

**McKinley Paper Co. – Washington  
At  
Port Angeles, WA  
Labor Agreement  
with  
Association of Western Pulp and Paper Workers  
Acting Through  
Local 155**

**June 10, 2019 – May 31, 2024**

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## **PREAMBLE**

This Agreement is entered into by and between McKINLEY PAPER CO. – WASHINGTON MILL (“Employer”) and ASSOCIATION OF WESTERN PULP AND PAPER WORKERS (“Union”) acting through its Local Union 155 for the Employer’s pulp and paper mill at Port Angeles, Washington.

## **LABOR AGREEMENT BY AND BETWEEN McKinley Paper Co. – Washington Mill & A.W.P.P.W.**

### **SECTION 1 - RIGHTS OF THE PARTIES**

1.1. The Union has all rights which are specified in the subsequent Sections of this Agreement and retains all rights granted by law except as such rights may be limited by provisions of this Agreement.

1.2. The Employer retains all rights except as those rights are limited by the subsequent Sections of this Agreement. Nothing anywhere in this Agreement (for example, but not limited to the RECOGNITION AND/OR ADJUSTMENT OF GRIEVANCES Sections) shall be construed to impair the right of the Employer to conduct all its business in all particulars except as modified by the subsequent Sections of this Agreement.

1.3. The failure of the Union to enforce any of the provisions of this Agreement or exercise any rights granted by law or the failure of the Employer to exercise any right reserved to it or exercise of any such right in a particular way, shall not be deemed a waiver of such right or a waiver of authority to exercise any such right in some other way not in conflict with the terms of this Agreement.

### **SECTION 2 - RECOGNITION**

2.1. The Employer recognizes the Union as the sole collective bargaining agent of all employees of the Employer employed in the Port Angeles mill, excepting those engaged in the following: administration, actual supervision, watchman duties, sales, engineering and drafting, research and technical occupations requiring professional training, accounting, clerical, stenographic and other office work. Neither the Employer nor any supervisor shall have any private understanding or agreements with any employee, or group of employees, in conflict with this Agreement.

2.2. The mill means the entire existing Port Angeles manufacturing facility and its existing or future process connected facilities.

### **SECTION 3 - UNION SECURITY**

3.1. Each employee covered by this Agreement shall, as a condition of employment, become and remain a member of the Union not later than the thirtieth (30<sup>th</sup>) calendar day following the employee’s date of employment or the date of execution of this Agreement, whichever is the later.

3.2. The Union and the Employer may agree mutually that an individual employee who has religious objections or other valid objections to membership in the Union need not be covered by any union shop provisions that may be provided hereafter.

3.3. The Union or the Local Union involved may request the Employer to discharge an employee on account of the employee's failure to become and/or remain a member of the Union as required by this Section 3. Any such request shall be in writing and shall include written evidence offered in support thereof, and a copy shall be delivered to the Employer and the employee involved. Within ten (10) days after receipt by both the Employer and the employee of such request, and after the Employer has held a hearing, if demanded by any affected party, the Employer shall determine and in writing notify the Union or its Local Union and the employee of its findings. If such findings be adverse to the employee, the employee shall thereupon be discharged, effective as of the commencement of the employee's next shift. If such findings be unsatisfactory to the Union or its Local Union, the decision of the Employer may be referred to the President of this Association of Western Pulp and Paper Workers, or an authorized representative, and an official of the Employer, and if these two are unable to agree upon a satisfactory settlement, then it may be submitted to arbitration in accordance with the procedures for such submission set forth in Section 29 of this Agreement.

#### **SECTION 4 – PAYROLL DEDUCTION OF UNION DUES**

4.1. Upon the filing with the Employer, by the Financial Secretary of the Local Union or an authorized representative, of a written authorization in the form set forth below, signed by any individual employee, the Employer during the life of this Agreement will deduct from the wages due such employee the amounts specified in said authorization on account of Union initiation fees and dues. Each such authorization shall be irrevocable until the termination date of this Agreement or until one (1) year from the date of the authorization, whichever occurs sooner. The authorization shall thereafter remain in force until revoked by the employee by written notice to the Employer.

4.2. The amount of regular dues to be deducted may be revised only by written notice from the Financial Secretary of the Local Union given in advance to the Employer.

The Employer shall pay over to the Financial Secretary or other authorized representative of the Local Union the amount of deductions made in accordance with authorization filed and shall receive therefore the written receipt of the said Financial Secretary or other authorized representative in the name of the Local Union. The detail as to making of deductions and payments of same to the Local Union shall be arranged by the said Financial Secretary and the Employer in such manner as most conveniently fits into the established payroll procedures of the Employer and results in payments to the Local Union once a month or more often.

Any deductions made by the Employer under the provisions of this Section shall be deemed trust funds until remitted to the Local Union, but such funds need not be kept separate from the Employer's general funds. The Union agrees the Employer shall be saved harmless with respect to all deductions made and paid to its Local Union in accordance with the provisions of this Section.

**AUTHORIZATION FOR PAYROLL DEDUCTION**

Date

To: McKinley Paper Co. – Washington Mill

I hereby declare that I am a member of Local No. 155 of the Association of Western Pulp and Paper Workers and in accordance with Section 2 of the Labor Agreement, to which I am a party through my collective bargaining agency, I hereby voluntarily assign to the Local Union No. 155 from the wages due me from the Employer the amount of my regular Union dues; and I authorize and direct the Employer to deduct such amount from my said wages and to pay the same over to the Financial Secretary or other authorized representative of the Local Union upon receipt therefore in the name of the Local Union. I agree that this authorization cannot be revoked by me until the termination of the Labor Agreement or until the expiration of one (1) year from the date of this authorization, whichever occurs sooner; and I further agree that this authorization shall thereafter remain in force until further written notice from me to the Employer.

In addition, I voluntarily assign to the Local Union from the wages due me from the Employer on the first payday after this authorization becomes effective, the sum of \$\_\_\_\_\_ on account of initiation fees or back dues; and I authorize and direct the Employer to deduct such amount from my said wages and similarly to pay the same to the Local Union.

\_\_\_\_\_  
(Signature of Employee)

\_\_\_\_\_  
(Clock Number)

I hereby certify to the Employer above named that the above authorization was signed in my presence by

\_\_\_\_\_  
(Print Name of Employee)

And that until and unless I notify you in writing of any change, the regular Union dues payable by the said employee are \$\_\_\_\_\_ per month.

\_\_\_\_\_  
Financial Secretary, Local No. 155  
or other authorized representative.

## **SECTION 5 – WORKING LEADPERSON**

5.1. The job of working lead is subject to the following terms and conditions:

5.1.1. Working leads shall remain members of the bargaining unit and perform the function of lead over other employees as assigned by the Employer.

5.1.2. The job of a lead mechanic requires all of the qualifications of a journey mechanic and, in addition, carries the responsibility of performing the function of lead over journey craft employees and/or other mechanics.

5.1.3. Job openings for the position of working lead shall be filled by offering the position to the qualified senior employee in the department. If a lead position is on a progression ladder it shall be offered to the qualified senior employee on the progression ladder. Within the first sixty (60) days of the employee's appointment as working lead, the Employer will evaluate the employee's performance as a working lead and review the evaluation with the Union and the employee. If in the Employer's evaluation, the working lead has not fulfilled the requirements of the working lead the employee shall be given another thirty (30) days to fulfill those requirements. At any time after completion of this ninety (90) day evaluation period, the Employer may remove an employee from the position of working lead for failing to meet the requirements of the position. The employee shall have the right to pursue a grievance on the question of whether the employee met the requirements of the position. Employees removed from working lead positions shall be returned to their former positions.

5.2. Employees who are in permanent lead positions on 6/1/2000, who are removed from their positions, by the Company, shall retain the lead pay differential. Employees who become permanent leadpersons after 6/1/2000 may be removed from the lead position. If the employee is removed through no fault of their own the job rate retention provisions of this contract shall apply. If an employee is removed for cause or voluntarily removes themselves from the lead position their rate of pay will be set at the rate of the job they are to be performing.

## **SECTION 6 – NO INTERRUPTION OF WORK**

6.1 It is agreed there shall be no strike, sympathy strike, walkout, refusal to report for work, or other interruption of work by the Association of Western Pulp and Paper Workers, the Local Union, or any employee during the period of this Agreement. It is agreed there shall be no lockouts by the Employer during the period of this Agreement.

In the event that in violation of the provisions of the preceding paragraph a strike, sympathy strike, walkout, refusal to report for work or other interruption of work shall occur in the mill neither the Association of Western Pulp and Paper Workers nor the Local Union shall be subject to financial liability for such violation provided that the Association of Western Pulp and Paper Workers and the Local Union involved immediately after the beginning of such violation shall have (1) publicly declared such action a violation of this Agreement, and (2) in utmost good faith used its best efforts to terminate such violation; it being further agreed that any employee participating in such violation shall in the discretion of the Employer be subject to immediate discharge or other disciplinary action.

**SECTION 7 – HOLIDAYS**

7.1 There shall be fourteen (14) holidays each year as follows:

<b><u>Designation</u></b>	<b><u>Length (Hours)</u></b>	<b><u>Starting Time</u></b>	<b><u>Ending Time</u></b>
New Year's Day	24	8 a.m., Jan. 1	8 a.m., Jan. 2
Memorial Day	24	8 a.m., Monday	8 a.m., Tuesday
Independence Day	24	8 a.m. July 4	8 a.m., July 5
July 5 <sup>th</sup>	24	8 a.m., July 5	8a.m., July 6
Labor Day	24	8 a.m., Monday	8 a.m., Tuesday
Thanksgiving Day	24	8a.m., Thanksgiving	8 a.m., Day after Thanksgiving
Day after Thanksgiving	24	8 a.m., Day after Thanksgiving	8 a.m., Sat. after Thanksgiving
Day before Christmas	24	8 a.m., Dec. 24	8 a.m., Dec. 25
Christmas Day	24	8 a.m., Dec. 25	8 a.m., Dec. 26
Floating Holiday (5 for legacy Employees 1 for non-Legacy Employees)	24	8 a.m.	8 a.m., Day after

7.2. Subject to compliance with all the conditions set forth below, an employee who is on the payroll of the Employer on any one of the holidays listed in this Section will be granted eight (8) hours holiday pay plus such additional compensation to which the employee is entitled under other Sections of this Agreement (except as provided in 19.9.3.3.4).

7.2.1 The employee must have been on the payroll for not less than ninety (90) days just preceding the holiday, and must have worked at least two hundred sixty (260) hours during such ninety (90) days, provided, however, that the two hundred sixty (260) hour requirement shall be modified to the following situations:

7.2.1.1. Any employee whose failure to work the two hundred sixty (260) hours was caused by a curtailment of operations shall be deemed to have met the requirement if the employee has been on the payroll of the Employer for the one hundred eighty (180) days just preceding the holiday and has worked at least five hundred twenty (520) hours during such one hundred eighty (180) days.



7.2.1.2. Any employee whose failure to work the two hundred sixty (260) hours resulted from a sick leave approved by the Employer or because of an absence due to an industrial injury recognized by the Workers Compensation Board shall be entitled to credit the time absent due to such sick leave or industrial injury against the two hundred sixty (260) hour requirement at the rate of eight (8) hours per day but not more than forty (40) hours per week, if the employee had returned to work prior to the holiday involved; and was properly released to return to work by a physician.

7.2.1.3. Any employee whose failure to work the two hundred sixty (260) hours was due to absence caused by industrial injury or because of a sick leave approved by the Employer shall be deemed to have met that requirement as to any holiday falling during the first twelve (12) months of such absence recognized by the Workers Compensation Board or such sick leave approved by the Employer.

7.2.1.4. In the case of someone who has returned from military service who has returned to work prior to a holiday, and who otherwise qualifies for holiday pay, the Employer will waive the requirement of working two hundred sixty (260) hours in the ninety (90) days just prior to the holiday.

7.2.1.5. Actual hours spent on, (1) authorized paid vacation, and (2) mill contract negotiations, (limited to eight (8) hours per day and forty (40) hours per week) will be counted toward the two hundred sixty (260) hour qualifying requirement.

7.2.1.6. An employee who has worked a shift which is regularly scheduled for less than eight (8) hours shall be credited for eight (8) hours for each full shift so worked for the purpose of qualifying for holiday pay. If failure to work a full shift is due to a holiday specified in this Section, the employee shall for that holiday nevertheless receive the eight (8) hours' credit for the purpose of qualifying for holiday pay.

7.2.2. Holiday Pay for the time not worked will be computed at the higher of:

7.2.2.1. The straight-time rate of the job to which the employee is assigned on the date the holiday occurs, or at the straight-time rate of the job to which the employee is assigned on the employee's last shift just preceding the holiday in those cases where the employee is not scheduled to work on the holiday,

7.2.2.2. The weighted average straight-time hourly rate paid to the employee in the prior contract year, adjusted for the change, if any, in the employee's average rate effective on the effective date of the last general wage increase preceding the holiday. Said average rate, (1) for an employee who worked at the same job rate during the entire prior contract year is that job rate, and (2) for an employee who worked at more than one job rate in the prior contract year shall be determined by the following procedure: Multiply the number of hours the employee worked in said year at each job rate by that job rate; add the amounts so computed; and divide the sum by the total number of hours the employee worked in said year,

7.2.2.3. An employee who has accepted extra work during the shutdown of the employee's job, department or plant which does not exceed seven (7) consecutive days' duration just prior to the holiday

and which shutdown extends into the holiday, will receive holiday pay for time not worked at the rate of the job to which the employee was assigned on the last day just preceding such shutdown or at the rate of the job on which the employee works during the shutdown, or the weighted average rate, whichever is higher.

7.2.3. The employee must have worked the employee's scheduled work day before and after such holiday, unless the failure to work was due to any of the following events:

7.2.3.1. The employee was on regularly authorized paid vacation,

7.2.3.2. The employee was unable to work by reason of an industrial accident as recognized by the Workers Compensation Board,

7.2.3.3. The operation in which the employee is engaged was curtailed or discontinued by the decision of the Employer and which curtailment or discontinuance changes or eliminates the employee's scheduled work day before or after such holiday,

7.2.3.4. A trade in shifts agreed upon between employees and approved in advance by the Employer resulted in a temporary change of the scheduled work day before or scheduled work day after a holiday, provided the employee worked the shift agreed upon,

7.2.3.5. Bona fide sickness or other bona fide compelling reasons beyond the control of the employee prevents the employee from working all or part of the employee's scheduled work day before or the employee's scheduled work day after a holiday, provided the employee affected, or the Local Union, brings the case to the Employer's attention within a reasonable time and the Employer approves such reasons as being bona fide and beyond the control of the employee,

7.2.3.6. The employee prior to a holiday has made a written request to be excused from working all or part of the employee's scheduled work day before and/or after such holiday and has received the written approval of the Employer. Failure to grant approval will not be subject to the grievance procedure but the Union Standing Committee may discuss with the Employer any action which appears to it to be discriminatory.

7.3. An employee who is directed to work on the employee's regular job (or relief job if the employee is then working on a relief job) on such holiday and fails or refuses to work, except because of a bona fide sickness or other bona fide reason, approved by the Employer, shall not receive holiday pay.

7.4. Employees hired before March 18, 2013 shall be granted five (5) Personal Floating Holidays with pay. No employee may qualify for more than five (5) Floating Holidays during the June 1<sup>st</sup> to June 1<sup>st</sup> year, except as provided under this Section.

7.5. The dates of the Personal Floating Holidays are to be established by mutual agreement between each employee and supervisor. For the upcoming year, employees may request personal floating holidays based upon their mill

seniority using the same guidelines as in section 23.11. After May 16<sup>th</sup>, Personal Floating Holiday requests are on a first come, first served basis. Employees must make their request to use a Floating Holiday to their supervisor prior to 8:00 am on the Wednesday prior to the work week in which the requested floating holiday falls. The Company shall notify the employee within one week of the request whether the floating holiday is approved or not. These holidays shall be restricted holidays as to each individual employee but shall be scheduled in such a way as to insure the uninterrupted operation of the mill or department. When an individual floating holiday has been established in accordance with the above procedure, it may be changed only by mutual agreement of the parties concerned.

7.5.1. Each employee shall have the option of receiving pay in lieu of one or more floating holidays. If the floating holiday has been scheduled, the request for pay in lieu of the holiday must be submitted in writing at least ten (10) days in advance of the scheduled floating holiday. Pay in lieu of a floating holiday will be eight (8) hours pay at the employee's regular straight-time hourly rate.

7.6 Employees may bank (accumulate) floating holidays. An employee who has accumulated five floating holidays may take a "Holiday Week" ("Week" defined in Section 9.3 of this Agreement), subject to the following conditions,

7.6.1 A maximum of five (5) floating holidays may be banked. An employee may take a "Holiday Week" once five (5) floaters have been accumulated in the bank. Banked floating holidays must be taken in the form of a "Holiday Week", or sold.

7.6.2 Only one "Holiday Week" may be taken in any one contract year.

7.6.3 A "Holiday Week" is not considered a vacation week as defined in this Labor Agreement.

7.6.4. Holidays which are carried forward will be paid at the rate in existence at the time the holiday week is taken or paid in lieu.

7.6.5 Scheduling of the "Holiday Week" must be by mutual agreement between the Employer and the employee.

7.6.6 Once a floating holiday is carried forward it cannot be taken as a floating holiday but must be taken as a "Holiday Week" or pay in lieu.

