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Collective Agreement

Between

McKesson Canada Corporation

and

Miscellaneous Employees Union, Teamsters Local No. 987

November 9, 2006

to

May 31, 2010

13685(01)

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COLLECTIVE AGREEMENT

BETWEEN: **McKesson Canada Corporation**, Calgary, Alberta, hereinafter referred to as the “Company”

AND: Miscellaneous Employees Union, Teamsters Local Union No. 987, of Alberta with Head Office in the City of Calgary, Alberta, hereinafter referred to as the “Union”

PURPOSE

The above mentioned parties have entered into this agreement at Calgary, Alberta, for the purpose of effecting collective bargaining between the Company and the Union, respecting the terms and conditions of employment. It is the desire of both parties to co-operate and work harmoniously together in promoting their ~~mutual~~ interest and efficient operation of the Warehouse.

NOW THIS AGREEMENT WITNESSETH

ARTICLE NO. 1 - SCOPE

1.01 This Agreement shall apply to all of the Employees of the Company described **as** a unit of Employees under a Certificate issued by the Alberta Labour Relations Board, namely:

“All Employees of the Company employed in its warehouse at 4440 - 78 Avenue S.E., Calgary, Alberta excluding all office staff, sales representatives, buyers and stocktakers, pharmacists and all supervisory employees employed as such.”

ARTICLE NO. 2 - MANAGEMENT RIGHTS

2.01 The Union acknowledges that it shall be the exclusive right of the Employer to manage the affairs of his business **and** to direct his working forces in all respects, unless otherwise provided within the content of this Agreement. Without limiting the generality of the foregoing, the Employer reserves all rights not specifically restricted or limited by the provisions of this Agreement including the right to:

- a) Maintain order, discipline and efficiency.
- b) Determine qualifications of any employee to perform any work.
- c) Determine quality standards.

- d) Designate the work to be performed by any member.
- e) Designate the time or times any employee is to work.
- f) **Hire**, discharge, transfer, promote, demote or discipline employees and require employees to observe Company rules and regulations, subject to the terms of this Agreement.

ARTICLE NO. 3 - UNION RECOGNITION

- 3.01 Upon receipt of written authorization in a form satisfactory to the Company, the Company will deduct, from the employee's pay on his first pay in each calendar month during the term of this Agreement, the amount of the Union Dues. The Union will advise the Company, in writing, of the amount of the Union Dues, authorized by the employees in keeping with the Constitution and By-Laws of the Union.
- 3.02 The Company will transmit the total sum of the amounts so deducted along with a list of the names **and** the amounts deducted to the Financial Secretary of the Union on or before the 15th day of the following calendar month.
- 3.03 Subject to the provisions of this Article, it shall be a condition of employment that any employee who on the date hereof **was** a member of the Union in good standing or who becomes a member after that date, shall maintain such membership **as** a condition of employment.
- 3.04 A new employee hired after signing of this Agreement shall become a member of the Union within thirty (30) calendar days following his date of hire.
- 3.05 Employee Union members shall be considered to have maintained membership in the Union in good standing so long **as** they pay the regular Union dues uniformly required of all members of the Local Union.
- 3.06 Employees who do not become members of the Union shall have deducted from their wages each **month** a **sum** equivalent to the regular monthly dues currently being paid by employee members of the Union. Such deductions shall be made on the first pay day of each such employee, in each calendar month during the term of this Agreement. Upon receipt of written authorization signed by the employee, the Company will deduct the initiation fee from the pay of the employees joining the Union, and such deduction will be made from the employee's pay in the pay period next following the week in which the authorization is received by the Company. The total amount so deducted will be transmitted to the Financial Secretary of the Union in the same manner **as** described under Section 2 above.

ARTICLE NO. 4 - CHECK-OFF

- 4.01 During the term of this Agreement, the Employer agrees to deduct monthly such dues and initiation fees **as** are specifically authorized by the employees in writing, which authorization shall be forwarded to the Employer.
- 4.02 The Company agrees to remit once each month to the person designated by the Union to receive same Initiation Fees and Union Dues, together with a written statement of the names of the Employees from whom the deductions were made, and the amount of each deduction by the 15th day of the following month.

