

COLLECTIVE AGREEMENT

BETWEEN:

MACHADO GROCERS INC. D.B.A. TAMARACK CHALO! FRESHCO - 8958

AND:

UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL 401

ARTICLE 1 – PURPOSE

The purpose of this Agreement is to establish harmonious and mutually satisfactory relations between the Employer and its employees; to provide an orderly procedure for the prompt and equitable disposition of complaints and grievances which may arise from time to time; and to establish and maintain conditions which will promote the efficient and productive operation of the Employer, positive customer and employee relations, the safety and welfare of employees and the security of Employer property and prevent waste and unnecessary expense.

ARTICLE 2 – RECOGNITION

2.01 The Employer recognizes the United Food and Commercial Workers Canada Union, Local No. 401 as the sole collective bargaining agency for all employees of MACHADO GROCERS INC. d.b.a. TAMARACK CHALO! FRESHCO - 8958 employed at 2355 – 17 ST NW, Edmonton, AB, T6T 0Y2, save and except Store Owner/Manager, Assistant Store Manager, Administrator, part-time Administrator, Department Managers and persons above these ranks.

2.02 The Pharmacy Department shall be excluded from this Collective Agreement.

ARTICLE 3 – UNION ESTABLISHMENT

3.01

- (a) It is agreed that all employees covered by this Agreement shall become and remain members of the Union in good standing as a condition of employment.

- (b) New employees shall make application for membership in the Union at the time of their hiring and shall become and remain members of the Union in good standing, as a condition of employment. The employer agrees that it will inform all new employees prior to or at the time of hiring of the Union security provisions of the agreement. The Employer agrees to have the membership application forms, dues and initiation fee deduction forms signed by the employees at the time of hiring.

- (c) Form Letter

The Employer agrees to provide each new employee at the time of employment with a form letter, outlining to the employee their responsibilities in regard to Union membership; and to provide the Union, in writing, with the name and address of each employee to whom the letter was presented along with the employee's date of hire. The Union shall bear the expense of printing the letter, the contents of which to be such that it is acceptable to the Employer.

- (d) The Employer or designate will, during the first three (3) weeks of each individual's employment, make known to the new employee the names and work locations of union stewards in the store.

3.02

- (a) The Employer shall as a condition of employment, deduct from the wages of each employee, upon proper authorization from the employee affected, any initiation fees, weekly dues, and assessments as authorized by the Union. Such dues shall be remitted to the Union prior to the 15th day of the month following the month in which such deductions are made. The Employer shall provide dues information to the union in an electronic format acceptable to both parties.
- (b) Deduction statements shall be documented by location, containing the full name of the employee and their starting date and social insurance number. The Employer agrees to record the annual Union Dues deductions for each employee on their T-4 Form.

3.03 In the event that such weekly Dues are changed during the term of the

Agreement, such changes must be given to the Employer by notice, properly authorized by Union officials, and shall become effective within one (1) month following the date the notice is received.

The Union and the Employer agree to meet and address any issue or concerns regarding this article, that may come from changes in Government legislation.

3.04 The Employer will supply a report to the Union containing the following information on a mutually agreed data processing medium following the close of the Employer's four (4) or five (5) week accounting period:

- (i) Full Name;
- (ii) Employee number;
- (iii) Status (Full-Time, Part-Time, Active, Inactive);
- (iv) Classification;
- (v) Store Number;
- (vi) Social Insurance Number;
- (vii) Date of Birth;
- (viii) Date of Hire;
- (ix) Union Seniority Date;
- (x) Vacation Date
- (xi) Termination Date and reason for termination;
- (xii) Home Address (including City and Postal Code);
- (xiii) Phone Number;
- (xiv) Current Rate of Pay;
- (xv) Hours worked in the period;
- (xvi) Career hours in current classification;
- (xvii) Union Dues Deducted for the Period;
- (xviii) Initiation Fees Deducted for the Period; and
- (xix) Education and Training Fund Hours.

3.05 The Employer agrees to display the official Union decal of the United Food and Commercial Workers Union, Local 401 in a location where it can be seen by customers.

ARTICLE 4 – UNION REPRESENTATION

4.01 The Union shall have the right to appoint Shop Stewards.

4.02 The Employer agrees to allow steward(s) and/or other union member(s) selected by the Union time off to attend activities authorized by the Union subject to the Employer's ability to accommodate such leave. Ten (10) days advance notice will be provided, and the Employer agrees that such leaves will not be unreasonably denied.

4.03 Authorized representatives of the Union shall be entitled to visit any store covered by this Agreement for the purpose of observing working conditions, interviewing members, and ensuring that the terms of this Agreement are being implemented.

During a store visit, a Union representative can visit and stay in the lunchroom while the store is open.

4.04 The Employer agrees to allow unpaid time off to three (3) employees to meet with the Employer to negotiate the renewal of this Agreement.

4.05 The Employer acknowledges that UFCW Local 401 chooses to provide WCB Advocacy for its members.

4.06 Bulletin Boards

Lockable bulletin boards will be supplied by the Union and will be placed in an area of the store as mutually agreed. The Employer will be allowed to make a copy of the key to the bulletin board at their expense. It is understood that these bulletin boards are the property of the Union and shall be for their exclusive use. The Union will be responsible for all maintenance and repair of the bulletin board.

Bulletins authorized by the Union concerning the following may be posted by a person so authorized by the Union:

- A. Notice of Meetings and/or Events
- B. Benefit Plan information
- C. Pension Plan information
- D. Safety information
- E. Education and Training Course Information

Any other bulletins may only be posted by mutual agreement between the Union and the Employer.

4.07 Member Request for Copy

If the employee requests, the Employer agrees to provide employees with a copy of any policy(s), procedure(s) or document(s) that the employee is required to sign as soon as possible.

4.08 Schedules

Outside working hours and following reasonable notification to the Store Manager or person in charge of the store, a Shop Steward or Union Representative will be allowed to make copies of the schedules and remove the copies from the store. The Union agrees to deal with the copied schedules in a confidential manner.

The Employer shall retain a copy of the work schedule for a period of one year.

4.09 Union Office

Provided the operational needs of the store can be met, The Employer agrees to grant time off, without pay and without discrimination, to a maximum of one (1) employee for Union Leave as designated by the Union. Such Leave shall be for a maximum of one (1) year to serve in an official capacity with the Union. As much notice as possible shall be provided.

4.10 Union Leave (Education and Conferences)

The Union will give the Employer a minimum of two (2) weeks' notice. No request will be unreasonably withheld. The Employer agrees to pay employees for the following Union Leaves requested in writing by the Union and bill the Union accordingly for the wage and benefit cost. Employees on Union Leave of absence shall be credited for seniority based on what they would have received had they been at work. Time on Union Leaves shall be considered as time worked for all purposes under this Agreement.

