

A G R E E M E N T

Between

Veritiv

And

Teamsters Local Union No. 117



Affiliated With The
International Brotherhood of Teamsters

Term of Agreement
October 1, 2018 - September 30, 2021

TABLE OF CONTENTS

Veritiv

AGREEMENT	1
ARTICLE 1 – RECOGNITION AND BARGAINING UNIT	1
ARTICLE 2 – UNION SECURITY	1
ARTICLE 3 – PAYROLL DEDUCTION	1
ARTICLE 4 – DRIVE	2
ARTICLE 5 – DISCRIMINATION	2
ARTICLE 6 – PAID TIME OFF	3
ARTICLE 7 – HOLIDAYS	6
ARTICLE 8 – HOURS AND OVERTIME	7
ARTICLE 9 - WAGES	9
ARTICLE 10 – LEAVE OF ABSENCE	10
ARTICLE 11 – DISCHARGE OR SUSPENSION	10
ARTICLE 12 – SETTLEMENT OF DISPUTES	11
ARTICLE 13 – HEALTH AND WELFARE, DENTAL, VISION AND RETIREES TRUST	12
ARTICLE 14 – PENSION	14
ARTICLE 15 – BEREAVEMENT LEAVE	14
ARTICLE 16 – JURY DUTY	15
ARTICLE 17 - MISCELLANEOUS	15
ARTICLE 18 – SENIORITY	16
ARTICLE 19 – SEPARABILITY AND SAVINGS	17
ARTICLE 20 – MONETARY CONTRIBUTIONS	17
ARTICLE 21 – MOONLIGHTING	18
ARTICLE 22 – MANAGEMENT FUNCTIONS	18
ARTICLE 23 – EMPLOYMENT AGENCY FEES	18
ARTICLE 24 – SURVEILLANCE	18
ARTICLE 25 – INSPECTION PRIVILEGES	19
ARTICLE 26 – STRIKES AND LOCKOUTS	19
ARTICLE 27 – TEAMSTERS SUPPLMENTAL INCOME 401(K)	20
ARTICLE 28 – DURATION OF CONTRACT	20
APPENDIX "A"	22
1. CLASSIFICATION AND MINIMUM RATES OF PAY	22
2. NEW EMPLOYEES PROGRESSION RATES	22
3. WORKING FOREMEN/LEADMEN	22

AGREEMENT

This Agreement is made by and between Veritiv Operating Company, Kent, Washington (hereinafter called "Employer," "Company," or "Veritiv"), and Teamsters Local Union No. 117, affiliated with the International Brotherhood of Teamsters (hereinafter called "Union").

ARTICLE 1 – RECOGNITION AND BARGAINING UNIT

Veritiv Operating Company, hereby recognizes, during the term of this Agreement, Teamsters Local Union No. 117, affiliated with International Brotherhood of Teamsters, as the sole and exclusive collective bargaining agency for all employees of the Employer employed at their Kent, Washington plants, located at 20213 89th Ave. S., Kent, WA 98031, and 7011 S. 188th St., Kent, WA 98032, in the classifications of work covered by this Agreement.

ARTICLE 2 – UNION SECURITY

2.01 The Employer recognizes the Union as the exclusive collective bargaining agency for all employees covered by this Agreement.

2.02 It shall be a condition of employment that all employees of the Employer covered by this Agreement who are members of the Union in good standing on the effective date of this Agreement shall remain members in good standing, and those who are not members on the effective date of this Agreement shall, on the thirtieth (30th) calendar day following the effective date of this Agreement, become and remain members in good standing in the Union. It shall also be a condition of employment that all employees covered by this Agreement and hired on or after its effective date shall, on the thirtieth (30th) calendar day following the beginning of such employment, become and remain members in good standing in the Union; provided, however, where the effective date of the Agreement is made retroactive, the words "execution date" shall be substituted for the words "effective date" in the foregoing union security clause.

2.03 This Agreement shall apply to all employees covered by this Agreement irrespective of membership or non-membership in the Union.

2.04 New Hire Orientation: The Union through the Shop Steward or Union Representative shall have thirty (30) minutes during the Employer's new hire orientation program to meet with the employee(s) for the purposes of filling out Union paperwork and orienting the employee to Union membership.

ARTICLE 3 – PAYROLL DEDUCTION

3.01 Payroll Authorization: The Company, upon written authorization of the employee, shall deduct from the first pay received each month by such employee, the Union dues, initiation fees, and assessments for the current month, along with any fees that may accrue when a member is in the arrears, and promptly remit same to the appropriate officer

of the Union. If dues or fees are not deducted in one month for any reason, they shall be deducted the following month. The amount of such dues, initiation fees, and assessments are those currently in effect or as may hereinafter be established.

3.02 Schedule of Dues Deductions: The Company will deduct the initiation fees and monthly dues on the first pay day in the month. When an employee quits, is discharged or is laid off, any of the foregoing amounts due will be deducted from the last pay payable.

3.03 Indemnify and Hold Harmless: The Union shall indemnify and save the Company harmless against any and all claims, demands, suits or other forms of liability that shall arise out of or by reason of action taken or not taken by the Company in reliance upon signed authorization cards furnished to the Company by the Union or for the purpose of complying with any of the provisions of this Article.

3.04 Automatic Renew: The authorization and assignment shall be irrevocable for the term of the applicable contract between the Union and the Company, or for one (1) year, whichever is the lesser, and shall automatically renew itself for successive yearly or applicable contract periods thereafter, whichever is the lesser, unless the employee gives written notice to the Company and the Union at least sixty (60) calendar days and not more than seventy (70) calendar days before any periodic renewal date of this authorization and assignment of any desire to revoke the same.

