to the vacation **earned** in **accordance** with the scale outlined in 5.01 and 5.02 of **this** Agreement.

5.07 For vacation entitlement purposes only, an employee who returns to work following **an** absence covered by Workers' Compensation or Weekly Indemnity shall receive service credit for the period of absence, not to **exceed** 52 weeks, **as** if the employee had been at work. No credit shall be received for any period in which the employee would otherwise have been laid **off**.

Article 6 NOTICE REQUIRED OR PAY REQUIRED IN LIEU OF NOTICE IN CASES OF DISMISSAL

6.01 The Company agrees to pay severance pay according to the provisions of the Employment Standards Act in British Columbia.

6.02 The Company **shall** have no obligation to give notice or pay in lieu thereof where **an** employee resigns or is dismissed for serious misconduct.

Article 7 SENIORITY

7.01 Seniority List The Company shall furnish the Union with a seniority list showing length of continuous service with the Company for all employees. Such list shall be supplied to the Union twice annually, or when information is required to determine seniority in order **to** settle **a** disagreement,

7.02 Definition: Seniority shall mean length of continuous service with the Company at the warehouse **operation**. Length of continuous service or seniority **can** be lost and the employee deemed to be terminated if they:

- a) Voluntarily leaves the employ of the Company, or
- b) **Is** discharged and such discharge is not reversed by the grievance procedure, or
- c) **Is** absent without leave for a period greater than five (5) working days **without reasonable cause, or**
- d) After being laid-off by **the** Company, **fails** to report to work when recalled or cannot be located after **a** reasonable effort on the part of the Company. The method of contact by telephone, followed by a double registered letter **to** the employee **at** their last **known** address will constitute a reasonable effort on the part of the Company and **within three (3)** working days of receipt of such notice the employee fails to report for duty, or advise the Company **that they will return within five (5) working days, the Company shall be entitled to assume that the said employee has left the Company's service voluntarily..**
- e) Has been laid **off** for a period of twelve (12) months. **This** provision applies to employees hired after October 22, 1994.

7.03 Layoff and Recall: Seniority on a **total** bargaining unit basis, shall govern in case of layoff and recall. In the case of layoff, the principle of "last hired, first laid-off", shall apply. In the case of recall, the principle of "last laid-off, first recalled" shall apply, provided that the employee **has** the **skill** and ability to perform the work.

7.04 Reduction and Increase of Hours: Preference in available hours of work shall be given to **senior** employees provided they are available and **can** perform the work.

The Company shall not reduce the **weekly** hours of work of an employee for the purpose of replacing such hours with another employee at a lower hourly rate of pay.

Any disputes or disagreements arising from the interpretation or application of **this** clause shall be dealt with in accordance with the grievance procedure in **this** Agreement.

7.05 a) Probation: A new employee shall serve a probationary period of forty **(40)** working days. Depending upon the overall performance of the employee, the probationary period may be extended by twenty **(20)** working days. Upon successful completion of the probationary period, the employee shall be granted seniority status dating to their hire date with the Company..

b) It **is** agreed that a period of probation is a period during which the Company has the right to assess **an** employee to determine whether such employee is, in the opinion of the Company, acceptable for employment. It **is** therefore recognized that a probationary employee may be released at the sole discretion of the Company.

c) Job Posting: When job vacancies occur, the job **shall be** posted for five **(5)** working days. Such job shall be posted on the bulletin board by **12:00** noon. The applicant with the greatest seniority who has the **skill** and ability to **perform** the required work shall **be** awarded the vacancy. It shall be the responsibility of the Company to **see** that the successful applicant is trained in all facets of the new position.

Each job posting **shall indicate** the job classification by the operational groupings (i.e.: Receiving, Order Filling, Checking, Furniture and **Maintenance**) as outlined in Appendix "C", any regular cross-functional responsibilities, the hours of the shift and whether or not it rotates. The Company is to consult the Union on new job creation with regard to job description **and** wages.

i) If **the** successful applicant for **any posted** vacancy is **unsatisfactory** within the **first** thirty (30) days in the new position, the Company **shall** transfer that employee back **to** their previous position and fill the vacancy with the **next most** senior applicant with the **necessary** skill and ability to perform the **required** work.

ii) **During** their trial period, employees shall meet with their **immediate** supervisor on a regular basis for the purpose of reviewing their performance to date.

iii) The decision of the Company may be appealed through the grievance procedure.

- c) Temporary vacancies of not more than thirty (30) days shall be filled at the discretion of the Company.

Temporary vacancies of more than thirty (30) days shall be posted for all employees as a "Temporary Position" indicating the estimated duration of the vacancy and the name of the person who is absent. When the employee returns to work (in accordance with Article 7.02) they shall return to their previous position.

If the employee does not return (in accordance with Article 7.02), the position will then be posted as a regular vacancy.

- 7.06 The parties agree that the Distribution **Manager** will assign and control furniture installations. The installation crews may be composed of **staff** from all departments **and/or** people **from** outside the Company.

Article 8 MANAGEMENT'S RIGHTS

- 8.01 The Union recognizes **and** acknowledges that the management of the business and direction of the workforce are **fixed** exclusively with the Company and without restricting the generality of the foregoing, the Union acknowledges that it is the exclusive function of the Company to:
 - a) **maintain** order and efficiency;
 - b) hire, promote, demote, classify, transfer, suspend and rehire employees, and to discipline any employee for just cause provided that a claim by **an** employee **that** they have **been** discharged or disciplined without just cause may be the subject of a grievance dealt with elsewhere in this Agreement.
 - c) determine the nature and kind of business conducted by the Company, the methods and techniques of work, contents of jobs, the number of **employees** to be employed, the extension of operations or any part thereof, and to determine and exercise **all** other functions which shall remain with the Company except **as** specifically limited by the express provisions of this Agreement.