7.6.7 Relief for employees on a "Holiday Week" will be by scheduled overtime or as outlined in Section 19.8.2.5.

7.7. Employees who work four (4) or more consecutive hours on Independence Day (8:00am July 4 to 8:00 a.m. July 5) will be entitled to one (1) additional floating holiday. Employees who work four (4) or more consecutive hours on the Christmas holidays (8:00 a.m., December 24 to 8:00 a.m. to December 26) will be entitled to one (1) additional floating holiday.

7.8. In each department of the mill the time of ending of each holiday specified in this Section shall be varied from the 8:00 a.m. above prescribed whenever necessary to coincide with the time nearest to 8:00 a.m. which is the regular starting time for the day shift in such department, and in the cases where such variation is so made the starting time shall be correspondingly varied to comply with the prescribed length of the holiday. The time of starting and ending of each holiday, in addition to any variation which occurs pursuant to the preceding sentence, may be further varied by mutual agreement of the Employer and the Union Standing Committee.

7.9 Employees hired after March 18, 2013 will be eligible for 1 floating holiday after 180 days if they have either progressed to the Labor Pool or if they were hired directly into a classification other than Extra Board. Employees will not be eligible for holiday pay for holidays not worked, or call time for working on any holidays, except for the legacy employees listed on Schedule A, Roger Schultz and Shane Hagar. Extra Board employees are governed by section 19.9.3.3.

## **SECTION 8 – WAGES**

### **8.1. Rates When Moved From Regular Job**

8.1.1. An employee moved from the employee's regular job to a higher rate job shall receive the higher rate. An employee shall be deemed to be moved to a higher rate job when the duties and responsibilities of that job are assumed without the guidance of the employee who is breaking in the employee for the job. While the employee is being broken in and another employee is on the job and carrying the responsibility for the job, the employee being broken in shall receive the hourly rate for the job that employee regularly performs.

8.1.2. An employee who, during the employee's regular shift, is temporarily moved from a regular job to a lower rate job while the regular job is still available, shall receive the regular job rate during that period.

8.1.3. An employee who, at the request of the Employer, accepts temporary work on a lower rate job either before or after the employee's regular shift or on the employee's scheduled day off in order to fill some existing emergency vacancy, shall receive the employee's regular rate.

8.1.4. An employee who is directed to work for a temporary period on any suitable job other than the employee's regular job, whether or not the regular job is available, shall receive the rate of the regular job or the rate of the job to which the employee is moved, whichever is higher. An employee whose regular job is not available, who is offered work for the temporary period on any other job, may elect to lay off instead of moving to the job offered at the rate for that job.

8.1.5. An employee who is temporarily assigned extra work before or after the employee's regular shift at the employee's request or on the employee's day off, is to receive the job rate of the extra work assigned. Requests from employees for extra work will be recognized only when such requests are approved by the Employer and are made in writing.

## 8.2. Job Rate Retention

8.2.1. If the Employer permanently eliminates a job, the work force shall be reassigned in conformance with the SENIORITY Section. The periodic curtailments in operations due to the rise and fall of business volume or need for the product shall not be considered an elimination of a job.

8.2.2. An employee with five (5) or more years of service regularly assigned to the job permanently eliminated, or who is displaced in the ladder by the reassignment (as provided in 8.2.1.) or who is reassigned (as provided in 8.2.1.) to a lower-rated job in the mill shall retain the rate of the job eliminated or the rate of the job the employee is displaced from for one year from the date of their displacement. Such employee will not receive any future general wage increases until such time as the rate of the job to which the employee is regularly assigned is equal to or greater than the retained rate, or until one year has passed, at which time the employee's job rate retention rights are no longer applicable.

8.2.3. If the Employer permanently reduces the number of mechanics in the Maintenance Department, any mechanic or apprentice removed from the Maintenance Department shall be reassigned (as provided in 8.2.1). If the reassigned job in another department carries a lower wage rate than the employee's, mechanic's, or apprentice's rate, the employee will be eligible for job rate retention under the terms and conditions set forth above.

8.2.4. While receiving the job rate retention entitlement, an employee may bid on a suitable available job opening. If an employee receives a posted job in accordance with the Seniority Section, job rate retention entitlement will not be maintained.

8.2.5. A suitable job as used in 8.2.4. means one which the employee is physically able to perform without unreasonable hazard to the health or safety of the employee, fellow workers, and equipment.

### 8.3. Overtime

8.3.1. Subject to the conditions set forth in Night Shift Differential Section 8.5 any employee will, in addition to straight-time pay, receive overtime at one-half the straight-time hourly rate of the job for:

8.3.1.1. All work performed on any of the holidays listed in the HOLIDAYS Section.

8.3.1.2 Shift and schedule trades must be in writing and approved by a supervisor.

8.3.1.3. All work performed in excess of forty (40) straight-time hours in any one (1) week.

8.3.1.4. All work performed at the Employer's request during a previously scheduled and approved vacation period without notice by the Employer of the change in schedule. Notice as used in this paragraph shall be at least seven (7) calendar days prior to the first day of the scheduled vacation.

8.3.2. In applying paragraph 8.2., the following conditions shall be in effect:

8.3.2.1. No hour worked qualifies as an overtime hour on more than one of the above three bases. Time worked on a holiday will be credited toward the forty (40) hour qualification.

8.3.2.2. Paid vacation hours (including DAAT hours), holidays (including floating holidays), time spent on leaves of absence for Union business, and actual time spent as a participant in collective bargaining meetings with the employer, limited to eight (8) hours per day and forty (40) hours per week), shall be considered as hours worked for the purpose of qualifying for overtime pay.

8.3.3 In any cases of miss-assignment of overtime, which the Company and the Union agree occurred, make-up work will be available to the aggrieved employee on a scheduled basis for up to 30 days. If the employee chooses to not claim this make-up work in the 30-day period, the claim is dismissed. The 30-day period starts when the Company and the Union agree that the miss-assignment of overtime has occurred. The hour-for-hour overtime offered to the affected employee will not be assigned to fill a line position vacancy unless unable to fill using established procedures, but could be used, for example, as an extra for training, for cleanup, for helping with maintenance of an operator, doing backlog maintenance of a maintenance worker, but in all cases doing meaningful work as defined by the Company.

### 8.4. Job Analysis

Current existing jobs are not subject to or eligible for job analysis for the purpose of wage adjustments. For new jobs, the Company (after consultation with the Union), will establish the pay rate. If the Company and Union do not agree on the new rate, the Company will establish the rate. That rate will apply to all work performed until reviewed in subsequent contract negotiations. By definition, a new job is one which is not presently listed on

the wage table and can either be clearly distinguished from any listed job as to skill required, duties or responsibilities, or results from a major restructuring of previously existing duties. The former Job Analysis Program through Vigilant/Timber Operations Council (TOC) will no longer be utilized.

8.5. Night Shift Differential

8.5.1. The following definitions shall apply for the purpose of determining the payment of night shift differential:

8.5.1.1. Second Shift: 4:00 p.m. to 12:00 midnight or at the regular hour of changing shifts nearest 12:00 midnight in each department.

8.5.1.2. Third Shift: 12:00 midnight to 8:00 a.m. or at the regular hour of changing shifts nearest 8:00 a.m. in each department.

8.5.2.1. The night shift differential amount will be as follows:

Second Shift	Third Shift
\$0.600/hr.	\$0.950/hr

8.5.3. The appropriate night shift differential will be paid to any employee for any hours worked within a shift where night shift differential is payable. A day worker working an unusual shift schedule will be paid night shift differential for any hours worked outside the normal day worker shift schedule in the employee's department. Night shift differential shall not be payable to employees for work within the hours of their normal day shift.

8.5.4. Such night shift differential shall not be deemed a part of the hourly job rate when applying the provisions of this Agreement except in the payment of overtime as provided for in Overtime Section 8.3.

8.6. Wage Rates

8.6.1. Base Wage Rates for all employees who are not Legacy Employees or Prior Employees as defined in 8.6.2.

Wage Rates (Half-cents rounded up in conjunction with elimination of Job Analysis)

**BASE WAGE RATES**

**Classification**                    **Current 3-18-13** **New Hires 6/1/19** **6/1/20** **6/1/21** **6/1/22** **6/1/23**  
    **Hired after**  
    **3-18-13**                    **1.2%** **2.0%** **2.0%** **2.4%**

**Pulping**

Stock Prep Operator				25.00	25.30	25.81	26.32	26.95
Stock Prep Asst. Operator				22.50	22.77	23.23	23.69	24.26
Shift Warehouse Technician				18.00	18.22	18.58	18.95	19.41

**Material Handling**

Material Handler				18.00	18.22	18.58	18.95	19.41
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**#2 Paper Machine**

Machine Tender				27.00	27.32	27.87	28.43	29.11
Backtender				25.00	25.30	25.81	26.32	26.95
Third Hand				22.50	22.77	23.23	23.69	24.26
Fourth Hand				20.00	20.24	20.64	21.06	21.56

**#1 Paper Machine**

Machine Tender				28.50	28.84	29.42	30.01	30.73
Backtender				26.50	26.82	27.35	27.90	28.57
Third Hand				23.00	23.28	23.74	24.22	24.80
Fourth Hand				20.50	20.75	21.16	21.58	22.10
Fifth Hand				18.50	18.72	19.10	19.48	19.95



**Shipping**

Paper Checker				20.00	20.24	20.64	21.06	21.56
High-Lift Trucker Turntable				18.00	18.22	18.58	18.95	19.41

**Utilities**

Utilities Operator				27.00	27.32	27.87	28.43	29.11
Assistant Utilities Operator				25.50	25.81	26.32	26.85	27.49

**Technical**

Lab Technician A				24.00	24.29	24.77	25.27	25.88
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**Mill Stores**

Storekeeper				22.00	22.26	22.71	23.16	23.72
Stores Clerk				18.00	18.22	18.58	18.95	19.41

**Labor Pool**

Laborer				15.10	15.28	15.59	15.90	16.28
New Hire (1 <sup>st</sup> 60 Days)*				15.10	15.28	15.59	15.90	16.28
Summer/Holiday Reliefs*				15.10	15.28	15.59	15.90	16.28
Maintenance Helper				18.00	18.22	18.58	18.95	19.41

8.6.2. Wage Rates for Legacy and Prior Mill Employees:

8.6.2.1. Legacy Employees are employees who were previously employed by Nippon Paper Industries USA that have not suffered a one hundred eighty (180) day lapse in employment at the Port Angeles mill. These employees are listed in Schedule A.

8.6.2.2. Prior Mill Employees are employees who were previously employed by Nippon Paper Industries USA, who were not terminated for cause, that did suffer a one hundred eighty (180) day lapse in employment at the Port Angeles mill.

Wage Rates (Half-cents rounded up in conjunction with elimination of Job Analysis)

**LEGACY & PRIOR EMPLOYEE WAGE RATES**

<b>Classification</b>	<b>6/1/19</b>	<b>6/1/20</b>	<b>6/1/21</b>	<b>6/1/22</b>	<b>6/1/23</b>
	<b>1.2%</b>	<b>2.0%</b>	<b>2.0%</b>	<b>2.4%</b>	

**Pulping**

Stock Prep Operator	30.25	30.61	31.23	31.85	32.61
Stock Prep Asst. Operator	27.23	27.56	28.11	28.67	29.36

Shift Warehouse Technician	23.75	24.04	24.52	25.01	25.61
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**Material Handling**

Material Handler	23.29	23.57	24.04	24.52	25.11
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**#2 Paper Machine**

Machine Tender	32.67	33.06	33.72	34.40	35.22
Backtender	30.50	30.87	31.48	32.11	32.88
Third Hand	27.23	27.56	28.11	28.67	29.36
Fourth Hand	24.20	24.49	24.98	25.48	26.09

**#1 Paper Machine**

Machine Tender	34.75	35.17	35.87	36.59	37.47
Backtender	32.07	32.45	33.10	33.77	34.58
Third Hand	28.08	28.42	28.99	29.57	30.27
Fourth Hand	24.81	25.11	25.61	26.12	26.75
Fifth Hand	22.39	22.66	23.11	23.57	24.14

**Shipping**

Paper Checker	24.45	24.74	25.24	25.74	26.36
High-Lift Trucker Turntable	23.65	23.93	24.41	24.90	25.50

**Utilities**

Utilities Operator	32.67	33.06	33.72	34.40	35.22
Assistant Utilities Operator	32.67	33.06	33.72	34.40	35.22

**Technical**

Lab Technician A	29.04	29.39	29.98	30.58	31.31
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**Mill Stores**

Storekeeper	26.62	26.94	27.48	28.03	28.70
Stores Clerk	21.78	22.04	22.48	22.93	23.48

**Labor Pool**

Laborer	18.27	18.49	18.86	19.24	19.70
New Hire (1 <sup>st</sup> 60 Days)*	18.27	18.49	18.86	19.24	19.70
Maintenance Helper	21.78	22.04	22.48	22.93	23.48

8.6.3. Maintenance classification Wage Rates.

Classification	6/1/19	6/1/20	6/1/21	6/1/22	6/1/23
		1.2%	2.0%	2.0%	2.4%

<b>Maintenance</b>					
Multi-Craft Shift Mechanic	34.50	34.91	35.61	36.32	37.20
Multi-Craft Mechanic	34.00	34.41	35.10	35.80	36.66
Intermediate C	32.00	32.38	33.03	33.69	34.50
Intermediate B	30.00	30.36	30.97	31.59	32.34
Intermediate A	28.00	28.34	28.90	29.48	30.19
Junior C	26.00	26.31	26.84	27.38	28.03
Junior B	24.00	24.29	24.77	25.27	25.88
Junior A	22.00	22.26	22.71	23.16	23.72
E&I Master	38.00	38.46	39.23	40.01	40.97
E&I Shift Technician	36.75	37.19	37.93	38.69	39.62
E&I Technician	36.25	36.69	37.42	38.17	39.08
Intermediate C	34.00	34.41	35.10	35.80	36.66
Intermediate B	32.00	32.38	33.03	33.69	34.50
Intermediate A	30.00	30.36	30.97	31.59	32.34
Junior C	28.00	28.34	28.90	29.48	30.19
Junior B	26.00	26.31	26.84	27.38	28.03
Junior A	24.00	24.29	24.77	25.27	25.88

The wage classifications set forth above do not constitute the progression ladders for the mill.

8.6.4. E&I Master Mechanic: The job of the E&I Master Mechanic requires all of the qualifications described for a E&I (Journeyman) Mechanic, and also carries additional responsibilities. This individual will demonstrate additional special knowledge through experience and training with respect to the E&I field, and has a minimum of 5 years of seniority. The E&I Master may lead crews, imparting their special knowledge to others through training or other forms of assistance. They may also be called upon to deal with outside third parties (i.e., electrical inspectors) when required. They must exhibit and be willing to utilize leadership skills to lead others in the absence of a supervisor, or a portion of the crew when the supervisor is present. Necessary leadership skills include: 1) the ability to plan, estimate and requisition labor and materials requirements of jobs; 2) the ability to assign and direct work clearly; 3) the ability to coordinate activities with operating personnel and other maintenance

crews; and 4) a good working knowledge of all applicable safety and environmental rules and requirements. The individual may be required to participate in the selection of new E & I personnel. The E & I Master Mechanic will take the lead in mentoring and progressing personnel to E & I Journeyman skill level. If, due to curtailment, a crew or crews shall be eliminated, any E&I Master (or certified mechanics) assigned to those crews may also be eliminated. The Company shall have the sole right to determine who is classified as a E&I Master, whether or not they will be backfilled when absent, and (if backfilled) by whom.

### **SECTION 9 - HOURS OF WORK**

9.1. Both parties to this Agreement are committed to maintain the principle of a basic work week of forty (40) hours (except as provided in 19.9.3.3.), however, this commitment does not constitute a guarantee to any employee of a minimum forty (40) hour week. Additional time may be worked to permit the operation or protection of the mill when paid as required by this Agreement.

9.2. The employee's work week will normally be five (5) days insofar as it is practicable to schedule the normal forty (40) hour week in a period of five (5) days.

9.3. The work week shall consist of a period of seven (7) consecutive days beginning 8:00 a.m. on Monday or at the regular hour for changing shifts nearest to 8:00 a.m. on Monday.

9.3.1. A work day is a period of twenty-four (24) hours beginning at 8:00 a.m., or at the regular hour for changing shifts nearest 8:00 a.m.

9.3.2. Except for employees employed on continuous operating units or special schedules,. the normal starting and stopping times are:

9.3.2.1. 1st Shift - 8:00 a.m. to 4:00 p.m.

9.3.2.2. 2nd Shift - 4:00 p.m. to 12:00 midnight

9.3.2.3. 3rd Shift - 12:00 midnight to 8:00 a.m.

9.4. The regular work week shall consist of forty (40) hours of work within the work week (except as provided in 19.9.3.3.), scheduled on five (5) work days, except when it is necessary to schedule employees for forty-eight (48) hours of work within the work week on six (6) work days, in order to staff a continuous operating unit.

9.5. No employee shall work in excess of sixteen (16) hours in a day or sixteen (16) consecutive hours inclusive of meal periods except for employees on an established production shift who have a regular period off work for their meals. The Union agrees that Co-Gen operators can work 18 hours shifts (split a shift) if absolutely necessary to cover temporary vacancies. Volunteers will be solicited first in all cases. If there are no volunteers, the junior qualified (and available) employee will be assigned.