ARTICLE 4 – DRIVE

The Employer agrees to deduct from the paycheck of all employees covered by this Agreement voluntary contributions to DRIVE. DRIVE shall notify the Employer of the amounts designated by each contributing employee that are to be deducted from his/her paycheck each pay period for all weeks worked. The phrase "weeks worked" excludes any week other than a week in which the employee earned a wage. The Employer shall transmit to DRIVE National Headquarters on a monthly basis, in one check the total amount deducted along with the name of each employee on whose behalf a deduction is made, the employee's social security number and the amount deducted from the employee's paycheck. The International Brotherhood of Teamsters shall reimburse the Employer annually for the Employer's actual cost for the expenses incurred in administering the weekly payroll deduction plan.

ARTICLE 5 – DISCRIMINATION

5.01 The Employer reserves the right to discharge any employee in his employ if his/her work is not satisfactory; however, any employee who has attained seniority in accordance with Article 18 and is discharged, has the right to file a grievance alleging that his/her discharge was unjust.

5.02 No employee shall be discriminated against for upholding Union principles, and any employee who works under the instructions of the Union, or who serves on a committee, shall not lose his/her job or be discriminated against for this reason.

5.03 It is the policy and practice of the Company and the Union to provide Equal Employment Opportunity to all persons without regard to race, ethnicity, color, creed, religion, sex, sexual orientation, gender identity or expression, genetic information, age, national origin, ancestry, physical handicap, mental deficiency, medical condition, marital status, or any other classification protected by law. This includes hiring, assigning, training, promotions, transfers, termination, compensation, employee benefits, and all other conditions of employment. The Company and the Union also agree to take whatever action is necessary to comply with the Americans with Disabilities Act and will comply with the Family and Medical Leave Act and all applicable state laws and local ordinances.

5.04 As used in this Agreement, all pronouns of any gender, all references to people, and all job titles refer equally to persons of any gender.

ARTICLE 6 – PAID TIME OFF

6.01 Effective January 1, 2020, all employees with at least one (1) year of service on January 1 of each calendar year will be awarded paid time off (PTO) as follows:

- Employees with at least one (1) year of service but less than five = one hundred eight (108) hours of PTO
- Employees with at least five (5) years of service but less than eleven = one hundred forty-eight (148) hours of PTO
- Employees with at least eleven (11) years of service but less than twenty = one hundred eighty-eight (188) hours of PTO
- Employees with at least twenty (20) years of service = two-hundred twenty-eight (228) hours of PTO

6.02 All employees with less than one (1) full year of service on January 1 of each calendar year will be awarded paid time off (PTO) as follows:

- Five (5) hours of PTO for each full calendar month of service, credited on the last day of the calendar month. The Company will audit the hours worked by new employees, and ensure that no employee receives less than the equivalent of one (1) hour of PTO for every forty (40) hours worked.
- Employees cannot use PTO until reaching ninety (90) days of active employment

6.03 PTO may be used in the following manner:

- For absences outlined in the Washington State Sick Leave Law, up to the equivalent of one (1) hour for every forty (40) hours worked in a calendar year. Employees will be required to provide reasonable advance notice of foreseeable absences and notice as soon as practicable for unforeseeable absences, but no later than the end of the shift for which the employee took unforeseeable leave. It shall be the employee's option to use PTO when the employee is absent from work for reasons outlined below. For the use of PTO for this category of absences, and when used for this purpose, PTO can be used in increments of one-tenth (1/10) of an hour. Employees may be required to

provide verification for absences that exceed three (3) consecutive days on which the employee was required to work. If obtaining verification causes an undue burden or expense, employee must contact human resources. These include the following, unless amended by the Washington State Sick Leave Law:

- a. An absence resulting from an employee's mental or physical illness, injury, or health condition; to accommodate the employee's need for medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or an employee's need for preventive medical care;
 - b. To allow the employee to provide care for a family member with a mental or physical illness, injury, or health condition; care of a family member who needs medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or care for a family member who needs preventive medical care;
 - c. When the employee's place of business has been closed by order of a public official for any health-related reason, or when an employee's child's school or place of care has been closed for such a reason; and
 - d. For absences that qualify for leave under the state's Domestic Violence Leave Act (DVLA).
- For pre-scheduled and pre-approved PTO.
 - Absences outside of these parameters will be subject to the attendance program in place.
 - At the request of an employee, PTO may be paid out for unscheduled absences beyond the equivalent of one (1) hour for every forty (40) hours worked, but the absence will be subject to the attendance program in place.
 - Employees will not experience retaliation for using available PTO for qualifying paid sick and sick leave reasons.

6.04 All employees will be provided with a monthly report that complies with the Washington State Sick Leave Law statutory requirements in place at the time. In addition, up to forty (40) hours of accrued but unused PTO can be carried over to the following year.

6.05 For those employees who have a sick bank balance as a result of previous contracts, the sick bank balance will be charged for all unplanned absences beyond the PTO equivalent of one (1) hour for every forty (40) hours worked. In addition, the sick bank balance will continue to carry over from one calendar year to the next, in addition to the carryover of up to forty (40) hours of PTO awarded in the current year.

6.06 Pre-Approved PTO

The number of employees allowed to take pre-approved PTO during any calendar week shall be at the discretion of management, ensuring that enough calendar weeks are available for all employees to schedule available PTO time as pre-approved PTO if they wish. Pre-approved PTO scheduling shall be handled as follows:

- A time off calendar shall be posted no later than November 15th of each year, and remain posted two (2) weeks prior to the December 1st sign up starting date. It shall be a violation of this Agreement for any employee to work his/her pre-approved PTO and receive pay for it. The calendar shall include an accounting of the days each employee has available to schedule and the number of employees allowed off per week or day that year.
- On the first time through the sign-up process, all employees may schedule all available PTO as full weeks of pre-approved PTO, by seniority. A maximum of two (2) consecutive weeks may be selected. This shall be completed by December 31st of each year. (An employee may not sign up on the time off calendar until the senior person(s) ahead of him/her has done so.) Each employee who is not on pre-approved PTO shall be afforded up to forty-eight (48) hours to make their selection before moving to the next employee on the seniority list.
- On the second time through the sign up process, employees may schedule any available PTO as single days of pre-approved PTO, by seniority. This must be done taking into consideration the maximum number of employees allowed off on any given day or week and be completed by January 31st each year. Each employee who is not on pre-approved PTO shall be afforded up to forty-eight (48) hours to make their selection before moving to the next employee on the seniority list.
- In the event an employee exhausts his PTO balance prior to the time he has scheduled as pre-approved PTO, he may elect to take up to forty (40) hours of pre-approved time off unpaid, with this time off contained in a single calendar week. Any remaining pre-approved time off will be removed from the calendar, and the time made available to others in the bargaining unit on the basis of seniority. Notifications of additional available time will be made via posting for three (3) workdays, and requests to schedule the time as pre-approved PTO will be made by the employee, in writing, and received by the supervisor no later than the end of the posting period.