Article 9 LEAVE OF ABSENCE

- 9.01 The Company **shall** pay all non-probationary employees up to three (3) days at the employee's regular **straight** time hourly **rate** for all regular time lost in the event of the death of the employee's spouse, parents, siblings, children, grandparents, mother and father-in-law. Payment **shall** be **made** only to the extent of time lost while **making** arrangements for **and/or** attending the funeral. In the event **that** **additional** days unpaid leave is required, the Company will **accommodate** that leave wherever possible,
- 9.02 Any employee of the Company summoned to appear for jury duty, or subpoenaed by the Court **as** a witness, **shall** be paid wages amounting to the difference between the amount paid them for such service and the amount they would have earned, provided that they would have worked if they had not been on such duty.

- 9.03 (a) Maternity Leave: A pregnant employee shall be entitled to an unpaid Maternity Leave up to a maximum of eighteen (18) weeks, commencing at any time for eleven (11) weeks prior to the delivery date at the employee's request. The Maternity Leave must include a six (6) week period after delivery, unless supported by a certificate from a medical practitioner certifying that the employee may return to work.

The following conditions, and those conditions specified by the Employment Standards Act, shall apply to the Maternity Leave:

- i) The employee is to request the Leave at least four (4) weeks prior to the commencement of the Leave and a medical certificate may be required by the Company.
- ii) There shall be no loss in seniority.
- iii) Employee benefits will continue uninterrupted providing the usual Employee/Company cost sharing arrangements are applied. Employees returning to work after Maternity Leave shall not be required to requalify for benefit entitlement.
- iv) Employee is to be reinstated after completion of the Leave to a previous or comparable position with all wages and benefits in place as if the Leave had not been taken.

If the employee is unable to return to work for reasons related to the birth or termination of the pregnancy, as certified by a medical practitioner, a further six (6) weeks unpaid leave will be granted. The employee will provide, where possible a two (2) week notification to the Company for this six (6) week Leave.

- b) Parental Leave: An employee is entitled to a maximum of twelve (12) weeks unpaid Parental leave at the employee's request.

For the natural mother, this leave follows immediately after the Maternity Leave.

For the natural father, this leave is to be taken within the fifty-two (52) week period after the birth of the child.

For the adoptive mother or father, this leave is to be taken within the fifty-two (52) week period after the adoption date. If the child is ill, as supported by a medical certificate, or more than six (6) months old at adoption, then the employee may request and is entitled to an additional five (5) week unpaid leave.

The Conditions numbered (i) to (iv) under "Maternity Leave" above, and those other conditions in the Employment Standards Act, under Parental Leave, shall also apply to the Parental Leave.

The combined leaves of Maternity and Paternity Leave, shall also apply to the Parental Leave.

The combined leaves of Maternity and Paternity Leave will not exceed **thirty-two** (32) weeks.

- c) Optional Additional Leave (Unpaid Supplemental Leave): An employee, upon completion of the Maternity and Paternity Leaves **as** described in **9.04** a) and b), is entitled, upon a four **(4)** week advance notice, to receive **an** unpaid leave of absence. **This** leave is to be continuous **with** the Maternity and Paternity Leave.

Employees will not accrue any benefits while **they** are on an extension of the Maternity leave.

If an employee wishes to continue her eligibility for coverage for B.C. Medical Services Plan benefits, Extended Health and Group Life Insurance, the employee shall bear the full **cost** of the premiums during **this** leave. These premiums are **to** be paid monthly in advance. If **an** employee does not opt to continue these benefits then the employee is to sign a waiver to **this** effect and the three month qualification period shall apply upon the employee's return to work.

The **maximum** continuous period of Maternity Leave, Paternity Leave and **this** unpaid supplemental leave shall not exceed one year from the commencement date of the Maternity Leave.

- d) Notice Required for Maternity, Paternity and Supplemental Leave: It is understood and **agreed** that an employee can give notice of request of all leaves described in Article **9.04** a), b) and c) above at one time. Should the employee decide to return to work earlier **than** the **maximum** fifty-two **(52)** week leave, they shall be required **to** give four **(4)** weeks' notice of their intention to return to work.

9.04 Leave of Absence: The Company at its discretion may grant a Leave of Absence without pay to **an** employee for personal reasons. Such leave shall not be unreasonably withheld.

The following terms and conditions apply:

- 1) Written application for the leave shall be coordinated through the Company. Notification of the person going on leave shall be provided to the Company, Union and employee involved.
- 2) Seniority **shall** be the determining factor in scheduling the leave.
- 3) The **period** of time **off** will not count towards time worked for vacation entitlement.
- 4) One (1) month's notice of return to work must be given to the Company **unless** a return date has been established prior to leaving. **An** employee **failing** to return **from** a leave of absence at the prescribed date shall be deemed to be terminated.
- 5) During the **period** of such leave, the employee will be allowed to self pay their pre-leave benefits (both employee **and** Company) in advance by quarterly installments.

