



**PROPOSED
MEMORANDUM OF AGREEMENT**

Between

**LOBLAW INC.
(DISTRIBUTION CENTRES)**

- And -

UFCW Local 247

Ratification Vote July 3, 2026

MEMORANDUM OF SETTLEMENT

BETWEEN: **LOBLAW MARINE DRIVE, PITT MEADOWS, SURREY DISTRIBUTION CENTRES**
(hereinafter called “the Employer”)

AND: **UNITED FOOD AND COMMERCIAL WORKERS CANADA, LOCAL 247**
(hereinafter called “the Union”)

Whereas the negotiating committees of the respective parties have reached agreement on amendments to the existing Collective Agreement between the Company and the Union, and whereas these amendments are subject to ratification by the respective principals,

1. The negotiating committees of the Company and the Union hereby agree to unanimously recommend to their respective principals the terms and conditions of employment contained herein.
2. The parties hereby agree that the amendments, below, shall come into effect following the ratification of these amendments by the parties’ respective principles, if achieved.
3. The parties hereby agree that upon the expiry of the current Collective Agreement on July 22, 2027, the Collective Agreement, including the below amendments, the term of the Collective Agreement shall be renewed for a period of five (5) years, expiring on July 22, 2032.

COMPREHENSIVE OFFER OF SETTLEMENT

JUNE 18, 2026

LOBLAW MARINE DRIVE, PITT MEADOWS, SURREY DISTRIBUTION CENTRES
&
UFCW 247

The Employer's COMPREHENSIVE OFFER is made without precedence or prejudice. This COMPREHENSIVE OFFER is all inclusive. Any Employer or Union proposals not included in this package are considered withdrawn or not acceptable. All previously agreed to items are attached.

HOUSEKEEPING

Agree to clean up redundancy as mutually agreed

ARTICLE 26 – MISCELLANEOUS

Amend Article 26.8 as follows:

26.8 Safety Footwear Allowance – ~~Western Grocers~~

Warehouse employees who have successfully passed probation shall receive one hundred dollars (\$100.00) annually, paid by the end of January, to offset the cost of Safety Footwear. Such footwear will be required to have six inch (6") ankle-high protection.

Effective January 2027, the Safety Footwear Allowance will increase to one hundred fifty dollars (\$125.00).

Effective January 2031, the Safety Footwear Allowance will increase to one hundred seventy-five dollars (\$175.00).

ARTICLE 35 – **PART-TIME** DENTAL, HEALTH AND WELFARE BENEFIT TRUST FUND

Amend Article 35.1 as follows:

35.1 c) ~~Effective the first full pay period after the date of ratification 2015, the total contribution shall be forty-seven cents (\$0.47) per hour. Effective the first full pay~~

period in August, 2016, the total contribution shall be forty-nine cents (\$0.49) per hour to maintain the current benefit level.

- Effective the first full pay period in July, 2027, the total contribution shall be fifty cents (\$0.50) per hour to maintain the current benefit level.
- Effective the first full pay period in July, 2029, the total contribution shall be fifty-two cents (\$0.52) per hour to maintain the current benefit level.
- Effective the first full pay period in July, 2031, the total contribution shall be fifty-four cents (\$0.54) per hour to maintain the current benefit level.

[Hours paid shall include hours worked, vacation, general holidays, sick days, jury duty, bereavement leave, paid time off for negotiations, etc., up to a maximum of thirty-seven (37) hours per week.]

Add New Sub-Article 35.2 as follows:

35.2 Full-Time Benefits

FULL-TIME BENEFITS COVERAGE

The Parties agree that the Company will provide access to full-time benefits coverage through the Company's Group Insurance Plan in substitution of those currently provided under the Health and Welfare Trust.

The benefits presented at bargaining may be revised or changed from time to time by the Company, provided the revised benefits are generally comparable.