ARTICLE 5 – NO DISCRIMINATION

The Employer and the Union agree that there shall be no discrimination with respect to any Employee by reason of race, colour, ancestry, place of origin, religious beliefs, gender, gender identity, gender expression, age, physical disability, mental disability, marital status, family status, source of income, sexual orientation, or membership in a trade union, as defined in *The Alberta Human Rights Act*.

ARTICLE 6 – NO STRIKE OR LOCKOUT

There shall be no strikes or lockouts during the term of this Agreement, as per the Alberta Labour Relations Code.

ARTICLE 7 – GRIEVANCE PROCEDURE

7.01 Any complaint, disagreement, or difference of opinion between the Employer, the Union or the employees covered by this Agreement, which concerns the interpretation, application, operation or alleged violation of the terms and provisions of this Agreement, shall be considered as a grievance.

7.02 In any payroll grievance regarding hours worked by an employee and the amount paid to an employee, the Employer shall promptly supply such information in respect to the six (6) months immediately prior to the request. If information for a longer period is required, the normal process of the Grievance Procedure shall apply.

The Union shall not use the foregoing provision to request information that does not pertain to a specific grievance of an employee.

- 7.03 Any employee, the Union or the Employer may present a grievance. Any grievance which is not presented within twenty-one (21) calendar days following the event giving rise to such grievance, or fourteen (14) calendar days from the last day worked when related to a discharge grievance, shall be forfeited, and waived by the aggrieved party.
- 7.04 All grievances shall be submitted in writing by the Union or Employer.
- 7.05 The procedure for adjustment of grievances and disputes by an employee shall be as follows:

Step 1 By discussion between the Shop Steward and/or Union Representative (with or without the aggrieved employee or employees present at their option) and the Store Manager/Owner. The Store Manager/Owner shall make a decision on the matter within seven (7) working days and advise the Union and if agreement is not reached, then, the parties must advise each other if they intend to proceed to Step 2 within fourteen (14) days of the Step 1 decision:

Step 2 The employee shall report their complaint to the Union Labour Relations Officer, who will take the matter up with the Store Manager/Owner who shall make a decision on the matter within twenty-one (21) days. If a satisfactory settlement cannot be reached then, upon request of either party, within twenty one (21) days of receiving the decision from the Store Manager/Owner the matter shall be referred to Arbitration in accordance with Article 8.

Time limits may be extended by mutual agreement with written confirmation.

ARTICLE 8 – ARBITRATION

- 8.01 All grievances that cannot be settled by the Representative of the Employer and the Union in accordance with Article 7 may be submitted to a single arbitrator as set out below.
- 8.02 The single arbitrator shall be mutually agreed upon by the Union and the Employer. In the event that a single arbitrator cannot be mutually agreed upon, then application for appointment of an arbitrator shall be made to the Director of Mediation Services for the Province of Alberta

- 8.03 The arbitrator shall not be vested with the power to change, alter, or modify any of the terms of this Agreement.
- 8.04 No person shall serve as an arbitrator if they are involved or directly interested in the grievance.
- 8.05 The decisions of the arbitrator shall be binding and enforceable to all parties.
- 8.06 It is agreed that the expenses of the arbitrator shall be borne equally by both the Union and the Employer.

ARTICLE 9 – HEALTH AND SAFETY

The Employer, the Union and the employees mutually agree to co-operate in maintaining and improving safe working conditions in accordance with the Occupational Health and Safety Act (Alberta). The Employer has the responsibility for ensuring that safe conditions prevail within the workplace, to take appropriate and effective measures, both preventive and corrective, to protect the health and safety of employees, in accordance with the Act.

The employees agree to cooperate with the Employer in maintaining and improving safe working conditions and good housekeeping of the store and in caring for equipment, machinery, and property.

9.01 Health and Safety Committee

The employer shall establish a Joint Work Site Health and Safety Committee in accordance with the Occupational Health and Safety Act.

The Joint Health and Safety Committee (JHSC) shall consist of two (2) employer representatives and two (2) unionized employees to be appointed by the Union or elected by the membership and shall hold their positions for a term not less than one (1) year and may continue until a successor is elected or appointed. In addition, one (1) alternate may be appointed by the union and one (1) by the Employer.

The Employer will ensure that all representatives on the JHSC are provided and receive training with respect to the duties, functions, and responsibilities of the committee in accordance with applicable legislation.

All time spent in Employer-approved training and participating in the duties and functions of the Joint Work Site Health Committee during their scheduled shift will be paid as if they had been working regular duties.

If an employee is not scheduled to work when a Safety Committee meeting is held, attendance will be voluntary. Any employee who voluntarily attends a Safety Committee meeting will be paid at the straight time rate and further, those hours paid will not result in the payment of overtime elsewhere in the day or week. In addition, there will be no minimum call-in payable pursuant to Article 13.08 for those employees who decide to attend a Safety Meeting on a voluntary basis.

The meetings will be held monthly at the store or otherwise mutually agreed location. When urgent health and safety issues arise between the monthly meetings and are presented to the Employer or the Union, the Employer will respond to the issue, or will convene a Health and Safety Committee meeting.

The chairing of meetings will be rotated among the co-chairs (one (1) from the Employer representatives and one (1) from the employee representatives) on an alternating basis and the minutes shall be posted in the store.

Meeting minutes shall be posted in the store, and within fourteen (14) calendar days of the meeting, shall be forwarded to the Union Office by the Committee Co-Chair.

The co-chairs shall alternate in serving as chair at the meeting of the JHSC and shall participate in all decisions of the committee.

It will be the responsibility of the JHSC to establish rules and procedures in accordance with the OHS Act (Alberta).

9.02 Maintenance of Adequate Heating Facilities

The Employer agrees to maintain adequate heating facilities in each store. Furthermore, the Employer shall follow the guidelines for temperature control, including absolute minimum and maximum temperatures as required by applicable legislation.

9.03 Work Loads

If an employee believes the amount of work they are required to perform is excessive over what is required from the rest of the staff and it will result in an occupational accident or occupational injury to themselves, the disagreement shall be referred to Article 7 of this Agreement.

9.04 First Aid Training

Employees' first aid training courses will be paid for by the Employer and scheduled on a paid workday.

9.05 First Aid Kits

First Aid Kits shall be provided and maintained in the store.

9.06 Water Bottles

Cashiers shall be allowed to have an Employer approved water bottle at their locations provided the bottle is stored out of public sight and the employee exercises common courtesy with customers when consuming water.

For all other employees, bottles are not to be present on the sales floor when the store is open and are only permitted in designated areas that do not compromise Food Safety practices.