- 6) The employee acquires a leave of absence for one purpose and uses it for another, the leave shall be immediately cancelled and discipline up to **and** including dismissal may be considered.
 - 7) While **on** leave, the employee shall not take employment with any competitor in any related business. (Violation of **this** provision may result in termination.)
 - 8) It is understood **a** person on leave could be offered minimal part-time work with the Company without seniority or **rights** to such work, for duration of the leave.
- 9.05
- a) Leave of absence without pay to negotiate the renewal of **this Agreement** shall be *granted* upon request for up to three (3) employees who may be elected or appointed.
 - b) Employees who are elected or appointed to attend any function of ten (10) working days or less (per occasion) on behalf of the Union shall be granted a leave of absence without pay upon request. Approval of requests for leaves of absence for more than three (3) employees at the same time shall be subject to operational requirements.**
- The foregoing ten (10) working day limit shall not apply during Collective Agreement negotiations.**
- c) Employees on leave under paragraph (a) or (b) above shall continue to accumulate seniority for the period covered by **this** Agreement and upon their return to work shall be reinstated in the work performed prior **to** the leave **provided said work has not become redundant or in such case one of equal rating.**
 - d) Where an employee is selected to work **as** a Union Representative, he **shall** be granted a leave of absence for a period of one (1) year, provided ~~that~~ not more than one (1) employee shall be absent on said leave at any one time.

Article 10 WAGES AND CLASSIFICATION

- 10.01 Wages and classifications shall be in **accordance** with Schedule "A" which is attached. The Company agrees that any new classification or wage adjustment ~~that~~ may **become necessary** shall be covered by a supplement of **this Agreement**, which **shall** include any adjustments to the present wage **rates** made necessary by such new classifications. Additions or changes in work performed on a job, **shall** be the subject of collective bargaining between the Company and the Union.
- 10.02 **All** employees shall continue to be paid by direct deposit. **An itemized** computation of **an** employee's pay **shall** be shown on the employee's pay slip, showing hours worked **and rate** of pay per hour and all **deductions**. **An** itemized estimate of deductions from vacation **shall** be provided with the vacation pay slip.
- 10.03 a) **The** Company shall endeavour to make pay slips available to employees by noon every second Thursday, but in no case shall **said** pay slips be delayed any later ~~than~~ noon on the following Friday.

Direct deposits of **earnings shall** be completed by noon every **second** Friday.

- b) Employees shall be paid for all earnings in a pay period which shall commence on the Saturday immediately following each payday and ~~run~~ through the next fourteen (14) days up to and including the day on which wages are direct deposited on the employees' behalf.
- 10.04 If an employee substitutes on any job during the temporary absence of another employee, they shall receive where the job pays less, their former rate of pay. Where the job pays more, the rate applicable to the temporary job will be paid provided that they have worked one full ~~shift~~ on the temporary job.
- 10.05 Employees who lose their seniority for any reason and are rehired or retained in the Company's employ shall not lose the credit for their days of experience in computing their pay rates and shall not have their pay rates reduced unless a break of one year occurs in their service.
- 10.06 When an employee receives a classified rate, they shall, if permanently transferred to a lower ~~rated~~ job, continue to receive their classified rate for all hours paid on the ~~thirty~~ (30) days worked following such transfer, after which the lower rate shall be paid. When an employee is transferred to a lower ~~rated~~ job at their request, then the lower rate of pay will apply immediately.
- 10.07 a) Employees working regular shifts starting before the hour of ~~0500~~ or ending after 1800 shall receive fifty cents (50¢) per hour in addition to their regular hourly rate. Effective December 1, 1994, ~~fifty~~ cents (50¢) shall increase to sixty cents (60¢) per hour.
- b) Lead hand positions are to be posted and filled with the most senior person with the necessary skill and ability and shall be paid a premium of sixty cents (60¢) per hour in addition to their regular hourly rate of pay ~~as~~ outlined in Appendix A - Article 1.00. **Effective September 4, 1998, amend sixty cents (60¢) to read one dollar (\$1.00) one dollar.**
- c) It is agreed and understood that these premiums do not apply to overtime hours of work for the purpose of computing overtime rates of pay.

Article 11 SAFETY AND HEALTH

- 11.01 (a) The Company shall make reasonable provisions for the health and safety of employees during their hours of employment.
- (b) The Company agrees to comply with the requirements of Worker ~~Compensation~~ Board Industrial Health and Safety Regulations, First Aid Regulations and Occupational Environment Regulations.
- 11.02 **A** Safety Committee shall be maintained comprised of ~~three~~ (3) members designated by the Company ~~and three~~ (3) members elected or appointed by the **Union**. The Committee ~~shall~~ meet regularly ~~at~~ least ~~once~~ a month. **Any** member of the Committee may call a special meeting when they feel a situation exists that endangers the health or safety of employees. All decisions ~~made~~ at the Safety Committee meetings shall be put into effect immediately. A recording secretary who ~~has~~ been mutually ~~agreed~~ to by the members of the Committee ~~shall~~ keep formal minutes of these meetings and issue a copy to all members of the Committee.

- 11.03 The Company agrees to provide a footwear allowance of **sixty dollars (\$60.00)** each year (December **1** to November **30**) to employees with seniority.
- 11.04 The Company **agrees** that when a W.C.B. inspector arrives at the warehouse for the purposes of an inspection Visit or attending to the investigation of **an** accident a Union ~~safety committee~~ member shall be **informed** and given the opportunity to meet ~~with~~ the **inspector**, for the duration of the warehouse tour.
- 11.05 Employees designated by the Company who successfully complete an Industrial First Aid course **shall** be given a premium of ten dollars (\$10.00) per week. The Company **shall** pay for the **cost** of enrollment **and** compensate the employee to **a maximum** of eight (8) hours per day ~~at~~ their regular hourly rate while attending the course. Effective September **4, 1998**, amend premium to twenty dollars (**\$20.00**) per week.

