

Collective Agreement

Between

**The Governor and Company of Adventurers of England
Trading Into Hudson's Bay**

The Bay, Victoria City Centre

Victoria, BC

and

United Food and Commercial Workers, Local 1518

Duration of Agreement: February 1, 2008 – January 31, 2012

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MEMORANDUM OF AGREEMENT made this 28th day of OCTOBER, 2008.

BETWEEN: HUDSON'S BAY COMPANY, Victoria City Centre, #1 Bay Centre, 1150 Douglas Street, Victoria, BC

(hereinafter referred to as the "EMPLOYER")

AND: UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL 1518, Chartered by the United Food and Commercial Workers International Union, C.L.C.

(hereinafter referred to as the "UNION")

Article 1 - RECOGNITION

- 1.01 The Employer recognizes the Retail Clerks Union, Local 1518, UFCW, as the sole collective bargaining agency for the Associates of the Victoria Store covered by the terms of this Agreement.
- 1.02 Representatives of the Union shall have reasonable access to the Associates for the lawful transaction of Union business at reasonable times and after notifying the Human Resources Manager and Sales Manager.
- 1.03 There shall be no discrimination against any Associate for lawful Union activity.
- 1.04 Negotiations for the revision of this Agreement shall, when possible, take place in the presence of a committee of three (3) Associates of the Employer nominated by the Union.
- 1.05 Exclusions:
Store Manager, Human Resources Manager, Group Sales Managers (2), Restaurant Manager, Loss Prevention Manager, Operations Manager, Sales Managers (10), Marketing Manager, Customer Service and Development Manager, Payroll Clerks, Executive Office Secretary, Office Manager, Bay Salon Manager.
- 1.06 If more than twelve (12) selling Managers are to be added, the Union and Company Committee will meet to discuss the areas where it is necessary to add additional supervision. The economic justification for adding will be in increments of two million dollars (\$2,000,000) additional sales over the base year of 1997.

Article 2 - RESERVATION TO MANAGEMENT

- 2.01 The Union agrees that Management of the Victoria Store has the right to plan, direct and control store operations. The right to hire and discipline, the direction of the working force, the discharge of Associates for just cause and those matters requiring judgment as to the competency and efficiency of Associates, are the sole right and function of the Employer. Promotions shall be entirely a matter for the Employer's decision.

The parties agree that the foregoing enumeration of the rights of Management shall not be deemed to exclude other recognized functions of Management not specifically covered by this Agreement. The Employer, therefore, retains all rights not otherwise specifically covered by this Agreement.

The exercise of the foregoing rights shall in no way alter any of the provisions of this Agreement.

Article 3 (A) - DEFINITION OF ASSOCIATES

- 3A.01 The Employer reserves the right to schedule hours of store operations, Associate's hours of work, rest periods, lunch periods and overtime work, subject to the provisions set out below.
- 3A.02 An Associate's schedule may be changed without notice in the event of absence of other Associates due to sickness or accident or in the event of emergencies, such as fire, flood, breakdown of machinery or other instances of *force majeure*. In all other cases, at least twenty-four (24) hours notice of any change must be given when mutually agreed. It is understood that this clause does not apply to casual Associates.

- 3A.03 The basic workweek shall be thirty-seven and one-half (37½) hours, consisting of five (5) seven and one-half (7½) hour days. An Associate working such hours for three (3) calendar months shall hereinafter be defined as a Regular Full-time Associate.
- 3A.04 The basic workweek for Flex Full-Time Associates shall consist of twenty-eight (28) to forty (40) hours, consisting of no more than eight (8) hours per day in any week. The workweek shall normally consist of five (5) days. An Associate working such hours for three (3) calendar months shall hereinafter be defined as a Flex Full-Time Associate.**
- 3A.05 A Regular Part-time Associate is one who has been employed on a regular schedule for not less than twenty (20) hours per week for thirteen (13) consecutive weeks.
- 3A.06 Auxiliary Associates have a normal workweek consisting of up to twenty-seven (27) hours per week, except that such normal workweek may be exceeded by up to ten (10) consecutive weeks or where the Associate is relieving for sickness, accident, vacation or leaves of absence, including maternity and parental leave, or such scheduled hours, or during the Christmas period.**
- 3A.07 Part-Time and Auxiliary Associates (any shift less than seven and one-half (7-1/2) hours) shall be paid on an hourly basis with a minimum pay equal to four (4) hours work on any one (1) day.**

Article 3 (B) - HOURS OF WORK

3B.01 Meal Periods:

1. The meal period shall be one (1) hour for those employed seven (7) hours or more, or one-half (½) hour when it is in the best interest of customer service.
2. The meal period may be less than one (1) hour when working overtime. When required to work overtime in excess of one (1) hour, the Associate will be entitled to a meal allowance of six dollars and fifty cents (\$6.50).

3B.02 Sunday Premium Pay:

1. A regular Full-time Associate who is required to work on Sunday as part of their normal work week shall be paid for the hours worked by that Associate or for seven and one-half (7.5) hours, whichever is more. (This will not result in an Associate being reduced from Full-time.)
2. Sunday work is strictly voluntary and shall be offered according to seniority. Associates not volunteering for Sunday work shall maintain the right to claim hours of work according to their seniority.

3B.03 Rest Periods

Full-time Associates shall receive a minimum of fifteen (15) minutes rest from their duties before and after the meal period. A part-time Associate working four (4) hours but less than five (5) hours shall receive one (1) fifteen (15) minute rest period. All part-time Associates working a shift of five (5) hours or more shall receive either one (1) thirty (30) minute or two (2) fifteen (15) minute rest periods. All such rest periods shall be part of the scheduled work day with no loss of pay.

3B.04 The Employer agrees that time and one-half (1-1/2) shall be paid for all time worked in excess of seven and one-half (7-1/2) hours per day for regular Full-Time or regular Part-Time and eight (8) hours per day for Flex Full-Time or Auxiliary Associates, five (5) days per week. Further the Employer agrees that it will pay time and one-half (1-1/2) for all time in excess of thirty-seven and one-half (37-1/2) per week for all regular Full-Time or regular Part-Time or forty (40) hours per week for Flex Full-Time or Auxiliary Associates.

1. **Managers must approve in CHRIS system before paying overtime.**
2. **Overtime in excess of four (4) hours in any one (1) day shall be paid for at double time (2X).**
3. **Saturday shall be considered the last day of the week for the purpose of this clause.**
4. **Overtime will be by mutual consent and will be offered to the most senior associate on the shift in the area where overtime is to occur. Thereafter, it will be offered in decreasing**

order of seniority providing the Associate has sufficient skill, ability, suitability and availability.

3B.05 Night Work

The Employer agrees to a fair rotation of night work.