9.07 Notice of Injury

In the event an employee is injured due to an event arising out of, and in the course of employment, if medically possible, the injured employee will be promptly assisted by Management and fill out a notice of injury form. A copy of said form shall be provided to the injured employee immediately following the report of the incident. The notice of injury form will be in compliance with the Workers' Compensation Act (Alberta).

9.08 Payment of Shift When an Employee is Injured During the Shift

The Employer agrees to pay any employee injured during a shift for the balance of the employee's scheduled shift.

9.09 Ergonomic Hazards

The Employer recognizes the importance of eliminating or reducing ergonomic hazards in the workplace to improve workers' wellbeing and to prevent injuries.

9.10 Anti-Fatigue Mats

The parties recognize the need for effective anti-fatigue mats to be placed at the check-stands and all other appropriate locations. When the Union or the employee raises an issue with a store regarding the supply of anti-fatigue mats, the Employer agrees to meet with the Union to discuss and resolve issues.

9.11 UFCW Health, Safety and Education Training Fund

The Employer agrees to contribute six cents (\$0.06) per hour for every hour worked by members of the UFCW Local 401 to the United Food and Commercial Workers, Local 401 Health, Safety, Education and Training Fund. Employer contributions shall increase by an additional one cent (\$0.01) per hour each year thereafter on the last Sunday of the year until the expiry date of the collective agreement or the total contribution reaches a maximum of fourteen cents (\$0.14) per hour.

ARTICLE 10 – GENERAL

10.01 Restrooms, lunchroom, and a secure place (lockers) for personal items shall be provided.

10.02 Should the Employer decide to create any new job classification(s) during the term of this Agreement, the Employer will set the rate of pay for such classification(s) following consultation with the Union. Should the wage rate set by the Employer not be agreeable to the Union, the Union may file a grievance in accordance with Article 7 and submit the matter to arbitration in accordance with Article 8.

10.03 **Product Demonstrations**

(a) If product demonstrations or tasting events are held, the Representatives of suppliers or firms specializing in this area or non-bargaining unit event staff hired by the Employer are authorized to handle the merchandise being demonstrated or tasted and to hand out samples.

(b) The Representatives demonstrating their products may verify their product codes and remove any shelved merchandise that is expired or damaged.

10.04 The Sobeys Representatives (Specialists, Managers, Director Operations, and others) may carry out all work related to their duties.

10.05 In the event that the Store is renovated or remodelled or that changes are made to the inventory or Store layout, no restriction shall be placed on the work carried out by the Representatives of Suppliers or firms specializing in this area.

10.06 Vendor Stocking

- (a) The Representatives of Companies that supply baked goods (breads and cakes), dairy, soft drinks and water, chips/salty snacks and similar-type products, nuts and candies, non-food products, natural products or other direct delivery products, may move their product throughout the Store and place it on or remove it from the shelves.
- (b) The Representatives of Suppliers may set up seasonal displays or special displays.

10.07 The Representatives of a Catering Service may prepare their recipes and cook the products intended for the Prepared Foods Department.

10.08 Cleaning of the Store and its equipment as well as the general repairs performed in the Store and on its equipment may be carried out by persons excluded from the bargaining unit.

10.09 It is recognized that the Employer may decide from time to time to engage Service-providers on an ongoing basis to operate kiosks or provide services within the Employer's stores. These Providers may in some cases provide services in the store, such as fresh-meat or fresh-fish counters that were formerly provided by employees of FreshCo; in other cases the services may be new to the store entirely.

It is understood that in all cases employees provided by the Service-providers to operate these kiosks or provide services in the store are not, either directly or indirectly, employees of FreshCo, and are not covered by the FreshCo collective Agreement.

ARTICLE 11 – LEAVES OF ABSENCE

11.01 Personal Leave

- (a) Leave of absence without pay and without benefits for legitimate reasons may be granted to employees with at least one (1) year of service with the Employer at the discretion of management and subject to the requirements and efficiency of operations. Length of such leave will not exceed four (4) consecutive weeks.

- (b) An employee requesting an unpaid personal leave of absence must make such request in writing to the Store Owner/Manager at least sixty (60) calendar days in advance of the commencement date of the requested leave. Such application will be given full consideration, and not unreasonably denied.

11.02 The Employer shall grant leaves of absence without pay, in accordance with the provisions of *The Employment Standards Code (Alberta)*.

The Employment Standards Code currently contains the following leaves:

- (a) Critical Illness Leave
- (b) Long Term Illness and Injury Leave
- (c) Citizen Ceremony Leave
- (d) Death or Disappearance of Child Leave
- (e) Compassionate Care Leave
- (f) Personal and family responsibility leave
- (g) COVID-19 leave
- (h) Reservist leave
- (i) Domestic Violence Leave

The Employer recognizes that employees sometimes face situations of violence or abuse in their personal lives and when notified, will take reasonable steps to accommodate absences or performance issues arising directly from situations of violence or abuse that occur in the context of close personal relationships.

Should an accommodation become necessary, the parties will meet to discuss appropriate steps.

11.03 Bereavement Leave

- (a) Full-time employees shall be granted time off from work, with pay, to a maximum of three (3) scheduled work days, in the event of death in the immediate family.

- (b) After twelve (12) months of employment, part-time employees shall be granted time off from work, with pay, to a maximum of three (3) scheduled work days, in the event of death in the immediate family. The compensation shall be at the average hours worked during the preceding four (4) weeks.
- (c) The term "immediate family" shall mean spouse, parent, parent-in-law, child, brother or sister, sister-in-law, brother-in-law, son-in-law, daughter-in-law, grandparents, common law spouse, stepparents, stepchild and grandchild. One (1) day off, with pay, will be granted to an employee in the event of the death of their aunt or uncle.
- (d) Employees shall not be required to attend the funeral in order to receive bereavement leave however, such leave must be taken in conjunction with the death, or related memorial service unless otherwise mutually agreed, and not unreasonably denied.
- (e) Common law or adult interdependent partner and same sex spouses are to be recognized by the Company for the provisions of this article.
- (f) In addition to the foregoing, an employee shall be entitled to any unpaid leave they are eligible for under Employment Standards legislation including bereavement leave for a person the employee is not related to but considers to be like a close relative.

11.04 Jury Duty

- (a) When a full-time employee is summoned, and reports, for jury duty, they will be paid their regular hourly rate of pay for the number of hours they were scheduled to work during the period they serve as a juror, to a maximum of ten (10) shifts, less the amount they are paid to serve as a juror, provided that the employee immediately reports to work if the employee is excused from jury duty for the rest of the day or days, notifies the Employer of the date on which they will be released from jury duty immediately after such information is provided to the employee and reports for work on their first scheduled shift immediately following their release. Such compensation shall not be considered as payment for time worked.
- (b) The claim of an employee shall be verified by presentation of the cheque from the Court; however, no payments shall be made for any hour for which the employee received compensation from the Employer for any other reason.