Article **12** GRIEVANCE PROCEDURE

- 12.01 Any complaint, disagreement or difference of opinion between the parties hereto concerning the **interpretation**, operation or **any** alleged violation of the terms and provisions of **this** Agreement shall be considered a grievance.
- 12.02 Union Stewards shall be elected or appointed by the Union in a manner determined **by** them and the Company shall be kept informed by the Union of the names of the Stewards. The maximum number of Stewards shall be **as** presently in effect subject to change by mutual agreement.
- 12.03 Stewards will be allowed reasonable time **off**, upon receiving permission from their immediate supervisor, to attend to normal functions **connected** with the presentation of employees' complaints or grievances and with the routine administration of **this** Agreement.
- 12.04 The Parties agree that the purpose of the Grievance Procedure is to identify and seek to resolve grievances **as** quickly as possible and that there shall be no work stoppages during the term of the Collective Agreement. Any grievance should **be** submitted to the Company **within fifteen (15)** working days of the occurrence giving rise to the grievance, or knowledge of the occurrence.
- 12.05 The Parties further agree that they **will seek** through consultation to avoid situations that may **result in** grievances and to resolve **as many as** possible at Step One of the following Grievance Procedure:

STEP ONE: **An** employee having a grievance shall inform their Shop Steward of the grievance and request a Step One meeting **as soon as** possible. In a meeting with the Supervisor, the Shop Steward and employee shall **identify orally** the facts and Agreement **sections** involved and what remedy is sought to resolve **the** grievance. The Supervisor **shall** respond orally **as soon as** possible, either granting or denying the grievance.

Union Policy Grievances or grievances involving disciplinary suspensions or terminations shall be initiated at Step Two.

STEP TWO: If the grievance is denied at Step One, the Chief Shop Steward may submit the grievance in writing to the Supervisor. This shall be done **as soon as possible**. The written grievance shall identify the facts and Agreement sections involved and what remedy is sought to resolve the grievance. The Distribution Manager shall respond orally **as soon as possible**, either granting or denying the grievance.

STEP THREE: If the grievance is denied **at** Step Two, the Chief Shop Steward may notify the Distribution Manager in writing that the Union Grievance Committee requires a meeting with the Management Grievance Committee **to** discuss the grievance **as soon as possible**. The Union Grievance Committee shall include the Union Business Representative and the Management Grievance Committee shall include the Branch Manager. The Grievance **Committees** shall meet **as soon as possible** and **seek** to resolve the grievance. Grievance resolutions reached at this step shall be put in writing.

STEP FOUR If satisfactory settlement cannot be reached (or if the Party on whom the grievance has been served fails to meet the other Party) within fourteen **(14)** days after the receipt of the written **grievance** (Step Two), either Party may notify the other in **writing**, requiring submission of the grievance to Arbitration. The time limits contained herein may be extended by mutual agreement.

12.06 The parties by mutual agreement may invoke Section **103** of the British Columbia Industrial Relations Act to facilitate the settling of grievances. Section **103** of the Act states **as follows**:

"If a Collective Agreement contains the following provision:

If a difference arises between the parties relating to the dismissal, discipline or suspension of an employee, or to the interpretation, application, operation or alleged violation of **this** Agreement, including any question **as to** whether a matter is arbitrable, during the **term** of the Collective Agreement, _____ or a substitute **agreed** to by the parties, shall at the request of either party

- (a) investigate **the** difference;
- (b) define the issue in the difference; and
- (c) make written recommendations to resolve the difference **within** five **(5)** days of the date of receipt of the request; and for those five **(5)** days **from that date**, time does not **run** in respect of the grievance procedure.

The Minister of Finance, on the **Minister's** requisition, shall pay out of the consolidated revenue **fund** one third **(1/3)** of the **cost** incurred by the parties for payment of reasonable enumeration, traveling and out of pocket expenses of the person **named** or their substitute."

12.07 The parties **shall** have the option of referring a grievance to a Grievance Commissioner, **as follows**:

- (a) The Company and the Union **may** agree in writing to the appointment of a person or persons **as a** single arbitrator to be **known as a** Grievance Commissioner hereunder. A Grievance Commissioner (where more than one, acting in rotation) will set aside each

month such time **as** may be requested by the Company and the Union to consider and determine grievances referred to him hereunder for final and binding arbitration. The Grievance Commissioner shall have the same powers and be subject to the same limitations **as** a board of arbitration hereunder save and except **as** expressly provided herein;

- (b) Through the Grievance Commissioner, the parties desire the expeditious means for the effective disposition of grievances which the parties have agreed may be handled in **a** summary manner. The rules governing the **summary** proceedings of the Grievance Commissioner are set out in the Schedule hereto;
- (c) The decision of the Grievance Commissioner shall be binding if mutually agreed by the parties and will only be applicable to the case in question and shall not constitute a precedent nor be used by either party **as** a precedent in future cases. Notwithstanding anything contained in **this** Agreement, the decision of the Grievance Commissioner **shall**:
 - (1) be consistent with the provisions of **this** Agreement.
 - (2) be confined to the grievance/matter before **him**;
- (d) The Union and the Company shall each be responsible for one half of the expenses of and fees payable to the Grievance Commissioner.

12.08 Grievances that are processed to arbitration shall be dealt with by a sole arbitrator, within thirty (30) days of the notice to proceed to arbitration having been received by the Company. The time limits contained herein may be extended by mutual agreement between the Company and the Union.