6.07 Payout at termination

At the time of termination of employment, an employee will be paid out any existing sick bank balance that is the result of previous contracts, as well as the current PTO balance.

6.08 Transition plan for calendar year 2020

In order to transition from annual floating holidays and vacation awarded on the employee's anniversary date to an annual PTO award on January 1 of each year, the following will be paid out on the second payroll date in January 2020:

- Any vacation balance remaining from the calendar year 2019 award. For example, an employee awarded three (3) weeks of vacation on their anniversary date in 2019 who has only used ten (10) days of vacation will have a payout of five (5) vacation days, PLUS

- A pro-rata vacation award calculated at one-twelfth (1/12) of the 2019 vacation rate for each full month of 2019 from the anniversary date to December 31. For example, an employee with four (4) years of service on their anniversary date of July 22 will have five-twelfths (5/12) of two (2) weeks of vacation (equal to 33.33 hours) paid out.

ARTICLE 7 – HOLIDAYS

7.01 The following days shall be considered holidays:

New Year's Day	Thanksgiving Day
Memorial Day	The Day After Thanksgiving
Fourth of July	The Day Before Christmas
Labor Day	December 25 th

Holidays for the next year will be posted by December 15 of the previous year.

Management reserves the right, prior to January 15 of each calendar year, to adjust the holiday schedule for New Year's Day, Independence Day, Christmas Eve, and Christmas Day, as needed to meet customer needs and maximize employee's time off. If the Company declares an additional stated holiday, the employee may use available paid time off or take the day off without pay.

All regular employees shall be paid for all such holidays regardless upon which day in the week the holiday shall fall; provided the employee qualifies in accordance with Section 7.02 below. If any work is performed by an employee on any such holiday, additional compensation at the rate of time and one-half (1½) the straight time hourly contract rate in addition to holiday pay shall be paid. No employee shall be called on such holiday for less than four (4) hours. When any of the aforementioned holidays falls on Sunday, the Monday following or the Friday before, shall be considered the holiday. The Employer shall have the option of closing on Friday or Monday if a holiday falls on Saturday. If a holiday occurs during an employee's vacation, he/she shall receive holiday pay in lieu of his/her vacation pay for the day of the holiday.

7.02 All regular employees (those who have attained seniority under Article 18) shall receive eight (8) hours of pay at their straight time hourly rate, even though no work is performed on the above-mentioned holidays; provided, further, that such employees must work the last regular working day immediately preceding the holiday AND the first regular working day following the holiday, and unless the employee so works, he/she shall receive no pay for such holiday unless such absence on the regular working days before or after said holiday is due to the express permission of the Employer. In addition, if an employee's absence on the regular working days before or after the holiday is for a reason outlined in the Washington State Sick Leave law and the employee has not yet exhausted the equivalent of one (1) hour of PTO for every forty (40) hours worked, the absence will not impact the payment of the holiday. Employees otherwise entitled to holiday pay, but who are absent due to layoff on either the last regular working day immediately preceding the holiday or on the first regular working day following the holiday, shall receive holiday pay provided

such employee shall have worked one (1) or more days during the calendar week in which the holiday falls.

ARTICLE 8 – HOURS AND OVERTIME

8.01 The regular workweek, for payroll purposes only, shall begin at 6:00 a.m., or the shift closest thereto on Monday (a shift with a Sunday night starting time which ends on Monday will be considered a shift starting on Monday for payroll purposes). The determination of the regular daily shift schedules and regular weekly work schedules shall be made by management and such schedules may be changed from time to time by management to suit varying conditions of business, but in no case more than once every sixty (60) calendar days without agreement from the Union. The Union agrees to give full and expeditious consideration to the Company in the event the Company determines that additional schedule changes are needed. The Union's agreement will not be unreasonably withheld. Management will not modify workweeks for arbitrary reasons. An employee will be assigned a regular weekly work schedule consisting of five (5) consecutive eight (8) hour days, or a four (4) ten (10) hour daily work schedule in which the work week may be split once. An employee's regular scheduled work week and/or regular scheduled daily starting time shall not be changed after the start of his/her work week for the sole purpose of avoiding overtime. No regular weekly work schedule shall contain less than two (2) assigned consecutive days off, one (1) of which must be a Saturday or Sunday.

8.02 An employee called into work prior to his/her regular starting time will retain his/her regular quitting time for weekly overtime calculation. In other words, the employee will be entitled, or may be obligated by the Employer, to work up to his/her regular scheduled quitting time.

8.03 Premium pay at the rate of time and one-half (1½) will be paid for all hours worked in excess of forty (40) hours in the regular work week. Vacation, holidays, jury duty, bereavement leave, or a non-compensable layoff of one (1) day or less shall count toward the forty (40) hour requirement after which overtime is paid.

8.04 Holiday pay will be based on the number of hours in the employee's regular straight-time daily work schedule for the week in which the holiday falls. Holidays that fall on a day the employee is not scheduled to work will be paid based on an eight (8) hour daily schedule. Pay for work performed on a holiday shall be exclusive of holiday pay.