The Parties will meet within ninety (90) days of the ratification of the Collective Agreement with a view to transition full-time employee benefits coverage to the Company's Group Insurance Plan and discontinue participation for full-time employees in the Health and Welfare Trust no less than six (6) months from the date of the initial meeting.

Maintenance of Benefits

Employees returning to work after an absence due to WCB, medical leave, pregnancy leave or parental leave shall not be required to re-qualify for benefits for which they were previously entitled.

Memorandum Note: *Any dispute regarding eligibility or entitlement to benefits is with the insurer and is not a dispute under this Agreement. For greater certainty, under no circumstances will the Company be responsible for paying any benefits under the applicable benefit plan. The Parties agree that the insurance plan or policy shall not form part of this Agreement and shall not be subject to the grievance procedure or arbitration.*

Memorandum Note: *Part-time benefits coverage through the Health and Welfare Trust for employees will not be negatively impacted as a direct result of full-time employees transitioning to the Company's Group Insurance Plan.*

ARTICLE 36 – SICK LEAVE/SICK CALLS

Amend Article 36 as follows:

Short Term Disability

Seventy percent (70%) of straight time weekly salary benefits to be paid on the fourth day of absence due to sickness or non-occupational accident. There is a twenty-six (26) week benefit period. It is understood and agreed that all matters of eligibility, coverage and benefits shall be as set out in the Plan and as determined by the carrier. The above is available for full-time employees. Employees found abusing the privilege shall be disciplined by the Employer.

Full Time Benefits

Employees become eligible for Full Time benefits on the first day of the month after three (3) months of continuous service.

LTD – Employer paid portion of the premium is seventy-five percent (75%).

Life Insurance – Employer co-pay is seventy-five percent (75%).

Drug Coverage – Lifetime maximum is one hundred and twenty thousand dollars (\$120,000) for Hospital, Extended Health, and Drug Benefits.

Maintenance of Benefits

Employees returning to work after an absence due to WCB, medical leave, pregnancy leave or parental leave shall not be required to re-qualify for benefits for which they were previously entitled.

WAGES DISTRIBUTION CENTRES

MARINE DRIVE AND PITT MEADOWS DISTRIBUTION SPECIALISTS							
HOURS	Current	Aug 26	Aug 27	Aug 28	Aug 29	Aug 30	Aug 31
Start	\$21.50	\$23.00	\$23.50	\$24.00	\$24.50	\$25.00	\$25.50
521	\$22.00	\$23.50	\$24.00	\$24.50	\$25.00	\$25.50	\$26.00
1041	\$22.25	\$23.75	\$24.25	\$24.75	\$25.25	\$25.75	\$26.25
1561	\$22.50	\$24.00	\$24.50	\$25.00	\$25.50	\$26.00	\$26.50
2081	\$23.00	\$24.50	\$25.00	\$25.50	\$26.00	\$26.50	\$27.00
2601	\$23.50	\$25.00	\$25.50	\$26.00	\$26.50	\$27.00	\$27.50
3121	\$23.70	\$25.20	\$25.70	\$26.20	\$26.70	\$27.20	\$27.70
3641	\$23.90	\$25.40	\$25.90	\$26.40	\$26.90	\$27.40	\$27.90
4161	\$24.10	\$25.60	\$26.10	\$26.60	\$27.10	\$27.60	\$28.10
4681	\$24.30	\$25.80	\$26.30	\$26.80	\$27.30	\$27.80	\$28.30
5201	\$24.50	\$26.00	\$26.50	\$27.00	\$27.50	\$28.00	\$28.50
5721	\$24.70	\$26.20	\$26.70	\$27.20	\$27.70	\$28.20	\$28.70
6241	\$27.50	\$30.00	\$31.00	\$32.00	\$33.00	\$34.00	\$35.00

Progression Increase		\$1.00	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50
Top Rate Increase		\$1.50	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00

MARINE DRIVE SPECIALIST A & PITT MEADOWS SPECIALIST B							
Current	\$28.00	\$30.00	\$31.00	\$32.00	\$33.00	\$34.00	\$35.00
Increase		\$1.50	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00

Marine Drive Specialist A & Pitt Meadows Specialists B will receive a lump sum of \$1,000.00 August 2026.