In reaching their decision, the Arbitrator shall be governed by the provisions of **this** Agreement. The Arbitrator shall not be vested with the power to change, **modify** or alter **this** Agreement in any of its parts but may, however, interpret its provisions. The expense of the Arbitrator shall be borne equally by the Company and the Union unless otherwise provided by law.

The findings and decision of the Arbitrator shall be binding and enforceable on the parties.

The Arbitrator shall be mutually **agreed** to by the parties.

Article 13 NEGOTIATED BENEFITS

13.01 The Company **shall** make available for **each** eligible employee a negotiated benefit program pursuant to the **terms** and conditions of Appendix "B" attached hereto and **made** a part hereof.


13.02 **The Company shall continue with its policy of paying each employee who has completed their probationary period three (3) sick days per year. Effective January 1, 1999, five (5) sick days per year.**

- 13.03 For employees who complete their probationary period, the Company agrees to pay one hundred percent **(100%)** of the premium cost of the B.C. Medical Plan for employee and dependent coverage.
- 13.04 Dental Plan: The Company agrees to contribute to the UFCW Dental Plan on the following basis. Twenty-nine cents **(29¢)** per hour for all regular hours paid on behalf of employees who have completed the probation period. Effective December 1, 1998, thirty-three cents **(33¢)** per hour. Effective December 1, 1999, thirty-six cents **(36¢)** per hour.
- 13.05 Pension Plan: The Company agrees to contribute on behalf of employees who have completed their probationary period towards a compulsory pension plan to be determined by the Union in the following amount: Effective December 1, 1996, twenty-nine cents **(29¢)** for all straight time hours paid. Effective September 4, 1998, forty-three cents **(43¢)**. Effective December 1, 1998, forty-eight cents **(48¢)**. Effective December 1, 1999, fifty-three cents **(53¢)**.

Former Williams & Mackie employees' pension contributions will remain unchanged at fifty-three cents **(53¢)** per hour.

Article 14 MISCELLANEOUS

- 14.01 Employee's Personal File: Subject to giving the Company advance notice, employees shall have **access** to their personal file up to twice per year. The employee may be accompanied, to view this file, by their Union Steward or Business Agent. The time spent viewing the file will be the employee's own time.
- 14.02 Bulletin Boards: The Company shall allow the Union to install a maximum of two (2) bulletin boards for the use of the Union at the appropriate locations in the warehouse upon which the Union **shall** have the right to post notices relating to matters of interest to the Union and the employees.
- 14.03 General Orientation: The Company agrees to provide a Union Representative no more than thirty (30) minutes **as** a general orientation period for the familiarization of the employees in the bargaining unit with the general conditions and responsibilities with respect to **this** collective agreement and to the Union.
- 14.04 Union Decal: The Company agrees that during the term of **this** Agreement it will permit the Union to supply and hang its union decal. Such decal shall be displayed in **a** prominent position on the bulletin board.
- 14.05 **An** employee injured while working in the plant shall suffer no loss of **earnings** for the balance of hours in the scheduled **shift** in which the accident occurs, if, **as** a result of such injury they are sent home or to the hospital or for medical attention on instructions from the first aid attendant or by **a** representative of the Company.
- 14.06 **An** employee shall be given **a** copy of any document placed on the employee's file which might be the basis of disciplinary action. Should an employee dispute any such entry in their file they shall be entitled to recourse through the grievance procedure and the eventual resolution thereof shall become part of their personnel record. Any document relating to the disciplinary action, other than formal employee appraisals, shall be removed from the



employee's file after the expiration of twelve **(12)** months from the date it was issued provided there has not been any further infraction. The Company agrees not to introduce **as** evidence **in** any hearing any document from the file of **an** employee, the existence of which the employee **was** not aware of at the time of **filing**. When such notice is **sent** to any employee, a copy thereof shall be sent to the Chief Shop Steward. The above is subject to the right of the Union to grieve.

- 14.07 All employees covered by **this** Agreement shall have the right to refuse to cross legal picket lines. However, in the event that employees are confronted by picket lines which block their entry to the Company and does not involve a dispute with the Company, the employees shall telephone the Company and the Union immediately for instructions.
- 14.08 Effective upon ~~ratification~~ of **this** Agreement, the Company agrees to contribute **two cents (2¢)** for every hour worked by members of the bargaining unit toward the U.F.C.W. Education and Training Development Fund. This amount shall increase to three cents **(3¢)** per hour on April 1, 1992.
- 14.09 **Drug and Alcohol Rehabilitation Program:** **The** Company and ~~the~~ Union recognize ~~that~~ drug and alcohol abuse **can** have serious negative impact on both the Company and the employee. The parties mutually agree to co-operate in resolving problems with drug and alcohol abuse with a view towards rehabilitating employees suffering from such abuse.
- 14.10 During the life of **this** Agreement, the Union agrees that there shall be no strikes, walkouts, slowdowns or work stoppages for any reason whatsoever. The Company also agrees that it shall not lockout its employees. It is further agreed that any disputes shall be resolved through the grievance procedure.
- 14.11 Jurisdiction: Only members of the bargaining unit may perform work in any area of the warehouse except for work resulting from an emergency or unforeseen circumstances, subject to the following:
- 1) Management shall make every reasonable effort to restrict salesmen from **performing** bargaining unit work in the warehouse **except** during inventory functions. Non Bargaining Unit employees may be utilized on inventory providing all members of the Bargaining Unit have been afforded the opportunity to perform such work. **It is** agreed that management and selected office staff, along **with** some senior members of the Bargaining Unit, will participate in the ~~financial~~ verification process immediately following the taking of the inventory.
 - 2) Persons authorized by the Company may operate fork lifts to perform non Bargaining Unit work.
 - 3) Management and service counter personnel may ~~perform~~ work in **the** warehouse if necessary to provide **immediate** service to a customer.