ARTICLE NO. 5 - SENIORITY

- 5.01 All new employees shall be considered to be on probation **for** the first ninety (90) days. Having completed their probationary period each employee shall be entered on the Seniority List **with** seniority backdated to the last date of hire. The probationary employee may be **laid off** or discharged by the Company without recourse to the Grievance Procedure.
- 5.02 **Seniority** shall determine promotions only where **as** between two or more employees merit and **ability** are, in the opinion of the Company, equal.
- 5.03 **An** employee shall lose all seniority rights, and his employee status with the Company shall be canceled in all respects, if he:
- a) voluntarily leaves **the** Company;
 - b) **is** justifiably discharged;
 - c) **is laid off** by the Company for a period exceeding twelve **(12)** consecutive calendar **months**;
 - d) fails to return to within five (5) days after notice of available work has been sent by registered mail to his last known address on record with the Company;
 - e) fails to return to work following the expiration of an approved leave of absence;
 - f) is absent without leave.
- 5.04 **An** employee who is promoted or transferred to a position outside the bargaining unit will maintain **his** seniority, but not accrue seniority for ninety (90) calendar days. The Company or the employee has the right to revert the employee to his previous position in the bargaining unit at any time during the ninety (90) calendar day period.

ARTICLE NO. 6 - LEAVE OF ABSENCE

- 6.01 Reasonable leave of absence without pay requested in advance (in writing) may be granted to employees requesting same.
- 6.02 All leaves of absence shall be in writing and signed in triplicate by the Company and the employee. One (1) copy shall be retained by the Company, one (1) copy shall be given to the employee and one (1) copy shall be forwarded to the Union. All leaves of absence shall be without **pay** and benefits, but no loss of seniority rights shall result therefrom.

ARTICLE NO. 7 - SHOP STEWARDS

- 7.01 There shall be elected from the Bargaining Unit two (2) Shop Stewards. The Union may appoint an alternate shop steward to fill in, the case of absence. The Union will advise the Company in writing the name of the designated person.

ARTICLE NO. 8 - GRIEVANCE AND ARBITRATION

- 8.01 In the event that a dispute arises between the Employer and the Union on the one hand OR the Employer and one or more employees on the other hand, regarding the interpretation, application or alleged violation of this Agreement, such dispute shall be settled without stoppage of work or lockout by way of one of the following procedures of settlement **as** applicable:

By the Employee(s)

Step 1

The Employee or Employees concerned, with or without a Shop Steward in attendance, shall first **seek** to settle the dispute in discussion with their immediate supervisor or manager,

Step 2

If the dispute is not resolved satisfactorily in Step 1, it then becomes a grievance. This grievance shall then be reduced to writing, setting forth:

- a) the nature of the grievance and the circumstances out of which it arose;
- b) the section or sections of the Agreement infringed upon, or claimed to have been violated;

c) the remedy or correction the Employer is requested to make.

The written grievance shall be submitted in this form to the Distribution Centre Manager within five (5) working days of the act causing the grievance. The Distribution Centre Manager shall **make** known his decision to the grievor within five (5) working days of receipt of the grievance.

Step 3

In the event that the reply in Step 2 is unsatisfactory to the grievor or the Union, the grievance may be submitted to the Manager of Human Resources within five (5) days of receipt **of** the decision of the Distribution Centre Manager. The Manager of ~~Human~~ Resources shall **make** known his decision to the grievor within five (5) working days of receipt of the grievance.

Step 4

In the event that the reply in Step 3 is unsatisfactory to the grievor or the Union, the grievance may be submitted by either party to arbitration within seven (7) days of receipt of the decision of the Manager of ~~Human~~ Resources. Arbitration proceedings shall be in accordance with the provisions of the applicable sections of the *Alberta Labour Relations Code*.