SURREY WAREHOUSE							
HOURS	Current	Aug 26	Aug 27	Aug 28	Aug 29	Aug 30	Aug 31
Start	\$22.50	\$24.00	\$24.50	\$25.00	\$25.50	\$26.00	\$26.50
521	\$23.00	\$24.50	\$25.00	\$25.50	\$26.00	\$26.50	\$27.00
1041	\$23.25	\$24.75	\$25.25	\$25.75	\$26.25	\$26.75	\$27.25
1561	\$23.50	\$25.00	\$25.50	\$26.00	\$26.50	\$27.00	\$27.50
2081	\$24.00	\$25.50	\$26.00	\$26.50	\$27.00	\$27.50	\$28.00
2601	\$24.50	\$26.00	\$26.50	\$27.00	\$27.50	\$28.00	\$28.50
3121	\$24.70	\$26.20	\$26.70	\$27.20	\$27.70	\$28.20	\$28.70
3641	\$24.90	\$26.40	\$26.90	\$27.40	\$27.90	\$28.40	\$28.90
4161	\$25.10	\$26.60	\$27.10	\$27.60	\$28.10	\$28.60	\$29.10
4681	\$25.30	\$26.80	\$27.30	\$27.80	\$28.30	\$28.80	\$29.30
5201	\$25.50	\$27.00	\$27.50	\$28.00	\$28.50	\$29.00	\$29.50
5721	\$25.70	\$27.20	\$27.70	\$28.20	\$28.70	\$29.20	\$29.70
6241	\$27.50	\$30.00	\$31.00	\$32.00	\$33.00	\$34.00	\$35.00

Progression Increase		\$1.00	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50
Top Rate Increase		\$1.50	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00

SURREY JANITOR							
HOURS	Current	Aug 26	Aug 27	Aug 28	Aug 29	Aug 30	Aug 31
Start	\$22.50	\$24.00	\$24.50	\$25.00	\$25.50	\$26.00	\$26.50
521	\$23.00	\$24.50	\$25.00	\$25.50	\$26.00	\$26.50	\$27.00
1041	\$23.25	\$24.75	\$25.25	\$25.75	\$26.25	\$26.75	\$27.25
1561	\$23.50	\$25.00	\$25.50	\$26.00	\$26.50	\$27.00	\$27.50
2081	\$24.00	\$25.50	\$26.00	\$26.50	\$27.00	\$27.50	\$28.00
2601	\$24.50	\$26.00	\$26.50	\$27.00	\$27.50	\$28.00	\$28.50
3121	\$24.70	\$26.20	\$26.70	\$27.20	\$27.70	\$28.20	\$28.70
3641	\$24.90	\$26.40	\$26.90	\$27.40	\$27.90	\$28.40	\$28.90
4161	\$25.10	\$26.60	\$27.10	\$27.60	\$28.10	\$28.60	\$29.10

Progression Increase		\$1.00	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50
Top Rate Increase		\$1.00	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50

Maintenance Mechanics (Marine Drive)

Delete Existing Language in Wages Distribution Centers and Replace with the following:

~~Effective Sunday Following Ratification, Maintenance employees who have completed the second level of Arpac Training (and beyond) shall be paid a premium of three dollars (\$3.00) per hour on all hours worked.~~

Level 1 Training = \$1.00 Over End Rate

Level 2 Training = \$3.00 Over End Rate

Level 3 Training = \$5.00 Over End Rate

A full-time MHE Mechanic posting will be filled by individuals hired or selected on the basis of their merit, qualifications, ability and seniority as determined by Management.