- (c) An employee appearing as a witness to a court proceeding on behalf of the Employer will be paid a minimum of three (3) hours at their regular hourly rate of pay, and such compensation shall not be considered as payment for time worked.
- (d) The employee's scheduled day off will not be changed as a result of attending court on the Employer's behalf.

11.05 Maternity and Parental Leave

Maternity Leave

In accordance with the provisions of *The Employment Standards Code (Alberta)*, employees shall be entitled to maternity leave of not more than sixteen (16) weeks starting at any time during the twelve (12) weeks immediately before the estimated date of delivery.

A pregnant employee whose pregnancy ends other than as a result of a live birth within sixteen (16) weeks of the estimated due date is entitled to maternity leave under this provision.

An employee who takes maternity leave must take a period of leave of at least 6 weeks immediately following the date of delivery, unless by mutual agreement between the employee and the Employer and provided a medical certificate indicates that resumption of work will not endanger her health.

Parental Leave

In accordance with the provisions of *The Employment Standards Code (Alberta)*, Employees shall be entitled to:

Parental leave of not more than sixty-two (62) weeks within a seventy-eight (78) week period after the child's birth, or in the case of an adoptive parent, after the child is placed with the adoptive parent for the purpose of adoption.

If employees are parents of the same child, Parental Leave may be taken wholly by one of the employees or shared by the employees. In such circumstances, the Employer may, at its discretion, grant Parental Leave to one or both employee(s) at the same time if so requested.

11.06 Military Leave

An employee who is a member of the Canadian Armed Forces, including the Primary Reserve, and who is part of an operational deployment will, upon two (2) weeks' notice, where possible, be granted a leave of absence without loss of seniority. Employees may be required to provide documentation to support the leave request.

ARTICLE 12 – SENIORITY

12.01 Seniority for each full-time employee is based upon the length of continuous full-time employment with the Employer in the store since the employee's most recent date of hire.

Seniority for a part-time employee is based upon the length of continuous employment with the Employer in the store since the employee's most recent date of hire.

It is agreed that employees will continue to acquire and exercise seniority on a departmental basis within the bargaining unit, except in the event of lay-off and re-employment, in which case employees shall exercise seniority on a storewide bargaining unit basis.

In all matters full-time employees will be deemed senior to part-time employees.

The name and number of departments may be changed by the Employer from time to time after providing employees and the Union thirty (30) days' notice.

Due to business needs, full-time employees may be required to temporarily perform work outside of their department from time to time.

12.02 Seniority is the principle of granting preference to employees for promotions, demotions, lay-offs in accordance with an employee's bargaining unit seniority, but only when an employee has the merit, fitness and ability necessary to fill the normal requirements of the job.

12.03 Seniority lists for employees shall be sent to the Union by the Employer quarterly beginning on January 1st of each year and shall include home address, email address, phone number, starting date, seniority date, department and social insurance number separated into full and part-time, in an electronic format acceptable to both parties.

12.04 Promotions

Promotions and vacancies shall be filled on the basis of seniority, providing the senior employee has the merit, fitness and ability to perform the work. The Company agrees to act in good faith and further agrees not to discriminate in any manner.

- (a) Anyone promoted to a non-union management position subsequent to conversion will maintain bargaining unit seniority for eighteen (18) months following the promotion after which time the employee shall have no bargaining unit seniority.
- (b) Persons outside the bargaining unit returning to the bargaining unit shall return to a position no higher than their former position in the bargaining unit.
- (c) Persons returning to or entering the bargaining unit, shall not cause the demotion of employees within the bargaining unit.

12.05 Seniority Credits

The Employer agrees to recognize the accumulation of the seniority of an employee who is absent from work due to sickness, accident, pregnancy/parental leave as defined within the *Employment Standards Code (Alberta)* upon his return to work.

12.06 Vacancies

In the event of a vacancy occurring for any full-time bargaining unit position employees covered under this Agreement shall be filled based on seniority, providing the senior employee has the merit, fitness and ability to perform the work required. The Company agrees to act in good faith and further agrees not to discriminate in any manner.

When a vacancy occurs in a full-time job, such vacancy shall be posted and remain posted for fourteen (14) calendar days on the Union Bulletin Board. Two (2) copies of all vacancies to be posted shall be given to the union steward or in their absence, union representative (to post one if he chooses in addition to the one posted by the Employer) at the time of the Posting.

The Employer further commits to meet with each employee who submits a resume and is not successful to review how the employee(s) may improve their qualifications to be better suited for such position in the future.

12.07 Lay-off and Re-employment

- (a) Lay-off and re-employment shall be based on bargaining unit seniority, providing the senior employee has the merit, fitness and ability to perform the work required. The Company agrees to act in good faith and further agrees not to discriminate in any manner.
- (b) Full-time employees who are laid off from full-time employment shall if they so desire, be placed on the part-time seniority list based on the length of their accumulated full-time and if applicable, part-time service with the Employer and shall be given preference for available part-time work in so far as that length of service entitles them.

Such employee shall be eligible for vacation entitlement based on that length of service.

- (c) Full-time employees who voluntarily terminate from full-time employment shall be placed on the part-time seniority list based on the length of their accumulated full-time and if applicable part-time service with the Employer and shall be given preference for available part-time work in so far as that length of service entitles them.

Such employee shall be eligible for vacation entitlement based on that length of service.

12.08 Notice or Pay in Lieu

Employees with more than thirteen (13) weeks service but less than two (2) years service at a store will be given one (1) weeks notice of lay-off or one (1) week's pay in lieu of notice.

Employees with more than two (2) years service but less than four (4) years' service at a store will be given two (2) weeks notice of lay-off or two (2) weeks' pay in lieu of notice.

Employees with more than four (4) years but less than six (6) years of service will be given four (4) weeks' notice or four (4) weeks pay in lieu of notice.

Employees with more than six (6) years but less than eight (8) years of service will be given five (5) weeks' notice or five (5) weeks pay in lieu of notice.

Employees with more than eight (8) years but less than ten (10) years of service will be given six (6) weeks' notice or six (6) weeks pay in lieu of notice.

Employees with more than ten (10) years' service will be given eight (8) weeks' notice of lay-off or eight (8) weeks' pay in lieu of notice.

For clarity this provision is not in addition to the *Employment Standards Code (Alberta)*.