By the Union or Company

In the event that either the Company or the Union on their own behalf wish to process a grievance, such grievance shall be submitted in writing by the Company to the Union Business Agent or by the Union to the Manager of Human Resources. The grievance shall be submitted within ten (10) days of the act causing the grievance.

The party in receipt of the grievance must make known its decision regarding the grievance to the other party within ten (10) days of receipt. In the event that the grievance is not resolved at this time either party may submit the grievance to Arbitration within seven (7) days of the rendering of the decision. The Arbitration proceedings shall be in accordance **with** those applicable sections of the *Alberta Labour Relations Code*.

8.02 The time limits expressed in the foregoing shall be exclusive of Saturdays, Sundays and Statutory Holidays and normal time off.

8.03 a) In the event the initiator of the grievance fails to follow the procedure and time limits established in this Article, the grievance shall be deemed to be abandoned.

b) Where the recipient of the grievance fails to respond within the time limits prescribed, the grievance shall advance to the next step.

8.04 The Board of Arbitration shall not be vested with the power to change, add to, delete or amend the terms of this Agreement.

ARTICLE NO. 9 - NO STRIKE OR LOCKOUT

9.01 The Union agrees that there shall be no strike, stoppage of work or slow down during the **life** of this Agreement. The Company agrees that there shall be no lockout during the life of this Agreement.

ARTICLE NO. 10 - MUTUAL INTEREST

10.01 The Union agrees that it Will further the interest of the Company at all times to the limit of its ability.

10.02 There shall be no changes made to any of the terms or conditions of this Collective Agreement during its lifetime, unless such changes are specifically agreed to between the Union and the Company and recorded in writing.

10.03 Where the masculine pronoun is used herein, it shall mean and include the feminine pronoun where the context applies.

ARTICLE NO. 11 - HOURS OF WORK

11.01 The **regular** hours of work shall be eight (**8**) per day and forty (40) per week for all employees. The foregoing shall not constitute a guarantee of hours per day or per week, but merely form a basis for the calculation of overtime.

11.02 Normally, the regular day-shift hours shall be between 7:30 a.m. and 4:00 p.m. and the regular *night shift* hours shall be between 9:30 p.m. and 6:00 a.m. The Company reserves the right to adjust the **starting** and quitting time on any shift plus or minus two (2) hours for any employee or groups of employees. The Company also reserves the right to establish other shifts or cancel existing shifts. The Company agrees to continue the present policy of granting coffee breaks.

11.03 Any employee reporting for work on any shift and not having been told on the previous shift not to report, shall be guaranteed a minimum of four (4) hours work in the first half of the shift at his regular rate of pay. If requested by the Company, he shall perform a minimum of four (4) hours of such available work **as** the Company may assign.

11.04 All time worked beyond eight (**8**) hours per day or forty (40) hours per week shall be paid for at the rate of time and one-half (1½) the regular rate of pay. **All** time worked beyond ten

(10) hours per day shall be paid for at double the regular rate of pay. Overtime worked on Sunday will be paid for at double the regular rate of pay however regular shifts commencing on Sunday will be paid for at the regular rate of pay. Employees required to work overtime will be notified at least one hour and forty-five minutes (1 hr. 45 min.) before the end of the Shift.

- 11.05 All employees required to work on shifts which commence on or after 6:00 p.m. or before 6:00 a.m. on any day shall receive a shift premium of eighty-five cents (~~85¢~~) commencing June 1, 2002, ninety cents (90¢) commencing June 1, 2003, ninety-five cents (95¢) commencing June 1, 2004, and one dollar and five cents (\$1 .05) commencing June 1, 2005 for all hours worked on such shift, including overtime hours. It is understood that the shift premium will not be increased for overtime hours worked.
- 11.06 If in excess of two (2) hours of overtime is to be worked one (1) fifteen (15) minute paid break shall be granted at a time determined by the Company. In the event that non-scheduled overtime equal to or greater than two (2) hours is required, a meal allowance of eight dollars (\$8.00) shall be paid.
- 11.07 During periods of inventory, night shift employees who are directed to call in to work on their scheduled day off, may be eligible to receive one hour of standby pay at their regular base rate of pay (excluding all forms of premium pay), provided the following conditions are met:
- The employee must call into work between the hours of 3:00 p.m. and 4:00 p.m. or as otherwise directed by the designated supervisor.
 - The employee must speak directly to the designated supervisor.
 - The employee must be available and able to report for work as directed by the designated supervisor.