It is expected a full-time MHE Mechanic will progress through the required training in approximate six (6) month increments. It is understood an MHE Mechanic will be required to show sufficient comprehension within their current level, as determined by the Company, prior to receiving the next level of training.

LETTERS OF UNDERSTANDING

LETTER OF UNDERSTANDING #26W – Health & Safety Committee (DC#1935)

RENEW

LETTER OF UNDERSTANDING #27W – Health & Safety Committee (DC #1932)

RENEW

LETTER OF UNDERSTANDING 28W – (DC#1935)

RENEW and Amend as follows:

6. Warehouse Department (excludes Maintenance and IC Dept)

The following classifications exist within the Warehouse Department:
Loader/Dunnage; Receiver; Forklift; Sanitation; General Warehouse (Assembler)

Full-time employees will select their classification/shift posting by seniority. With respect to the filling of a vacancy, seniority will be considered as the governing factor provided the employee has the skill and ability to perform the work. If there is no qualified candidate for the position the employer may fill the promotion or vacancy with a new hire with the required skill and ability. The Employer agrees to post vacancies for seven (7) working days.

A successful applicant for a vacancy shall be prohibited from applying for another vacancy for a period of four (4) months **unless they are applying for another vacancy on the same shift and same function or received approval from the Company.** ~~from the awarding of the original vacancy, unless approved by management.~~

Trainers, Clerks, Janitor, Container Mentors, Maintenance, MHE Mechanics

The Company will continue to post and select Trainers, Clerks, Janitors, **Maintenance, MHE Mechanics** and Container Mentors based on skills, merit, qualifications as determined by management.

Employees interviewed but not selected for these positions will receive feedback on areas they can improve upon to assist with future applications.

The Company will provide the Union Representative with the list of employees who applied for the position along with the successful candidate.

8. Warehouse Person Classification – DC #1935

The Distribution Specialist B scale shall apply to all employees hired after December 3, 2010.

10. Safety Footwear Allowance

Warehouse employees who have successfully passed probation shall receive one hundred dollars (\$100.00) annually, paid by the end of January, to offset the cost of Safety Footwear. Such footwear will be required to have a six-inch (6") ankle high protection.

LETTER OF UNDERSTANDING #29W (DC#1932)

RENEW and Amend as follows:

10. Safety Footwear Allowance

Warehouse employees who have successfully passed probation shall receive one hundred dollars (\$100.00) annually, paid by the end of January, to offset the cost of Safety Footwear. Such footwear will be required to have six-inch (6") ankle high protection.

LETTER OF UNDERSTANDING #30W (DC#1932)

RENEW

LETTER OF UNDERSTANDING #31W (DC#1932)

RENEW and Amend as follows:

5. Warehouse Department (excludes Maintenance and IC Dept.)

The following jobs exist within the Warehouse Department:

Advanced Warehouse Classifications – Loader/Dunnage; Receiver; Forklift

General Warehouse Classification – Assembler/Lumping

Full-time employees will select their classification/shift posting by seniority. With respect to the filling of a vacancy, seniority will be considered as the governing factor provided the employee has the skill and ability to perform the work. If there is no qualified candidate for the position the employer may fill the promotion or vacancy with a new hire with the required skill and ability. The Employer agrees to post vacancies for seven (7) working days.

A successful applicant for a vacancy shall be prohibited from applying for another vacancy for a period of four (4) months **unless they are applying for another vacancy on the same shift and same function or received approval from the Company.** ~~from the awarding of the original vacancy, unless approved by management.~~

Trainers, Clerks, Janitors, Container Mentor/Team Lead, **Maintenance**

The Company will continue to post and select Trainers, Clerks, Janitors, ~~and~~ Container Mentors/Team Leads, **and Maintenance** based on skills, merit, qualifications as determined by management.

Employees interviewed but not selected for these positions will receive feedback on areas they can improve upon to assist with future applications.

The Company will provide the Union Representative with the list of employees who applied for the position along with the successful candidate.