ARTICLE 13 – HOURS OF WORK, SCHEDULING AND OVERTIME

- 13.01 The following paragraphs and sections are intended to define the normal hours of work as may be scheduled by the Employer and shall not be construed as a guarantee of or a limitation upon the hours of work per day or per week or days of work per week.
- 13.02 There will be a minimum of ten (10) hours between the time an employee concludes one (1) shift and commences the next shift.
- 13.03 The Employer shall provide a time recording device in the store by which an employee shall record hours worked as required by the Employer at the beginning and at the end of any work shift and at the beginning and at the end of any meal period during that work shift. Employees shall not punch in until they are in proper work attire and ready to work.
- 13.04 Employees shall be at their respective workstations ready to begin work at the time their shift starts and except for the time spent away from work for lunch periods and rest periods, employees shall not quit work until the time their shift ends.
- 13.05 A work schedule for the employees in the bargaining unit shall be posted by Wednesday noon for the following week.
- 13.06 All overtime must be authorized by the Store Owner/Manager or their designate.
- 13.07 The Union and employees agrees that the requirements and efficiency of operations of the Employer will require overtime work periodically and that the employees will co-operate fully in this matter. As part of this:

Overtime shall be offered to employees at work in the department in which the overtime is required in order of seniority, providing the employee possesses the qualifications, experience, skill, and ability to efficiently perform the required work. If there are insufficient volunteers to perform the required overtime, then the Employer reserves the right to require employees to work the unscheduled overtime which will be assigned on a reverse seniority basis to the most junior employees immediately available to perform the overtime work who possess the qualifications, experience, skill and ability to efficiently perform the required work.

Scheduled overtime shall be offered by seniority within the department.

- 13.08 When an employee is required to report for work and there is no work available for the employee in their regular classification, the employee will be given three (3) hours work in some other classification or three (3) hours pay at their regular hourly rate, unless the employee was previously notified by the Employer not to report to work.

In all other cases, at least twenty-four hours (24) notice of any change must be given.

It shall be the Employer's responsibility to notify all employees affected by a change in their schedule.

- 13.09 The Employer agrees that no employee shall work split shifts unless mutually agreed to between the Employer and the employee.
- 13.10 The Employer agrees to schedule part-time employees by seniority provided they have the merit, fitness, ability and that they are available to work during the hours that are required by the Employer. Preference in the available weekly hours of work shall be given to senior part-time employees within their department, insofar as this is consistent with their availability.
- 13.11 Overtime will be paid at the rate of one and one half times ($1 \frac{1}{2} \times$) their regular hourly rate for all hours worked in excess of eight (8) hours in a day or forty (40) hours in the week.
- 13.12 Payment of wages shall be paid on a bi-weekly basis by direct deposit. In the event the Employer changes its pay cycles, it will notify the Union at least two (2) months in advance of such changes being made.
- 13.13 Employees designated as Night Crew will receive a premium of seventy-five (75¢) cents per hour. Night Crew will be scheduled between 8:00pm and 9:00am. For clarity, a Night Crew employee's entire shift will fall between these hours.

- 13.14 An employee designated by the Employer to lead the Night Crew shall receive an additional premium of seventy-five (75¢) cents per hour.
- 13.15 Any non-night crew employee who works beyond 11:00 p.m. shall be paid a seventy-five (75¢) cents per hour premium for all hours worked from 11:00 p.m. onward. The premium does not apply to employees who commence their work shift from 5:00 a.m. and onward the next day.
- 13.16 The Employer may call employees in to attend a staff meeting up to two (2) hours duration not more than four (4) times per calendar year. The Employer agrees that attendance at such meetings shall be voluntary. For clarity, employees will be compensated at their regular rate of pay for time spent in the meeting. In such cases, the minimum call-in would not apply.
- 13.17 The normal work week for full-time employees shall consist of forty (40) hours per week on the basis of five (5) eight (8) hour shifts.
- 13.18 The normal work week for part-time employees shall not be more than thirty-two (32) hours per week. Part-time employees may work in excess of thirty-two (32) hours per week at the Store Owner/Manager's discretion based on the requirements and efficiency of operations.

13.19 Part-Time Availability

Part-time employees will be required to declare their availability upon being hired.

Any part-time employee can change their availability up to four (4X) times per year by obtaining a new Availability Form from their Store Manager and submitting it prior to the following effective dates:

- (a) The first Sunday in September (with a two (2) week leeway before and after);
- (b) Three (3) other times in the calendar year.

Changes in availability must be submitted two (2) weeks prior to the Sunday of the week of the effective date of the change.

Part-time employees will be required to work according to their most recent declaration of availability. In addition to the above, Employees may increase their availability between November 15th and the end of the year.

A part-time employee who fails to provide the Employer with a completed Availability Form prior to the above dates will be scheduled according to their previous Availability Form.

The Employer shall allow the Union to review and photocopy completed Availability Forms at store level upon request.

13.20 R.T.O.'s (Request for Time Off)

Employees who have a specific request for time off shall inform the Employer in writing of the specific days that they are requesting by the previous Wednesday prior to the schedule being posted. If the request is denied, the employee will be informed as soon as reasonably practical following the decision being made.

13.21 Minimum Availability

- a) All part-time employees must be available to work for a minimum amount of time per week. This period includes at least two (2) evenings as of five o'clock (5:00 p.m.) until closing of the department on Wednesdays, Thursdays or Fridays as well as totally available on Saturdays and Sundays.

Notwithstanding the foregoing, part-time employees who are students and who are unavailable for the minimum amount of time indicated in the previous paragraph must be available Saturday and Sunday, provided that this does not violate The Employment Standards Code (Alberta).

- b) Occasional Request for Saturday Sunday Off

The Employer agrees that an employee may request the occasional Saturday and/or Sunday off. The Employer will consider the request with regard to the number of prior requests, other employee requests and the business requirements. It is acknowledged by all parties that Saturdays are in most cases the busiest day of the week and as such full-time employees are generally required to work on this day.

In accordance with the above language employees requesting a Saturday off prior to commencing vacation on a Sunday will be granted their request subject to the above specified considerations.

ARTICLE 14 – MEAL AND REST PERIODS

- 14.01 Employees working a shift of seven (7) or more hours shall be entitled to an unpaid meal period. Meal periods shall be thirty (30) minutes in duration.
- 14.02 Employees shall receive one (1) paid fifteen (15) minute rest period for each four (4) hours worked (i.e., work eight (8) hours and receive two (2) paid fifteen (15) minute rest periods).
- 14.03 An employee working a shift of more than five (5) hours, but less than seven (7) hours is entitled an additional fifteen (15) minute unpaid rest period to be taken in conjunction with their paid fifteen (15) minute rest period. By mutual agreement with the Store Manager/Owner these fifteen (15) minute rest periods may be taken non-consecutively.
- 14.04 When an employee works in excess of three (3) hours over-time in which there is no meal period, the employee shall be entitled to receive a paid rest period of fifteen (15) minutes.