9.6. A double shift is the working of two (2) consecutive shifts. No employee shall be required to work more than one (1) double shift in any one (1) work week unless additional double shifts are required because of absenteeism and other qualified employees are not available through normal replacement procedures or maintenance work is necessary because of equipment breakdown or because of emergency conditions. No employee shall be required to work double shifts on two (2) consecutive days.

9.7 During the term of this Labor Agreement, the Company and the Union may jointly investigate the utilization of compressed tour week schedule and day work week schedules at the Port Angeles Mill by departments, as defined herein, if a joint investigation indicates such schedules to be reasonable and practical for department(s), then, the Company and the Union may, by mutual agreement, implement a compressed tour or day week schedule. It is understood that before implementation of a compressed tour or day work week schedule, the following minimum conditions must be satisfied:

9.7.1. Any agreement or implementation must be by mutual agreement of the Company and the Union.

9.7.2. Any such agreement should not result in additional cost to the Company. It is understood that the Company and the Union may agree to modify any provision of the Labor Agreement so that an agreement as provided above to utilize and implement a compressed tour or day work week schedule should not result in any additional cost to the Company.

#### **SECTION 10 - OUTSIDE CONTRACTOR NOTIFICATION**

10.1 It is the intent of the Company to perform its maintenance and repair work as can be planned with its own work force.

10.2 Prior to engaging an independent contractor in the mill, the Employer will notify the Local Union and will outline the nature of the project. A discussion, with the union's maintenance committee, will be held at which time the Local Union will be given an opportunity to make suggestions regarding the work to be performed.

10.3 When deciding on the use of contractors, the Company will consider the availability of;

10.3.1 appropriate skills within the mill,

10.3.2 necessary equipment within the mill,

10.3.3 man hours required to complete the job within the time required.

#### **SECTION 11 - SCHEDULING EMPLOYEES WORKING TIME AND DAYS OFF**

11.1. The Employer shall assign two (2) days off each week for each regular employee, except for those employees who are employed in a continuous operating unit. When the schedule for an employee on a continuous

operating unit is inconsistent with two (2) days off during the week, the Employer shall assign the employee one (1) day off that week. Those employees scheduled for two (2) days off which are not consecutive (in this case the last day of the work week and the first day of the following work week qualify as consecutive) must be paid a premium of sixty cents (\$.60) per hour for all hours worked during that work week.

11.2. An employee transferred after the start of the week, from one job or shift or schedule to another, shall, solely for the application of the CALL TIME Section and Overtime, 8.3., retain that employee's assigned day or days off for the remainder of that week.

11.3. The Employer will not, solely for the purpose of avoiding the payment of overtime, change the day or days off of an employee in a week in which a holiday specified in the HOLIDAYS Section occurs.

11.4. An employee who has been required to work on that employee's assigned day or days off shall not be laid off on one of that employee's work days in the same week solely for the purpose of limiting that employee's hours of work to forty (40).

11.5. If an employee is temporarily laid off because of a shutdown of the employee's job, department, or plant for a period of not less than forty-eight (48) hours in excess of that normally encountered in the employee's work schedule, the employee's regularly scheduled hours per day, starting time, and day/days off shall be deemed to have been voided and shall no longer be in effect.

11.6. With respect to those employees whose work schedules are such as to make it difficult or impossible to exercise their privilege of voting, the Employer will, at the request of the employee, arrange adequate time off for the employee to vote in elections which require voters to be registered.

11.7. The Employer will permit employees sufficient time off work to vote in Union elections when the work schedule does not permit the employees to vote outside their working hours.

11.8. When a temporary vacancy occurs due to a floating holiday, DAAT vacation day, sickness, injury or short notice absence, the employer will determine if the vacancy needs to be filled. If the vacancy needs to be filled the employer will fill the position by on-shift set-up. Open positions resulting from on-shift set-up will be filled (if needed) by qualified Labor Pool employees or twelve (12) hour shifts. When twelve (12) hour shifts are selected to fill a temporary vacancy, the employees scheduled on the preceding shift shall have that shift extended four (4) hours and the employees scheduled on the following shift shall start that shift four (4) hours before the employees' regular starting time.

11.9. When practical, the Employer will post work schedules for the following week by 2:00 p.m. on Thursday.

11.10. An employee's permanent assignment to a rotating shift shall not be changed to another shift without just cause.

11.11. In case any employee reports for work as scheduled after return from vacation, unless notified of a schedule change before leaving home for work, and then no work is provided, the employee shall receive an allowance of two (2) hours pay at the employee's straight-time rate for so reporting.

11.12. Time-off requests for the 4<sup>th</sup> and 5<sup>th</sup> of July and December 24<sup>th</sup> and 25<sup>th</sup> will be managed in the following manner:

11.12.1. Requests to be off on these days will be approved, when possible, under the following conditions:

11.12.1.1. Labor Pool employees are available to fill the vacancy.

11.12.1.2. The employees at the same job position on the adjacent shifts agree to cover the requesting employee's holiday shift. They must indicate acceptance by signing the employee's timeoff request slip.

11.12.1.3. The request must be approved by the supervisor and be within the department's ability to cover all the required operating shifts with qualified relief.

11.12.2. Requests to have the holiday off must be made by 8:00am on the Wednesday of the week preceding the holiday. When a person agrees to work for another person, the individual is committed to work and will not be able to change their mind once they have signed the time off request and it has been approved.

## **SECTION 12 - ALLOWANCE FOR FAILURE TO PROVIDE WORK**

12.1. In case any employee reports for work having been scheduled or ordered to report for such work, unless notified not to report before leaving home for work, and then no work is provided, the employee shall receive an allowance of two (2) hours pay at the employee's straight-time rate for so reporting.

12.2. Notwithstanding 12.1, in case any employee is scheduled or ordered to report for work on the employee's assigned day or days off and the employee is subsequently notified not to report less than thirty-six (36) hours prior to the start of such work, the employee shall receive an allowance of two (2) hours pay at the employee's straight-time rate.

12.3. In case any employee has commenced work on the employee's regularly scheduled shift, the employee shall receive a minimum of four (4) hours pay at the employee's straight-time rate.

12.4. If an employee is sent home during the employee's scheduled shift with instructions to return later and the employee's return is canceled so that the employee works less than the eight (8) hours that the employee was scheduled to work, the employee will be paid as though the employee had worked eight (8) hours at the employee's regular straight-time rate.

## SECTION 13 - CALL TIME

The fundamental purpose of call time is a form of penalty adopted first to discourage and limit to a minimum certain conditions of work schedules which result in an unusual inconvenience to an employee or an extra trip to the plant; and second, to compensate an employee for the unusual inconvenience or extra trip when the condition is not avoided. All call time questions are to be determined in the light of the foregoing principles.

13.1. Under the following conditions, employees will be paid three (3) hours call time at the employee's straight-time hourly rate of pay in addition to the pay for the actual hours worked.

13.2. Employees hired before the Schedule B Section 7.9 of this agreement, who are required to work on Independence Day, the day before Christmas, or Christmas Day will be paid one (1) call time for the first shift worked wherein any of the shift hours fall within the holiday period defined in the HOLIDAYS Section.

13.3 Call time will be paid if an employee's starting time is changed except when:

13.3.1. Notice of the change in the starting time is given at least thirty-six (36) hours prior to the newly established starting time.

13.3.2. The change in starting time is a return to the employee's previously established starting time after a temporary change in starting times.

13.4. Call time allowance is payable:

13.4.1. To an employee employed in a continuous operating unit who is called back to work after that employee was properly relieved and punched out.

13.4.2. To other employees who are called back to work after they have been properly relieved and punched out.

13.4.3. Provided, call time allowance will not be payable to an employee who is notified prior to being properly relieved or prior to the time the employee punches out, that the employee is to continue working beyond the shift.

13.5. Call time is not payable to an employee who initiates a request to work on that employee's assigned day off, to trade shifts, or to report to work at an earlier or later starting time than that established.

13.6. An additional call time will be paid if a mechanic is required to work on two or more unrelated tasks on a call-in. Call-ins and task assignments will be made by supervisory personnel. No more than two (2) call time payments may be made for one such period of work. This paragraph does not apply to call-ins for normal shift replacement.



13.7. Meetings, committee activities and special events are exempt from the call time provisions of this Agreement, unless attendance is required by the Employer.

13.8. The Employer may change employees' starting times at any time.

13.9. If an employee is temporarily off because of a shutdown of the employee's job, department, or plant for a period of not less than forty-eight (48) hours in excess of that normally encountered in the employee's work schedule, the employee's regularly scheduled hours per day, starting time, and day/days off shall be deemed to have been voided and shall no longer be in effect. Call time shall not be payable for any assignments to extra work during the shutdown period or for assignments in connection with the resumption of operation of the job.

13.10. Not more than one (1) call time shall be paid for one period of work except as provided in 13.2 and 13.6.

#### **SECTION 14 - STARTING AND STOPPING OF WORK**

14.1. All employees on a continuous operating unit will remain on their jobs until properly relieved.

14.2. All other employees shall work as scheduled.

#### **SECTION 15 - WORK PRACTICES**

15.1. McKinley Paper Co. is competing on a worldwide basis with the best pulp and paper mills in operation. Success can only be achieved by producing a high quality product in a safe work environment at a competitive cost. We believe this requires maintenance of a good work environment and the use of modern equipment and technology. Our goal is for the employees to work together, as a team, to produce a superior product that meets or exceeds our customers expectations.

15.2. Mechanics of any craft may be assigned by the Employer to assist mechanics of any other craft and will work as a team. Any work which is incidental to a job may be performed by any mechanic in any craft. Utilization of tools is not limited to any particular craft. Tools used in welding and burning are examples of universal tools. The Employer may assign welding, cutting and burning to any mechanical craft.

15.3. The Employer may assign operators to perform minor maintenance repairs, painting, and adjustments on equipment within the area or department to which they are assigned which they can do safely.

15.4. Operators may be assigned to assist mechanics.

15.5. With the exception of electrical equipment above six hundred (600) volts, any employee can lock out any equipment except when prohibited by specific safety procedures and rules.

15.6. Any employee can lubricate and make lubrication checks.

15.7. Any employee can replace recording charts and light bulbs.

15.8 Issues related to work practices will be resolved on the basis of the most effective and efficient way to get a job done rather than on the basis of the exclusive ownership of tasks and functions by a given craft or job.

15.9. No employees on the payroll at the time of ratification of this contract will be laid off, terminated from employment, displaced from the Mechanics' Package, or lose seniority as a result of changes in work practices during the term of the Agreement. Any permanent reductions that might result due to changes in work practices will be by attrition.

The above does not apply to circumstances such as curtailments, equipment shutdowns, department or mill closure, changes in product mix, emergencies, technology changes and the hiring and terminating of employees hired for vacation relief.

15.10. This statement of work practices does not supersede or substitute for other sections of the Agreement. Rather, it is a statement intended to promote fuller utilization of the skills and abilities of all employees in the interest of a more effective mill operation.

15.11. All Employees (Labor Pool, Extra Board, Vacation Relief and Full Time Employees) can work wherever they are qualified and trained, as long as the employee's regular job is not available, and seniority is respected. Employees are expected to work safely, as a team, and should be results-oriented, not task oriented.

## SECTION 16 - DISCIPLINE AND DISCHARGE

16.1. Probationary employees may be discharged with or without cause and they shall not have the right to file a grievance to protest such discharge.

16.2. During the life of this Agreement, the Employer shall not discharge or discipline any employee except for just cause. If disciplinary action is required, the Company will follow its Progressive Discipline Procedure (see addendum to this agreement) and this Labor Agreement. The procedure does allow for the acceleration through, or bypassing of, steps in the process. This may be done in the situations listed below:

16.3. Before an employee may be discharged, the employee must be given one (1) prior written warning letter except in the following instances:

- a. Dishonesty.
- b. Assault on co-worker or business visitor.
- c. Violation of the Company's policy on harassment.
- d. Failure to comply with the provisions of the Company's Substance Abuse Policy (see Addendum to this Agreement).
- e. Deliberate sleeping while on duty.
- f. Falsification of records or documents.
- g. Deliberate destruction, sabotage to, or removal of Employer's or another employee's property.
- h. Failure to report to work due to incarceration or court imposed restrictions resulting from conviction or sentencing of 30 or more days in jail.
- i. Deliberate use of Company property or resources for an illegal act or purpose.
- j. Willful and serious violation of the Company's Firearms Policy.
- k. Purposeful neglect.
- l. Promotion or participation in terrorism.

16.4. Before the Employer issues a written notice of discipline, the employee's supervisor shall discuss the proposed discipline with the appropriate Union official in the presence of the employee. Written notice of discipline shall not be required in order to suspend an employee pending investigation.

16.5. Notice of discipline of an employee shall be given to the employee in writing, with a copy to the Union Standing Committee.

16.6. After the lapse of one (1) year, a written warning shall be removed, by the employer, from the employee's record unless:

1. Within the one (1) year period a subsequent written warning has occurred,

Or

2. The written warning was for attendance and subject to the 24 month measurement period under that policy.

Record of the suspension of an employee shall be removed, by the employer, from the employee's file after the lapse of two (2) years unless within the two (2) year period a subsequent written warning or suspension has occurred.

16.7. Any employee, other than a probationary employee, who is disciplined, may request an investigation of such discipline, and the employee and Union shall have the right to protest such discipline through the grievance procedure. Any such protest (grievance) must be received by the Employer within thirty (30) calendar days of the date of the disciplinary action or the right to grieve such disciplinary action shall be deemed waived.

16.8. No employee will be subject to discrimination because of seeking union assistance in matters of discipline.

#### **SECTION 17 - BULLETIN BOARDS**

17.1. The Employer shall supply adequate enclosed official bulletin boards for the use of the Local Union in posting of officially signed bulletins.

17.2. Posting of material on the Union bulletin boards is solely for the use of the Union in official communications.

#### **SECTION 18 - SAFETY**

18.1. The Employer and the Union agree to cooperate in a program of industrial accident prevention and to comply with all pertinent provisions of state law applying to safety. This includes the establishment of safety committee(s).

18.2. Employees must wear ANSI approved toe protection, hard hats, hearing protection, eye protection, and other personal safety equipment as required and provided by the Employer in all working areas of the facility.

18.3. The Employer will reimburse the employee for the purchase of safety shoes through the Employer safety shoe program in accordance with the following schedule:

6/1/19 – 5/31/20	\$130.00
6/1/20 – 5/31/21	\$135.00
6/1/21 – 5/31/22	\$140.00
6/1/22 – 5/31/23	\$145.00
6/1/23 – 5/31/24	\$150.00

The unused portion of the safety shoe allowance will accumulate from year to year to a maximum of three hundred dollars (\$300), but may only be used for the purchase and repair of safety shoes to be used on the job. The unused accumulation will not be paid to employees whose employment terminates for any reason.

18.4. The Employer agrees to provide prescription safety glasses that meet OSHA standards through a supplier designated by the Employer. The Eye Protection Prescription (Safety Glass) Policy is available in the Human Resources Department.

18.5. Employees will be allowed reasonable time from their work required for necessary in-plant safety activities which cannot be properly accomplished outside of working hours, and will be allowed necessary minimum time from their work to conduct Employer approved safety activities. In each such instance, the employee, before engaging in any such activity, must receive the permission of the employee's supervisor and, if another department is involved, also must receive the permission of the supervisor of that department before entering it. In no case will members of safety committees interfere with the continuity or efficiency of operations.

18.6. The joint efforts of the Employer and Union to promote on-the-job safety are undertaken in the interest of promoting employee safety and welfare, but nothing in this Agreement shall be construed to impose liability on any employee, the Union, or the Employer in the event an injury or accident occurs to any employee covered by this Agreement.

18.7. As a general policy the usage of safety eye protection is required for:

18.7.1. All areas of the mill unless identified as an exception below.

18.7.2. All eye wear must be ANSI 87.1 approved and approved by McKinley Paper for use.

18.7.3. Additional eye protection wear will be required for hazardous tasks as appropriate.

18.7.4. All tasks which specifically require eye protection including (but not limited to) are: (1) While using air hoses or being in an area where air hoses are actively being used, (2) While handling chemicals, (3) Being present in area(s) with risk for or with a known issue of air borne debris, (4) All threading activities on the paper machines, (5) While using pneumatic, welding, cutting, burning or grinding tools, (6) While using high pressure water hoses, (7) While operating or closing electrical switch gear or breakers, (8) While changing or filling propane cylinders.

18.7.5. Exceptions to the mandatory wear include the following areas or tasks: (1) Bathrooms, (2) Offices, (3) Control rooms, (4) Specific tasks which present a risk of dropping the eye protection into the process or moving equipment, (5) Specific areas or task where fogging of the eye protection represents a risk to the employee, (6) While operating cranes where peripheral vision is critical, (7) Areas or tasks where the glare (due to wearing eye protection) presents a risk to the employee.

18.7.6. This policy is a locker to locker policy. Employees are required to properly wear their eye protection at all times except as noted above in which case the employee is allowed to temporarily remove the eye

protection. Employees are required to carry the eye protection on their person at all times when not being worn and promptly resume properly wearing the eye protection when the expectation condition ends. Lanyards are available in the storeroom.