3B.06 It is agreed that weekly department meetings will be held on Company paid time, but attendance at storewide rallies is voluntary.

3B.07 At the Bay, it is the Company's responsibility to give each individual the opportunity to develop to the limit of their capabilities. The Associate is encouraged to take responsibility for their own ongoing job and personal development. The Human Resources Manager can advise what training tools are available. For example, there are many computer-based training courses available on a wide variety of topics such as product knowledge, systems, and merchandise education. The Human Resources Manager has a listing of all courses currently available. The Associate also has access to classroom sessions, sales clinics, books and videos.

The mandatory courses will be paid by the Company, whether they be C.B.T. or other training methods.

Article 4 - STATUTORY HOLIDAYS

4.01 Work on Statutory Holidays will be voluntary. All work performed on Statutory Holidays will be paid at the rate of time and one-half (1½) for those who qualify.

The following public holidays will be paid by the Employer at the regular rates of pay:

New Year's Day	Labour Day
Good Friday	Remembrance Day
Victoria Day	Thanksgiving Day
Civic Holidays (if any)	Christmas Day
Canada Day	Boxing Day
B.C. Day	

Any such other public holidays which may, from time to time, be proclaimed by the Government of Canada or the Government of the Province of British Columbia, provided other retail stores in the City of Victoria close on such a holiday.

4.02 All full-time Associates shall receive thirty-seven and one-half (37½) hours' pay at straight time rates and shall work four (4) days, thirty (30) hours in a week in which one (1) statutory holiday occurs, and shall work three (3) days, twenty-two and one-half (22½) hours in a week in which two (2) statutory holidays occur. It is understood that Sunday is the first (1st) day of the week for the purpose of this clause.

4.03 All Flex Full-Time Associates shall receive up to forty (40) hours pay at straight-time rates and shall work up to four (4) days, up to thirty-two (32) hours in a week in which one (1) statutory holiday occurs, and shall work up to three (3) days, up to twenty-four (24) hours in a week in which two (2) statutory holidays occur. It is understood that Sunday is the first day of the week for the purpose of this clause.

4.04 Regular full-time, full-time flex and regular part-time Associates shall be entitled to one (1) floating holiday day in each calendar year after meeting qualifications. This holiday will be taken at a time that is mutually acceptable.

If the federal or provincial government declares another statutory holiday, it shall replace the floating holiday mentioned above.

4.05 Pay for Statutory holidays will be calculated as per Company Policy, or Employment Standards, whichever is greater as of February 1, 1998.

4.06 For all Statutory holidays recognized in this Collective Agreement other than Boxing Day, holiday pay will be calculated as per Employment Standards or Company Policy, whichever is greater.

4.07 Statutory holiday pay for Boxing Day will be calculated as per Company policy as follows:
In order to receive holiday pay, an Associate must have worked fifteen (15) of the thirty (30) days immediately preceding the holiday.

- i) Regular Full-time Associates: seven and one-half (7½) hours pay
- ii) **Flex Full-Time Associates: up to eight (8) hours pay.**
- iii) Other Associates: The average of his/her daily earnings, exclusive of overtime, for the days he/she has worked in the four (4) week period immediately preceding the week in which the holiday occurs.

Article 5 - ANNUAL VACATION

Entitlement

Vacations cannot be taken prior to being earned.

- 5.01 (a) Regular full-time Associates **hired before date of Ratification**, who have the following records of continuous and completed service with the Employer shall be entitled each year to the following vacations with pay:
1. Three (3) months but less than twelve (12) months
- one (1) day for each month of employment, to a maximum of two (2) working weeks.
 2. One (1) year but less than four (4) years
- two (2) weeks.
 3. After four (4) years
- three (3) weeks commencing in the calendar year in which the fourth (4th) anniversary occurs.
 4. After ten (10) years
- four (4) weeks commencing in the calendar year in which the tenth (10th) anniversary occurs.
 5. After fifteen (15) years
- five (5) weeks commencing in the calendar year in which the fifteenth (15th) anniversary occurs.
 6. After twenty (20) years
- six (6) weeks commencing in the calendar year in which the twentieth (20th) anniversary occurs.
- (b) **All full-time Associates hired on or after the date of Ratification shall be entitled to vacation with pay based on length of full-time continuous service as follows:**
1. **Associates with less than one (1) year of full-time continuous service will receive one (1) day of vacation for every completed month of service to a maximum of ten (10) days.**
 2. **Associates with one (1) year or more of full-time continuous service shall receive two (2) weeks of vacation.**
 3. **Associates with four (4) years or more of full-time continuous service shall receive three (3) weeks of vacation.**
 4. **Associates with ten (10) years or more of full-time continuous service shall receive four (4) weeks of vacation.**
 5. **Associates with twenty (20) years or more of full-time continuous service shall receive five (5) weeks of vacation.**
 6. **In acknowledgement of twenty-five (25) years of service the Company will grant one (1) additional week of vacation for that year only.**

5.02 Vacation Pay

- (a) **All Associates with two (2) or fewer weeks of vacation entitlement shall receive vacation pay based on four percent (4%) of their previous year's base pay, including sick pay, statutory**

holiday pay and vacation pay and four percent (4%) of their overtime pay, premium payments and any retroactive adjustments.

- (b) All Associates with three (3) weeks of vacation entitlement shall receive vacation pay based on five point seven-six-nine percent (5.769%) of their previous year's base pay, including sick pay, statutory holiday pay and vacation pay and four percent (4%) of their overtime pay, premium payments and any retroactive adjustments.
- (c) All Associates with four (4) weeks of vacation entitlement shall receive vacation pay based on seven point six-nine-two percent (7.692%) of their previous year's base pay, including sick pay, statutory holiday pay and vacation pay and four percent (4%) of their overtime pay, premium payments and any retroactive adjustments.
- (d) All Associates with five (5) weeks of vacation entitlement shall receive vacation pay based on nine point six-one-five percent (9.615%) of their previous year's base pay, including sick pay, statutory holiday pay and vacation pay and four percent (4%) of their overtime pay, premium payments and any retroactive adjustments.
- (e) All Associates with six (6) weeks of vacation entitlement shall receive vacation pay based on eleven point five-three-eight percent (11.538%) of their previous year's base pay, including sick pay, statutory holiday pay and vacation pay and four percent (4%) of their overtime pay, premium payments and any retroactive adjustments.
- (f) For Associates paid on commission, the associate's previous year's non-productive rate shall be used when calculating the above vacation pay entitlements, calculated according to established procedures.

5.03 (a) Where an Associate has already received more vacation pay than that which would be payable under the above formula, the over-payment shall be deducted from his/her last pay. If an insufficient amount exists in the Associate's last pay, he/she shall be obligated to repay the overpayment.