ARTICLE 15 – CLOTHING AND APPAREL

15.01 Shirts

Where the employer requires an employee to wear a uniform shirt, they shall supply new hires one (1) shirt at time of hire.

Every September, or earlier if required, all employees who are required by the Employer to wear a uniform shall upon request, receive one (1) additional shirt as long as the employee remains actively employed. Employees are required to maintain their shirts in a clean and presentable condition. Shirts will be available in appropriate sizes.

15.02 Clothing

If an employee is uncomfortably cold due to working area temperature, they shall be allowed to dress accordingly, subject to the dress code. In the event the store is uncomfortably warm due to a malfunction in the cooling and ventilation system, employees will be given additional opportunities to drink water as required.

15.03 Safety Shoes

All part-time employees with a minimum of two (2) years of service that are required by the Employer to purchase and use safety footwear will be reimbursed thirty (\$30) dollars upon presentation of a receipt.

Full-time employees will be entitled to reimbursement of thirty (\$30) dollars twice during the life of this Collective Agreement upon presentation of a receipt. Safety shoes must be entirely black in colour and must be Canadian Standards Approved (CSA).

15.04 Special Clothing

Special clothing such as parkas are to be supplied and maintained by the Employer where required as determined by the Employer. The Employer will maintain an employee shared supply of clean, cold temperature apparel as follows: coats, gloves, and hats.

ARTICLE 16 – GENERAL HOLIDAYS

16.01 The following shall be recognized as General Holidays:

- New Years Day
- Alberta Family Day
- Good Friday
- Victoria Day
- Canada Day
- Labour Day
- Thanksgiving Day
- Remembrance Day
- Christmas Day

16.02 In order for an employee to receive holiday pay they must work their entire last scheduled shift immediately preceding the holiday and their entire first scheduled shift immediately following the holiday, except where the employee is absent due to bona fide illness or accident.

16.03 If an employee is required to work on any of the holidays set out in Section 16.01 above, they shall receive one and one half (1 ½ X) times their regular rate for all hours worked.

16.04 There shall be a fair rotation of shifts scheduled on General Holidays.

16.05 On weeks in which one (1) holiday as listed in Article 16.01 occurs, the work week will be reduced by eight (8) hours for full-time employees.

16.06 Holiday pay for eligible full-time employees will be computed on the basis of eight (8) hours per holiday.

16.07 For all matters relating to general holiday eligibility and pay for part-time employees, the Alberta Employment Standards Code shall apply.

ARTICLE 17 – PROBATION

- 17.01 An employee shall be considered a probationary employee until they have worked three hundred fifty (350) hours of active regular duty. It is expressly understood by both parties that during the probationary period an employee shall be considered as being an employee on a trial basis and may be discharged at any time at the sole discretion of the Employer for any reason at the sole discretion of the Employer, provided such reason is not contrary to The Alberta Human Rights Act, and such discharge shall not be the subject of a grievance and/or arbitration pursuant to this Agreement.

ARTICLE 18 – VACATION

- 18.01 Annual vacation entitlement for full time employees will be based on years of continuous full-time employment with the Employer since their most recent date of hire and will be as follows:

Full-time employees shall accumulate vacation entitlement and vacation pay as follows:

Employees who have been employed by the Employer for less than one (1) year shall be paid vacation as outlined in the Employment Standards Code (Alberta).

Full-time employees who have been employed for more than one (1) year but less than five (5) years - two (2) weeks' vacation pay, except that vacation pay for any full-time employee off work for (1) month or more in a calendar year shall be based on four percent (4%) of their annual wages as defined in the Employment Standards Code (Alberta) in the immediately preceding calendar year.

Full-time employees who have been employed for more than five (5) years but less than ten (10) years— three (3) weeks' vacation with pay, except that vacation pay for any full-time employee off work for one (1) month or more in a calendar year shall be based on six percent (6%) of their annual wages as defined in the Employment Standards Code (Alberta) in the immediately preceding calendar year.

Full-time employees who have been employed for more than ten (10) years— four (4) weeks' vacation with pay, except that vacation pay for any full-time employee off work for one (1) month or more in a calendar year shall be based on eight percent (8%) of their annual wages as defined in the Employment Standards Code (Alberta) in the immediately preceding calendar year.

- 18.02 Weekly vacation entitlement for full-time employees who have not been off work for one (1) month or more in a calendar year shall be the greater of the employee's

regular weekly rate of pay (i.e. 40 hours x their base hourly rate) or two (2%) of their annual wages as defined in the Employment Standards Code (Alberta) in the immediately preceding calendar year.

18.03 When a General Holiday occurs during a full-time employee's vacation, an extra day's vacation pay will be paid if the holiday is one for which the employee would have received pay had they been working.

18.04 All full-time employees' vacation entitlement must be taken in that vacation year and shall not be carried over to the next vacation year. Vacation pay shall be paid to the employee when the employee goes on vacation.

18.05 Part-time

(a) Part-time employees shall receive vacation pay based on years of continuous employment with the Employer since his/her most recent date of hire as follows:

- (i) Part-time employees who have been employed by the Employer for less than one (1) year shall be paid vacation as outlined in the Employment Standards Code (Alberta).
- (ii) Part-time employees who have been employed more than one (1) year and less than five (5) years - four percent (4%) of their annual wages as outlined in the Employment Standards Code (Alberta).
- (iii) Part-time employees who have been employed more than five (5) years and less than ten (10) years - six percent (6%) of their annual wages as outlined in the Employment Standards Code (Alberta).
- (iv) Part-time employees who have been employed more than ten (10) years - eight percent (8%) of their annual wages as outlined in the Employment Standards Code (Alberta).

(b) All part-time employees shall have vacation pay paid bi-weekly in the pay period it is earned.

(c) Upon written request, part-time employees will be provided time off without pay for vacation purposes, in accordance with the conditions outlined in the Employment Standards Code (Alberta), to a maximum of three (3) weeks unless otherwise mutually agreed between the Employer and the employee.

(d) Part-time employees who become full-time employees shall not be paid vacation pay twice for the same time period.

18.06 In scheduling vacations, the Employer will consider the proper and efficient operation of the business.

The employer shall post on the notice board a suitable form for full-time employees to indicate their preferred vacation dates in accordance with their seniority. This form shall be posted by the Employer no later than March 1st of the calendar year and must be completed by employees prior to April 15th.

The Employer will then determine the vacation schedule. Vacation determination will be based on the requirements and efficiency of operations and will take into consideration employee preferences and seniority as indicated on the form prior to April 30th.