## **SECTION 19- SENIORITY**

19.1. An employee's first sixty (60) calendar days of employment in the bargaining unit constitutes a probationary period of employment. During the probationary period, the Employer may terminate the employee's employment with or without cause and such termination may not be made the subject of a grievance. The probationary period may be extended for a defined period of time by written mutual agreement between the Employer and the Union.

19.2. Mill Seniority is the length of continuous service with the Employer. An employee acquires seniority after completion of the probationary period, however, at that time the seniority date reverts to the employee's most recent date of hire. The seniority ranking for employees who have the same hire date shall be determined by ranking them in alphabetical order. The employee whose last name occurs at the beginning of the alphabetical order shall be ranked as if hired before the employee whose last name occurs second in the alphabetical order and so on.

19.2.1. Department Seniority is the length of service in the department.

19.2.1.1. Department Seniority Dates and Blue Slipped Relief Assignments will be handled as follows:

19.2.1.1.1. Employee's department seniority date in a new department will be the date of the posting, after they accept the bid to become a Blue Slip Relief to that new department. When two or more opening are on one posting, the employees that accept the job posting will be given department seniority based on their mill seniority order. If said employee then subsequently relinquishes that Blue Slip Relief position, they will remain in the Labor Pool but will give up the department seniority date mentioned above.

19.2.1.1.2. In cases where there is no Blue Slip Relief to a department, then an employee's department seniority date will start 45 days after the date they are transferred to that department subsequent to winning a bid, as outlined in 19.8. Said employee retains seniority in their old department until the 45 day "trial" period is over. If they return to their previous department before the 45 day trial period expires, then they retain department seniority in their old department and never acquire department seniority in the new department. If, after the 45 day trial period, they decide to stay in their new department, then they relinquish their department seniority in their old department, and gain seniority in the new department retro-active to their date of bid award; with the exception of the Cogen department. Cogen department seniority dates do not go back to the date of acceptance. They are based on transfer date. Shadowing time in the Cogen department, when provided, does not count toward the 45 day "trial" period.

19.2.2. Progression Ladder Seniority is the length of service on a progression ladder.

19.2.3. Job Seniority is the length of service on a job.

19.3. Employees hired for summer and holiday vacation relief will not acquire seniority. The Company will post in the mill the hiring process and deadlines at least 30 days prior to hiring vacation reliefs. The summer vacation relief period is from May 1<sup>st</sup>, through September 30<sup>th</sup>. The holiday relief period is from December 15<sup>th</sup>, to January 15<sup>th</sup>.

19.3.1 Summer and holiday vacation relief employees will be used as Junior Labor Pool employees.

19.3.2. Summer and holiday vacation relief employees may be terminated at the end of the summer or holiday vacation relief period without reference to the other provisions of this Agreement.

19.4 When an employee is temporarily assigned to relieve a position normally held by a salaried supervisor, the Union shall be notified of the assignment as soon as possible. The seniority of an employee so assigned shall be protected provided that the assignment is for no more than 1040 hours cumulative time in any calendar year, subject to extension by joint agreement of the Employer and the Union Standing Committee.

19.5. In any case where an employee is absent from work for 18 months (for reasons other than serving in the armed services or leaves identified in Section 35) the employee's seniority rights under this Agreement will be maintained for a period of 18 months, unless a competent medical authority advises that such employee is permanently disabled to the point where employment should not be resumed. At the end of that 18 month period, unless any competent medical authority advises that such employee would be able to return to work within an additional 6 months (total time not to exceed 24 months), the Employer will terminate the employee (unless accommodated under the ADA or State or Federal regulations) with a copy of the termination notice sent to the Union Standing Committee. At least thirty (30) days prior to such termination, the Employer shall provide the Union written notice, and upon request confer with the Union.

19.6. An employee who retires under the Retirement Plan provision for Total and Permanent Disability Retirement may apply for reinstatement to active employment.

19.6.1. If competent medical authority determines that the participant is no longer totally and permanently disabled, such participant shall be returned to the participant's former job if the participant is capable of performing that job. A participant not capable of performing the former job at the time of return to active employment, or at some later date, will be placed in a suitable job and shall be allowed to displace junior employees (mill seniority) for this purpose.

19.6.2. The participant's mill seniority at the time of retirement shall be restored. Department and ladder seniority shall be restored to the extent agreed upon by the Employer and the Union Standing Committee. Such employees shall be eligible for Group Insurance coverage, including Dental coverage, starting with the date of reinstatement to active employment, and shall be subject to the years of service provisions of the Retirement Plan with respect to the break in service.

19.6.3. All benefits of retired status, including retirement income and group insurance coverage's, shall cease as of the date of reinstatement to active employment.

19.7. Whenever the Employer has made plans for substantial technological changes or the closing of departments which will result in permanent reduction of the workforce, the Union Standing Committee will be given advance notice and will be consulted. Arrangements shall be made for affected employees to displace junior employees (mill seniority) in the mill, as soon as possible. However, in no case shall such a senior employee remain on layoff while a junior employee remains working.

19.8 Promotions. Promotion means the movement of an employee from any rung on a progression ladder to a higher rung on that same ladder or the movement of an employee from any job to a job opening not on a ladder which pays a higher straight-time hourly rate.

19.8.1. Job Postings.

19.8.1.1. Whenever the Employer determines there is a full time permanent job opening except one above the bottom rung on a progression ladder, the job will be posted, provided that if a full-time job is in fact occupied on a temporary basis for 30 days, the job will be posted and will be filled so long as the Employer determines that the job is needed. If the vacancy so created is due to employee(s) exercising their right provided under 19.8.1.3, they are not considered permanent until the forty-five (45) day period has expired. If however, the employee is removed from training during the trial period through no fault of their own, then the trial period will be extended by that same number of days.

19.8.1.2. All permanent job openings except those above the bottom rung on progression ladders, will be filled by millwide posting based on seniority and qualifications. A job opening will be posted within thirty (30) days. The employee(s) awarded the posting will be placed in the position within thirty (30) days from the day said posting is awarded.

19.8.1.3 It is agreed that in the case of voluntary transfer, the transferred employee will maintain seniority in the department from which the employee transferred for a period of forty-five (45) days. Prior to the expiration of the forty-five (45) day period, the Employer may return the employee to the employee's prior job if the employee is unable to perform the new job; likewise during this period the employee may elect to return to the employee's prior job. After the expiration of the forty-five (45) day period, the employee's job seniority applies only in the department to which the employee transferred.

19.8.1.4 If, during a two year time period, an employee is the Bid Winner more than once for a Job Posting and they either accept the job and return within the trial period,; they are prohibited from bidding on any new job posting for a period of two years from the date of the last rejection, except for Maintenance opening and newly created jobs.



19.8.2 Progression Ladders. A progression ladder is a series of reasonably related jobs in a department in the mill.

19.8.2.1. Permanent openings on the bottom rung of a progression ladder and initial openings on a progression ladder that are not a part of an existing ladder and have been established due to the installation of new equipment, will be filled by mill wide posting based on seniority and qualifications.

19.8.2.2. The parties agree that the Employer shall have the right to establish new progression ladders or change or eliminate existing progression ladders. Any employee adversely affected by a change in progression ladders has the right to pursue a grievance under the ADJUSTMENT OF GRIEVANCES Section. However, the arbitrator's remedy may not establish, change, or eliminate any progression ladder and shall be limited to back pay and placement of the employee.

19.8.2.3. Progression ladders now established in writing shall be in full force and effect unless changed by the Employer.

19.8.2.4. The parties agree that a permanent job opening on any rung of a ladder above the bottom rung shall be filled by the most senior qualified employee who is on the rung next below the permanent job opening, except as provided in 19.8.2.6

19.8.2.5. When a temporary opening occurs on a progression ladder the vacancy will be filled by on-shift promotion if qualified employees on the progression ladder below the vacancy are available. Bottom rung progression ladder vacancies created by on-shift promotion or employee absence may or may not be filled. If they are to be filled, trained and qualified Labor Pool employees will be used or the vacancy can be filled using split shifts or calling in qualified employees

Temporary vacancies above the bottom rung of a progression ladder may be left vacant for short periods of time (4 hours or less) when the duties of the job are not being performed, trained personnel are not available, or the operation of the department in which the vacancy occurs is such that the work assigned to the vacant position is not being performed.

19.8.2.5.1. Temporary vacancies longer than 42 days will be filled by the most senior qualified employee who is on the progression ladder rung below the temporary vacancy. All vacations (other than DAAT vacation days) will be filled by on-shift promotion above the bottom rung of the progression ladder.

19.8.2.6. In the event of a job opening occurring after the weekly work schedule has been posted, the opening, if filled, will be filled by a qualified employee not necessarily the senior employee. However, in the event such an opening occurs on a progression ladder, the qualified employees on the shift on that progression ladder below the vacancy shall move up and the bottom rung on the ladder will be

filled by a qualified available employee, except that this provision is not applicable when filling the openings on an overtime basis.

19.8.2.7. In promotions on a progression ladder, an employee who is by-passed shall thereafter remain behind the employee(s) who moved ahead. In the event of a layoff or curtailment, employees shall be moved back in the same manner they were promoted, thus by-passing on the way down the employee(s) they by-passed on the way up the ladder.

19.8.2.8. In the event that an employee requests to freeze on a job of a progression ladder, the Union Standing Committee and the Employer must mutually agree that the employee's reasons are bona fide (physical ability, lack of ability and/or personal). It is agreed that no more than fifty percent (50%) of the people may be frozen on a job on a progression ladder. If an employee is frozen on a progression ladder he or she becomes the junior employee at that position. If an employee is frozen at the entry level of a progression ladder, 19.8.2.7 does not apply.

19.8.3. Lab Positions. When the lab has a permanent opening the position will be posted with a detailed description of the expected skills that a successful candidate will either already possess or have learned during the voluntary transfer period. The expected skills will be in the following areas: (1) Mathematics, (2) Reading comprehension, (3) Writing, (4) Basic Computer operations, (5) Basic computer software usage. The position will be awarded on the basis of seniority. The candidate awarded the position must demonstrate proficiency in the requisite skills prior to the end of the voluntary transfer period. Failure to successfully demonstrate the requisite skills will result in the candidate being returned to their previous position. The position will be filled with the next senior candidate on the signup list and the same procedure will be followed until a qualified individual is found and has accepted the position on a permanent basis.

#### 19.9 Labor Pool.

19.9.1 The Labor Pool consists of permanent employees (blue slipped reliefs and employees downsized or demoted from permanent progression ladder positions), Extra Board employees and Vacation Relief employees who are not on any progression ladder.

19.9.2 Labor Pool employees will be trained and assigned by mill seniority to suitable job openings if there is no permanent posted relief for such a job.

19.9.2.1. Labor Pool employees not able to exercise their seniority because they are not trained will be trained or paid at the higher rate if they have not been trained or placed in the position for more than 15 working days in a calendar year.

19.9.2.2. Labor Pool employees may be assigned to fill job openings on a daily or weekly basis. Labor Pool employees may be assigned to work in more than one department, position, or shift, in any given week.

19.9.2.3 Labor Pool employees will be assigned to fill openings based on their Labor Pool (mill) seniority. Based on their seniority Labor Pool employees who are not blue-slipped reliefs or are not being assigned as a blue-slipped relief will be assigned to positions with whole week vacancies (in one department and shift).

19.9.2.4. Exception to such scheduling of weekly assignments can be made when the scheduling would result in an employee being required to start a weekly schedule in another department of the Monday day shift immediately following a Sunday graveyard shift.

19.9.3 Labor Pool, Extra Board and Vacation Relief employees can be assigned to fill any position for which they are trained and qualified.

19.9.3.1 The Labor Pool shall include:

- 1 blue-slipped relief for Shipping
- 1 blue-slipped relief for Hog & Chip Operators
- 1 blue-slipped relief for the Storeroom
- 4 blue-slipped reliefs for the Paper Mill
- 2 blue-slipped reliefs for the Pulping Area
- 2 blue-slipped reliefs for Co-Gen/Utilities

Blue-slipped reliefs will be assigned to vacancies in the department where blue-slipped before being assigned elsewhere on a weekly or daily basis.

19.9.3.2. Existing Blue-Slip relief employees at the time of ratification will be grandfathered until such time as either a permanent position opens in the ladder where they are blue slipped or the employee accepts a position in another ladder.

19.9.3.3. Extra Board Employees

19.9.3.3.1 Extra Board employees are junior labor resources who do not have permanent, full time employee status.

19.9.3.3.2. Extra Board employees are not guaranteed to work a 40-hour week.

19.9.3.3.3. Extra Board employees will have seniority based on their hire dates and will progress into permanent Labor Pool employees upon successful bidding.

19.9.3.3.4. Extra Board employees will be entitled to the same medical and dental benefits available to all full-time permanent employees. However, Extra Board employees will not be provided with other benefits (such as short term disability\*, life insurance, pension, 401k matching funds, etc.) until they become permanent full-time employee, subject to section 7.9.

Extra Board employees can participate in the 401k program without the Company matching funds. \* Extra board employees will have optional access to short term disability (STD) benefits. If they select the option for STD benefits, they will pay 100% of the premium through payroll deduction.

19.9.3.3.5. Extra Board employees will be subject to the pay practices as specified in the labor agreement and as such all other sections of this Labor Agreement will apply to Extra Board employees such as short notice call time, overtime and other penalties.

19.9.3.3.6. The probationary period for Extra Board employees will be 180 days from their date of hire. If, during their probation period, an employee is granted a leave of absence, then the amount of time spent on that leave of absence will be added to the end of their probationary period after their return to work. During this time, the Employer may terminate their employment without cause.

19.9.3.3.7. Following the probationary period the Extra Board employee would be subject to termination for violation of Section 16.3 of the Labor Agreement, failure to respond within 8 hours to 8 calls to report to work in a calendar year and refusal to accept a permanent Labor Pool position unless excused through mutual agreement between the Employer and the Union.

19.9.3.3.8. Extra Board employees who work more than 1500 hours in any contract year will earn one week of paid vacation. In addition Extra Board employees who work at least 1500 hours in any contract year will be able to designate up to 10 days annually when they would not be available for call to work.

19.9.3.3.9. Extra Board employees will be scheduled or called in by seniority as long as the employee has straight time hours available to cover the vacant work period.

19.9.3.3.10. Extra Board employees will not have any assigned days off until or unless scheduled for or working five (5) work days in the work week, except when it is necessary to schedule employees for forty-eight (48) hours of work within the work week or six (6) work days in order to staff a continuous operating unit.

19.9.3.3.11. Extra Board employees and Vacation Relief employees can be used to fill any job for which they are trained and qualified as long as permanent employees are not displaced or their seniority compromised. Extra Board employees will be used, in order of their seniority, to relieve permanent positions when those employees are on vacation, sick or absent for other reasons.

19.9.3.3.12. Extra board employees will be promoted to Labor Pool and full time permanent status, upon successfully bidding on a permanent full time position or blue-slip relief position.

19.9.3.3.13. Extra Board employees can establish seniority and will be senior to Vacation Relief employees.

19.9.3.3.14. The number of Extra Board employees will not be greater than the number of permanent Labor Pool employees, however; if, during the term of this agreement, the size of the permanent labor pool is reduced, the size of the extra board will not automatically be reduced. Extra board employees will not be laid off specifically because of fluctuations in labor pool size. In such a case no more Extra Board employees will be hired until the number of Extra Board employees is less than the number of permanent Labor Pool employees.

#### 19.10. Back Filling Shift Mechanics

19.10.1. Scheduled Vacancies – Scheduled vacancies will be filled by:

19.10.1.1. Does the shift need to be filled or open shift ?

19.10.1.2. Use shift relief 1, 2, or 3 in that order depending on availability to fill full shift tour and/or all required days of the scheduled vacancy (if needed). Relief shift mechanics can have some flexibility between themselves to fill an upcoming vacancy provided that it is mutually agreed with maintenance supervision and is cost neutral to the Company.

19.10.1.3. Available shift mechanics – Use shift mechanic on days off

19.10.1.4. Junior qualified person

19.10.2. Unscheduled Vacancies - (Vacancies after schedule posted) Unscheduled vacancies will be filled by:

19.10.2.1. Does the shift need to be filled or open shift ?

19.10.2.2. Use shift relief 1, 2, or 3 in that order depending on availability to fill full shift tour and/or all required days of the scheduled vacancy (if needed). Relief shift mechanics can have some flexibility between themselves to fill an upcoming vacancy provided that it is mutually agreed with maintenance supervision and is cost neutral to the Company.

19.10.2.3. Available shift mechanics – Use shift mechanic on days off

19.10.2.4. Junior qualified person

19.10.3. Leave Early Vacancies (day shift Monday to Friday)

19.10.3.1. Does the shift need to be filled or open shift ?

19.10.3.2. Use shift relief 1, 2, or 3 in that order depending on availability to fill full shift tour and/or all required days of the scheduled vacancy (if needed). Relief shift mechanics can have some flexibility between themselves to fill an upcoming vacancy provided that it is mutually agreed with maintenance supervision and is cost neutral to the Company.

19.10.3.3. Hold the lead over

19.10.3.4. Junior qualified person

#### 19.11. Back Filling Shift Mechanics

19.10.1. Scheduled Vacancies – Scheduled vacancies will be filled by:

19.10.1.1. Does the shift need be filled or open shift ?

19.10.1.2. Use shift relief 1, 2, or 3 in that order depending on availability to fill full shift tour and/or all required days of the scheduled vacancy (if needed). Relief shift mechanics can have some flexibility between themselves to fill an upcoming vacancy provided that it is mutually agreed with maintenance supervision and is cost neutral to the Company.