8.05 No provisions of this Article shall be interpreted to provide in any manner the pyramiding of overtime payment.

8.06 All regular employees who commence work at the beginning of the first day of their work week shall be guaranteed forty (40) hours of work or pay, except in emergencies beyond the Employer's control, or where the employee quits, fails to report to work or is terminated for cause. This guarantee does not apply to probationary employees, extra employees, or any employee hired on or after August 1, 2006.

8.07 Employees reporting for work at the beginning of any regular shift shall be allowed four (4) hours work. If the employee is worked in excess of four (4) hours, he or she will be allowed eight (8) hours work. Such allowances shall not apply if work is not available due to a major mechanical breakdown, act of God, or causes beyond the control of the Employer. However, once an employee has commenced work, he/she shall receive at least four (4) hours pay or pay for hours worked, whichever is greater. The eight (8) hour allowance above shall not apply to extra employees.

8.08 Daily overtime shall be offered by seniority within the shift. The Company will make every attempt to provide a minimum of two (2) hours notice for daily overtime, with the exception of emergencies beyond the Employer's control. For continuity of the work, if it is known at the end of a regular shift that it will take one-half ($\frac{1}{2}$) hour or less to complete their assigned work, the employee assigned to that work will be assigned to perform the additional work. If it is known that such work will be in excess of one-half ($\frac{1}{2}$) hour, it shall be offered by seniority to available qualified employees. Management shall not be arbitrary or capricious in assigning of work as to unfairly burden any employee under this provision.

8.09 Overtime outside the regular workweek shall be offered by seniority regardless of shift as long as it does not interfere with the employees' regular shift. When the Employer has knowledge of weekend overtime, a posting seeking volunteers for the overtime shall be put up on Monday, if possible, and taken down by the start of the first shift on Thursday. In any event, the Employer shall notify the employees by the end of their shift on Thursday if they will be needed for weekend overtime. Employees must have a minimum of eight (8) hours off between shifts to be eligible to exercise their seniority. For the purposes of this overtime, employees may work in other than their classification, subject to qualification. Employees scheduled for vacation may be exempt from working mandatory overtime the weekend prior to such vacation.

8.10 In either event above, if an insufficient number of employees volunteer, the Company will assign the overtime by inverse order of seniority to qualified and fully trained employee(s).

8.11 Work weeks and starting times shall be bid by seniority. When a change in work week or start time occurs, the Company will post for a re-bid. The sign-up sheet shall be posted for three (3) working days. The change in schedule shall be implemented no sooner than seven (7) calendar days following the completion of the bid unless mutually agreed upon by the Employer and the employees. If no volunteers sign-up for such work weeks and/or starting times, such work weeks and/or starting times will be assigned by inverse order of seniority of those qualified to perform necessary work.

8.12 It is understood that the positions of the Working Foreperson/Lead Person along with performing their regular work duties will have the responsibility to direct the workforce, gather and record data, perform clerical tasks that include daily production reports, and advise management of employee's refusal to carry out duties assigned by the Working Foreperson/Lead Person, but they will not be permitted to hire, fire, or recommend disciplinary actions. The management will determine the start times for the Working

Foreperson(s), however shift selection shall be offered in seniority order amongst the Foreperson/Lead Person, and these position(s) will not be included in a bid of the workforce, as conducted under the language of the CBA in force at this time.

In the event of a vacancy in the Foreperson classification, the Company shall post a notice advising employees of such opening. The notice shall be posted for a period of seventy-two (72) hours at a designated posting location. The Company shall consider existing employees who submit written requests for consideration (vacation schedules and short term illness will be accommodated). Such requests should be submitted to the Distribution Manager or his/her designee within the time frame designated on the posting, and should set forth briefly the applicant's qualifications for the job. The Company shall review all the applications. In the event that no one from within the bargaining unit expresses interest in the position, or the Company determines that there are no qualified applicants, the Company may seek applicants from other sources. The disqualification of bargaining unit employees shall not be made in an arbitrary or capricious manner.

8.13 A shift that starts between 4:00 a.m. and 8:59 a.m. shall be first shift. A shift that starts between 9:00 a.m. and 1:59 p.m. shall be second shift. A shift that starts between 2:00 p.m. and 3:59 a.m. shall be a third shift. The Shift Premium for working the third shift shall be thirty-five cents (\$0.35) per hour.

8.14 In computing overtime pay, pay shall be computed in five (5) minute increments.

8.15 All employees covered under this Agreement shall be provided morning and afternoon breaks of not more than fifteen (15) minutes away from their work station. An additional fifteen (15) minute rest period shall be required at the end of the regular shift, if an employee is going to be required to continue to work one (1) hour or more beyond his/her regular quitting time and after every two (2) hour period worked thereafter. All employees covered under this Agreement shall punch out for a thirty (30) minute unpaid lunch period in the timeframe required by state law.

8.16 No employee who, prior to the date of this Agreement, was receiving more than the rate of wages designated in this Agreement for the class of work in which he/she is engaged, shall suffer a reduction in the rate of wages because of the adoption and application of this contract.

ARTICLE 9 - WAGES

See attached Appendix "A" for wages.

9.01 Paydays shall be on Friday. Pay periods shall be bi-weekly and paid by direct deposit. Employees not electing direct deposit will have access to their paychecks on Friday under normal circumstances. Within sixty (60) days of ratification of this agreement, all employees will enroll in direct deposit for payroll processing.

9.02 In the event an error is made and an employee is shorted an amount of one hundred fifty dollars (\$150) or greater than his/her appropriate pay, the Employer will make every attempt to provide the corrected pay within two (2) business days of notification of such error.

ARTICLE 10 – LEAVE OF ABSENCE

For any medical leave of absence, including those related to the Family Medical Leave Act (FMLA) and/or Washington State Family Leave Act (FLA), the employee must apply for leave by contacting the appropriate Company leave administrator. The Employer agrees to provide employees with the contact information of the appropriate third party provider.

ARTICLE 11 – DISCHARGE OR SUSPENSION

11.01 Verbal written warnings, warnings, suspensions or discharges not in accordance with the provisions of this Article are null and void.