ARTICLE NO. 12 - VACANCIES AND PROMOTIONS

- 12.01 The Company agrees to post a notice on both the lunch room and time clock bulletin boards for five (5) working days inviting applications for newly created jobs or vacancies in a permanent position for all jobs above Warehouseman 1. When an employee is absent, another employee may submit an application to a posted vacancy on the employee's behalf, providing the employee has made the request.
- 12.02 The Company shall notify the successful applicant within then (10) days of its decision.

ARTICLE NO. 13 - ANNUAL VACATIONS

- 13.01 a) The vacation year shall be from May 1st to April 30th of the following year.
- b) On March 1st of each year the Company shall post a list upon which the employees shall indicate their vacation preference. All employees shall give their preference of vacation at the latest by April 1st. On April 15th, the Company will post the final vacation schedule. The choice of vacation periods will be granted by seniority and shift. **An** employee has the right to take a maximum of two (2) weeks consecutive vacation during Prime Time (**June 1** through August 31). **An** employee may take more **than** two **(2)** weeks vacation outside of Prime Time.
- 13.02 Vacation entitlement is earned during each vacation year of continuous service, and taken in the following vacation year.
- 13.03 a) Those employees ~~with~~ less than one (1) year of service prior to May 1st of each year, one (1) day for each calendar month of service as of May 1st, to a maximum of ten (10) days.
- b) Those employees with one (1) year of service and less ~~than~~ four **(4)** years, prior to May 1st of each year, two (2) weeks annual vacation.
- c) Those employees with more than four **(4)** years service prior to May 1st of each year, three (3) weeks annual vacation.
- d) Those employees ~~with~~ more than eight **(8)** years of service prior to May 1st of each year, four **(4)** weeks annual vacation.
- e) Those employees ~~with~~ more than **fifteen (15)** years of service prior to May 1st of each year, five **(5)** weeks ~~annual~~ vacation.
- 13.04 In order to be eligible for the benefits stipulated herein, an employee must have worked ninety percent (90%) of the employee's normal scheduled hours of work in the vacation year. Employees, who work less than ninety percent (90%) of such a normal schedule, shall receive vacation ~~with~~ pay on a pro-rata basis in the ratio of the number of normal hours worked **as** to ninety percent (90%) of the normal schedule for the vacation year.

ARTICLE NO. 14 - NAMED HOLIDAYS

14.01 For **al** full time employees, the following named holidays shall be recognized **as** paid holidays:

New Year's Day	Civic Holiday (1 st Monday in August)
Alberta Family Day	Labour Day
Good Friday	Thanksgiving
Victoria Day	Remembrance Day
Canada Day	Christmas
	Boxing Day

14.02 To qualify for a named holiday with pay, the employee must:

- a) work his scheduled shift immediately prior to and immediately following the particular holiday, except where the employee is on a Company approved leave or where the employee is absent from work due to illness and a physician's certificate is immediately presented to the Company, **and**
- b) work on the holiday when scheduled or required to do so.

14.03 Employees shall not be entitled to named holiday(s) with pay which fall during a period of leave of absence, except where the Employer waives this requirement.

14.04 Employees required to work on any of the above holidays shall be compensated for such **work** at time and one-half (1½) his regular rate, plus the pay for the holiday.

14.05 Upon the completion of six (6) months continuous employment, each employee shall be entitled to one day of paid holiday each year in addition to those named holidays set out in Article 14.01. It is understood that this holiday must be scheduled at least one week in advance and taken on a date acceptable to **the** Company.