Article 15 EXPIRATION AND **RENEWAL**

- 15.01 **This** Agreement shall be for the period from and including December 1, 1997 to and including November 30, 2000 and from **year** to year thereafter, subject to the right of either party **to** the

Agreement, within four (4) months immediately **preceding** or any subsequent anniversary date thereafter to:

- (a) terminate this Agreement in writing, effective **November 30, 2000** or any subsequent anniversary thereof,
- (b) require the other party to this Agreement, in writing, to commence collective **bargaining** to conclude a revision or renewal of **this** Agreement.


Should either party give notice pursuant to (b) above, **this** Agreement **shall** thereafter continue in **full** force and effect and neither party **shall** make any change in the **terms** of the said Agreement, or increase or decrease the rate of pay of any employee for whom collective bargaining is being conducted, or alter any other term or condition of employment until:

- (1) The Union upon commencement of lawful strike in compliance with the Labour Code of British Columbia, or
- (2) The Company upon commencement of lawful lockout in compliance with the Labour Code of British Columbia.


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


SIGNED THIS 11th DAY OF SEPTEMBER, 1998.

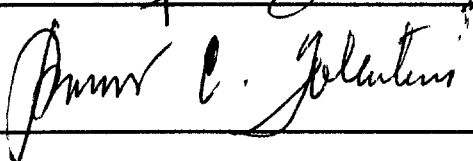
FOR THE UNION:
UNITED FOOD & COMMERCIAL WORKERS.
LOCAL 1518



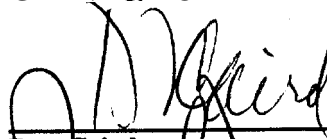
Ross Bremner
Executive Vice President







FOR THE COMPANY:
GRAND & TOY LIMITED



Dan Caird
Director, Human Resources





APPENDIX A

WAGES

<i>Rate at:</i>	<i>Dec. 1/97</i>	<i>Dec. 1/98</i>	<i>Dec 1/99</i>
3 months	\$11.10	\$11.40	\$11.70
6 months	\$11.55	\$11.85	\$12.15
9 months	\$11.89	\$12.19	\$12.49
12 months	\$12.25	\$12.55	\$12.85
15 months	\$12.60	\$12.90	\$13.20
18 months	\$12.97	\$13.27	\$13.57
21 months	\$13.43	\$13.73	\$14.03
24 months	\$14.30	\$14.60	\$14.90

LETTER OF UNDERSTANDING

BETWEEN
GRAND & TOY LIMITED
(the "Company")

AND

UNITED FOOD AND COMMERCIAL WORKERS, LOCAL 1518
(the "Union")

Re: Appendix A - Wave Rates

The Parties agree to phase out the following rates: \$14.11, \$14.55, \$15.86. Continuation of any of these rates shall be on **an** incumbent-only basis.

Such phasing out of these rates shall be accomplished **as** follows:

Re: \$14.11

Incumbents currently at this rate shall receive **an** increase of 19-cents per hour retroactive to December 1, 1997, such that their hourly rate is adjusted to \$14.30. They shall **also** receive a lump sum retroactive payment at the rate of 11-cents per hour for hours worked and/or paid for the period December 1, 1997 to May 31, 1998. They shall receive a further payment at the rate of 11-cents per hour for hours worked and/or paid for the period June 1, 1998 to November 30, 1998.

Re: \$14.55

Incumbents currently at this rate shall have their rate frozen at \$14.55 for the first year of the agreement. They shall **also** receive a lump sum retroactive payment at the rate of 30-cents per hour for hours worked and/or paid for the period December 1, 1997 to May 31, 1998. They shall receive a further payment at the rate of 30-cents per hour for hours worked and/or paid for the period June 1, 1998 to November 30, 1998.

Effective December 1, 1998, a wage increase of 5-cents per hour shall apply, such that their hourly rate is adjusted to \$14.60. They shall also receive a lump sum payment at the rate of 55-cents per hour for hours worked and/or paid for the period December 1, 1998 to May 31, 1999. They shall receive a further payment at the rate of 55-cents per hour for hours worked and/or paid for the period June 1, 1999 to November 30, 1999.

Re: \$15.86

Incumbents currently at this rate shall have their rate frozen at \$15.86 for the duration of the Agreement. They shall also receive lump sum payments at the rates set out below for hours worked and/or paid **as** follows:

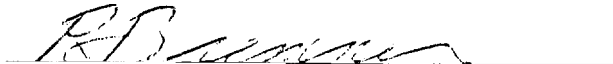
- For the period December 1997 to May 31, 1998 (retroactive), and for the period June 1, 1998 to November 30, 1998, at 30-cents per hour

- For the period December 1, 1998 to May 31, 1999, **and** for the period June 1, 1999 to November 30, 1999, at 60-cents per hour
- For the period December 1, 1999 to May 31, 2000, **and** for the period June 1, 2000 to November 30, 2000, at 90-cents per hour.


Except for retroactive payments, all lump-sum payments referred to above shall be paid at the end of the **six (6)** month period **to** which they apply, and will be paid separately from the normal payroll deposit.