(b) When a regular Associate's service terminates and she/he has not had her/his annual vacation, the Employer shall pay the Associate, in addition to the other monies due her/him, the amount of vacation pay remaining in his accrual bank, in accordance with Article 5.02.

5.04 Regular part-time Associates will accumulate benefits on a proportionate basis.

Auxiliary Associates have the ability to schedule up to two (2) weeks vacation (unpaid) by seniority during the vacation period referenced in Article 6.04.

5.05 There shall be no carry-over of vacation from one calendar year to the next.

Article 6 - BENEFITS

6.01 It is agreed that the application of the Company's benefits relating to: health and dental care; Associate discounts; sickness and disability; pension plan; life insurance; long-service awards; Canada Savings Bonds; RRSP's and compassionate care leave shall continue with respect to the Associates in conformity with their general application throughout the Company including improvements or reductions. It is understood the benefit plans are not part of the Collective Agreement and are not themselves subject to the grievance procedure or arbitration.

6.02 The Company will provide all details to the Union, as soon as possible and, in any case, coincident with their introduction. If existing benefits are reduced, the Company will discuss any such reductions with the Union in advance.

6.03 All nonregular part-time Associates will receive vacation pay which shall not be less than four (4%) of their weekly gross earnings.

6.04 Annual vacations may be taken during the period 1st January to 31st October. The first three (3) weeks of an Associate's vacation entitlement shall be taken in an unbroken period between April 1st and October 31st unless otherwise mutually agreed to by Employer and Associate. The practice of taking that portion of an Associate's vacation which exceeds three (3) weeks in a period when business is least active is to be encouraged. No single vacation period shall exceed four (4) weeks unless mutually agreed to by Employer and Associate.

No Associate shall take less than one (1) week's vacation at any one time unless mutually agreed between the Company and the individual Associate.

- 6.05 When taking vacations after 1st May, Associates will be credited with service up to the 31st August for the purpose of calculation of vacation benefits.
- 6.06 When a statutory holiday falls during an Associate's paid vacation period, such Associate shall receive an additional day's pay or vacation in lieu thereof.
- 6.07 Any temporary lapse in employment due to illness, accident or other cause beyond the control of the Associate shall not affect the continuity of employment for vacation purposes.
- 6.08 Maternity and Paternity Leave to comply with government legislation.

Maternity Leave

- 1. An Associate, on her written request supported by a certificate of a medical practitioner stating that the Associate is pregnant and estimating the probable date of birth of the child, is entitled to a leave of absence from work, without pay, for a period of eighteen (18) consecutive weeks or a shorter period the Associate requests, commencing eleven (11) weeks immediately before the estimated date of birth or a later time the Associate requests.
- 2. Regardless of the date of commencement of the leave of absence taken under Subsection (1), the leave shall not end before the expiration of six (6) weeks following the actual date of birth of the child unless the Associate requests a shorter period.
- 3. A request for a shorter period under Subsection (2) must be given in writing to the Employer at least one (1) week before the date that the Associate indicates she intends to return to work and the Associate must furnish the Employer with a certificate of a medical practitioner stating that the Associate is able to resume work.
- 4. Where an Associate gives birth or the pregnancy is terminated before a request for leave is made under Subsection (1), the Employer shall, on the Associate's request and on receipt of a certificate of a medical practitioner stating that the Associate has given birth or the pregnancy was terminated on a specified date, grant the Associate leave of absence from work, without pay, for a period of six (6) consecutive weeks, or a shorter period the Associate requests, commencing on the specified date.
- 5. Where an Associate who has been granted leave of absence under this Section is, for reasons related to the birth or the termination of the pregnancy as certified by a medical practitioner, unable to work or return to work after the expiration of the leave, the Employer shall grant to the Associate further leaves of absence from work, without pay, for a period specified in one (1) or more certificates but not exceeding a total of six (6) consecutive weeks.

Article 7 - LEAVE OF ABSENCE

- 7.01 Educational Leave: Associates with four (4) years or more of continuous service shall be entitled to an Educational Leave of Absence, for up to one (1) year without gain or loss of seniority as of the time the Associate leaves.

The following terms and conditions shall apply to such Leave:

- (a) Two (2) Associates at any one time shall be eligible for Education Leave.
- (b) Written application for the Leave shall be coordinated through the Human Resources Department. Notification of person applying for Leave shall be provided at least three (3) months in advance.
- (c) Such Leave will be granted on a one time only basis per Associate.
- (d) The Associate must be attending an accredited educational institution.
- (e) While on Leave, the Associate shall not take employment with any major Department Store competitor (violation of this provision may result in termination for cause).

- (f) It is understood a person on Leave could be offered minimal part-time work with the Employer without seniority or rights to such work for the duration of the Leave.
- (g) The period of time off will not count towards time worked for vacation entitlement.
- (h) One (1) month's notice of return to work must be given to the Employer unless a return date has been established prior to leaving.
- (i) During the period of such Leave, if an Associate has Group Life or Medical, they will be allowed to self-pay their portion of the benefit in advance, by monthly installments.

7.02 **Jury Duty:** In the event that an Associate is selected for Jury Duty, or as a witness subpoenaed by the Crown, or another similar government authority, a Leave of Absence will be granted and the Associate shall suffer no loss in compensation through carrying out his/her duty as a citizen.

If an Associate's service as a juror or a witness is not required for the entire day, he/she is expected to return to work for the remainder of the day. However, at no time shall the combined jury/witness duty and employment duties exceed seven point five (7.5) hours in a day. The Associate is also expected to report to work on any regularly scheduled working day when the Court is closed for a holiday not recognized by the Company.

This Policy applies to regular Associates, however, if auxiliary Associates are chosen for jury/witness duty, then the Policy may also apply to these persons if their regular hours cannot be rescheduled.

7.03 **Bereavement Leave:** In the event of the death in the immediate family, a regular full-time, **full-time flex** and regular part-time Associate will be entitled to a Leave of Absence, with pay, of up to **five (5)** days. Granting of Leave is for the purposes such as, making arrangements for and attending the funeral.

Immediate family shall include parent, child, spouse, brother, sister, or a person who served as a guardian, mother/**father**-in-law, grandparents, grandchildren, step-parents, step-children and foster-children. Common-law relationships will be recognized as above. An Associate may also request additional unpaid Leave. Such requests will not be unreasonably denied.

7.04 The granting of leaves of absence and the extension of vacation periods beyond the number of days established rests solely at the discretion of the Employer. However, should an Associate feel her/his request for leave of absence has not been fairly dealt with, the Union and the Employer shall meet to discuss the matter.