The vacation schedule will be posted by May 1st and will remain posted throughout the vacation period and employee vacations will not be changed unless mutually agreed to between the Employer and the employee.

Employees will be granted a maximum of two (2) weeks' vacation between May 1st and September 30th, unless otherwise mutually agreed between the Employer and the employee.

18.07 Requests for vacation shall not be unreasonably denied.

ARTICLE 19 – HEALTH WELFARE AND PENSION

19.01 The Employer agrees to make available to eligible full-time and part-time employees its Health and Welfare program subject to and in accordance with the Group Insurance program as may be revised from time to time by the Employer or the insurer and as administered by the insurer. The Employer's responsibility under this Article is limited to making the Health and Welfare program plan available to eligible employees in accordance with the Employer's group insurance program. It is expressly acknowledged that the Employer has no liability for the failure or refusal of the insurance carrier(s) to honour a claim or to pay benefits to an employee and no such action on the part of the insurance carrier shall be attributable to the Employer or constitute a breach of this Agreement by the Employer. Under no circumstances will the Employer be responsible for paying any benefits under the benefits plan or in any way relating to this Article and in all respects the benefits shall be administered in accordance with the rules and regulations of the plan or plans obtained by the Employer, said plan or plans not forming part of this Agreement and not being subject to the grievance procedure or arbitration.

19.02 Pension Plan

The Employer agrees to make available to eligible employees its Employee Pension Plan, subject to and in accordance with the terms of that plan (including the employer matching component) as implemented by the Employer and as may be amended from time to time by the Employer. In all respects the plan or plans shall be administered in accordance with the rules and regulations of the plan or plans implemented by the Employer.

ARTICLE 20 – MANAGEMENT RIGHTS

20.01 The Union recognizes and agrees that except as specifically abridged or modified by this Agreement, all rights, powers, and authority to manage the Employer and direct the working force are retained solely and exclusively by the Employer.

20.02 The Union agrees that the Employer has the exclusive right and power to manage its business, to direct the working forces and to suspend, discharge or discipline employees for just and sufficient cause, to hire, promote, demote, transfer or lay off employees, to establish and maintain reasonable rules and regulations covering the operation of the stores, provided however, that any exercise of these rights and powers in conflict with any of the provisions of this Agreement shall be subject to the provisions of the grievance procedure as set out herein.

20.03 The Employer shall exercise its functions in a manner consistent with the Expressed provisions of this Agreement and any alleged inconsistency may be dealt with as is hereinafter provided in Article 7 [Grievance Procedure].

20.04 The Employer not exercising any right hereby reserved to it or its not exercising any such right in a particular way shall not be deemed a waiver of any right or preclude the Employer from exercising the right in some other way in the future, except as such right may be specifically, unequivocally and expressly limited by the terms of this Agreement.

20.05 An employee shall lose their seniority and shall be terminated from the employ of the Employer if they:

- (a) voluntarily leaves the employment of the Employer;
- (b) is discharged for cause;
- (c) is absent from work for more than three (3) working days without prior notification (except in rare and exceptional circumstances) to the Employer;
- (d) is absent from work due to sickness or disability for more than three (3) days and fails upon return to work to produce a certificate when requested from a

- medical practitioner verifying such absence and substantiating the reason for such absence;
- (e) fails to return to work after a recall from lay-off within seven (7) days after the delivery of notice of recall by registered mail;
 - (f) fails to return to work upon the conclusion of a leave of absence unless their failure to return is for reasonable cause;
 - (g) is not recalled to work when laid off due to lack of work, their name shall be retained on the seniority list for six (6) month period or the length of their seniority, whichever is the lesser, but in no event, less than six (6) months period.
 - (h) use an approved leave of absence for reasons other than those specified.

ARTICLE 21 – EMPLOYEE RIGHTS

The Employer recognizes the vital role that employees play in the success of the business. Without restricting the generality of the foregoing, the Employer agrees that all employees shall have the following rights:

- The right to a healthy and safe work environment;
- The right to be free from discrimination, intimidation, and harassment;
- The right to be informed of all workplace rights, obligations, policies, and rules;
- The right to all statutory benefits, rights, and privileges;
- The right to be treated with dignity and respect in all circumstances.

ARTICLE 22 – DISCIPLINE AND DISCHARGE

- 22.01 No employee who has completed their probationary period shall be discharged or disciplined except for just cause.
- 22.02 When an employee's work performance or conduct is such that it may or does lead to discipline or discharge and is the subject of a discussion or meeting between the employee and the Employer, the Shop Steward shall be present. In the event that a Shop Steward is unavailable, the employee shall choose another employee on the premises, to be present at said interview.
- 22.03 An employee who wishes to be unrepresented during one of the situations above, may only do so after consultation with a Shop Steward or Union Representative.

22.04 A copy of all formal notices of discipline (i.e., written warnings, suspensions and discharges) shall be given to the Union Office and to the Shop Steward.

ARTICLE 23 – STORE CLOSURE

23.01 The Union and Employer will meet following the announcement of a store closure to discuss potential options for employees.

23.02 Enhanced Severance

In the event of a permanent discontinuance of the operations of a store covered by this Collective Agreement the affected employees will receive severance in the amount of one and one half (1 1/2 X) times their normal weekly earnings multiplied by their completed years of service to a maximum of fifty thousand (\$50,000) dollars in the case of a full-time employee and fifteen thousand (\$15,000) in the case of a part-time employee. This payment is deemed to be inclusive of any severance payments or pay in lieu of notice required by law and any obligations under the collective agreement.

Employees will generally be expected to remain in their employment up until the closure of the location. Special individual consideration for early departure may be made subject to the Employer's ability to continue the normal operation of the store.

Notwithstanding the above paragraph Article 12.08 [Notice Provision] of the Collective Agreement shall apply.

Enhanced severance shall not be payable to employees who secure employment with another retailer within Sobeys Capital Incorporated provided that all the following conditions are met:

1. The employee's status as a full-time is maintained
2. The employee's rate of pay is maintained or improved
3. The employee's years of service are recognized for vacation purposes

ARTICLE 24 – EXPIRATION AND RENEWAL

24.01 This Agreement shall come into effect on March 25, 2021 and shall remain in effect up to and including March 24, 2025.

24.02 A party wishing to revise or terminate this Agreement shall notify the other party in writing not less than sixty (60) days and not more than one hundred and twenty (120) days prior to the expiry date hereof and on delivery of such notice the parties shall, within thirty (30) days or such later time as may be mutually agreed, commence negotiations. During the period of such negotiations, this Agreement shall remain in full force and effect. If notice is not given as above, this Agreement shall automatically be renewed from year to year thereafter unless notice is given in accordance with this Article.