19.10.1.3. Available shift mechanics – Use shift mechanic on days off.

19.10.1.4. Junior qualified person.

19.10.2. Unscheduled Vacancies – (Vacancies after schedule posted) Unscheduled vacancies will be filled by:

19.10.2.1. Does the shift need filled or open shift ?

19.10.2.2. Use shift relief 1, 2, or 3 in that order depending on availability to fill full shift tour and/or all required days of the scheduled vacancy (if needed). Relief shift mechanics can have some flexibility between themselves to fill an upcoming vacancy provided that it is mutually agreed with maintenance supervision and is cost neutral to the Company.

19.10.2.3. Available shift mechanics – Use shift mechanic on days off.

19.10.2.4. Junior qualified person.

19.10.3. Leave Early Vacancies (day shift Monday to Friday):

19.10.3.1. Does the shift need to be filled or open shift ?

19.10.3.2. Use shift relief 1, 2, or 3 in that order depending on availability to fill full shift tour and/or all required days of the scheduled vacancy (if needed). Relief shift mechanics can have some flexibility between themselves to fill an upcoming vacancy provided that it is mutually agreed with maintenance supervision and is cost neutral to the Company.

19.10.3.3. Hold the lead over.

19.10.3.4. Junior qualified person.

19.11. Demotions. A demotion is the movement of an employee from a higher rung on a progression ladder to any lower rung on that same ladder or the movement of an employee from the bottom rung of a ladder, or from any job not on a ladder to the Labor Pool.

19.11.1. When a senior employee on the basis of mill seniority has exhausted seniority rights, the senior employee on the basis of mill seniority shall replace the most junior employee on the basis of mill seniority in the Labor Pool.

19.11.2. An employee entering the Labor Pool who is entitled to a job in a progression ladder will not be assigned to jobs in the ladder above regular progression ladder employees who are capable of performing jobs on the higher rungs.

19.11.3. An employee being placed in a Labor Pool job under the above provisions will be so placed in accordance with Labor Pool procedures. The junior employee based on mill seniority and working in a Labor Pool job will be laid off unless such employee is temporarily retained by the Employer for purposes of training. Any employee assigned to a job shall be paid the rate of pay for that job unless the employee is eligible for a higher rate of pay.

19.11.4. In the event the jobs incorporated in the Labor Pool as stated above should not be adequate, additional jobs may be added by using the bottom rung of all progression ladders in the mill.

19.11.5. Employees who are displaced through no fault of their own, will be placed in a suitable job in the Labor Pool if qualified. The employee may use Mill Seniority to obtain any permanent job opening, if qualified, either in or out of the Labor Pool, but not openings above the bottom rung of any progression ladder.

19.12. Lay-Off and Recall. Layoff means the movement of an employee from any job to unemployed status. Recall means the return to work of an employee who has been unemployed but who has not lost seniority.

19.12.1. During any layoff the employee's right to jobs for which the employee is qualified will be maintained. An employee's seniority will not be broken:

19.12.1.1. If the employee has been on the payroll for less than one (1) continuous year, is terminated other than for cause, and is recalled within sixty (60) days.

19.12.1.2. If the employee has been on the payroll for more than one (1) continuous year, is terminated other than for cause, and is recalled within one hundred eighty (180) days.

19.12.2. Employees who are recalled to work by certified or registered mail to the last address the employee provided the Employer and fail to report within fourteen (14) days after the postmark date, will be terminated and their seniority will be broken.

19.13. The provisions of the SENIORITY Section may be modified in their application to specific situations by written mutual agreement between the Employer and the Standing Committee of Local 155.

19.14. In the case of grievances based on claims that an employee's job rights based on this Section have been violated, any arbitrator's decision on such shall be limited to, (1) directing the placement of an employee on a job giving effect to the employee's seniority and qualifications and, (2) if back pay is an issue, the arbitrator may not award retroactive pay to a date earlier than the date the grievance was first presented as a formal grievance in accordance with the ADJUSTMENT OF GRIEVANCES Section.

## **SECTION 20 - MILL GROUND RULES/DEFINITIONS**

20.1. Tools. Miscellaneous minor repair parts for broken tools will be provided. Tools lost or broken will be replaced, if, in the opinion of the department head, the tools were lost or broken through no fault of the employee when working on a job under difficult and/or unusual circumstances.

20.2. Locker Rooms. The Employer will provide locker and shower facilities where it appears to the Employer the facilities are necessary.

20.3. Inspection Seats. The Company shall provide safe and appropriate chairs and workstations for operations employees.

20.4. Supplies for Paper Machine Operating Crews. Chalk, tape measures, and miscellaneous tools required on the job by paper machine operating crews will be provided by the Employer.

20.5. Job Rates. The Employer will furnish the appropriate Union Standing Committee with a listing of the job rates in each department of the mill. Whenever there is a change in any of the job rates in a department, a new listing for that department will be furnished.

20.6. Clean-up Time for Painting. Employees assigned to painting will be expected to clean up painting equipment before their shift is scheduled to end. When, in the opinion of the supervisor, they need extra time for personal clean up, such time will be allowed

20.7. Janitorial Services: Janitorial services for all salaried office facilities and conference rooms will be managed independently and outside of bargaining unit jurisdiction.



20.8. Union Standing Committee: The words Union Standing Committee mean a committee appointed by a Local Union which shall represent the Local Union concerned in the performance of those provisions of this Agreement which provide for action by a Union Standing Committee.

20.9. Suitable Job: Means a job which the employee is physically able to perform without unreasonable hazard to the health or safety of the employee, fellow workers, and equipment.

20.10. Qualified: Qualified means the ability of an employee to satisfactorily discharge the duties and responsibilities of the job involved based on the employee's qualifications and past performance.

20.11. Continuous Operating Unit: A continuous operating unit is a department or other unit of the Employer which operates on a consecutive twenty-four (24) hour a day, seven (7) day a week basis.

20.12. Tables & Benches: Tables and benches shall be provided in the paper machine room for machine room crews' use, provided they are kept clean, not abused, and they do not interfere with the operation of the department.

20.13. Refrigerators: Refrigerators shall be provided and maintained in the paper machine room, refiner groundwood mill, groundwood mill, steam plant, recycle paper plant, yard and two (2) in the shop area provided they are kept clean and not abused.

20.14. Modifications to Mill Ground Rules. These Mill Ground Rules may be modified during the term of this Agreement by written mutual agreement between the Employer and the Standing Committee of Local 155.

20.15 Time Cards. The Company and the Union agree that whenever deductions of time are made by the Company to an employee's timesheet that reduces the total time worked, the Company will provide notification to the affected employee (through written letter, email, payroll system or other mutually agreed method) of such changes within 24 hours of the time the change is made.

20.16. Purchase Orders. Purchase requisitions will continue to be prepared and submitted by the designated hourly or salaried personnel as per the current practice. Final review and approval of all purchase orders will be done by a Company Representative.

20.17. "BOB" Project. The proprietary project known by the code name "BOB" is essential to McKinley Paper's future success. If any information about this project, including its mere existence, were to fall into competitors' hands, it could be used to compete against McKinley Paper, and endanger that future success. Therefore, employees selected to work on this project, will be required to sign a confidentiality agreement regarding project-specific information for a duration of 3 years

20.18. Personal Vehicles on Company Property (Outside of Employee Parking Lots). Hourly and Salaried employees may bring their personal vehicles on to Company property to retrieve personal belongings or salvage/sold materials with advanced permission (and salvage/sale slip, if appropriate), as long as the loading is supervised by a

salaried employee. If loading equipment is necessary, other company employees may perform this work as long as they have permission from their supervisor and it does not interfere with his or her duties.

20.19. Usage of Personal Electronics. In general (subject to exceptions below), the usage of Personal electronic devices or PED's (such as cellular phones, tablets, notebooks, DVD players, iPods, MP3 Players, etc.) is prohibited while on mill grounds and on company time.

20.19.1 The usage of PED's for watching movies, TV or other forms of video entertainment is prohibited on Company time unless the material is documented by the Company as required training material.

20.19.2. The usage of PED's to play games or connect to social media web sites is prohibited on Company time.

20.19.3. Employees are allowed to use PED's while on allocated breaks and lunch periods. Usage at these times must not create a distraction or safety concern. PED's cannot be used at any time when employee is operating equipment or expected to be performing their job.

20.19.4. The usage of earbuds, headphones or similar hearing devices is prohibited at all times except for specific tasks where usage of such equipment is required (e.g. vibration technician headphones).

20.19.5. Usage of Ped's is allowed when the usage of the device is necessary or beneficial to the performance of the job. Usage of cellular phones is allowed to report an emergency or concern that affects life, limb or property; and for the business communication between areas of the mill when mill telephones or radios are unavailable or ineffective. When using PED's under these circumstances the usage must not interfere with job performance or create an unsafe condition or concern.

20.20. Vendor Managed Inventory. The Company will put remote dispensing machines in several areas of the mill. Final decisions on who stocks or restocks the machines will be made by the Company.

## **SECTION 21 - SUPERVISORS/SALARIED EMPLOYEES**

21.1. It is recognized that the duties of supervisors/salaried employees excluded from the terms of the Agreement are not the same as those performed by employees in the bargaining unit. Therefore, supervisors/salaried employees will not perform any operational and maintenance work normally performed by hourly paid employees except where the work:

21.1.1. Is performed to assist or instruct an employee who does not have sufficient training, experience, or skill to maintain continuity of operation,

21.1.2. Is performed during fire, flood, or other form of catastrophe or where immediate action is required for the protection of life or property.

**SECTION 22 – MEAL PERIODS**

22.1. The usual meal times shall commence between 7:00 a.m. and 8:00 a.m.; 11:30 a.m. and 1:00 p.m.; 5:00 p.m. and 6:00 p.m.; 9:00 p.m. and 12:00 midnight, if practical.

22.2. Lunch meal periods shall be thirty (30) minutes and shall commence between 11:30 am and 1:00 pm. An employee who, after beginning his or her lunch period, is instructed, by a supervisor, to stop his or her lunch period and work on a task will be paid for the 30 minute lunch period.

22.3. When an employee, other than an employee on a continuous operating unit, is held over 2 or more hours beyond the end of the shift, or called in 2 or more hours before the employee's regular shift and works into the employee's regular shift, the employee will be offered a meal period at, or near, the usual meal time. Such a meal period shall be 30 minutes in length and will be counted as time worked.

22.4 Overtime Meal Periods. The meal period and meal times language of the Labor Agreement will be adhered to whenever possible. Employees will be released for meal periods by their supervisor. However, for purposes of job continuity or in cases of emergency, an employee may ask or be asked by his or her supervisor to continue a job and work without a meal break. In those cases where a meal break is not provided, the employee(s) will be paid for the missed meal period. With the supervisor's approval, an employee may extend the meal period. However, no more than 30 minutes of a meal period will be counted as time worked. This agreement does not apply to an employee operating a continuous operating unit.

**SECTION -23- VACATIONS**

23.1. Employees shall be granted vacation with pay, subject to the following terms and conditions (except as provided in 19.9.3.3.8):

23.1.1. Each vacation year is a twelve (12) month period from June 1 through May 31.

23.1.2. To be eligible for a week's vacation during the year subsequent to any June 1 the employee must be on the payroll of the Employer on said June 1.

23.2. An employee will be credited with the employee's initial year of employment and thereby eligible for a one (1) week vacation as of the June 1 when the employee either:

23.2.1. has been an employee for not less than one (1) year prior to the said June 1, and has worked a minimum of one thousand (1,000) hours, during that period, or

23.2.2. has worked a minimum of one thousand five hundred (1,500) hours between the employee's date of hire and the June 1 subsequent to the employee's date of hire.

23.3. An employee will be entitled to vacations greater than one (1) week dependent upon the employee's total number of continuous years of employment, beginning with the employee's initial creditable year which was determined by the provisions above. In addition, the employee must have worked a minimum of one thousand (1,000) hours in the year just proceeding the June 1 which is the beginning of the particular vacation year.

23.4. The amount of vacation to which an employee is entitled will be dependent upon the employee's first year qualification, hourly requirements thereafter, and length of employment in accordance with the following (except as provided in 19.9.3.3.8.) for employees hired before March 18, 2013 as of March 18, 2013:

<u>Vacation Entitlement</u>		<u>Years of Employment</u>
1 week	for	1 year
2 weeks	for	2 years
3 weeks	for	5 years
4 weeks	for	10 years
5 weeks	for	15 years
6 weeks	for	20 years

23.4.1 For employees hired after March 18, 2013, the following schedule shall apply:

<u>Vacation Entitlement</u>		<u>Years of Employment</u>
1 week	for	1 year
2 weeks	for	2 years
3 weeks	for	5 years
4 weeks	for	10 years

23.5. In the event of an employee who has been rehired, credit for length of employment or for hours worked prior to the termination of employment shall not be included in determining vacation entitlement.

23.5.1. Time lost as a result of an accident, as recognized by the Workers Compensation Board, suffered during the course of employment shall be considered as time worked in applying the above provisions.

23.5.2. For the purpose of determining the qualification for vacations of an employee with five (5) or more years of continuous service, time lost by the employee for which non-industrial Sickness or Accident Benefits are paid under the Employer's Welfare Plan shall be construed as time worked in applying the provisions of this Section, provided, (1) that time so lost shall be computed as eight (8) hours per day and forty (40) hours per week, and (2) that if the time lost so computed exceeds five hundred twenty (520) hours in any contract year, only five hundred twenty (520) hours shall be considered as time worked under the provisions of this subparagraph.

23.5.3. Paid vacation hours, time spent on leaves of absence for Union business, and actual time spent as a participant in collective bargaining meetings with the Employer, limited to eight (8) hours per day and forty (40) hours per week, shall be considered as hours worked for the purpose of qualifying for vacation pay.

23.5.4. An employee who has worked a shift which is regularly scheduled for less than eight (8) hours shall be credited for eight (8) hours for each full shift so worked for the purpose of qualifying for vacation pay. If failure to work a full shift is due to a holiday specified in the HOLIDAY Section, the employee shall, for that holiday, nevertheless receive the eight (8) hours credit for the purpose of qualifying for vacation pay.

23.6. Employees who retire are terminated from the payroll as an employee and are no longer a part of the collective bargaining unit covered by this Labor Agreement. However, the Employer agrees that in the case of an employee who is retiring prior to June 1 pursuant to the Employer retirement plan in effect, or pursuant to the Social Security Act, and who has fulfilled the requirements of the Agreement as to hours worked within that contract year, be paid a sum equivalent to vacation pay based on the employee's then current rate upon retirement. Provided, however, that a retiring employee who has not fulfilled the requirement of the Agreement as to hours worked within the contract year upon retirement shall be paid a sum which shall be computed on a prorated basis dependent on the number of hours the employee worked as related to one thousand (1,000) hours.

23.7. It is agreed that any employee who has left the employment of the Employer prior to June 1 for the purpose of serving in the armed forces, but who otherwise has fulfilled the qualifications for a vacation during the year just preceding that June 1, will be granted vacation pay. The vacation pay will be mailed to the employee immediately following said June 1, provided satisfactory proof has been furnished to the Employer that the employee is serving in the armed forces.

23.8. Any employee returning from military service who:

23.8.1. Was on the payroll of the Employer at the time of induction into the armed forces, and

23.8.2. Made application to return to the employ of the employer within ninety (90) days after being relieved from duty in the armed forces, and

23.8.3. Actually performed work for the Employer on, or before, the June 1 immediately following return from the armed forces, and

23.8.4. Had qualified for one (1) week vacation while in the employ of the Employer in the eligibility period in which the employee was inducted, or in the next preceding eligibility period; or whose service with the Employer immediately preceding induction, plus service since return from the armed forces immediately preceding June 1, is sufficient to qualify for a vacation under the requirements existing at the time the employee returns, shall be granted one (1) week's vacation with pay, whether or not the employee worked one thousand (1,000) hours in the eligibility period immediately prior to said June 1.

23.9. Any person returning from military service who has qualified for one (1) week vacation on any of the bases made available to the employee whose total length of service with the Employer including the time spent in the armed forces, if sufficient to qualify for a longer vacation, shall be granted the longer vacation without applying the requirements of hours worked to that period spent in the armed forces.

23.10. It is understood that there shall be but one (1) vacation for each eligibility period.

23.11. The scheduling of vacation is to be decided by the Employer. When establishing vacation schedules, the Employer shall establish the number of vacation weeks available during any week. For the upcoming vacation year, employees may request vacation during the available vacation weeks based upon their mill seniority, however, the employer may deny a vacation request of a specific employee who will be utilized to relieve more senior employees on vacation during that vacation week. Employees requesting vacation based on their mill seniority may be limited to two (2) weeks during the time period from June 1, to Labor Day of that year. Departmental vacation policies may be developed by written mutual agreement between the Employer and the Standing Committee of Local 155.

23.11.1. Vacation and Floating Holiday selections will be divided into front half, BOB, back half, Co-Gen and maintenance vacation units. The front half vacation unit is the Paper Mill. The back half vacation unit is Stores, Material Handling, Pulping and Shipping. BOB vacation unit is the BOB project. Co-Gen vacation unit is the Utilities group. Blue slipped reliefs, downsized or demoted employees will select vacation with their respective vacation units.