Article 8 - TERMINATION PAY

Termination Pay: is grandfathered but all new hires with effect from January 3, 1993, will fall under the following amendment:

An Associate not a member of the Associates' Pension Plan shall be paid a termination allowance as follows:

- (a) For up to five (5) years of service: one (1) week of termination for every year of complete service.
- (b) More than five (5) years of service: five (5) weeks for the first five (5) years of service, plus one point five (1.5) weeks per completed year of service for each subsequent year up to a maximum of thirty (30) weeks in total.

8.01 When service of a regular Associate is terminated by the Employer for reasons other than those set forth under Clause 8.02 below, she/he will receive:

1. If a member of the Employer's Pension Plan:
 - (a) A vested benefit under the Pension Plan, or
 - (b) the return of her/his own contributions with interest plus the amount payable under the termination allowance as described in Subsection 2.
2. If not a member of the Employer's Pension Plan:
 - (a) A benefit under the terms of the termination allowance which is as follows:

After employment from six (6) months but less than two (2) years
- two (2) weeks' pay.

After employment from two (2) years but less than four (4) years
- three (3) weeks' pay.

After employment from four (4) years but less than five (5) years
- four (4) weeks' pay.

After service of five (5) years
- five (5) weeks' pay plus half (½) a month's current pay for each completed year of service over five (5) years.

After fifteen (15) years' service
- a minimum of one-half (½) month's current pay for each completed year of service.

8.02 The foregoing shall not apply when an Associate resigns or is discharged for cause.

Cause shall be conduct or any act of any Associate prejudicial or injurious to the Employer, his interests, his reputation or his operations.

Article 9 - PAYMENT FOR ABSENCES DUE TO SICKNESS OR ACCIDENT

9.01 When an Associate calls in sick, they will first attempt to reach their immediate Manager and will leave a message on their Manager's voicemail if the Manager is not available. They will also contact Human Resources and leave a message that they are ill. They will also specify their expected date of return if known.

Duty to Accommodate: The Company recognizes that it has a Duty to Accommodate in accordance with the provisions of the Human Rights Act of British Columbia.

Return from Long Term Disability or WCB Policy: Modified Work Programs:
The Company will make every effort to accommodate ill or injured Associates by providing modified work in order to assist them in their rehabilitation process. In every case, the Company will take into consideration the condition of the Associate when assigning the modified work. Modified work may take the form of modified duties and/or hours of work.

When an Associate is medically able to return to work as outlined above, it is the Company's obligation to re-employ the individual in a job as follows:

<u>Length of Absence</u>	<u>Job Opportunity</u>
Returns from LTD/WCB in less than 1 yr.	Same position providing it still exists. Otherwise a comparable position should be found.
Returns from LTD/WCB after 1 year but less than 2 years	Comparable position.
Returns from LTD/WCB after 2 years	Any position.

In the event that the Company is unable to offer the Associate a job based on the above guidelines, the individual would receive a severance package in accordance with the established termination policy.

A doctor's certificate will be required if absence is for more than five (5) days, and notification of absence shall always be made by the Associate within one (1) hour of the time she/he would have normally reported to work. **The Company will pay the Associate's treating doctor for completion of the requested doctor's certificate.**

Article 10 - UNIFORMS

10.01 Associates required to wear uniforms or special articles of wearing apparel by the Employer, shall have them supplied, laundered and kept in repair without cost to the Associate.

10.02 The Employer agrees, at the request of the Union, to re-examine any area that does not have smocks or uniforms supplied as standard wearing apparel.

- 10.03 Where clothing becomes soiled, or damaged at work by some extraordinary circumstances beyond the control of the Associate, the Employer will be responsible for the cleaning, repair or replacement of the item.
- 10.04 The Employer agrees to pay Receivers, Receiver Helpers and Stock Handlers **up to seventy-five dollars (\$75.00) per year toward the purchase of safety footwear or other footwear as is deemed appropriate by Workers' Compensation Board regulations on submission of a receipt. Reimbursement is based on purchasing the safety footwear in an Hbc location.**

Kitchen – if required Employer would provide allowance.

Article 11 - GRIEVANCE PROCEDURE

- 11.01 1. Any grievance arising from a disagreement, complaint or misunderstanding concerning the interpretation, operation or alleged violation of this Agreement shall be dealt with promptly within three (3) clear days after written notification by either party to the other of the existence and nature of such a dispute, complaint or grievance.
2. Grievances involving the dismissal or layoff of an Associate shall be submitted to the Employer within ten (10) working days from the date of dismissal or layoff, or be waived by the aggrieved party, provided a copy of such notice of dismissal or layoff has been forwarded to the Union office at the date of giving such notice to the Associate concerned.
3. It is agreed that in all discussions concerning grievances, a Union Representative may accompany the members of the Union Grievance Committee in their meetings with the Employer and may call upon any Associate to accompany them in their meeting with the Employer.
4. The Union's Representative and the Employer's Representative shall agree on a satisfactory date for a meeting thereon. This meeting must be held within five (5) days after such notice is given.
5. If the two (2) parties to the dispute are unable to reach a satisfactory settlement within five (5) days after meeting, it is agreed that either party must submit the matter in dispute to a Board of Arbitration.
- 11.02 1. The Arbitration Board shall consist of a nominee of the Employer and a nominee of the Union, and a third (3rd) member who shall act as Chairman shall be elected by the other two (2) nominees within five (5) days of the date that the Union Representative and the Representatives of the Employer have declared their inability to adjust the grievance.
2. Should the Representative of the Union and the Representative of the Employer fail to agree upon the selection of a Chairman, the Labour Relations Board of British Columbia shall be requested to name a third (3rd) member who shall act as Chairperson of the Board.
3. After the Board of Arbitration has been chosen by the foregoing procedure, this Board shall meet and hear evidence on both sides and render a decision within fifteen (15) days after they have concluded their hearing, said decision to be final and binding upon all parties to the dispute.
4. In the event of a dismissal which the Board of Arbitration determines was unjust, the Board shall order the reinstatement of the Associate and shall award him back pay to the date of dismissal.
5. The expenses of the Chairman shall be borne equally by the Employer and the Union.
- 11.03 (a) When an Associate receives discipline from the Company, defined as "any written record of a verbal warning, written warning, record of suspension and/or termination" such record of discipline will remain on the Associate's record subject to the provisions of paragraph (b).
- (b) Provided that the Associate receives no similar discipline whatsoever for a period of two (2) years, any discipline notation in the Associate's record will be removed.