11.02 No employee(s) shall be warned or suffer suspension or discharge except for just cause and in strict accord with the provisions of this Article and such must be in writing and dated.

11.03 As a condition precedent to any suspensions or discharges, the Employer must have given the employee a written warning notice wherein facts forming the grounds of Employer dissatisfaction are clearly set forth. However, under the exceptions in Section 11.06 of this Article, an employee may be suspended for not more than three (3) working days pending investigation; provided, in the event the employee is not suspended or discharged following investigation, the employee shall be entitled to reimbursement for all time lost. In situations in which more than three (3) days are needed to complete a thorough investigation, the parties may mutually agree to extend the time limit to no more than ten (10) working days suspension.

11.04 Copies of all warning notices, suspensions or discharges shall immediately be forwarded to the Union.

11.05 Warning notices not given and suspensions and discharges, except as hereinafter provided, not executed within ten (10) working days of any given incident are null and void. Warning notices given within ten (10) working days of any given incident shall be null and void and incompetent evidence under the provisions of this Agreement after twelve (12) months.

11.06 Exception: Warning notices are not necessary if the grounds are dishonesty, violation of the Employer's Drug and Alcohol policy, using, manufacturing, or possession of controlled substances or Alcohol on Company property or equipment, recklessness, carrying unauthorized passengers while operating Employer's vehicles, fighting, gross insubordination or other such gross misconduct which is so serious in nature to justify immediate suspension or discharge. Discharges or suspensions under these exceptions and

Section 11.05 above must be executed within ten (10) working days of the occurrence of the incident forming the grounds. However, if the Employer's knowledge of the incident is not immediate, a discharge or suspension founded thereon must be executed within ten (10) working days of the time the Employer acquires knowledge of same, but in no event more than sixty (60) calendar days following the incident, except for dishonesty, falsifying information, knowingly failing to report an accident, and/or stealing.

A. Discharges or suspensions under the foregoing exception must not be founded on evidence secured directly or indirectly through entrapment.

11.07 Any employee(s) has the right to request an investigation by the Union of any warning notice, suspension or discharge provided such request is made within ten (10) working days of receipt of same, otherwise the right to request an investigation is waived.

11.08 Grievances arising as a result of any investigation shall be settled in accordance with the provisions of the Settlement of Disputes, Article 12.

ARTICLE 12 – SETTLEMENT OF DISPUTES

12.01 Should any dispute or grievance arise between the Union and the Employer, such matter shall be reduced to writing by the grieving party, and a copy submitted to the other party to the dispute or grievance, the Employer, and the Local Union involved within seven (7) working days. This language does not prohibit either party from attempting to informally resolve an issue before reducing it to writing.

12.02 If the Union and the Employer have failed to settle the matter within seven (7) working days after the dispute or grievance was formalized, it may be referred to a Board of Adjustment consisting of four (4) members, two (2) appointed by the Employer, and two (2) appointed by the Union.

12.03 Both parties to the dispute or grievance shall present their position on the matter to the Board of Adjustment. The Board of Adjustment shall have the authority to arrive at a majority decision, which shall be final and binding upon the parties.

12.04 If the Employer or Union Members of the Board of Adjustment fail to meet within ten (10) working days of written notification of the request for a Board of Adjustment, the dispute may be referred to arbitration pursuant to Section 12.06 of this Article.

12.05 All decisions of the Board of Adjustment shall be in writing and a copy sent to the Employer, the employee involved, and the Union. If the Board of Adjustment fails to reach a majority decision on any dispute or grievance submitted to it within ten (10) working days, such dispute or grievance may, within ten (10) working days thereafter, be referred to arbitration in accordance with the procedure set forth in the following paragraph.

12.06 Upon receipt by either the Union or the Employer of a written request for arbitration of a dispute which has been processed in accordance with the procedures set

forth above, representatives of the Employer and the Union shall attempt to agree upon an arbitrator. In event no agreement has been reached on the selection of the arbitrator within five (5) working days from the receipt of the request for arbitration, the Federal Mediation and Conciliation Service shall be requested to submit a list of seven (7) qualified and approved arbitrators, from which list the arbitrator shall be selected by alternately striking one (1) name from the list until only one (1) name shall remain.

The decision of the arbitrator shall be rendered within thirty (30) working days after the close of the hearing or submission of post-hearing briefs, and such decision shall be final and binding on all parties hereto. Any decision rendered shall be within the scope of this Agreement and shall not add to or subtract from any of the set terms of the Agreement, nor shall such decision create a basis for retroactive adjustments.

In no case will the financial liability on any grievance extend beyond six (6) months from the date the arbitrator is selected. In addition, any monies received from unemployment or alternate employment will reduce the amount of any award.

12.07 If a matter is submitted to arbitration, each party shall pay one-half (1/2) of the expenses and fees of the Arbitrator, but each party shall bear its own expenses. Neither the Board of Adjustment nor any person or persons designated by them shall have the power to negotiate new Agreements or change the provisions of this Agreement.

12.08 The right to process and settle employees' grievances is wholly to the exclusion of any other means available, dependent upon the provisions of this Article of this Agreement. The Union and the Employer agree to act promptly and fairly in all grievances.

12.09 The Union shall not be required to press employee grievances if, in the Union's opinion, such lack merit. With respect to the processing, disposition and/or settlement of any grievance, including hearings and final decisions of Boards and Arbitrators, the Union shall be the exclusive representative of the employee(s) involved.

12.10 It is recognized that the prompt and expedient settlement of disputes is compatible with desires of both parties, and therefore the time limits set forth in this Article shall only be waived by a specific and written agreement.