SIGNED THIS 11th DAY OF SEPTEMBER, 1998.

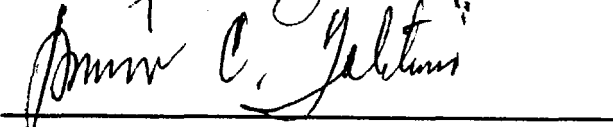
FOR THE UNION:
UNITED FOOD & COMMERCIAL WORKERS ,
LOCAL 1518



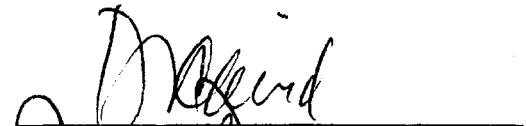
Ross Bremner
 Executive Vice President



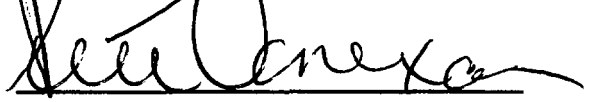




FOR THE COMPANY :
GRAND & TOY LIMITED



Dan Caird
Director, Human Resources





APPENDIX C

LIST OF OPERATIONAL GROUPS AND JOB CLASSIFICATIONS

1. RECEIVER GROUP

- Receiver I/Forklift
- Receiver II/Forklift
- Specials
- Stock Control
- R.G.O.

2. ORDER JI GROUP

- Shipper (Out of Town)
- Order Picker
- Replenisher/Forklift
- Bunking
- Control Desk

3. CHECKING GROUP

- Checkers
- Heat Tunnel
- Bagger (Hand Wrap)

4. FURNITURE GROUP

- Service Person/Forklift
- Furniture Warehouseperson I/Forklift
- Furniture Warehouseperson II/Forklift

5. MAINTENANCE

HARASSMENT POLICY

The following Harassment Policy applies to race, nationality or ethnic **origin**, colour, religion, age, sex, marital **status**, family **status** and sexual harassment.

The Policy with respect to harassment in the workplace is endorsed by both parties.

The Company and the Union believe that the **Human** Rights of all employees must be protected **so as** to ensure ~~that~~ every person is treated with **dignity** and respect.

No individual should suffer or **be exposed** to harassment at work. Harassment is a course of conduct or comment that offends or abuses a person on any grounds where such behaviour is **known** or ought reasonably to **be known** to be offensive and unwelcome.

In order to ensure the consistent application of **this** Policy, it is both the right and responsibility of any employee who **has** been subjected to harassment, **as** defined above, to immediately report such concerns to the Company or the Union. All complaints will be fully investigated in a confidential manner. The complainant will be **advised** of the results of the investigation.

Any employee who, **as a** result of **a** full investigation, is determined to be in violation of **this** Policy, may be subject to disciplinary action up to and including discharge from employment.

LETTER OF UNDERSTANDING

BETWEEN
GRAND & TOY LIMITED
(the "Company")

AND
UNITED FOOD AND COMMERCIAL WORKERS , LOCAL, 1518
(the "Union")

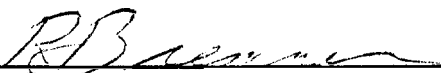
Re: Midnight Shift

In the event the Company introduces a midnight ~~shift~~ the following provisions shall apply:

- 1) The positions on the ~~shift~~ shall be posted according to Job ~~Posting~~ language in the contract.
- 2) If not enough employees apply for the posting then reverse seniority shall be applied.
- 3) If junior employees refuse to take the ~~shift~~ then they will be laid ~~off~~ or have their hours reduced and the Company shall be able to seek employees ~~from~~ outside the Company.
- 4) The midnight ~~shift~~ is a permanent position until a position becomes available ~~on~~ the day or afternoon ~~shift~~.
- 5) Midnight ~~shifts~~ shall start no later than 12:00 a.m.
- 6) **This shift may be merged into other operating shifts between the first Monday of July up to the third Friday of August.**

SIGNED THIS 11th DAY OF SEPTEMBER, 1998.


FOR THE UNION:
UNITED FOOD & COMMERCIAL WORKERS ,
LOCAL 1518



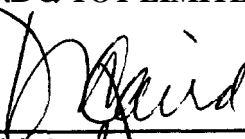
Ross Bremner
Executive Vice President



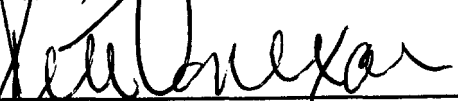




FOR THE COMPANY:
GRAND & TOY LIMITED



Dan Caird
Director, Human Resources





LETTER OF UNDERSTANDING

BETWEEN

GRAND & TOY LIMITED
(the "Company")

AND

UNITED FOOD AND COMMERCIAL WORKERS, LOCAL 1518
(the "Union")


Re: Overtime Requirements

Should the Company require overtime to be worked, the Union Steward on the shift concerned shall be **notified** as to the number of employees required. The Union Steward shall in **turn** canvass the employees **as** to their wishes. When either party feels it is desirable, the Steward may be accompanied by the Supervisor. If any qualified employee is inadvertently missed, that employee shall be considered the most senior employee for the next time overtime is required.

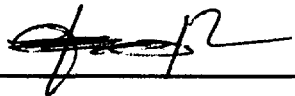
This Letter of Understanding may be terminated by either party upon thirty (30) days written notice.