Article 12 - SCHEDULE OF RATES

- 12.01 (a) The new wage rates applicable under the Collective Agreement are attached hereto as Appendix A. No Associate's existing wage rate will be reduced as a result of the implementation of this new compensation system. The rates in Appendix A are minimum rates only. The Company may, at its sole discretion, pay an Associate above the specified rates.
- (b) Associates commence work at the start rate for their classification and move to the six (6) month rate after having worked in the classification for that period. Commencing on **August 1, 2008 and on August 1, 2009, August 1, 2010 and August 1, 2011** thereafter, increases above the six (6) month rates will be implemented based on the Company's assessment of an Associate's performance under the Company's Performance Achievement Review Plan as specified in this Article.
- (c) An Associate will be assessed at one of the performance rating levels identified in the Company's Performance Achievement Review process, as follows:
- (i) Below standard
 - (ii) Working Towards
 - (iii) Meets Standard
 - (iv) Exceeds Standard
- (d) Where the Company determines that an Associate who has been at or above the six (6) month rate for at least six (6) months, and has a performance rating for the prior calendar year, then the Associate's rate of pay will be increased effective **August 1, 2008, August 1, 2009, August 1, 2010 and August 1, 2011** respectively, according to Article 12.02 and Article 12.03.
- 12.02 (a) The increases to be applied shall be:
- (i) Associates evaluated as "Below Standard" shall not be eligible for a PAR increase.
 - (ii) Associates evaluated at the "Working Towards" level shall receive an increase of **0.5% in 2008/2009 and .75% in 2010/2011.**
 - (iii) Associates evaluated at the "Meets Standard" level shall receive an increase of **1.0% in 2008/2009 and 1.25% in 2010/2011.**
 - (iv) Associates evaluated at the "Exceeds Standard" level shall receive an increase of **1.25%.1.5% in 2008/2009 and 1.75% in 2010/2011**
- 12.03 Each year the Company must assess the performance of each Associate for the prior year and meet with the Associate to review the assessment. Increases will be effective on August 1 of each year.
- 12.04 An Associate who disagrees with the Associate's assessed level of performance must advise the Human Resources Manager of the disagreement and the reasons for it, in writing, within five (5) days of being advised of the results of the PAR assessment. The Human Resources Manager will convene a meeting with the Associate, and a Shop Steward if the Associate requests one, to hear the Associate's concerns. The Human Resources Manager will review the Associate's PAR and either confirm or vary the assessment within seven (7) days of the meeting. If the Human Resources Manager varies the assessment, the Associate will receive the wage increase equivalent to the varied assessment.
- 12.05 The determination of an Associate's wage rate in accordance with Article 12 is an exercise of a management right and shall not give rise to a difference or dispute between the parties or be the subject of a grievance for any reason unless it is alleged that the Associate's assessment was arbitrary, discriminatory, or in bad faith and the Associate's assessment dropped two (2) or more rating levels from the previous year. The review process set out in Article 12.04 must have been completed before a grievance can be filed. Additionally, if in the administration of the compensation system the Company fails to assess the Associate in a timely manner or fails to pay the Associate in accordance with the assessment, then the Associate may file a grievance pursuant to the provisions of the Collective Agreement.
- 12.06 **On August 1, 2008 and August 1, 2009 all Associates (except for Major Home Fashions) shall have his/her wage rate increased by 1.5%. On August 1, 2010 and August 1, 2011 all Associates (except for Major Home Fashions) shall have their wage rates increased by 1.25%.**

Article 13 - MINIMUM INCREASES WITHIN RANGES

13.01 The Employer agrees that each regular full-time Associate shall receive increases from date of employment, as shown on Schedule "A", according to their classification, until the maximum of the range is reached, and each part-time Associate shall receive an increase after working the hourly equivalent of each step in the scale, until the maximum is reached.

If promoted to a new category, Associates shall start at a higher rate nearest to present salary and the date of next increase shall be calculated from date of promotion.

Article 14 - SENIORITY

- 14.01 1. The Employer recognizes an Associate's length of continuous service in scheduling layoffs and recalls.
2. In the event of a permanent layoff, the Associate will be given a reasonable opportunity to retrain in other departments of the store when there is a vacancy, provided the Associate has the ability and suitability required for the job.
3. Seniority of an Associate shall be lost if his/her employment deemed terminated if he/she does not perform work for the Company for a period of six (6) months in the case of layoff.
4. In the event of a temporary layoff in a department, the Associate has a right to work in other departments if a vacancy exists, provided the Associate has the ability and suitability required for the job. Job vacancies will be posted within seniority units.
5. If there is no posted position Article 14.4 only applies to Managers who have been demoted.

14.02 Preference in Hours of Work:

1. The Employer recognizes the length of continuous service of an Associate in scheduling hours of work. Management reserves the right to determine the total hours available and the length and times of shifts. Preference in hours of work will be given to senior Associates provided they are available and have the ability to perform the work.

Available hours of work shall be maximized in accordance with seniority, ability and availability on a daily basis.

In the event of a reduction in the number of hours available within an employment category, the junior Associates will have their hours of work reduced first.

In the event of a dispute under this provision, the Parties agree to refer all such disputes, which cannot be resolved internally, to Colin Taylor, whose decision shall be final and binding.

2. Seniority rights will be exercised within the following employment categories:
 - (a) Full-time Regular
Associates who have worked thirty-seven and one-half (37½) hours per week for three (3) calendar months.
 - (b) **Flex Full-Time**
Associates who work twenty eight (28) to forty (40) hours per week and the normal workday for such Associates shall consist of not more than eight (8) hours per shift exclusive of unpaid meal period. The workweek shall normally consist of five (5) days.
 - (c) Part-time Regular
Associates who have worked not less than twenty (20) hours per week for thirteen (13) consecutive weeks and continue to work on this basis.
 - (d) Auxiliary Associate
Associates who do not work in a designated full-time position and on average whose normal workweek shall consist of up to twenty-seven (27) hours per week
3. Work Group/ Seniority Structure
 - 1) Ladies' Wear
 - 2) Men's Furnishings/ Basics

- 3) **Men's Casual Fitting Room**
- 4) **Men's Casual Cash Desk**
- 5) Ladies' Accessories/ Handbags
- 6) Children's Wear/ Shoes, Toys
- 7) **Heritage (include with Luggage)**
- 8) **Soft Home: Linens, Decorative Accessories, Housewares, Stationery, Candy, Frames, China, China Cash, and Seasonal.**

Full Service:

- 1) Ladies' Better
- 2) **Lauren Specialist**
- 3) **Ladies' Fitting Rooms**
- 4) **Above Average**
- 5) Men's Collections
- 6) Men's Suits
- 7) Lingerie
- 8) **Lingerie Fitting Room**
- 9) Jewellery
- 10) Men's/ Ladies Footwear
- 11) Cosmetics
- 12) Fragrances
- 13) Gift Registry
- 14) MHF Support
- 15) MHF Furniture
- 16) MHF Electronics, Major Appliances

Food Services:

- 1) Front of House (Service, Cash, Floor and Associate Lunch Room)
- 2) Back of House (Kitchen and Dishroom)

Sales Support:

- 1) Executive Office/ Cash Office/ Switchboard/ Rewards/ Audit/ Basics
- 2) Loss Prevention
- 3) Special Events
- 4) Beauty Salon
- 5) Receiving
- 6) Marketers
- 7) Early Morning Crew
- 8) **SST (Sales Support Team)**
- 9) **License/ Marketing**
- 10) Visual Presentation

When store renovations or changes take place that affect seniority groupings the Company will meet the Union to resolve the issue of seniority groupings so that as little disruption as possible takes place to the Associates in their seniority grouping and their seniority will be carried forward to the new departmental grouping.