ARTICLE 13 – HEALTH AND WELFARE, DENTAL, VISION AND RETIREES TRUST

13.01 Effective October 1, 2018 (September 2018 hours for coverage in November 2018), and each month thereafter during the period this Collective Bargaining Agreement is in effect, the Employer agrees to pay to the Washington Teamsters Welfare Trust, c/o NORTHWEST ADMINISTRATORS, INC., for each employee who received compensation for eighty (80) hours or more in the previous month the following:

Effective January 1, 2019, the Company will contribute eighty-seven percent (87%) of the total cost of the Health and Welfare plan, and the Employee will contribute thirteen percent (13%) of the total cost of the Health and Welfare plan.

Effective January 1, 2020, the Company will contribute eighty-six percent (86%) of the total cost of the Health and Welfare plan, and the Employee will contribute fourteen percent (14%) of the total cost of the Health and Welfare plan.

Effective January 1, 2021, the Company will contribute eighty-five percent (85%) of the total cost of the Health and Welfare plan, and the Employee will contribute fifteen percent (15%) of the total cost of the Health and Welfare plan.

The plan includes:

- A. Health & Welfare – “Plan B”
Time Loss “Plan A” (\$400/week)
Life AD&D “Plan C” (\$5,000 / \$500)
- B. Dental – “Plan B”
- C. Vision – “Extended Benefits”

13.02 Effective October 1, 2018 (September 2018 hours), and each month thereafter during the period this Collective Bargaining Agreement is in effect, the Employer agrees to pay to the Retirees Welfare Trust, c/o NORTHWEST ADMINISTRATORS, INC., for each employee who received compensation for eighty (80) hours or more in the previous month for coverage under the following:

- A. Retirees Welfare Trust RWT-Plus Plan as follows:

January 1, 2018	\$94.85
January 1, 2019	\$94.85
January 1, 2020	\$TBD
January 1, 2021	\$TBD

- B. The Company agrees to contribute the amounts stated above to the Retirees Welfare Trust RWT-Plus Plan, said contribution to be included and treated as part of the Company's portion of the monies remitted by the Company to the Trust pursuant to Section 13.04. The Company's obligation with respect to the RWT-Plus Plan shall be limited to the contributions stated above.

13.03 Modification of Plans: The Trustees may modify benefits of eligibility of any plan for the purpose of cost containment, cost management, or changes in medical technology and treatment.

13.04 Maintenance of Benefits: The Employer shall be responsible for the timely remittance to the Trust each month for the entire premiums necessary for the benefits referenced above. If increases are necessary to maintain the current benefits during the Life of the Agreement, the Employer shall remit all such increases as determined by the

Trustees. The Employer's obligations shall be limited to and in no event exceed the payment of the amounts provided herein.

Each eligible employee hereby authorizes the collection of such monies by the Employer, via periodic payroll deduction through an IRS Section 125 Pre-Tax Plan.

13.05 The above payments shall be made to the Administrative Office on or before the tenth (10th) day of each month. Any firm delinquent in its payment shall become liable for payment of any claims incurred by its employees or dependents during such period of delinquency. The Trust Agreement shall be known as Supplement "A" and by reference hereto become a part of this Agreement.

ARTICLE 14 – PENSION

14.01 Effective as designated below, the Employer shall pay the amounts stated below to the Western Conference of Teamsters Pension Trust Fund on account of each member of the bargaining unit for every hour for which compensation was paid, said amounts computed monthly to a maximum of two thousand eighty (2,080) hours per year. Compensable hours to include vacation pay, overtime, and holidays, jury duty and bereavement leave.

	(* Program for Enhanced Early Retirement)		
	Basic	PEER/84	Total
	Contribution	Contribution	Contribution
<u>Effective</u>	<u>Rate</u>	<u>Rate</u>	<u>Rate</u>
10/1/12	\$2.93	\$0.19	\$3.12
10/1/13	\$2.93	\$0.19	\$3.12
10/1/14	\$2.93	\$0.19	\$3.12

14.02 The contributions required to provide the Program For Enhanced Early Retirement will not be taken into consideration for benefit accrual purposes under the Plan. The additional contribution for the PEER must at all times be six and one-half percent (6.5%) of the basic contribution and cannot be decreased or discontinued at any time.

14.03 The total amount due for each calendar month shall be remitted in a lump sum not later than ten (10) days after the last business day of each month. The Employer agrees to abide by such rules as may be established by the Trustees of said Trust Fund to facilitate the determination of the hours for which contributions are due, the prompt and orderly collection of such amounts, and the accurate reporting and recording of such hours and such amounts paid on account of each member of the bargaining unit. Failure to make all payments herein provided for, within the time specific, shall be a breach of this Agreement.

ARTICLE 15 – BEREAVEMENT LEAVE

15.01 In the event a death occurs in the immediate family of the employee or the spouse, a regular employee shall receive up to three (3) compensable (eight (8) hours per day for employees on a 5x8 workweek schedule, and ten (10) hours per day for employees

on a 4x10 workweek schedule) days off for the purpose of making arrangements, grieving, or attending the funeral or the memorial service between the date of death and one (1) day following the funeral. Such compensation shall not apply on days an employee is not scheduled to work. The employee shall be allowed to take up to three (3) additional days off, which may be extended by mutual agreement. It shall be at the employee's discretion whether to take this additional time as unpaid leave or to be compensated via unused PTO. Documentation of the death shall be provided.

15.02 Immediate family member is defined as spouse, domestic partner*, children, parents, siblings, in-laws, grandparents, grandchildren; this definition applies to both blood relatives and relatives by marriage or adoption. *Includes domestic partner's equivalent relatives as listed above.

ARTICLE 16 – JURY DUTY

When a regular employee covered by this Agreement is called upon for jury service in any municipal, county, state or federal court, he/she shall advise the Company upon receipt of such call, and if taken from his/her work for such service, shall be reimbursed, as provided herein, for any loss of wages while actually performing such service; provided he/she exhibits to the Employer his/her proper verification of such service. An employee who reports for jury duty and is excused, with at least four (4) hours remaining in their shift must report immediately to their Employer to determine if work is available. Second and third shift employees shall be considered as day shift employees during jury duty assignments. There shall be an eighty (80) hour maximum for any one (1) jury term.