ARTICLE 25 – WAGES

Minimum Rates of Pay for Full-time Employees

	Current	April 1, 2022	April 1, 2023	April 1, 2024
Start	15.00	15.00	15.00	15.00
6 months	15.10	15.10	15.10	15.10
12 months	15.20	15.20	15.20	15.20
18 months	15.30	15.30	15.30	15.30
24 months	15.40	15.40	15.40	15.40
30 months	16.00	16.00	16.00	16.00
36 months		16.50	16.50	16.50
42 months			17.50	17.50
48 months				18.00

Temporary Assignments

Where an employee is assigned to perform the majority of the duties of a position not set out in the Collective Agreement then the employee so assigned shall receive their own rate of pay plus a premium of one (\$1.00) dollar per hour for each hour worked. For clarity the majority of duties means half the duties or more. It is understood that this provision shall apply for temporary assignments of more than three (3) days in a calendar week. Temporary assignments when filled will be filled by seniority provided the senior employee has the qualifications and the ability to perform the work.

Promotions from Part-time to Full-time

For wage progression purposes only, part-time employees who are promoted to full-time, will be given the greater of their part-time rate or the rate which their full-time seniority credit gives them, and they shall proceed from that point in the full-time wage progression. The full-time seniority credit is calculated based on six (6) months equaling 1,040 hours worked.

In the event that a promotion to full-time results in an employee being on an "off-scale" rate within the full time scale, it is understood that the employee will still have to acquire the appropriate service to advance on the existing full-time wage progression.

Minimum Rates of Pay for Part-time Employees

Amount of Service	Pay
0-300 hours	Minimum Wage (MW)
301-650 hours	MW + \$0.05
651 – 1300 hours	MW + \$0.10
1301-1950 hours	MW + \$0.15
1951 – 2600 hours	MW + \$0.20
2601 – 3250 hours	MW + \$0.25
3251-3900 hours	MW + \$0.35
3901 - 4500 hours	MW + \$0.40
4501 - 5200 hours	MW + \$0.50
5201 - 6500 hours	MW + \$0.60
Over 6501 hours	MW + \$0.70

All part-time employees who are top rated shall receive the following off scale wage increases:

Effective the first full pay week following the 1st Anniversary – twenty-five (25¢) cents per hour

Effective the first full pay week following the 2nd Anniversary –twenty-five (25¢) cents per hour

Effective the first full pay week following the 3rd Anniversary –twenty-five (25¢) cents per hour

Incentives

The parties agree that the provisions outlined above do not prevent the implementation of additional premiums or other incentives as determined by the Employer from time to time.

Where the Employer determines it is necessary to hire at a rate greater than the rate posted above due to labour market conditions, the newly hired employees will be credited with the corresponding number of career hours to their assigned rate but such hours will not be used for determining seniority or any other entitlement under this Agreement.

Prior to the implementation of any additional premium or other incentives, the Employer shall advise the Union. Upon request of the Union, the Employer shall meet with the Union to discuss the additional premiums or other incentives prior to the implementation.

Part-Time Premium

Notwithstanding anything to the contrary contained in Article 13.20, in the event that a part time employee works for more than thirty-two (32) hours in a given week for circumstances other than those outlined below, they shall be paid a bonus of one dollar and fifty cents (\$1.50) per hour for all such hours worked in excess of thirty-two (32).

- Where a full-time employee is absent due to illness, accident, jury duty or bereavement;
- To cover for vacations for full-time employees;
- Where a full-time employee is on a leave of absence;
- From December 15th to January 3rd;
- From June 1st to Labour Day; or
- During seasonally busy periods (e.g. Thanksgiving, Easter).

Part-time night shift employees who are scheduled to work more than thirty-two (32) hours in a week for circumstances other than those outlined above will receive a premium of one dollar and twenty-five cents (\$1.25) per hour for all hours worked

in the week. Night shift employees are defined as employees who work exclusively night shift within a given week.

LETTERS OF UNDERSTANDING

LOU #1 RETURN TO WORK PROTOCOL

The Employer agrees to notify the Union of the time, date and location of any meeting held with an employee regarding a permanent workplace accommodation. The Union representative or designate may attend such meeting

LOU #2 MEAT DEPARTMENT

In the event a location or locations implement a conventional meat department operated by the Employer during the term of this agreement, then the Employer and the Union will meet to discuss such implementation i.e. rates of pay, department seniority and classifications.

For clarity, a conventional meat department is one that requires the expertise of a meat cutter for the purpose of cutting and trimming meat in a manner that it can be overwrapped, weighed, and priced in preparation for sale to the customer.

LOU #3 FRESHCO CONVERSION LANGUAGE

Pursuant to LOU 26 (Retail and South Meats) and LOU 29 (North Meats) of the Safeway/UFCW 401 province wide collective agreements, former Safeway employees who have elected to take the top 25% option and work at the converted FreshCo location, will be allowed to maintain their Safeway economic terms as follows:

- Hourly rate of pay and career hours
- Health and Welfare benefits
- Dental benefits
- Vacation entitlement
- Seniority date
- Pension (to be determined by the parties)

while accepting the remainder of the terms in the FreshCo Agreement.

It is understood that this letter of understanding does not apply to employees who terminate their employment and are subsequently rehired, after the opening of a converted store.

LOU #4 PHARMACY EMPLOYEES

This letter confirms that any pharmacy department located in a FreshCo in Alberta will be covered by the Safeway Provincewide Collective Agreement with UFCW 401. As a result, Pharmacy Assistants and Registered Pharmacy Technicians in these departments will be a part of the Safeway bargaining unit. This letter will apply to FreshCo stores that have converted from a Safeway along with any other FreshCo stores that open with a pharmacy.

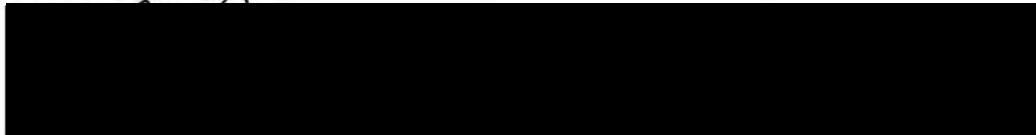
LOU #5 SICK LEAVE

Full-time employees shall be entitled to three (3) sick days per calendar year, accumulated on the basis of one-half (1/2) day every two (2) months. Employees shall have the opportunity to utilize these hours by the end of the following calendar year. Paid sick days will be based on the employee's previous thirteen (13) week average hours worked.

Signed this 25TH day of MARCH, 2021.

For the Employer:

For the Union:

A large black rectangular redaction box covering the signatures of both the employer and the union representative.

MACHADO GROCERS INC.

UFCW 401