4. A senior Associate within an employment category will have the opportunity to fill a vacancy within another employment category, providing they have the ability and suitability to perform the work. This will apply to vacancies within the same departmental groupings.

For example: If a vacancy for a full-time regular position is created, the senior part-time regular Associate in the departmental grouping will be given the opportunity to fill the vacancy, provided the Associate has the ability and suitability to perform the work.

If a vacancy for a part-time regular position is created, the senior auxiliary Associate in the departmental grouping will be given the opportunity to fill the vacancy, provided the Associate has the ability and suitability to perform the work.

When persons transfer from one (1) category to another (i.e.: part-time regular to full-time regular) they carry their seniority with them.

5. Posting and Scheduling When a vacancy (full-time or part-time) is filled as the result of a job posting and the candidate is from another departmental group, the candidate will carry their company seniority to the new position.

- (a) All job vacancies will be posted on the Associates' bulletin board in the Associates' lunchroom and Human Resources office. Copy of all job postings to be given to Shop Steward.
 - (b) Associates are to notify in writing the Human Resources Manager and Sales Manager when on vacation or long-term sick leave that they would be interested in a job if posted. There is no guarantee on how long the position will be held open.
6. Contracting Out: With the introduction of contractors, subcontractors, or leases into the operation, which results in the event of a permanent layoff of the Associate, the Associate will be given a reasonable opportunity to retrain in other departments of the store when there is a vacancy, provided the Associate has the ability and suitability required for the job.
7. Extra Shift Availability: In the event an extra shift is available, the Company shall first call in all Associates in the classification in order of seniority, provided such Associates have signed a form indicating their availability for extra shifts in the classification. If no Associates in the classification are available, the Company shall contact Associates in other classifications in order of their seniority provided:
- i) such Associates have signed a form indicating their availability to work extra shifts in other classifications;
 - ii) they are qualified to do the work;
 - iii) providing that the extra shift does not result in overtime or five (5) or more consecutive days of work.

Associates who decline three (3) extra shifts over a three (3) month period shall be removed from the list for the next three (3) months.

Working extra shifts from the other departments will not result in an Associate status change.

- 8. If an Associate is not available to work all hours and shifts, she/he or she shall sign a "restricted" form. The Associates who sign such a form will forfeit their right to claim any hours in excess of the number of hours to which they have restricted themselves.
- 9. If an Associate fails to work all hours scheduled (except in unusual circumstances) they shall be considered to have "restricted" themselves.
- 10. Associates who have restricted themselves may lift this restriction twice per year (March 1st and September 1st). The Employer will post a bulletin on the bulletin boards fourteen (14) days prior to the above dates informing Associates of their rights. The Employer shall also post a seniority list, by category, for each of the departments or departmental groupings set out in Subsection 3 above.
- 11. Any monetary adjustment arising from a violation of the above clause shall not be paid retroactively for a period greater than two (2) weeks prior to the date a written grievance was received by the Employer.

Article 15 - HEALTH & SAFETY

- 15.01 Safety: Associates and the Employer are to comply with established safety rules. Associates will not be expected to operate with unsafe equipment or under unsafe working conditions. Associates are expected to report any unsafe equipment. The Union and the Employer undertake to promote safety education among their members in an effort to overcome accidents.
- 15.02 The Employer agrees to maintain a Health & Safety Committee. The Committee shall function in accordance with Workers' Compensation Board and Health and Safety Regulations.
- 15.03 The Company will provide gloves in the Receiving area as well as: Eye protection, ear protection, air-filter masks and rubber gloves.

These will also be supplied in other areas of the store where necessary.
- 15.04 Injury at Work: Associates injured at work will be paid for the remainder of their scheduled shift.

Article 16 - GENERAL

- 16.01 No Associate shall be asked to make a written or verbal agreement with the Employer covering hours of work, wages or working conditions during the life of this Agreement, contrary to the terms of the Agreement set out herein.
- 16.02 Associate privileges at present in effect but which are not specifically mentioned in the Agreement and are not contrary to the purpose and intent of the Agreement shall continue in full force and effect.
- 16.03 Upon request, the Employer shall inform the Union in writing of Associates dismissed and give reason for dismissal.
- 16.04 If an interview with an Associate is planned, with the intent that the result be a corrective interview, both the Employer and the Associate will have the right to ask for a witness to be present during such interview. Said witnesses shall be there solely as observers. It is understood that this provision does not apply to appraisal interviews.

The Union bulletin board will be maintained in the Associates' lunchroom. A portable one may be used at Associates' entrance before or after store opening on days that the Union wants to announce meetings.

- 16.05 Provision will be made for the posting of Union notices on the Associates' bulletin boards.
- 16.06 A copy of this Agreement shall be posted on the Associates' bulletin board. Copies will also be supplied to all Associates upon request.
- 16.07 Contributions to charity are strictly voluntary.
- 16.08 There shall be no strikes, slowdowns, walkouts or stoppages of work on the part of the Associate, and there shall be no lockouts of Associates by the Employer during the life of the Agreement.
- 16.09 (a) Schedules of hours to be posted by Wednesday noon for following week.
- (b) All shift changes that take place after posting - Managers must inform Associates.
- 16.10 Hairdressing Commissions: Beauty Salon Operators shall receive either the wage rate described in Schedule "A" or forty-five percent (45%) of their "gross take", whichever is greater.
- 16.11 The Employer agrees to forward to the Union on or before January 10, April 10, June 10 and September 10 of each year a list containing names and addresses and Department number to which assigned, of Associates, either Auxiliary, Regular Part-Time or Full-Time hired during the previous three (3) months.

Article 17 - STATEMENT TO NEW ASSOCIATES

- 17.01 The Employer shall present all new Associates on their first day of orientation with a copy of the following statement. **This statement will be a separate document from other paperwork given to a new Associate.**

"TO THE ASSOCIATE"

The Hudson's Bay Company hereby advises you of the existence of a collective bargaining agreement between the Hudson's bay Company, Victoria Downtown Store, and the United Food & Commercial Workers Union, Local 1518. Copies of the agreement are posted on the Associates' bulletin board.