ARTICLE NO. 15 - GENERAL CONDITIONS

15.01 The Company will continue its current practice of pay periods and issuance of pay stubs. Upon request, the Company will provide **an** employee with a record of the information used to calculate hours paid. Upon request, the Company will provide an employee ~~with~~ **a** record of their remaining sick leave credits.

- 15.02 The Company shall pay eighty percent (80%) of the cost of a **McKesson Canada** Supplementary Health ~~Care~~ Plan for all full time employees covered by this Agreement.
- 15.03 After three (3) months service with the Company an employee shall accrue sick leave credits at the rate of one-half (½) day per month for the first year of service and three-quarter (¾) day per month for the second year of service and one (1) day per month thereafter up to a maximum of thirty (30) days and up to a maximum of thirty-five (35) days commencing June 1, 1999. An employee who is absent from work by reason of illness or injury may be required to submit a medical certificate ~~as~~ proof of illness. Proof of illness will not be requested **unless** there is a negative trend in an employee's attendance or if absenteeism exceeds plant average, or ~~as~~ required in article 14.02. The Company will bear the burden of proof in demonstrating a negative trend. The Company, at its discretion, can require an employee to attend a medical physician appointed by the Company.
- 15.04 Union Officers may visit the premises, but shall not enter the warehouse until ~~permission~~ **has** been granted by the Company. However, Union business will not be conducted on the Company's time. Where permission is refused the reason for refusal shall be given to the particular Union Officer.
- 15.05 Leave of absence ~~with~~ pay will be permitted in the event of death in the immediate family (i.e. father, mother, spouse, common-law spouse, child, step child, brother, sister, father-in-law, mother-in-law, grandchild or grandparent) up to a maximum of three (3) days. Where, in the **opinion** of the Company ~~further~~ leave is warranted to suit particular circumstances, such leave will be granted.
- 15.06 Any full time employee required to serve on Jury Duty on his scheduled working days shall be paid the difference between the amount of Jury pay and that which he would have normally earned on the particular day.
- 15.07 The Company agrees to maintain a Dental Care Plan. The Company agrees to pay eighty percent (80%) of the premium for this coverage.
- 15.08 When an employee on compensation is directed by the Workers Compensation Board or his physician to return to work, the Company will place that employee in his posted position.
- 15.09 When an employee returns from sick leave or disability the Company will endeavour to return the employee to his/her former position and rate of pay, if in the opinion of the Company, the employee **is** capable of performing the job assigned.
- 15.10 The Company shall pay fifty percent (50%) of the cost of a **McKesson Canada** Long Term Disability Insurance Plan for **all** full time employees covered by this Agreement.

- 15.11 The Company shall pay eighty percent (80%) of the cost of the premium for Alberta Health Care for all full time employees covered by this Agreement.
- 15.12 The Company shall pay **eighty percent (80%)** of the cost of the premium for Life Insurance for all full time employees covered by this Agreement.
- 15.13 The Company agrees to provide the Union with information distributed to the employees regarding workplace policies and regulations. The Company agrees to provide the Union ~~with~~ the information at least seven (7) days before it is distributed to the employees.

ARTICLE NO. 16 - TEMPORARY EMPLOYEES

- 16.01 Except ~~as~~ specifically provided hereinafter, the provisions of this Agreement shall not apply to temporary employees.
- 16.02 Article 1, Article 2, Article 3, Article 4, Article 8, Article 9, Article 10, Article 17 and Article 18 will apply to temporary employees.
- 16.03 To **qualify** for a named holiday with pay, temporary employees must:
- a) work their scheduled shift immediately prior to and immediately following the particular holiday, except where such requirement is waived by the Employer, and
 - b) work on the holiday when scheduled or required to do so.
- 16.04 Temporary employees required to work on any of the named holiday(s) referred to in Article 14.01 shall **be** compensated for such work at one and one-half (1½) their regular rate for all hours worked, plus the pay for the holiday.
- 16.05 Temporary employees shall be paid in addition to their earnings, four percent (~~4%~~) of their earnings at the basic rate of pay in lieu of vacation.
- 16.06 All time worked beyond eight (8) hours per day or forty (40) hours per week shall be paid for at the rate of one and one-half (1½) the regular rate of pay.