SIGNED THIS 11th DAY OF SEPTEMBER, 1998

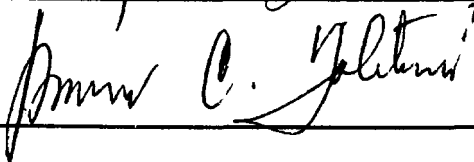
FOR THE UNION:
UNITED FOOD & COMMERCIAL WORKERS,
LOCAL 1518




Ross Bremner
Executive Vice President



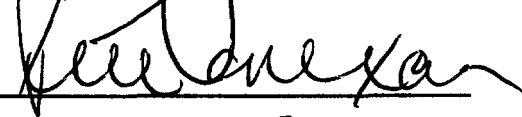




FOR THE COMPANY:
GRAND & TOY LIMITED



Dan Caird
Director, Human Resources





LETTER OF UNDERSTANDING

BETWEEN

GRAND & TOY LIMITED
(the "Company")

AND

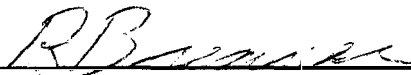
UNITED FOOD AND COMMERCIAL WORKERS, LOCAL 1518
(the "Union")

Re: Emergency Call-in

For **greater** clarity, the four (4) hour minimum guarantee referred to in Article 4.08 shall not apply in the case of **an** employee who is called in to **work** overtime immediately prior to the start of their scheduled **shift** or who works overtime immediately following the end of their scheduled shift. In those cases, overtime rates of pay shall only apply to the actual time worked prior to or following the scheduled shift.

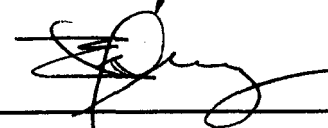
SIGNED **THIS** 11th DAY OF SEPTEMBER, 1998

FOR THE UNION:
UNITED FOOD & COMMERCIAL WORKERS,
LOCAL 1518




Ross **Bremner**
Executive Vice President







FOR THE COMPANY:
GRAND & TOY LIMITED



Dan Caird
Director, Human Resources





LETTER OF INTENT

RE: Part-Time Employees

Part-time employees are those who do not have a permanent full-time position and work regularly scheduled part-time or casual assignments.

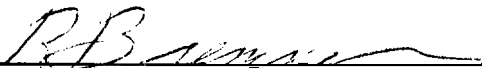
The Company and the Union recognize the need for both full-time and part-time employees in order to ensure prompt customer service.

The Company acknowledges that the full-time employees are the primary means of staffing throughout the year. Part-time employees will be used to replace full-time employees who are absent from work (e.g., vacations, illness, leave of absence), and to supplement the regular work force as needed due to fluctuations in business.

If full-time employees work on a shift along with part-time employees, the full-time employees will receive a full shift of eight (8) hours for that shift.

SIGNED THIS 11th DAY OF SEPTEMBER, 1998.


FOR THE UNION:
UNITED FOOD & COMMERCIAL WORKERS,
LOCAL 1518




Ross Bremner
Executive Vice President








FOR THE COMPANY:
GRAND & TOY LIMITED



Dan Caird
Director, Human Resources





LETTER OF INTENT outside of the Collective Agreement

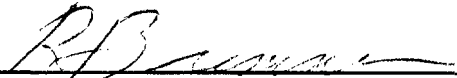
RE: Vacation Carry-Over

This benefit modification outlined below is subject to a two (2) year trial period from date of ratification to assess its impact.

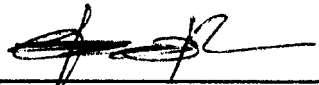
The Company and Union agree that an employee with five (5) or more years of service with the Company may request to carry over one (1) week of their vacation credits to the following vacation year. Such request shall be in writing. If approved, the employee's full entitlement must be taken in the carry-over year. The carried-over week shall be paid at the previous year's rate of pay.

SIGNED THIS 11th DAY OF SEPTEMBER 1998

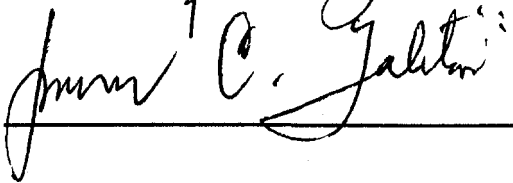
FOR THE UNION:
UNITED FOOD & COMMERCIAL WORKERS,
LOCAL 1518




Ross Bremner
Executive Vice President



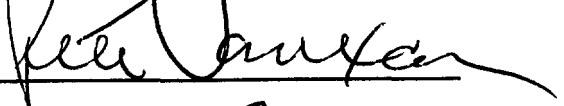




FOR THE COMPANY:
GRAND & TOY LIMITED



Dan Caird
Director, Human Resources





LETTER OF UNDERSTANDING

BETWEEN

GRAND & TOY LIMITED
(the "Company")

AND

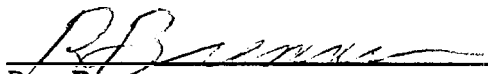
UNITED FOOD AND COMMERCIAL WORKERS, LOCAL 1518
(the "Union")

Re: Shift Rotation

Once it has been implemented, if the Company ceases to utilize the "Batch/Wave" system, the rotation system of job scheduling will be reinstated unless otherwise agreed to between the Parties.

SIGNED THIS 11th DAY OF SEPTEMBER, 1998

FOR THE UNION:
UNITED FOOD & COMMERCIAL WORKERS,
LOCAL 1518




Ross Bremner
Executive Vice President







FOR THE COMPANY:
GRAND & TOY LIMITED



Dan Caird
Director, Human Resources