Please be assured that you have complete freedom of action regarding Union membership.

The following comprise Union Shop Stewards:

Shop Stewards: Lynne Stevenson, Fourth
Cathy Pederson, Visual Presentation (V.P.)

Article 18 - UNION BUSINESS AND UNION LEAVE

- 18.01 The Union will elect or select Shop Stewards from time to time to oversee working conditions in the workplace and implementation of the Collective Bargaining Agreement. The current Shop Stewards are:
- Lynne Stevenson Home: 250-389-1759 Work: Ext. 430 Major Home Fashions

18.02 Union Leave: Upon ten (10) working days notice to the Company, Associates who have been elected or appointed to attend Union functions shall be granted Leave of Absence for this purpose. One (1) Associate per fifty (50) Union members or part thereof will be granted leave, plus Shop Stewards who are not to be included in; the one to fifty (1:50) ratio. No more than two (2) Union members (excluding Stewards) shall be granted this leave without permission of the Human Resources Department.

The aggregate of this leave (the above) shall not exceed twelve (12) weeks per calendar year. It is agreed that such Leaves of Absence will not be granted during the months of November and December, except in the case of Executive Board Members who will be granted leave.

The Bay will pay the member(s) who attend Union business all wages and benefits as though they would have been working at the Bay. The Union will reimburse the Bay for wages and benefits of member(s) who were on Union Leave.

Upon at least ten (10) days notice the Employer shall grant a Leave of Absence for purposes of Union business to one (1) Associate on the following basis:

Up to three (3) months' Leave of Absence without review and a further three (3) months by mutual agreement.

Article 19 - PICKET LINES

19.01 The Employer agrees that it will not force members to report to work behind a Trade Union's legal picket line at any of the Employer's stores within the certified bargaining unit. For the purposes of this Agreement, a "legal picket line" is one which results from a legal strike or lockout pursuant to the Labour Code of British Columbia.

19.02 The Employer will not discipline or discriminate against an Associate who refuses to report to work while a legal picket line exists at her/his place of work.

19.03 Associates claiming the protection of paragraphs 19.01 and 19.02 above cannot claim entitlement to any earnings lost in consequence of pay adjustments made by the Employer when an Associate refuses to cross a picket line.

Article 20 - MEMBERSHIP

20.01 All Associates covered by this Agreement who, on March 1st, 1975, are members in good standing of the Union in accordance with its Constitution and Bylaws, and all Associates who become members after that date, shall, as a condition of employment, maintain their membership in the Union in good standing.

20.02 The Employer agrees to deduct from the wages of each Associate, upon proper authorization from the Associate affected, such union dues and initiation fees as may be authorized by regular and proper votes of the membership of the Union, and to forward such monies monthly, together with a list of Associates and the total amount of deductions for each, to the Secretary Treasurer of the Union not later than ten (10) days after the end of each month for which collected.

20.03 All Union dues deducted by the Employer shall be shown on the Associate's T4 slip.

Article 21 - LIFE OF AGREEMENT

21.01 This Agreement shall be for the period from and including **February 1, 2008**, to and including **January 31, 2012**, and from year to year thereafter, subject to the right of either party to the Agreement, within four (4) months immediately preceding **January 31, 2012**, or a subsequent anniversary date thereafter to:

1. terminate this Agreement, in writing, effective **January 31, 2012**, or any subsequent anniversary thereof;
2. require the other party to this Agreement, in writing, to commence collective bargaining to conclude a revision or renewal of this Agreement.

21.02 Should either party give notice pursuant to (2) above, this Agreement shall thereafter continue in full force and effect and neither party shall make any change in the terms of the said Agreement, or increase or decrease the rate of pay of any Associate for whom collective bargaining is being conducted, or alter any other terms of condition of employment until:

1. The Union upon commencement of lawful strike in compliance with Section 81 of the Labour Code of British Columbia, or
2. The Employer upon commencement of lawful lockout in compliance with Section 82 of the Labour Code of British Columbia.

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

DATED THIS _____ day of _____, _____.

FOR THE UNION
UNITED FOOD & COMMERCIAL
WORKERS, LOCAL 1518



Ivan Limpricht, President



Margaret Hedges, Union Representative

Lynne Stevenson

Cathy Pederson

Lou Mazzei

FOR THE EMPLOYER
HUDSON'S BAY COMPANY (The Bay,
Victoria City Centre)

Ken Brach

APPENDIX A

WAGE SCHEDULE

Position	Start	Six Months	Performance Maximum
Sales Associate	8.75	9.19	13.10
Food Service	8.75	9.19	13.10
Beauty Advisor	8.75	9.19	13.10
Line Reps +\$0.50			
Commission Sales	8.75		
Qualified Operator (Licensed)	8.50		
Apprentice	8.50	8.93	
Basic Operations Scale	8.75	9.19	13.10
VP Specialist	15.25	16.01	17.56
Security Associate	11.29	11.85	16.25
Merchandise Handler	8.75	9.19	13.10
Alterationist	8.75	9.19	13.10
Clerk 1	8.75	9.19	13.10
Clerk 2	10.64	11.17	15.20

Premium: First-Aid Level II: \$0.40 per hour.

Upon Ratification, all Major Home Fashion Commission Associates shall receive one lump sum payment of \$300.00.

All Associates will receive their PAR and guarantee for 2007 retroactive to August 1, 2008.

SCHEDULE B

Work Group/ Seniority Structure

- 1) Ladies' Wear
- 2) Men's Furnishings/ Basics
- 3) **Men's Casual Fitting Room**
- 4) **Men's Casual Cash Desk**
- 5) Ladies' Accessories/ Handbags
- 6) Children's Wear/ Shoes, Toys
- 7) **Heritage (include with Luggage).**
- 8) **Soft Home: Linens, Decorative Accessories, Housewares, Stationery, Candy, Frames, China, China Cash, and Seasonal.**

Full Service:

- 1) Ladies' Better
- 2) **Lauren Specialist**
- 3) **Ladies' Fitting Rooms**
- 4) **Above Average**
- 5) Men's Collections
- 6) Men's Suits
- 7) Lingerie
- 8) **Lingerie Fitting Room**
- 9) Jewellery
- 10) Men's/ Ladies Footwear
- 11) Cosmetics
- 12) Fragrances
- 13) Gift Registry
- 14) MHF Support
- 15) MHF Furniture
- 16) MHF Electronics, Major Appliances

Food Services:

- 1) Front of House (Service, Cash, Floor and Associate Lunch Room)
- 2) Back of House (Kitchen and Dishroom)

Sales Support:

- 1) Executive Office/ Cash Office/ Switchboard/ Rewards/ Audit/ Basics
- 2) Loss Prevention
- 3) Special Events
- 4) Beauty Salon
- 5) Receiving
- 6) Marketers
- 7) Early Morning Crew
- 8) **SST (Sales Support Team)**
- 9) **License/ Marketing**
- 10) Visual Presentation

LETTER OF UNDERSTANDING

(Big Ticket Commission Associate)

1. Commission policies for the Victoria Store, other than those fixed for the duration of the Collective Agreement, will be applied in conformity with their general application throughout the Region. Commission Sales Associates must abide by the guidelines established in the Commission Manual established by the Company for the Region as a whole. Changes to the Commission Policies shall be promptly communicated to the Associates.
2. Where a Big Ticket Commission Associate finds that during the first two (2) weeks after returning from holidays, they are in a deficit position, they may approach the Human Resources Office and ask for an advance against their next month's commission earnings.