LETTER OF UNDERSTANDING #32W – 10 Hour Shifts

RENEW

LETTER OF UNDERSTANDING #33W

RENEW

LETTER OF UNDERSTANDING #34W – Night Premium – Warehouse

RENEW

NEW LETTER OF UNDERSTANDING – CLERK EXTRA HOURS

Distribution Centre #1935 Marine Drive

For the duration of the current Collective Agreement, Clerks who start their work half an hour earlier than the regular start time for operational purposes will be considered as part of that shift when extra hours are being allocated. For example, Clerks who start at 6:30 am will be included as part of the 7:00 am group for the purpose of assigning extra hours.

NEW LETTER OF UNDERSTANDING – SENIOR CREDIT

Distribution Centre #1932 Pitt Meadows & Distribution Centre #1935 Marine Drive

Part-time employees shall accumulate seniority based on actual hours worked. Should a part-time employee become a full-time employee, the part-time seniority credits shall be converted to the seniority date based on one hundred and sixty (160) hours being equal to one (1) month of full-time service.

Upon request, part time employees shall be granted a seniority hours credit for any time lost due to a workplace injury as approved by Workplace BC, maternity, paternity, adoption and all time paid by the Employer for funeral leave, jury duty and Union business.

Upon request, part-time employees shall receive a seniority credit for absences of one (1) week or longer to a maximum of one (1) year due to illness, injury from outside the workplace, and vacation.

The calculation will be based on the average number of hours worked during the four (4) weeks preceding the absence.

Employees seeking this credit must make a written application within four (4) weeks of their return to work.

Seniority date cannot be earlier than actual date of hire. In such cases the seniority date will be recognized as the date of hire.

NEW LETTER OF UNDERSTANDING – MISSED OVERTIME OPPORTUNITIES (ALL WAREHOUSES)

Employees denied an overtime opportunity due to a lack of training in a particular function, shall advise the Company on the day the opportunity is missed. The Company will review the request(s) to determine if the colleague(s) would have been eligible to the overtime opportunity if they had the appropriate training to perform the function. An employee may

only claim one missed opportunity per shift. If an employee has been deemed to have missed three (3) or more opportunities in any thirteen (13) week period, they will be eligible to be cross trained on the applicable function. The training will occur within six (6) weeks, the parties can mutually agree to extend the time needed to complete the training. Such consent shall not be unreasonably withheld.

Employees receiving the requested training will be expected to regularly utilize their skill set when overtime opportunities present themselves or will be denied cross-training opportunities in the future.

In the event there are no volunteers for an upgrade, the Company reserves the right to select an employee for the upgrade by reverse order of seniority between the trained employees present on site regardless of their preference sheet.

NEW LETTER OF UNDERSTANDING – PROBATION (ALL WAREHOUSES)

All employees hired after date of ratification shall have a probationary period of five hundred and twenty (520) hours worked. During this probationary period new employees may be discharged by the Employer at its discretion. It is understood between the parties that all modified work outside of regular duties is excluded from the calculation of the probationary period to a maximum of two hundred and fifty (250) modified hours. The Company will notify the union representative in writing prior to an employee completing their five hundred and twenty (520) hour probationary period that their probationary period has been extended by up to two hundred and fifty (250) hours because of modified work.

The probationary period may be extended by up to an additional two hundred and fifty (250) hours by mutual consent from the Union representative. Such extensions may be considered in extenuating circumstances, including performance concerns or when an employee has accumulated more than two hundred and fifty (250) hours on modified duties during the probationary period.