ARTICLE 17 - MISCELLANEOUS

17.01 DRUG & ALCOHOL TESTING POLICY: The Employer's NON-DOT Drug and Alcohol Policy for non-drivers was revised July 1, 2016, and is attached hereto by reference. All drivers are subject to Department of Transportation (DOT) Drug and Alcohol Regulations.

17.02 LIGHT DUTY ASSIGNMENT: For employees suffering a work-related injury or illness, and depending upon the physician's limitations and the Company's need for such light duty assignment, the Company will provide such work in a non-discriminatory manner. Employees must accept such assignment if qualified and physically able to perform the assignment as determined by the treating physician. The Company shall pay all benefit and pension payments, in accordance with Articles 13 and 14 of the Labor Agreement, to bargaining unit employees who perform non-bargaining unit work on light duty assignment.

17.03 CROSSOVER BETWEEN LOCAL 117 AND LOCAL 174: The Company may utilize members of Local 174's bargaining unit to perform Local 117 bargaining unit work under the following conditions, provided all Local 117 members are working forty (40) hours per week:

1. In order to avoid the layoff of a Local 174 member.
2. In an emergency when no Local 117 member is available.

17.04 UNDERSTANDING FROM 1991 NEGOTIATIONS RE: SHIPPING/RECEIVING:
The bargaining unit positions related to the shipping and/or receiving operations do not include the clerical aspects of those functions, such as sorting, matching, filing, filling out or other similar duties of shipping/receiving documents and related paperwork.

17.05 Where employees are required to wear uniforms or clothing or use special equipment specified by the Employer, same shall be furnished, paid for and repaired by the Employer.

17.06 Kitting: The Parties agree that due to the changing nature of the business environment, there will be types of business which will require exemption from the wage and benefit and working conditions of the labor agreement. Examples of exceptions would be the "kitting" business where numbers of temporary contractors or part time contractors are assigned to specific duties for specific customers/jobs and specific times. Contracts assigned to "kitting" business will perform only those specific duties directly related to the assignment. In addition, unloading product from trucks, loading product into trucks, and operating powered material handling equipment will be performed by bargaining unit employees. This provision will not dilute or cause layoffs of bargaining unit employees.

The Parties agree that assembling of kits is not bargaining unit work. The Company may therefore employ temporary or part-time contractors to perform such work who shall be exempt from the wage and benefit and working conditions of the Labor Agreement. Kit assemblers shall not be assigned to perform any bargaining unit work nor shall they operate any equipment or machinery used by bargaining unit members.

Prior to the utilization of this section the Employer agrees to notify the Local Union of its intent to bring work in that would require the use of this section.

ARTICLE 18 – SENIORITY

18.01 The Employer and the Union agree that length of service shall govern layoffs and rehiring. All employees who have been laid off due to lack of work will be given priority in employment in accordance with length of service.

18.02 The Employer, in order to maintain the best operating efficiency, shall reserve the right to transfer employees from department to department. Seniority shall also govern regarding the selection of vacation time, workweeks, shift assignments, and starting times; provided, however, that as to shift assignments and starting times, the employee must have the basic qualification to perform the work or job involved, and the Employer shall be the judge of the employee's qualifications, but shall not exercise that right arbitrarily.

18.03 This clause shall not apply to any employee with less than six (6) months full time continuous service.

18.04 Seniority shall be broken for the following reasons:

1. Justifiable discharge;
2. Voluntary quit;
3. Two (2) days no call / no show;
4. Obtaining other employment while on a leave of absence;
5. Failure to return from leave of absence;
6. Layoffs of twelve (12) months or more or the employee's length of service, whichever is less;
7. By reason of illness or injury for a period of more than twelve (12) months.

18.05 An employee transferred to a job outside the bargaining unit and not covered under a collective bargaining agreement with any other union shall retain his/her seniority within the bargaining unit for six (6) months, but not continue to accrue seniority for the purposes of this Article.

18.06 The period of time prior to the attainment of seniority is considered a probationary period. A layoff or termination of a probationary employee shall not be subject to the grievance procedure.

18.07 The Company agrees to post a notice for a minimum of seven (7) calendar days where there is need to select additional employees for training. Employees who notify the Company in writing of their interest in these positions will be interviewed and considered for the opportunity. Management reserves the right to select the employee(s) to train and or fill the position. The Company will not be arbitrary or capricious in the selection process. Where the applicants are equal, seniority shall prevail.

18.08 A current list of employees arranged in order of their seniority shall be posted on the Union Board, said list will be updated when a new employee is hired or an existing employee separates his/her employment with the employer. In the event two (2) individuals share a common seniority date, they will be placed on the seniority list in order by the last four digits of the employee's social security number.

ARTICLE 19 – SEPARABILITY AND SAVINGS

If any Article or Section of this Agreement should be held invalid by operation of law or by any tribunal of competent jurisdiction, the balance of this Agreement shall continue in full force and effect.

ARTICLE 20 – MONETARY CONTRIBUTIONS

In the event the Employer fails to make the monetary contributions required by Article 13 of this Agreement, the Employer shall be so notified by the Union, and shall have five (5) working days within which to attempt to secure payment of the amount due. If payment is not paid by the Employer and/or if a dispute arises regarding contributions on behalf of any employee, such disputes may be referred in writing for a final and binding decision by an arbitrator in accordance with Section 12.06 of Article 12, Settlement of Disputes.

ARTICLE 21 – MOONLIGHTING

In the interest of safety and production, it shall be a violation of the Agreement for an employee to be employed by another employer without written permission from the Company. The Company shall consider any request in good faith.

ARTICLE 22 – MANAGEMENT FUNCTIONS

22.01 Subject only to the specific provisions of this Agreement, the management of the plant and the direction of the working force shall be the exclusive function of the Employer; provided, however, this shall not be construed as limiting the Union's rights under Article 12, Settlement of Disputes.