23.11.2. Step 1 – Starting on March 1<sup>st</sup>, SRV selections will begin. This will be accomplished by a supervisor contacting each employee in his or her respective vacation unit. Using mill seniority in his or her respective vacation unit, each employee will be contacted to make his or her SRV selection. Once the employee has been contacted, they will have 48 hours to respond. This process will be completed and posted before March 31<sup>st</sup>.

23.11.3. Step 2 – Starting on April 1<sup>st</sup>, non-SRV selections will begin. This will be accomplished by a supervisor contacting each employee in his or her respective vacation unit. Using mill seniority in his or her respective vacation unit, each employee will be contacted to make his or her selection. Once the employee has been contacted, they will have 48 hours to respond. This process will be completed and posted before April 30<sup>th</sup>.

23.11.4. Floating holiday requests for the following vacation year may be submitted beginning March 1<sup>st</sup>. Floating holiday requests submitted before May 1<sup>st</sup> will be approved based on mill seniority and vacation unit / mill guidelines. This process will be completed and posted before May 15<sup>th</sup>.

23.11.5. Vacation and floating holiday requests submitted after May 16<sup>th</sup> will be approved on a first come, first served basis.

23.11.6. The number of employees allowed off will not go below the limits of 3 for the Front Half Vacation Unit, 1 for the BOB Unit, 2 for the Back Half Vacation Unit, 2 for the Co-Gen Unit, and 4 for the Maintenance Vacation Unit. Priority in scheduling and granting paid time off will comply with 23.11.8.3.

The Employer will announce, prior to March 1<sup>st</sup>, the number of employees to be allowed off during the summer period (June 1<sup>st</sup> to Labor Day) and the non-summer period. Sufficient vacation weeks must be allowed to accommodate every employee the opportunity to take two (2) weeks of Vacation (or 12 days for 12-hour shift employees) in the summer (per Section 23 of the Labor Agreement). Additional vacation may be granted by the Employer if the Mill/Department operations are not affected.

	Front Half <u>Vacation Unit</u>	BOB <u>Vacation Unit</u>	Back Half <u>Vacation Unit</u>	Co-Gen <u>Vacation Unit</u>	Maintenance <u>Vacation Unit</u>
Summer Period	TBD	TBD	TBD	TBD	TBD
Non-Summer Period	3	1	2	2	4

These numbers shall remain in effect unless there are significant changes in mill manning levels, or the number of weeks of vacation allocated to employees.

Employees may elect to use one (1) week of vacation per vacation year as Day-At-A-Time (DAAT) vacation

23.11.7.1. One (1) vacation week is equivalent to five (5) DAAT vacation days for 8 hour shift employees and three (3) DAAT vacation days for 12 hour employees.

23.11.7.2. Employees must schedule their annual allotment of floating holidays before being eligible to use DAAT vacation days. If an employee cancels a scheduled floating holiday they cannot schedule DAAT vacation day for the same day.

23.11.7.3. When scheduling employee's time off, priority will be given to full week vacations and floating holidays before DAAT vacation days. The Employer will determine the number of employees to be allowed off at any time and may deny time off during major mill/maintenance outages, operational shutdowns for maintenance. Capital improvements, emergencies, etc.

23.11.7.4. DAAT vacation days will be granted based on mill seniority.

23.11.7.5. Employees taking a DAAT vacation day will be paid ten (10) hours of pay at the employee's straight-time hourly rate for each DAAT taken, subject to Section 23.12.

23.11.7.6. Unused DAAT vacation days can be banked or carried forward.

23.11.7.6.1. Employees may bank (accumulate) unused DAAT vacation days. An employee who has accumulated five (5) DAAT days may take a "DAAT Week", or elect to take them as individual DAAT days (Week defined as Section 9.3 of this Agreement), subject to the following conditions;

23.11.7.6.2. Only one (1) DAAT Week may be taken in any one (1) contract year.

23.11.7.6.3. DAAT days which are carried forward will be paid at the rate in existence at the time the DAAT Week is taken or paid in lieu.

23.11.7.6.4. Scheduling of the DAAT Week must be by mutual agreement between the Employer and the employee.

23.11.7.6.5. Relief for employee on a DAAT Week will be by scheduled overtime or as outlined in Section 19.8.2.5.

23.11.7.6.6. Cancellation of scheduled DAAT vacation days is subject to mutual agreement between the employee and Employer. Employees must make their request to use a DAAT vacation day to their supervisor prior to 8:00 a.m. on the Wednesday prior to the work week in which the requested DAAT vacation day falls.

23.12. Vacation pay for a Schedule A employee who qualifies will be fifty (50) hours of pay at the employee's straight-time hourly rate for each week of vacation. Vacation pay for employees hired after March 18, 2013 who qualify will be forty (40) hours of pay at the employee's straight-time hourly rate for each 40 hours of vacation booked, or 48 hours of pay if 48 hours of vacation is booked. The straight-time rate will be calculated as:

23.12.1. the job rate of the employee's regular job as such rate exists on the day the employee's vacation starts, or

23.12.2. the weighted average straight-time hourly rate paid to the employee in the prior contract year, adjusted for the change, if any, in the employee's average rate effective on the effective date of the last general wage increase preceding the time at which the vacation is taken. Said average rate for an employee who worked at the same job rate during the entire prior contract year is that job rate. Said average rate for an employee who worked at more than one (1) job rate in the prior contract year shall be determined by the following procedure: Multiply the number of hours the employee worked in said year at each job rate by that job rate; add the amounts so computed; and divide the sum by the total number of hours the employee worked in said year.

23.13. The heir or heirs of an employee who dies while on the payroll prior to June 1 but who, prior to death, fulfilled the requirements of the Agreement as to hours worked within that contract year, shall, upon proof of entitlement satisfactory to the Employer, be paid vacation pay the employee would have been entitled to at the employee's then currently effective rate. If within six (6) months after the employee's death no application has been made to the Employer by any heir or heirs or the Employer by reasonable effort has been unable to locate heir or heirs, the above stated obligation shall thereupon terminate.



23.14. An employee who leaves the employment of the Employer prior to June 1 in any contract year, except in those instances where the employee is terminated under DISCIPLINE and DISCHARGE Section, shall be paid vacation pay provided the employee has met the requirements for such vacation as provided for under this Section except being on the payroll June 1.

23.15. Employees will not be laid off or terminated solely for the purpose of avoiding vacation payment.

23.16. Any vacation time may be taken in the form of vacation pay in lieu of time off at a pay allowance of fifty (50) hours paid for each week or banked for employees hired before March 18, 2013. For employees hired after March 18, 2013, any vacation time may be taken in the form of vacation pay in lieu of time off at a pay allowance of forty (40) hours paid for each 40 hours of vacation sold. Banked vacation may be used subject to the following conditions:

23.16.1. No more than twelve (12) weeks of banked vacation may be accumulated.

23.16.2. Banked vacation can be removed from the bank and sold. The sale of banked vacation is treated the same as the sale of the employees annual vacation entitlement.

23.16.3. No more than two (2) weeks of banked vacation time may be taken in any one calendar year for extended vacations.

23.16.4. All banked vacation can be removed from the bank when used immediately prior to retirement.

23.17. Payroll Deadlines Clarification: Management and individual employees are equally responsible for the timely processing of paid time off (PTO) and sellback payment requests and cancellations. Both parties will actively work to ensure all such requests and cancellations are processed in a timely manner to meet submission deadlines outlined in this agreement.

23.17.1. Sellback requests must be received by Human Resources (HR) Department no later than 8:00am on the Friday before the pay date in which the sellback payment is requested. Sellbacks received after the Friday deadline or that HR is unable to be approved because the employee skipped other critical steps in the process, will be held for attempted processing on the following payroll run. Sellback requests must be signed by the requesting employee and supervisor and upon receipt, HR will verify that the requested sellback hours are available for sellback. Employees will be notified through their supervisor if their sellback is not processed in time for the desired payment date.

23.17.2. PTO requests and cancellations must be received by the HR Department no later than 8:00am, the Wednesday before the week of the requested day(s) off. Upon receipt of a PTO request or cancellation, HR will review the request, email the supervisor of the outcome of the request (approved or denied) so they can relay the answer to the employee, and send a copy of the signed request to the employee via mill mail. Untimely requests will automatically be denied.

## **SECTION 24 - JURY DUTY AND SUBPOENAED WITNESS ALLOWANCE**

24.1. Employees who have completed sixty (60) days of employment and who are summoned for and/or serve on a jury or are subpoenaed as witnesses will be paid the difference between the jury pay or witness fee and the employees' straight-time hourly rate for time lost by reason of serving as a juror or subpoenaed witness. In order to receive payment, the employee must provide the Employer an opportunity to receive and copy any check or voucher which shows the amount received by the employee for jury duty or as a subpoenaed witness.

24.2. Hours paid for jury duty or as subpoenaed witness will be counted as hours worked for the purpose of computing vacation, holiday and overtime pay.

24.3. Employees on jury duty or subpoenaed witnesses who are released by the court for a day or the remainder of their term as jurors must immediately report their availability to their supervisor or the Personnel Office. An employee who is released prior to 10:00 am and who is scheduled to report for day shift on the same day must immediately report their availability to their supervisor or the personnel office. An employee who is released prior to 12:00 noon and who is scheduled to report on or after 4:00 P.M. the same day shall report for work unless excused by the employee's supervisor. An employee who is released prior to 3:00 P.M. and scheduled to work on or after 12:00 midnight during the same workday shall report to work as scheduled. If an employee is released after 3:00 P.M. and scheduled to work on or before 12:00 midnight the same day, the employee may be released from the shift at the employee's request.

24.4. An employee who is scheduled to work on or after 12:00 midnight and is scheduled to appear as a juror or subpoenaed witness the same or following workday, shall upon the employee's request be excused from working the shift so involved.

24.5. An employee serving on a jury or as a subpoenaed witness more than twenty-five (25) miles from Port Angeles shall not be subject to 24.3 and 24.4 but shall keep the Personnel Office promptly informed of the employee's availability.

## **SECTION 25 - BEREAVEMENT LEAVE**

25.1. When death occurs to a member of an employee's immediate family, the employee, on request, will be granted reasonably necessary time off as a bereavement leave of absence for the purpose of dealing with a death in an employee's immediate family and will be compensated at the employee's straight-time hourly rate for hours lost from the employee's regular schedule on any of the days prior to a Memorial Service, the day of a Memorial Service and any of the first three (3) days immediately following a Memorial Service with the maximum of three (3) days compensation.

25.2. Members of an employee's immediate family shall be limited to the employee's spouse, Mother, Father, Legal Guardian, Brothers, Sisters, Sons, Daughters, Mother-in-Law, Father-in-Law, Grandparents, Sons-in-Law, Daughters-in-Law, Brothers-in-Law, Sisters-in-Law, Grandchildren, Step-Mother, Step-Father, Step-Children, and the spouse's Grandparents.

25.3. An employee who is on vacation will be granted bereavement leave as outlined above on the basis of the schedule the employee would have worked if not on vacation.

25.4. Compensable hours under the terms of this Section will be counted as hours worked for the purpose of computing vacation and holiday pay and will be counted as hours worked for the purpose of computing weekly overtime, however, if bereavement leave pay is given during a week of vacation no more than forty (40) hours shall be counted in that week as hours worked for the purpose of computing vacation and holiday pay and computing weekly overtime.

#### **SECTION 26 – SICK LEAVE**

26.1. The Company will pay out employees earned sickleave hours as of December 31 each year, if any, that are above the state mandated 40-hour annual carryover. This will occur on the second January payday.

#### **SECTION 27 - EMPLOYEE GROUP INSURANCE AND STOP SMOKING BENEFIT**

27.1. The Employer shall provide employees with employee, spouse and dependent coverage under the McKinley Healthcare Medical/Dental Plan. Additionally, the employer will also provide employees with Life, Accidental Death & Dismemberment (AD&D), and Short Term Disability (STD) Plans (except as provided in 19.9.3.3.4.). Plan booklets describing the benefits shall be made available to the employees and are incorporated in this Agreement by reference.

27.1.1. The STD benefit will remain at 50% of weekly wages, but the cap will be raised from \$620 to \$700 per week. If an employee is out of the mill on STD for more than 30 days, the employee must return to work for 30 days before benefits will restart, UNLESS the employee left for the same condition.

27.1.2. Limited Re-Opener: Short Term Disability - The Company will keep the current Short Term Disability plan in effect until January 1, 2021. Either party may request a limited re-opener for the sole purpose of negotiating new Short Term Disability benefits, no earlier than 90 days before the benefit expires.

27.1.3. Until March 18, 2013 the employer will maintain the McKinley Healthcare Medical/Dental Plan currently in place. After that date (on the first of a month as soon as practicable) the plan will be changed as described below (see spreadsheet). The Employee contribution shall be determined at the beginning of each benefit year. Prescription formulary may change. Manufacturer's recommended limits on prescriptions will be adhered to unless medically documented extenuating circumstances require deviation from those limits.

27.1.4. Joint Company and Union Health Care Committee. A joint Company and Union Health Care Committee will be established for cost containment purposes. The parties may identify local opportunities to keep medical costs as low as possible while still maintaining appropriate medical care for employees. The committee will meet twice yearly to review and discuss all aspects of this important topic and attempt to resolve whatever medical

issues may arise within the confines of the Plan. The committee will consist of representatives from the Local Union and Mill Management. Additional joint committees may be formed through mutual agreement of the Union (President) and Company (Mill Manager). Criteria for committees' size, purpose, meeting dates and times, etc. to be jointly determined.

27.1.5. Employee monthly contribution shall be 20% of the total premium amount for medical/dental benefits starting May 1<sup>st</sup>, 2013.. The Company portion of the premium will be the remainder. The employee contribution will be capped at a maximum of \$300 per month per employee for medical benefits only (not dental) during the term of this contract. Future cost increases beyond the employee cap will be borne by the Company during the term of this agreement.

27.1.6. The McKinley Employee Healthcare Medical/Dental Plan shall be as shown below:

**Plan Modifications Medical:**

<b>In Network DEDUCTIBLE</b>	<b>\$800/\$2000</b>
<b>OUT OF POCKET MAXIMUM</b>	
<b>In Network</b>	<b>\$2000/\$4000</b>
<b>Out of Network</b>	<b>\$3000/\$6000</b>
<b>OFFICE CALL CO-PAYS</b>	
<b>In Network</b>	<b>\$20</b>
<b>Out of Network</b>	<b>60%</b>
<b>Vision Coverage</b>	<b>Discontinued</b>
<b>RX CO-PAYS*</b>	
<b>In Network ≤30-day Retail</b>	<b>\$15/\$30/\$60</b> <b>Or dispensed price if less</b>
<b>Out of Network</b>	<b>N/A</b>
<b>90-Day Supply (mail order only)</b>	<b>\$30/\$60/\$90</b> <b>Or dispensed price if less</b>

<b>Specialty Drugs</b>	<b>20% not to exceed \$75/Mo</b>
<b>CO-INSURANCE In Network</b>	<b>80%</b>
<b>CO-INSURANCE Out of Network</b>	<b>60%</b>

*\* Use of Generic equivalents is mandatory if available and approved by their physician. If a generic equivalent is available but not dispensed (for any reason except for the fact that it's not in stock at the pharmacy), the member pays the full difference in dispensed price*

**Plan Modifications Dental**

<b>Deductibles</b>	<b>April 1, 2013</b>
<b>LEVEL I</b>	<b>0</b>
<b>LEVEL II</b>	<b>\$50/\$150</b>
<b>LEVEL III</b>	<b>\$50/\$150</b>
<b>DENTAL PPO*</b>	
<b>In Network</b>	
<b>Class I</b>	<b>70%-100%</b>
<b>Class II</b>	<b>70%-100%</b>
<b>Class III</b>	<b>60%</b>
<b>Out of Network</b>	<b>Allowed</b>

27.1.7. Retiree medical benefits are eliminated for future retirees as of March 18, 2013, except for those having already attained eligibility for an non-discounted early retirement under either the Rule of 90, or the Rule of 62 and 15 as of that same date. Employees who are eligible for employer paid post retirement medical benefits and who choose to take early retirement, shall continue to contribute toward the cost of their medical premiums. The retiree premium will be the same as the active employee premiums, with an additional \$100 premium to cover a spouse. No other dependents are eligible for coverage under the retiree medical plan. This premium will not be reduced if/when one of them drops off the plan. If, five years after their retirement, a retiree's spouse still needs coverage under this plan, access to the plan will be maintained. However, the premium for said spouse will increase to one-half of the hourly composite rate.

27.2. The Stop Smoking Plan pays fifty percent (50%) of the amount actually charged by an Employer approved, physician approved, stop smoking program upon completion of the program. The individual lifetime maximum benefit is seven hundred fifty dollars (\$750). This benefit is available to both employee and spouse.

27.2.1. Expenses not covered under this benefit are not eligible for reimbursement under the Medical Plan.

27.2.2. Approval by the Employer is necessary before starting the program.

27.3. The Employer agrees to consider other health insurance providers and other health care plans as may be selected by the employees. If an alternate plan(s) or provider(s) is selected the provisions of 27.1. shall still apply.

27.4. If the vision plan for salaried employees allows and there is no cost to the Company, employees may participate in the vision plan at 100% employee cost.