The one percent (1%) commission shall also be paid to cosmeticians and beauty advisors.

One percent (1%) Commission will be paid on all other merchandise.

3. Commission rates payable will be in accordance with the December 2000 modifications to The Bay Commission system including the new variable percentage commission program. The new variable commission program is expected to start August 12, 2001.

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

There will be an additional Associate added for a total complement of eleven (11). This Associate will be added October 1, 2001 and will be RPT for three (3) months. Upon completion of the three (3) month probation period, the Associate will become full-time.

Should additional commission Associates be required, the Union and the Company will meet to discuss. An additional Associate may become necessary, when through normal business growth, sales have increased by a minimum of \$200,000. This does not change the basic criterion that there is one Associate for every \$500,000 in sales. The Union and Company will further discuss whether the new position is full-time or RPT, and when the appointment will become effective.

The commission generated by any new commission Associate will be given to their mentor during probation. The mentor will be appointed on a rotational basis.

In the event of a major plan to expand existing businesses or to open new ones, the Company has the right to waive the above requirement in order to capitalize on the opportunity.

SIGNED THIS 24TH DAY OF JULY , 2001.

LETTER OF UNDERSTANDING

(Violence in the Workplace and Robbery Prevention)m

Associates can be provided with information on violence in the workplace, robbery prevention program and bomb threat policy by contacting their respective Manager or the Human Resources Department

SIGNED THIS 27TH DAY OF JANUARY, 1998.

LETTER OF UNDERSTANDING

(Re: Managerial Positions)

Preference for future Managerial positions will be given to bargaining unit members. The selection will be made based on seniority and qualifications to do the work. Qualifications shall be defined as an Associate's skill, ability, experience, special relevant retail knowledge, productivity and suitability to do the work. In the event a successful candidate is from the bargaining unit and is not able to or does not wish to complete the training or probationary period, or cannot satisfactorily perform the job following the training or probationary period, he/she shall be returned to his/her former position and wage rate, without loss of seniority and any other Associate who has been promoted or transferred as a result of the posting shall similarly be returned to his/her former position.

SIGNED THIS 27TH DAY OF JANUARY, 1998.

LETTER OF UNDERSTANDING

(Re: Scheduling)

During the life of the Agreement, Managers will endeavour to schedule at least two (2) weeks in advance, however, as a minimum Article 16.09 will be followed.

SIGNED THIS 27TH DAY OF JANUARY, 1998.

LETTER OF UNDERSTANDING

(Re: Hudson's Bay Company Store Bonus Plan)

It is agreed that Associates shall be eligible to receive Hudson's Bay Company Store Bonus Plan payments. The application of Hudson's Bay Company Store Bonus Plan shall conform with the general application throughout the Company including entitlement and any improvements or reductions, as apply from time to time.

It is understood that Hudson's Bay Company Store Bonus Plan is not part of the Collective Agreement and is not therefore subject to the grievance procedure or arbitration.

SIGNED THIS 24TH DAY OF JULY, 2001.

LETTER OF UNDERSTANDING

(Re: Harassment Policy)

It is understood that the Employer shall post in a conspicuous place in the Associates' lounge or Human Resource Office, the Hudson's Bay Co. Ltd. Harassment Policy.

SIGNED THIS 27TH DAY OF JANUARY, 1998.

LETTER OF UNDERSTANDING

(Re: 50% Off Black Cardigans)

Associates will be entitled to fifty percent (50%) off (regular price) any purchase of black cardigans for use at work, purchased at the Bay. Associates will also be entitled to discounts on clothing for work as per the Company guidelines.

SIGNED THIS 28TH DAY OF OCTOBER, 2008.

LETTER OF UNDERSTANDING

(Re: National Flex Time Program)

The Company will implement the National Flex Time Program effective the date of Ratification.

The flex time scheduling program provides greater scheduling flexibility which reflects the normal business fluctuations, and accommodates for greater work/life balance.

The specific elements of this program area:

Program Details:

Provides a choice for current Full-Time Sales and Support Associates

Current Full-Time (FT) associates have the option to

- a) remain at 37.5
- b) move to flexible hours per week (28.0 to 40.0 hours per week)
 - Flexible scheduling guarantees a minimum of 28.0 hours
 - Flex time hours vary weekly and will range from 28.0 to 40.0 hours per week
 - Flex Time associates must be available to work up to 40 hours over 5 days per week
 - Hours will be based on the needs of the business
 - Hours will be scheduled over 4 to 5 days throughout the course of the week

Associates who choose to remain at 37.5 hours per week will be grandfathered as long as they are in their current position.

Associates that voluntarily move to a different position will move to flexible scheduling.

Associates who are moved to a different position at the request of the company may elect to retain their “grandfathered” status.

Associates who voluntarily move to a new position will retain their grandfathered status on a one-time only basis.

New Job Postings

When a full-time is subject to being posted it will be posted as Full time Flex (non grandfathered)

Scheduling

Grandfathered Full Time associates will be scheduled first

Flex Time associates will then be scheduled and will receive no less than 28 hours per week.

Regular Part Time and Auxiliary Associates will be scheduled in their workgroup.

Availability

Associates who elect for flexible scheduling must be available to work up to 40.0 hours and 5 days per week.

Benefits

Grandfathered associates will not be affected.

Flex Full Time associates benefit enrolment is not impacted, but entitlement based on earnings may have a pro-rated effect.

Auxiliary associates will be eligible to work between 0 – 27 hours per week.

Breaks

All scheduling of breaks will be administered as per the Collective Agreement, Articles 3B.01 and 3B.03.

The flexible scheduling program is subject to all the terms and conditions outlined in the Collective Agreement.

SIGNED THIS 28TH DAY OF OCTOBER, 2008.