NEW LETTER OF UNDERSTANDING – VACATION ENTITLEMENT (ALL WAREHOUSES)

Vacation Entitlement and Replacing Current Language (effective January 2029 in Surrey)

Full-Time Entitlement

1. On January 1st of each year, full-time employees will be entitled to an annual vacation with pay in accordance with the following schedule based on the January 1st common anniversary date:

January 1st Common Anniversary Date	Lenth Of Vacation
One (1) Year or More	Two (2) Weeks of Vacation Pay
Three (3) Years or More	Three (3) weeks of Vacation Pay
Eight (8) Years or More	Four (4) Weeks of Vacation Pay
Thirteen (13) Years or More	Five (5) Weeks of Vacation Pay
Eighteen (18) Years or More	Six (6) Weeks of Vacation Pay
Twenty-Three (23) Years or More	Seven (7) Weeks of Vacation Pay

2. The Employer agrees to provide full time vacation pay on a “total compensation” or normal week’s pay (37.5 hours at Marine Drive and 40 hours at Pitt Meadows/Surrey), whichever is greater. Total compensation shall mean “all monies received directly from the Employer” (wages, overtime, bonuses, premiums, vacation pay, sick-leave-credit payments, and other items of similar nature).
3. All time lost [up to thirty-one (31) consecutive days] because of sickness, or non-occupational accident, all time lost due to occupational accident, all time absent on paid full-time vacation, paid general holidays shall be considered as time worked for the purpose of determining the vacation allowance to which a full-time employee is entitled.
4. All employees whose absence due to non-occupational accident or sickness or unpaid leave of absence, extends beyond thirty-one (31) consecutive days and results in less than thirty-seven and a half (37.5) hours’ pay per week at Marine Drive and forty (40) hours’ pay per week at Pitt Meadows/Surrey, shall have their vacation pay prorated in the subsequent vacation year.
5. Upon termination of employment, employees shall be paid any accrued vacation allowance not previously paid. Employees who have completed at least thirty (30) days but less than one (1) year of service shall receive vacation pay equal to four percent (4%) of total wages and salary earned during the period for which no vacation allowance has been paid.

Employees entitled to two (2), three (3), four (4), five (5), six (6), or seven (7) weeks of vacation shall receive vacation pay upon termination equal to four percent (4%), six percent (6%), eight percent (8%), ten percent (10%), twelve percent (12%), or fourteen percent (14%), respectively, of total wages and salary earned during the period for which no vacation allowance has been paid.

Part-Time Entitlement

1. All part-time employees who have completed one (1) year of continuous employment with the Employer will have the opportunity to schedule two (2) weeks' vacation. Part-time employees who have completed the following years of continuous employment with the Employer shall receive the following vacation time off:

Three (3) Years of Service or More	Three (3) weeks of Vacation
Eight (8) Years of Service or More	Four (4) Weeks of Vacation
Thirteen (13) Years of Service or More	Five (5) Weeks of Vacation
Eighteen (18) Years of Service or More	Six (6) Weeks of Vacation
Twenty-Three (23) Years of Service or More	Seven (7) Weeks of Vacation

Such time off will be without pay. Part-time vacation schedules will be completed and posted following the selection by full-time employees.

The Employer will provide part-time employees with their vacation pay on each pay period.

2. Part-time employees shall receive vacation pay based on their total earnings as follows:

Less than Three (3) Years of Continuous Service	4% of Total Earnings
Three (3) Years of Continuous Service or More	6% of Total Earnings
Eight (8) Years of Continuous Service or More	8% of Total Earnings
Thirteen (13) Years of Continuous Service or More	10% of Total Earnings
Eighteen (18) Years of Continuous Service or More	12% of Total Earnings
Twenty-Three (23) Years of Continuous Service or More	14% of Total Earnings

3. Upon termination of employment, employees shall be paid any accrued vacation allowance not previously paid. Employees who have completed at least thirty (30) days but less than one (1) year of service shall receive vacation pay equal to four percent (4%) of total wages and salary earned during the period for which no vacation allowance has been paid. Employees entitled to two (2), three (3), four (4), five (5), six (6), or seven (7) weeks of vacation shall receive vacation pay upon termination equal to four percent (4%), six percent (6%), eight percent (8%), ten percent (10%), twelve percent (12%), or fourteen percent (14%), respectively, of total wages and salary earned during the period for which no vacation allowance has been paid.
4. A part-time employee proceeding to full-time employment will be credited with the number of hours accumulated during the employee's continuous service with the Employer as a part-time employee and provided the employee's service is continuous from part-time to full-time. Their new vacation date will be January 1st of the year determined by the conversion of part-time hours to the annual hours of a regular full-

time employee, which will establish the appropriate year credit for future vacation entitlements.