27.5. Prescription Safety Glasses. They eye exam related to obtaining prescription safety glasses will be paid for by the Company under the following conditions:

27.5.1. The exam and glasses are preauthorized by the Safety Manager per current policy, and the authorization for is presented to the service provider.

27.5.2. An eye exam for safety glasses will be paid for only once per two year period.

27.5.3. The charges for the exam must match the usual and customary charges for our area (not be excessive).

27.5.4. The cost of the glasses must meet the same requirements.

27.5.5. Cost of add-ons, special tinting or other accessories/services will not be paid for by the Company and will be the employee's responsibility (same as current).

27.5.6. Side shields must be permanently mounted/attached to the frame of the safety glasses. Dual-use glasses with temporary side shields will not be paid for.

27.5.7. Employees are responsible for the replacement of the lost glasses.

27.5.8. The Company will pay for repair or replacement of glasses damaged while working at the mill.

#### **SECTION - 28 - DEFINED BENEFIT PENSION PLAN For Legacy & Schedule A & B Employees Only**

28.1. The Defined Benefit (DB) Pension Plan went through a standard termination in 2017 and the annuities are with Pacific Life Insurance Company (Plan Number G-28031.01; Telephone 1-800-800-9543). The DB Plan is only available to employees based on Schedule A and B.

28.2. Years Of Service. Subject to the paragraph immediately below this, all year of service count except any period of leave or absence after the first year thereof where such leave of absence is for the purpose of, (a) being a full-time or part-time Union officer or employee (b) holding political office.

28.3. Normal and Later Retirement. The Normal Retirement Date is the first day of the month next following attainment of age sixty-five (65). An employee may retire after the employee's normal retirement date. No retirement benefits shall be paid while the employee remains in employment beyond the Normal Retirement Date, except that distribution of such benefits to the employee who remains employed shall commence by April 1 of

the calendar year following the calendar year in which the employee attains age seventy and one-half (70-1/2). The Pre-retirement Spouse's Death Benefit, under a full Survivor Option, shall remain in effect after Normal Retirement Date and until actual retirement.

28.4. Form of Retirement Income Payment. Retirement income will be paid during a retiree's lifetime. If married, a reduced retirement income will be paid during the retiree's lifetime. One half of that amount will be paid to the spouse for lifetime after the retiree's death, unless the employee elects out of this form of payment. However, if the spouse's death occurs prior to retirees, full benefits will be restored.

28.5. Eligibility For Early Retirement.

<u>Age</u>	<u>Service</u>
Less than 55	Not Eligible
55 - 57	15 years
58	14 years
59	10 years
60 and over	5 years

28.5.1. Form of Early Retirement Income Payment. Retirement Income will be paid during a retiree's lifetime.

If married, a reduced retirement income will be paid during the retiree's lifetime. One-half of that amount will be paid to the spouse for lifetime after the retiree's death, unless the employee elects out of this form of payment. However if the spouse's death occurs prior to retirees, full benefits will be restored.

28.6. Early Retirement Reduction Factors

<u>Age</u>	<u>% of Normal Retirement Benefit Payable</u>
64	98
63	96
62	94
61	92
60	90
59	88
58	86
57	84
56	82
55	80

28.7. Early Retirement benefits only pertain to participants in the DB Pension Plan. Employees who remain employed become eligible for non-discounted early retirement when they reach age sixty-two (62) and have fifteen (15) years of service, or the combination of the employees age plus years of service totals 90 , Plan participants who remain employed after the September 14, 2013 freeze date will be allowed to "grow into" eligibility

for early retirement benefits, including the Rule of 90 and the Rule of 62 and 15, even though their “benefit service” and their accrued benefit in the DB plan will be frozen effective September 14, 2013. A letter describing the term “grow into” and other DB plan changes will be provided to the Union and mailed to every participant in the DB plan after ratification.

28.8. Total and Permanent Disability Retirement

28.8.1. Eligibility. An employee must have twenty (20) years of benefit service and must be totally and permanently disabled for three (3) consecutive calendar months. The employee must present satisfactory medical evidence that the employee has become physically or mentally incapable of engaging in any occupation or performing any work for profit for which the employee is reasonably qualified by education, training and experience, and it must be reasonably certain that such incapacity will exist during the remainder of the employee's life.

If it is determined that the Participant is no longer totally and permanently disabled, the employee's Disability Retirement Benefit shall cease.

28.8.2. Benefit. The benefit amount will be based upon the benefit schedule under the aforementioned Normal Retirement Section. The years of benefit service will be accrued to the date of total and permanent disability retirement.

28.8.3. Form of Total and Permanent Disability Retirement Income Payment. Retirement income will be paid during a retiree's lifetime.

If married, a reduced retirement income will be paid during the retiree's lifetime. One half of that amount will be paid to the spouse for lifetime after the retiree's death, unless the employee elects out of this form of payment. However, if spouse's death occurs prior to retirees, full benefits will be restored.

28.8.4. Lifetime and Survivor Options

28.8.4.1. Who May Be a Survivor. A survivor is limited to the employee's spouse or relative.

28.8.4.2. Election Period. Any time prior to normal or early retirement date.

28.8.4.3. Options. Lifetime and survivor option forms, which provide different monthly payments and apply to normal and early retirement, are:

- Life Only Benefit
- Full Survivor Option
- 75% Survivor Option
- One-Half Survivor Option
- Lifetime with one hundred twenty (120) Months Guarantee

28.9. Level Income Adjustment Option Provision On Early Retirement Prior to Age Sixty-Two (62). If an employee retires before age sixty-two (62), retirement income payments from the Plan may be increased until the



retiree is eligible for Social Security (presently age sixty-two (62) if not disabled) with smaller payments from the Plan thereafter. This allows the retiree to maintain, in most cases, the same level of income before and after Social Security payments commence.

28.10. Vested Benefit Amount. The benefit accrued to the date of the employee's termination will be payable at age sixty-five (65). However, it will be actuarially reduced if the employee elects to have it commence before age sixty-five (65).

28.11. Form of Vested Benefit Payment. Retirement income will be paid during a retiree's lifetime. If married, a reduced retirement income will be paid during the retiree's lifetime. One-half of that amount will be paid to the spouse for lifetime after the retiree's death, unless the employee elects out of this form of payment. However, if spouse's death occurs prior to retirees, full benefits will be restored.

28.12. Employer Paid Pre-Retirement Spouse's Death Benefit.

28.12.1. Eligibility. If the requirements for a vested benefit have been satisfied, the spouse will be eligible if the spouse has been married to the employee for one (1) year on the date of the employee's death.

8.12.2. Benefit. The spouse will receive the amount payable, as if the employee had elected the full Survivor Option and retired on the first of the month following death, if the employee is fifty-five (55) or older at the time of death. If the employee is under fifty-five (55), the spouse will receive the amount payable as if the employee terminated on the date of death, survived to age fifty-five (55), elected the full Survivor Option, and retired at that date.

## **SECTION - 29 - RETIREMENT PLAN**

29.1. Defined Contribution Retirement Plan: The Pension Plan is a Defined Contribution Retirement Plan, which is only available to the Legacy Employees listed on Schedule A, as well as Roger Schultz and Shane Hagar. It includes an Employer Contribution of 3.5% of the employee's annual earnings, deposited bi-weekly. Plan booklets describing the benefits will be made available to the employees. This section 29.1 is only a general summary of the Defined Contribution Retirement Plan, which governs that plan and may be subject to change is necessary for compliance with the requirements of the Tax Reform Act of 1986, the Omnibus Budget Reconciliation Act of 1987 and/or the Internal Revenue Code.

29.2. The Company will contribute a match of up to 3.6% of all employees' annual earnings to the 401(k) plan, deposited bi-weekly.

The matching contributions are made on the employees' wage reduction contributions only. There is no Company match on catch up or rollover contributions. McKinley Paper Co. will deposit the matching contribution into the employees account twice monthly. Once the matching contribution is in the employee account the employee has full ownership of it – or 100% vesting.

29.3. Employees who take loans from their 401K plan (or DC plan) will pay all loan set-up and other fees attached to said loans, as established by the Record Keeper (Currently \$125 set-up fee and \$40 annual maintenance fee.)

29.4. The Company will add at least one index fund to the 401K portfolio. Since index funds have no revenue sharing, employees who enroll in the index fund(s) will pay a sum to the ERISA account to cover their portion of plan expenses normally paid *from* revenue sharing funds in the ERISA Account. This amount will be equal to the average revenue sharing (in basis points) from all the managed funds in the plan (currently 37 basis points). This amount will be billed to the index fund participant accounts on a quarterly basis.

### **SECTION 30 - ADJUSTMENT OF GRIEVANCES**

30.1. All disputes, complaints, or grievances of any employee or the Union, collectively referred to as grievances, shall be submitted to this procedure for resolution. All time limits must be adhered to unless agreed otherwise by both parties in writing. The requesting party will prepare said writing and get it signed by the other party before the time limit is up. A grievance not advanced by the employee and/or the union to the next higher level within the time limit provided shall be deemed permanently withdrawn.

30.2. Should there be any grievance of any employee or the union; the employee shall work as directed by the Employer pending final adjustment of the grievance. Any such grievance shall be deemed to have been waived if not presented as a formal grievance by the employee to the employee's immediate supervisor within thirty (30) calendar days following either the occurrence out of which the grievance arose or the first date upon which the grievance could reasonably be assumed to have been known to the employee, whichever is later.

30.3. Step 1. Such grievance shall first be taken up with the immediate supervisor by the employee. An employee who desires to submit the matter as a formal grievance shall present it in writing to the supervisor specifying the date of submission, and the situation grieved. The supervisor and the employee and/or shop steward will discuss the circumstances out of which the grievance arose, and the remedy or correction requested. The employee may have the shop steward present when discussing the matter with the supervisor.

If the supervisor and the grievant are unable to arrive at a satisfactory settlement, the supervisor will, within fifteen (15) calendar days of receiving the formal grievance, notify the employee and/or the shop steward in writing of the decision. To be timely, the grievance must be referred to Step II within thirty (30) calendar days after the date the grievance was first presented to the supervisor as a formal grievance. Supervisors and grievants and/or shop stewards may settle grievances at Step I of the grievance procedure, without prejudice or precedent.

30.4. Step II. Any such grievance shall be submitted in writing by the Union Standing Committee to the Human Resources Manager setting forth the circumstances out of which the grievance arose and the remedy or correction requested. Within fifteen (15) calendar days after the date of receipt of such written grievance, the Human Resources Manager and/or representative and the representative(s) of the Local Union shall meet. The employer shall provide a voice

recorder for recording Step II grievance meetings and a copy of said recording will be given to the Union Standing Committee.

30.5. Step III. If the Human Resources Manager and/or representative and the Standing Committee representative(s) of the Local Union 155 are unable to arrive at a satisfactory settlement within fifteen (15) calendar days after their initial meeting, the Local Union must refer the grievance in writing within another 15 days to the President of the Union or representative and Mill Manager or representative, neither of whom has previously judged the grievance in accordance with this Section. Within thirty (30) calendar days of the date of such written notice these two shall meet. The employer shall provide a voice recorder for recording Step III grievance meetings and a copy of said recording will be given to the Union Standing Committee.

30.6. Step IV. If these two are unable to arrive at a satisfactory settlement within fifteen (15) calendar days of their initial meeting, to be timely the Local Union may submit the grievance to arbitration within another thirty (30) calendar days.

30.7. A grievance affecting a group of at least five (5) employees may be referred directly to Step III.

30.8. A grievance affecting the rights of the Union may be referred directly to Step III.

30.9. The appropriate shop steward for the department in which the grievance arises may present a grievance to Step I.

30.10. If any employee claims to have been unjustly discharged or suspended during the life of this Agreement, to be timely the grievance must be referred in writing to Step III through the Union Standing Committee no later than on the thirtieth (30<sup>th</sup>) calendar day after the day upon which the Union Standing Committee was notified of the discharge or suspension pursuant to the DISCIPLINE AND DISCHARGE section.

30.11. These two parties shall meet within fifteen (15) calendar days after the date of the referral.

30.12. If, upon investigation, no settlement is made within fifteen (15) calendar days after their initial meeting, within thirty (30) calendar days after the expiration of the fifteen (15) calendar day period, the Union may submit the case for arbitration.

30.13. The parties, by mutual agreement in writing, may extend the time limit specified for a period not to exceed thirty (30) calendar days.

30.14. In the event the parties are unable to reach a settlement of a grievance and that grievance concerns the interpretation of application of specific provisions of this Agreement, the dispute may be moved to arbitration. Failure of the Union to act within the applicable time limit specified in the grievance procedure shall constitute waiver of the Union's right to further consideration of the case. If the Company fails to respond and answer a grievance within the applicable time limit specified in the grievance procedure, the Union's time limits to respond will start when the Company does respond in writing to the grievance .

30.15. Each party to any case submitted to arbitration, (1) shall bear the expenses of preparing and presenting its own case, including witnesses, and (2) shall pay one-half of the arbitration costs, including the fees and expenses of the arbitrator.

30.16. It is agreed that each party to a case submitted to arbitration will do everything in its power to permit early selection of and decision by the arbitrator.

30.17. Arbitration shall be conducted by a single arbitrator. The arbitrator's decision shall be final and binding upon both parties, provided however:

30.17.1. The arbitrator shall not have the authority to modify, add to, alter or detract from the provisions of this Agreement, or to impose any obligation on the Union or the Employer not expressly agreed to by the terms of this Agreement.

30.17.2. If the Employer should challenge the arbitrability of any grievance, the question of arbitrability shall be submitted to the arbitrator for recommendation of whether or not the grievance is arbitrable. A grievance is arbitrable only if it is based upon the terms of this Agreement. When the arbitrator is asked to consider a question of arbitrability, the merits of the grievance shall also be presented. The arbitrator shall first rule on arbitrability. If the finding is that the matter is arbitrable, the arbitrator shall rule on the merits. After the arbitrator's recommendation on the question of arbitrability, either the Union or the Employer may, without prejudice, seek a judicial determination of the question of arbitrability. Questions involving the timeliness of grievance processing are not considered to be questions of arbitrability.

30.17.3. The Employer's rights, as provided in RIGHTS OF THE PARTIES Section are not subject to the grievance and/or arbitration procedures of this Agreement.

30.18. In suspension or discharge cases submitted to arbitration and as to which the arbitrator shall find the suspension or discharge to be unjustified, the amount of payment for lost time shall be determined by the arbitrator, but shall not exceed payment for lost time at the employee's rate of pay of the job the employee was on at the time of suspension or discharge.

30.19. Within not less than fifteen (15) nor more than sixty (60) calendar days after the date the Union notifies the Employer that it is carrying a dispute to arbitration the parties shall attempt to mutually agree upon the selection of an arbitrator.

30.20. John Kagel shall normally be the arbitrator assigned to grievances between the Union and the Company. If John Kagel is unable to begin a hearing in Port Angeles within 6 months of his being notified of the case, the parties will select an arbitrator using the methods below.

When John Kagel is not available, and after the parties define their mutual availability dates, an arbitrator shall be selected from the following two alternate arbitrators by picking one of the two names out of a hat for each case to be heard:

David Gaba

Gary Axon

If the selected arbitrator is unable to begin a hearing in Port Angeles within 6 months of being notified of the case, the parties shall use the other alternate arbitrator. If the second alternate arbitrator is unable to begin a hearing in Port Angeles within 6 months of being notified of the case, then the parties shall select an arbitrator from a list of arbitrators supplied by the Federal Mediation and Conciliation Service. By coin toss, the winning party shall start by striking one (1) name from the list, the other party will then strike one (1) name, both parties continuing to strike one (1) name alternately until one (1) name is left, who shall be the Arbitrator. The parties may, by mutual agreement at the outset of selection prior to striking names, replace a list from the FMCS with a new list for that grievance. The parties will request a panel of arbitrators from which to strike names within 30 days of the referral of the grievance to arbitration.

Nothing in this Section 29.20 shall prohibit the parties from mutually agreeing to a specific arbitrator for a specific grievance if they so desire.

30.21. The following procedure rules shall apply in all arbitrations held under the terms of this contract:

30.21.1. The arbitrator must render the decision within thirty (30) calendar days following the arbitrator's receipt of the transcript of the arbitration hearing or the date set for filing of post hearing briefs, if any. Such thirty (30) calendar days may be extended not more than an additional thirty (30) calendar days by mutual agreement between the parties.

30.21.2. The Employer shall arrange for the reporting of all arbitration hearings. The arbitrator, the Union, and the Employer shall each be furnished with a transcript thereof. The expense of reporting shall be shared equally between the parties, except that either party desiring an extra copy shall bear the cost of such extra copy.

30.21.3. One and only one post hearing brief may be filed by either party (copy to the other party) and either party desiring to file such a brief must state its intention to do so at the close of the hearing. Any such post hearing brief shall not include new evidence, documentary or otherwise.

30.21.4. Either party shall have the right to call to the attention of the arbitrator in writing (copy to the other party) any new evidence appearing in the other party's post hearing brief.

30.21.5. Neither party may be required to arbitrate more than one (1) grievance as part of a single case.

30.22. When their work situation permits, and upon notifying their supervisor, Union officers, Standing Committee members and Department Union Stewards will be allowed reasonable time from their work required for necessary in-plant contract administration which cannot be properly accomplished outside of working hours.