ARTICLE NO. 17 - RATES OF PAY AND CLASSIFICATIONS

- 17.01 **The** following rates ~~of~~ pay shall apply to the classifications named hereunder for the duration of this Agreement.

Warehouseman I

This classification shall include but not be limited to: Packer, Replenisher, Shipping Helper, Receiving Helper, Order Picker, Line Starter and Checker,

Warehouseman II

This classification shall include but not be limited to: Assembler and Returns Clerk.

Warehouseman III

This classification shall include but not be limited to: Receiver, Shipper, Leadhand, Forklift Operator, OPR Operator, and Case Good Picker/Replenisher.

HOURLY RATES OF PAY

Start Rate	6 Months	12 Months	18 Months	24 Months	30 Months	36 Months
\$14.30	\$14.93	\$15.57	\$16.21	\$16.85	\$17.49	\$18.13

Warehouseman I – (applicable to employees hired prior to November 10,2006)

	June1, 2006	June 1, 2007	June 1, 2008	June 1, 2009
Start Rate	\$15.61	-	-	-
6 Months	\$15.83	\$16.43	-	-
12 Months	\$16.15	\$16.76	\$17.43	\$18.13

	June1, 2006	June 1, 2007	June 1, 2008	June 1, 2009
Warehouseman II	\$16.51	\$17.13	\$17.82	\$18.53
Warehouseman III	\$17.39	\$18.04	\$18.76	\$19.51
Foreman	\$18.15	\$18.83	\$19.58	\$20.36

Temporary Assignments

In the event an employee is designated to relieve another employee in a higher classification on a temporary basis, and the relief period extends four (4) hours or more, that employee shall be paid at a rate equal to the rate in the classification in which he relieves for the full period of the temporary assignment. When an employee is being trained in a higher

classification, they will receive their regular rate of pay

Day **Shift** vacancies, known to be in excess of six (6) weeks, that require filling, will be offered to **night** shift **employees** as a temporary assignment.

Lump Sum Payment

All active employees shall receive a one time lump sum gross payment in accordance with the following schedule:

December 21, 2006 - gross payment of \$350.00

June 1, 2007 - gross payment of \$350.00

June 1, 2008 - gross payment of \$300.00

June 1, 2009 - gross payment of \$300.00


ARTICLE NO. 18 - DURATION OF AGREEMENT

18.01 This Agreement shall be effective as of **November 9, 2006**, and shall remain in force and effect through **May 31, 2010**, and from year to **year** thereafter, unless either **party** notifies the other, in writing, within ninety (90) days immediately preceding such expiration date, of its desire to amend this Agreement.

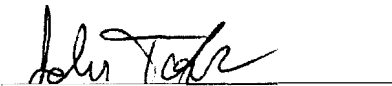
IN WITNESS WHEREOF the parties hereto have hereunto set their hands and seals the day **and** year first above written.

McKesson Canada Corporation

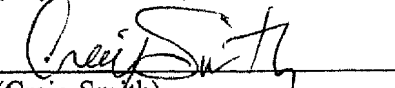
Miscellaneous Employees,
Teamsters Local **Union 987**
of Alberta



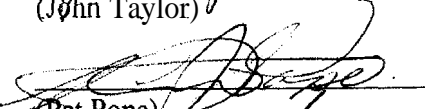
(Roy Cleveland)



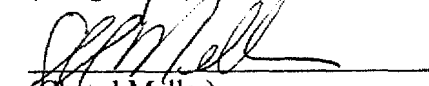
(John Taylor)



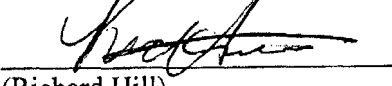
(Craig Smith)