NEW LETTER OF UNDERSTANDING – FIRST AID PREMIUM

Employees who have the necessary first aid qualifications shall receive one dollar (\$1.00) per hour for all hours assigned to provide the required first aid coverage.

Any employee who is not assigned to provide first aid coverage but is required to perform first aid during their shift shall receive a premium one dollar (\$1.00) per hour on all hours worked on that shift.

Where the Employer and the employee mutually agree that the employee will attend a First Aid course, the cost of the course shall be paid by the Employer upon successful completion by the Employee.

Delete Article 11 and Add New Letter of Understanding with the following language:

~~ARTICLE 11 – VACATION SCHEDULING (SURREY WAREHOUSE)~~

NEW LETTER OF UNDERSTANDING – VACATION SELECTION (ALL WAREHOUSES)

1. The vacation period will extend from January 1st to December 31st of each year. The Company reserves the right to limit and/or restrict the number of employee taking vacation during peak business periods to meet the demands of the operations.
 - a) The Company will post a general announcement on November 1st requesting employees to determine their vacation preference, if any, for the following year. During the first two (2) full weeks of November, commencing with the first Sunday of the month, eligible employees will be canvassed by seniority regarding their vacation preference. It is understood that all submissions are deemed requests and that the Company reserves the right to maintain an adequately skilled workforce at all times.

Memorandum Note: <i>Names will be withheld during vacation scheduling.</i>

- b) Employees will identify their vacation preferences by completing a vacation request form. The form will be provided by the Company. Employees will be required to return the form to their supervisor by December 1st.
 - c) The vacation schedules will be finalized and posted by December 31st.

d) Employees who are going to be absent at the time of the vacation scheduling must ensure that their preference, if any, is submitted in writing to the Company by December 1st.

e) Employees who do not submit their vacation request form by December 1st will be allowed to request vacation time by giving the company at least 2 weeks written notice. These requests will be processed in the order received. Employees who do not book their vacation by March 31st may be assigned vacation dates at the company's discretion.

f) Seniority in each classification/department and shift concerned will be the determining factor in preference on the vacation schedule.

2. Vacations shall not be cumulative from year to year.

3. Where a general holiday occurs during an employee's vacation, an extra day's vacation with pay shall be granted if the holiday is one which the employee would have received had they been working.

4. Prime Time: Vacation prime time is April 1st to September 30th however vacation may be scheduled throughout the year. So far as is practical and consistent with the Employer maintaining an efficient operation, vacations shall be granted during the time requested by the employees.

The applications for vacation shall be granted on basis of seniority in each classification/department and shift concerned subject to the specific provisions contained within this letter.

All full-time employees who are entitled to either two (2) or three (3) weeks' holidays during Prime Time will choose their initial two (2) or three (3) weeks in Prime Time first and seniority will be the governing factor for those weeks.

Once all employees who qualify for prime-time vacation weeks have booked their two (2) or three (3) weeks in prime time, any remaining weeks (in prime time or outside of prime time) will then be booked by seniority. Any further requests for vacation selection during prime time will be at the discretion of Management and the Company will be fair and reasonable in considering those requests.

5. Full time employees may request to take one (1) week of vacation and break it into five (5) Single Day Vacation Day. These vacation days off shall be granted by seniority on the following basis:

- Employee must declare that they wish to break one week of their vacation into single days prior to the commencement of the vacation selection process.
- Single Day Vacation days are subject to the operational needs of the warehouse and in the case of multiple requests, the request will be denied in order of reverse seniority.
- Single Vacation Days will be selected at the end of the vacation selection process in order of seniority.
- Any additional request by an employee to modify existing vacation scheduled time shall only be granted if mutually agreed.