### **SECTION 31 - MULTI-CRAFT MECHANIC**

31.1. Employees who are classified as multi-craft mechanics may be required to perform any work performed by the following crafts:

Millwright

Welders

Pipefitters

Machinists

Auto Mechanics

Painter

Lubrication Technician

31.2. No employees on the payroll at the time of ratification of this Agreement will be laid off, terminated from employment, displaced from the mechanics package, or lose seniority as a result of the implementation of the multi-craft mechanic position during the term of this Agreement. Any permanent reduction that might result from implementation of the multi-craft position will be by attrition. The above does not apply to circumstances such as curtailments, equipment shutdown, department or mill closure, changes in product mix, emergencies, technology changes and the firing and terminating of employees hired for vacation relief or for disciplinary reasons.

### **SECTION 32 - ELECTRICAL & INSTRUMENTATION MECHANIC**

32.1. Employees employed as electricians and instrument mechanics may elect to be reclassified as E & I Mechanics.

32.2. Employees who are classified as E & I Mechanics may be required to perform work in the electrical and instrumentation craft areas. The inability to perform work at a journey level for which the employee has not received prior training shall not affect the employee's job rights. Instrument mechanics electing to be classified as E & I Mechanics will not be assigned to work on voltages above 120 volts without formal safety training for those voltages.

32.3. No employee on the payroll at the time of ratification of this Agreement will be laid off, terminated from employment, displaced from the position of Electrician or Instrument Mechanic, or lose seniority as a result of the implementation of the E & I Mechanic position during the term of this Agreement. Any permanent reductions that might result from implementation of the E & I Mechanic position will be by attrition. The above does not apply to circumstances such as curtailments, equipment shutdowns, department or mill closure, changes in product mix, emergencies, technology changes, and the firing or terminating of employees hired for vacation relief or for disciplinary reasons.

### **SECTION - 33 - MECHANICS PACKAGE AND APPRENTICESHIP PROGRAM**

33.1. This Section sets forth special provisions applicable to Mechanics and Apprentices whose wage rates are set forth in Section 8.

33.1.1. There shall be the following classes of mechanics:

- E&I Master
- Shift Mechanic
- Journey Mechanic
- Intermediate Mechanic C
- Intermediate Mechanic B
- Intermediate Mechanic A
- Junior Mechanic C
- Junior Mechanic B
- Junior Mechanic A

33.2. Any employee whose work is primarily in any one of the crafts listed below is covered by the mechanic package and is considered a Journey Mechanic:

- Multi-craft Mechanic
- E & I Mechanic

33.3. A journey mechanic is a finished mechanic and has the necessary tools required by the craft. A journey mechanic must be able to execute the necessary work without direct supervision from the supervisor or lead. For instance, a journey mechanic must be able to take a working drawing or blueprint of a layout; go out on the job; take the necessary measurements; requisition; cut and install without more than the general normal supervision or direction.

33.4. A Journey mechanic assigned a schedule other than a day schedule shall be classified as a shift mechanic.

33.5. Classifications below the journey level may be assigned to work in conjunction with the shift mechanic without receiving the shift mechanic rate.

33.6. In the filling of assignments to shift mechanic the senior qualified journey mechanic will be given preference. If such employees decline, the assignment will be offered to the remainder of the qualified journey mechanics on a seniority basis. If all those eligible on the above basis decline, the junior qualified shall be assigned. Seniority for purposes of this paragraph will mean length of service in the department.

33.6.1. Any employee having the qualifications of a helper who is temporarily assigned to work done by a helper and working under the direct supervision of a mechanic will be paid the rate of a helper.

33.7. Outside journey mechanics may be employed if additional journey mechanics are required. Journey mechanics hired from the outside will be trained as multi-craft mechanics or E & I mechanics. If an outside journey

mechanic is employed when there are entry level apprentices in the apprenticeship program, the senior most entry level apprentice shall receive the Junior Mechanic rate of pay after nine (9) months or one thousand three hundred fifty (1,350) hours worked as an entry level apprentice whichever is longer. The entry level apprentice must however complete the course requirements and pass the entry level phase tests before proceeding to the next phase.

33.7.1. A project crew may be formed with the cooperation of the Local Union and management.

33.8. All new apprentices will be trained as multi-craft mechanics or E & I mechanics.

33.8.1. The Employer will determine the apprentice program curriculum.

33.8.2. The Employer will determine when openings are available in the apprenticeship program. Openings shall be posted for a period of seven (7) days during which anyone interested in the apprenticeship program shall notify the Personnel Department of their interest in an apprenticeship position. Following the posting period, each applicant will be required to fill out an application. The Employer shall establish a list of qualified applicants based upon the applicant's application, the employee's supervisor's written evaluation, aptitude test scores, and apprentice board interviews. The Employer shall choose the apprentice from the list of qualified applicants on the basis of seniority. The Union Standing Committee shall be notified of the list of qualified applicants and may upon request within thirty (30) days after notification of the qualified applicants review the written documentation used by the Employer to establish the list of qualified applicants.

33.8.3. The successful applicant will be required to sign an apprenticeship contract on a form provided by the Employer to take the Journey Mechanic Apprentice Program, as amended from time to time during the term of this Labor Agreement. The apprentice program will meet the criteria for progression of apprentice to journey mechanic. This program will be presented at the Employer's cost and will constitute the academic training. Tests for promotion will be given to measure the skill and advancements of the apprentice. Phase I must be completed for promotion to junior mechanic. Phase II must be completed for promotion to junior mechanic A. Phase III must be completed for promotion to intermediate mechanic. Phase IV must be completed for promotion to intermediate mechanic A, and Phase V must be completed for promotion to journey mechanic.

33.9. The apprentice will be required to take tests on each individual study program and a final phase test for each phase of the program. Intermediate mechanic A will also be required to take a practical test as well as the Phase V test.

33.9.1. The subject matter tests and the phase tests will be appropriate written tests. A grade of eighty percent (80%) is considered passing. If the phase test has not been passed in the regular time frame, the apprentice will have an additional one hundred eighty (180) days in which to complete the phase.

33.9.2. An apprentice who does not complete any required phase of study within the allotted time frame will be separated from the program. Written notification will be given to the apprentice with a copy to the Union.



33.9.3. An apprentice who is separated from the apprenticeship program may return to the employee's original job prior to becoming an apprentice, provided the employee's seniority will allow the employee to return.

33.9.4. Each apprentice must make reasonable effort to attend two hour study sessions twice per week. The apprentice will attend these study sessions on the apprentice's own time.

33.9.5. The first one hundred eighty (180) days of Phase I will be a probationary period in order to determine if the apprentice can be successful in becoming a journey mechanic. The apprentice can be separated from the apprenticeship program for just cause after one hundred eighty (180) days with notification to the apprentice and to the Union.

33.9.6. The Employer will adopt an organized plan as far as practical of rotating each employee below journey mechanic through different departments and under different multi-craft or journey mechanics in order that the employee may gain the widest variety of experience.

33.9.7. Each apprentice will be subject to periodic evaluations of the apprentice's actual work record, progress, qualifications and academic training. Such reviews will be recorded on an evaluation form which will be signed by the supervisor, the Apprentice Program Director and by the employee after the employee has met with the supervisor to discuss the evaluation. The employee's signature shall only signify that the employee has received and read the evaluation.

33.9.8. Employees taking schooling and/or tests leading to state qualification will upon presenting evidence of state qualification, be reimbursed for tuition, required books and any fee the state requires for taking the test for qualification.

33.9.9. The apprenticeship program will be divided into the following phases:

Phase I	Junior A	0 - 8 months
Phase II	Junior B	9 - 16 months
Phase III	Junior C	17 – 24 months
Phase IV	Intermediate A	25 - 32 months
Phase V	Intermediate B	33 - 40 months
Phase VI	Intermediate C	41 – 48 months

33.9.10. Apprentices can be brought in at any appropriate level and advance earlier based on evaluation by the company.

#### **SECTION 34 - PERMANENT DISCONTINUANCE OF EMPLOYMENT**

34.1. The Employer agrees that should it decide to completely and permanently close down the mill or completely and permanently close a department within the mill, it will promptly notify the Union when such decision is made for the purposes of this Section. Department shall mean the following:

PULPING DEPARTMENT  
PAPER MACHINES  
SHIPPING  
UTILITIES  
TECHNICAL  
MILL STORE  
MAINTENANCE  
MATERIAL HANDLERS

34.2. In the event of such complete and permanent closure, eligible employees shall be entitled to the considerations and benefits described below. Eligible employees are those covered by this Agreement who:

34.2.1. were permanently assigned to jobs eliminated in the mill or the exercise of seniority by the employee from the closed department at the time the employee is displaced;

34.2.2. exercise all job rights available to them under other Sections of this Agreement but are unable to retain a suitable job (a suitable job means one which the employee is physically able to perform without unreasonable hazard to the health or to the safety of the employee, fellow workers, and equipment) at the mill;

34.2.3. are permanently released from active employment by the employer due to the closure;

34.2.4. have two (2) or more completed years of continuous service at the time of their last day of scheduled work in the mill and

34.2.5. continue to work as scheduled at the mill until notified their services are no longer needed.

34.3. An employee may be considered permanently released from active employment in connection with:

34.3.1. mill closure, upon completion of the employee's last day of scheduled work, or, in the case of employees on leave, on the last day of work for which the employees would have been scheduled if not on leave;

34.3.2. Department closure, when the employee from the closed department or the employee directly displaced is on lay-off for lack of work for six (6) consecutive months within three (3) years from the day the employee was last scheduled to work in the closed department or on the job from which the employee was displaced. If the employee is on leave, the last day scheduled to work shall be the last the employee would have been scheduled if the employee had not been on leave.

34.4. Eligible employees will be granted vacation pay in accordance with the Labor Agreement. The requirement that they be on the payroll June 1 shall be waived and, upon permanent release from active employment, they shall be paid in full for vacation if they have fulfilled the requirements as to hours worked within that vacation year. An

employee who has not fulfilled the requirement for hours worked shall be paid a pro-rata amount computed on the basis of hours worked as compared to one thousand (1,000) hours.

34.5. Insurance coverage of eligible employees in the Group Insurance Plan shall be continued and the Employer paid portion of such dependent coverage shall be paid for by the Employer for a period of three (3) months following the end of the month in which the employee was permanently released from active employment.

34.6. Eligible employees, upon termination of employment, unless eligible for Optional Earlier Retirement or Total and Permanent Disability Retirement will be eligible to become Terminated Vested Participants, provided, however, that this benefit shall apply only to those eligible employees having five (5) or more completed years of continuous service at the time of their last day of scheduled work in the mill.

34.7. All rights under this Section shall terminate for each eligible employee one (1) year from the date of permanent release from active employment. The Employer shall have no obligations under this Section with respect to an employee who is terminated for reasons other than lack of work due to mill or department closure.

34.8. Eligible employees having less than twenty-five (25) years service will receive severance pay of twenty (20) hours pay for each completed year of continuous service with the Employer up to twenty-five (25) years at the straight-time rate of their last permanent job when the mill or department was in full operation. Eligible employees having twenty-five (25) or more years of service will receive severance pay of forty (40) hours pay for each completed year of continuous service with the Employer at the straight-time rate of their last permanent job when the mill or department was in full operation.

34.9. In the event an employee is terminated due to lack of work, (not including voluntary quit, retirement, or termination for just cause), the employee shall be eligible for available employment at McKinley Paper Co. – Washington Mill facility at Port Angeles, Washington. Employees who apply for employment under these circumstances shall be hired before outside applicants provided they meet all applicable hiring criteria.

#### **SECTION 35 - PROVISIONS FOUND TO BE IN CONTRAVENTION OF LAWS**

35.1. If any provision of this Agreement is in contravention of the laws or regulations of the United States or the state of Washington, the provision shall be superseded by the appropriate provisions of such laws or regulations so long as same is in force and effect but all other provisions of this Agreement shall continue in full force and effect. If the parties are unable to agree as to whether or not any provision hereof is in contravention of any such laws or regulations, the provisions hereof involved shall remain in effect until the disputed matter is settled by the court or other authority having jurisdiction in the matter.

## SECTION 36 - LEAVES OF ABSENCE

36.1. Upon written request of the Union giving two (2) weeks' advance notice, the Employer will grant an employee(s) elected or assigned to a full-time Union office a leave of absence without pay. Not more than two (2) employees shall be granted such leave(s) at the same time from the mill.

36.1.1. Written confirmation of such leave(s) shall be provided to the employee, the Local Union and the Association of Western Pulp and Paper Workers.

36.1.2. An employee must return to work or report the availability for work (if no work is available) at the end of the leave or within two (2) weeks following completion of the assignment for which the leave was granted, whichever is earlier.

36.1.3. Upon return in accord with the above paragraph, seniority shall not be broken.

36.2. Upon written request of the Association of Western Pulp and Paper Workers or the Local Union giving one (1) week advance notice, the Employer will grant employees elected or assigned to attend a Union conference or convention or to serve as a part-time employee of the Union leave(s) of absence without pay, each leave not to exceed sixty (60) days. The granting of such leave(s) of absence shall be limited to a reasonable number consistent with operating efficiency.

36.2.1. Time spent on such leave(s) of absence in 36.2 shall be counted as hours worked (limited to eight (8) hours pay per day and forty (40) hours per week) for the purpose of qualifying for vacation and holiday pay. If such leave of absence is for participation in mill contract negotiations with the Employer, the benefits provided in the Group Insurance Plan as covered in the Labor Agreement will be provided for such period.

36.3. Upon written request of an employee giving two (2) weeks' advance notice, except that in case of emergency a lesser notice may be accepted, the Employer may, at its discretion, grant such employee a personal leave of absence without pay. Such leave shall not normally exceed thirty (30) days. During any leave of absence period so granted the employee's right to the employee's job will be maintained and the employee's seniority shall not be broken. An employee on such leave of absence may not engage in employment or services for any other employer and must return to work at the beginning of the first shift for which the employee is then scheduled following the expiration of such leave of absence. Such other employment or failure to so return to work, unless such failure is due to illness or accident of which the Employer has been notified prior to the date for the employee's return and which has been supported by a doctor's certificate, will be cause for disciplinary action.

36.4. Upon written request from an employee giving at least two (2) weeks' advance notice, the Employer will grant employee(s) a personal leave of absence for the purpose of running for elective political office. Such leave of absence shall be without pay and shall not exceed six (6) months.

36.4.1. Seniority shall not be broken but shall only accumulate for a maximum of six (6) months.

36.4.2. An employee must return to work or report availability for work (if no work is available) at the end of the leave within two (2) weeks following completion of the campaign for which the leave was granted, whichever is earlier, or the employee will be considered to have terminated.

36.4.3. When this Agreement terminates, leaves previously granted shall be continued for their originally stated period, subject to the provisions then in effect under any new agreement.

36.4.4. An employee who is elected, will be granted an extension of leave to serve one (1) full term but not to exceed four (4) years. During the employee's total career service with the Employer, an employee may only be granted leaves for no more than an accumulative total of four and one-half (4-½) years under 36.4.

36.5. A leave of absence for physical disability due to pregnancy will be granted on the same basis as for any other disability.

36.6. During the leaves of absence granted under 36.1 and 36.2 the following benefits shall be maintained:

36.6.1. the right to the employee's job,

36.6.2. vacation pay if qualified under the VACATION Section;

36.6.3. holiday pay if qualified under the HOLIDAY Section;

36.6.4. health and welfare coverage as is available under the Group Insurance Plan in effect during the absence, except that for LOA's under Section 36.1, the employee is responsible for 100% of the premium.

36.7. During the first year of a leave of absence service under the Retirement Plan shall accrue.

### **SECTION 37 - NON-DISCRIMINATION**

37.1. It is the policy, intent and purpose of both the employer and the Union that there shall be no discrimination against employees on account of race, color, religion, sex, age, national origin, marital status, or the presence of any sensory, mental, or physical handicap.

### **SECTION 38 - TERMS OF AGREEMENT AND CHANGES IN AGREEMENT**

38.1. This agreement shall be in effect from the date of its execution up to and including May 31, 2024 and shall be automatically renewed thereafter from year to year unless notice of desire to modify is given by either party as hereinafter provided.

38.2. All notices given under the provisions of this Section on behalf of the parties shall be by and between the President or Vice-President of the Association of Western Pulp and Paper Workers and the Resident Manager of the Port Angeles Mill or their respective designated representatives.

38.3. Either party desiring any modification shall mail to the other party notice in writing by registered mail sixty (60) days prior to May 31, 2024 or prior to any subsequent May 31st, on which this contract is in effect, that a modification is desired; and if no such sixty (60) day notice is given prior to any May 31st, the earliest time at which such notice may later be so mailed is sixty (60) days prior to May 31st of the next year.

38.4. If notice of desire for modification has been given, the parties shall meet for collective bargaining at a reasonable time following such notice. Any agreement or modification arrived at in such negotiations shall be binding on the parties when approved by each party in accordance with their then existing internal rules, regulations or policies. If such negotiations have not been completed on the anniversary date with reference to which the notice of modification has been mailed as provided in 38.3., the Agreement shall, nevertheless, continue in full force and effect, subject to termination by either party at any time upon ten (10) days written notice to the other party.

38.5. This Agreement and all its terms and conditions shall be binding until May 31, 2024 upon any individual (s), company(s), or corporation(s) that acquire by purchase, merger, or any form of reorganization, the mill and continue(s) to operate the mill or any portion thereof substantially in the same manner as the mill or portion thereof was operated by the predecessor owner.