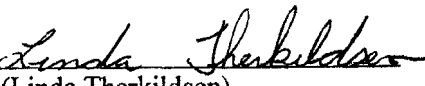
(Pat Pope)



(Cheryl Meller)



(Richard Hill)



(Linda Therkildsen)

LETTER OF UNDERSTANDING

BETWEEN:

MEDIS HEALTH & PHARMACEUTICAL SERVICES (ALBERTA) LIMITED

- and -


**MISCELLANEOUS EMPLOYEES TEAMSTERS
LOCAL UNION 987 OF ALBERTA**

Re: Hours of Work

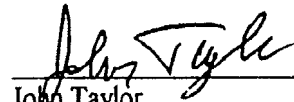
The **Union** and the Company both understand the changing needs of our business. In consideration of **this, both parties** recognize that a change in the current hours of **work** and shift **start** and end times and the introduction of a seven-day **work** schedule may be a necessity in order to maintain a viable operation in Calgary.

Should **any** of these practices be **necessary** during **the** life of this **collective** agreement or beyond, the **parties will** discuss the introduction **and** agree how **best** these practices **can** be implemented. If a shift is created outside of the normal hours **in** article 11.02, the Company **recognizes** that vacancies will be filled **in accordance** with current practice and article 5.02. A new **shift** is not created if the Company exercises their right under article 11.02 to adjust starting and quitting time by two **(2)** hours.

1



Keith Peterson
Manager, Human Resources
Medis Health & Pharmaceutical
Services (Alberta) Limited



John Taylor
Business Agent
Miscellaneous Employees,
Teamsters Local Union 987 of Alberta

LETTER OF UNDERSTANDING

between

McKESSON CANADA CORPORATION

- and -

MISCELLANEOUS EMPLOYEES TEAMSTERS
LOCAL UNION 987 OF ALBERTA

Re: Afternoon Shift

Further to discussions in collective bargaining and in keeping with the letter of understanding contained in the collective agreement expiring May 31, 2006, on February 6, 2004, the Company informed the Union of their intention to implement an afternoon shift.

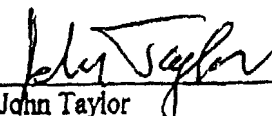
The Company has reconfirmed that vacancies on the afternoon shift will be filled in accordance with current practice and article 5.02.

Effective March 1, 2004, the parties agree to the following modifications to the collective agreement (changes in bold):

11.02 Normally, the regular day-shift hours shall be between 7:00 a.m. ~~7:30 a.m.~~ and 5:30 p.m. ~~4:00 p.m.~~, the regular **afternoon-shift** hours shall be between 3:00 p.m. and 12:00 a.m., and the regular night shift hours shall be between 9:00 p.m. and 5:30 a.m. The Company reserves the right to adjust the starting and quitting time on any shift plus or minus two (2) hours for any employee or groups of employees. The Company also reserves the right to establish other shifts or cancel existing shifts. The Company agrees to continue the present policy of granting coffee breaks.

11.05 All employees required to work on shifts which commence on or after 6:00 p.m. or before 6:00 a.m. on any day shall receive a shift premium of eighty-five cents (85¢) commencing June 1, 2002, ninety cents (90¢) commencing June 1, 2003, ninety-five cents (95¢) commencing June 1, 2004, and one dollar and five cents (\$1.05) commencing June 1, 2005 for all hours worked on such shift, including overtime hours. All employees required to work on shifts which commence on or after 3:00 p.m. or before 6:00 p.m. on any day shall receive a shift premium of fifty cents (50¢) commencing June 1, 2003, fifty-five cents (55¢) commencing June 1, 2004, and sixty-five cents (65¢) commencing June 1, 2005 for all hours worked on such shift, including overtime hours. It is understood that the shift premium will not be increased for overtime hours worked.


Keith Peterson
McKesson Canada Corporation


John Taylor
Miscellaneous Employees,
Teamsters Local Union 987 of Alberta

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