Memorandum Note: *A Shop Steward will be present during the vacation selection process as currently being practiced at the Surrey DC.*

Memorandum Note: *Upon ratification of this agreement, the Company will begin to manage employee's productivity on a weekly basis at all three distribution centers. For clarity, the expectation will be employees maintain a minimum of 95% to standard on a weekly basis (minimum of eight (8) hours on a function within the week).*

Memorandum Note: *The parties agree to meet and discuss picking errors in the event the Union believes error disciplines have exceeded historic levels.*

APPENDIX B – SURREY WAREHOUSE

Amend Article 3 as follows:

ARTICLE 3 – SENIORITY (SURREY WAREHOUSE)

- 3.06** A successful applicant for a vacancy shall be prohibited from applying for another vacancy (including moving to Part-time status) for a period of four (4) months **unless they are applying for another vacancy on the same shift and same function or received approval from the Company.**, ~~from the awarding of the original vacancy, unless approved by management.~~

Delete Article 4 and Replace with NEW LOU as follows:

~~ARTICLE 4 – LAYOFF AND RECALL (SURREY WAREHOUSE)~~

NEW LETTER OF UNDERSTANDING – LAYOFF AND RECALL (ALL WAREHOUSES)

- 1. The term “layoff” shall be defined as a reduction in the working force which arises from a shortage of work of two (2) weeks or greater that results in the elimination of a position. The Company will give at least seven (7) days’ notice of anticipated layoffs to employees and the Union where possible.**
- 2. In the event of a layoff, probationary and part-time employees will be laid off first. The Company shall then layoff regular full-time employees in reverse order of seniority within the warehouse. on a bargaining unit wide basis.**
- 3. Employees will be recalled in the reverse order in which they were laid off provided that the employees being recalled have the qualifications and certifications to perform the work.**
- 4. The Company will provide the Union Representative a copy of the layoff notices, the list of employees to be laid off or recalled, as well as copies of cancellation of layoff notices.**
- 5. A reduction of the work force for a period of less than two (2) weeks will not be considered a layoff. In these circumstances the Company will adjust the workforce by canvassing for volunteers within the affected classification(s) and department(s) and granting leave based on seniority. If following this procedure there remains a need to adjust the workforce further, the most junior employee(s) in the affected classification(s) and department(s) will be displaced.**

6. An employee because of a lack of qualification or certification, who may be laid off out of line of seniority, or who may not be recalled by seniority will be given a seven (7) day training period to become qualified.

SOUTH SURREY WAREHOUSE – LETTER OF UNDERSTANDING NO. 1

RENEW

SOUTH SURREY WAREHOUSE – LETTER OF UNDERSTANDING NO. 2 RE: DISCIPLINE

RENEW

SOUTH SURREY WAREHOUSE – LETTER OF UNDERSTANDING NO. 3 RE: BANKED HOLIDAY PAY

RENEW

SOUTH SURREY WAREHOUSE – LETTER OF UNDERSTANDING NO. 4 RE: FREEZER PREMIUM

RENEW

SOUTH SURREY WAREHOUSE – LETTER OF UNDERSTANDING NO. 5 RE: FULL-TIME TO PART-TIME EMPLOYMENT

RENEW

SOUTH SURREY WAREHOUSE – LETTER OF UNDERSTANDING NO. 6 RE: HOME-GROWN PROGRAM

RENEW

SOUTH SURREY WAREHOUSE – LETTER OF UNDERSTANDING NO. 7 RE: PART-TIME AVAILABILITY

RENEW

SOUTH SURREY WAREHOUSE – LETTER OF UNDERSTANDING NO. 8 RE: SANITATION

RENEW