22.02 The Employer shall have the right to make such reasonable rules and regulations as it may deem necessary for the conduct of its business and to require their observance. This does not preclude the Union from grieving the reasonableness of such rule(s) or any discipline resulting from such rules and/or regulations. The Employer shall have the right to continue to use a system of its choosing to track log-in and log-out times and hours worked, including, but not limited to, a time clock or electronic logs.

ARTICLE 23 – EMPLOYMENT AGENCY FEES

All Employers who obtain employees for work normally performed by employee covered by this Agreement from a temporary employment agency shall provide wages, fringe benefits, and other provisions of this Agreement to all such persons.

ARTICLE 24 – SURVEILLANCE

The Company and the Union agree that it may be necessary for the Company to undertake investigations, which could involve the use of hidden surveillance cameras, and/or undercover investigators and/or such other means or devices deemed necessary by the Company. The Company reserves the right to install any such devices including, but not limited to, truck monitoring devices, and/or hidden cameras and/or to use such means deemed necessary by the Company, including but not limited to the use of undercover investigators. Surveillance and/or undercover investigation will not be used to monitor productivity or for routine surveillance inside the facility. If the use of any surveillance information can lead to discipline, the Company will share the relevant information with the Union Representative and will provide copies of the tapes and investigative reports prior to taking final disciplinary action. The employer agrees that the information found on the surveillance cameras will not be the sole information the employer relies upon to issue any corrective action / discipline. If employees are found to have engaged in misconduct as a result of such investigation, discipline up to and including discharge pursuant to the provisions of the labor agreement will be imposed.

The Company further agrees that it will not engage in or direct any surveillance and/or undercover investigation in any areas where the employee has a reasonable expectation of

privacy (e.g. lockers, bathrooms, personal effects, vehicles) unless the Company has probable cause to suspect that the employee(s) has been or is engaging in violations of law or rules.

ARTICLE 25 – INSPECTION PRIVILEGES

25.01 Authorized agents of the Union shall have access to the Employer's establishment during working hours for the purpose of adjusting disputes, investigating working conditions and ascertaining that the Agreement is being adhered to, provided, however, the Union assures that there will be no interruption of the firm's working schedule and that the representative notifies the manager or his/her designee of their presence and follows all facility safety rules.

25.02 The Employer recognizes the Union's right to appoint Shop Stewards, and the Union will notify the Company, in writing, of new appointments within ten (10) working days. Shop Stewards may pass out or post official Union bulletins and deliver routine oral instructions. Business Agents shall have authority over Shop Stewards.

25.03 Shop Steward may, without loss of pay or benefits, expend reasonable short periods of time investigating and alerting the employer of probable violations and grievances. The Union may, upon written application, no less than forty-eight (48) hours in advance, request leave, for Union business purposes, for the Shop Steward. The employer agrees to not arbitrarily deny such requests.

25.04 Only one (1) shop steward will be present as a representative in disciplinary events.

ARTICLE 26 – STRIKES AND LOCKOUTS

26.01 The Union agrees not to cause any strikes, sympathy strikes, or stoppages of work, and the Employer agrees not to engage in any lockouts during the life of this Agreement.

26.02 It shall not be a violation of this Agreement or be cause for discharge for an employee to refuse to cross or work behind a picket line establishes around a Company's facilities covered by this Agreement because of a legally declared strike by some other union; provided such union legally represents employees at that facility; and it further shall not be a violation of this Agreement for an employee to refuse to cross a primary picket line around a company not party to this Agreement in the performance of his/her duties. In order to ensure the needs of customers are met, the Union agrees to provide notice to the Employer as soon as administratively feasible if an employee is going to refuse to cross a bona fide picket line.

ARTICLE 27 – TEAMSTERS SUPPLMENTAL INCOME 401(K)

The Employer agrees to participate in the Supplemental Income 401(k) Plan, a plan intended to conform to the requirement of Internal Revenue Code Section 401(k) for certain tax exempt, employee contributory plans. The Employer’s obligations to the Plan created by this Agreement are limited to:

1. The timely execution of the Plan’s Subscriber Agreement;
2. The timely payment of that portion of their wages employees elect to pay into the plan; and
3. The payment of the Plan’s administrative fee of four dollars (\$4.00) per month for each employee who elects to participate in the Plan.

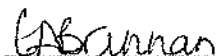
ARTICLE 28 – DURATION OF CONTRACT

28.01 This Agreement shall become effective October 1, 2018, except as otherwise provided herein, and shall remain in full force and effect until September 30, 2021, and shall automatically renew itself from year to year thereafter unless either party given written notice to the other sixty (60) calendar days prior to the expiration date of a desire to amend or terminate the same.

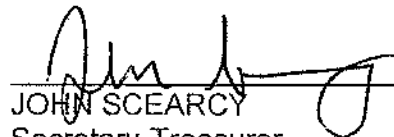
28.02 This Agreement shall continue in full force and effect as long as negotiations are in process for finalizing a new agreement. Should negotiations fail to result in a new agreement, then either party may terminate the Contract by giving the other party ten (10) working days notice in writing on or after the Contract expiration date.

Veritiv Operating Company

TEAMSTERS LOCAL UNION
NO. 117/IBT



ELIZABETH BRENNAN
Veritiv Corporation



JOHN SCEARCY
Secretary-Treasurer

7-15-19

Date

7/3/19

Date

M Garcia

MERLY GARCIA
HR Business Partner

07/16/19

Date

Greg Riel

GREG RIEL
Distribution Manager

07/23/2019

Date

APPENDIX "A"1. CLASSIFICATION AND MINIMUM RATES OF PAYRates Per Hour

	<u>Current</u>	<u>Effective 10/1/18</u>	<u>Effective 10/1/19</u>	<u>Effective 10/1/20</u>
Warehouseman	\$21.92	\$22.37	\$22.82	\$23.27
Paper Cutter	\$22.32	\$22.77	\$23.22	\$23.67

On the first paycheck following ratification, a one-time lump sum payment in the amount of one thousand dollars (\$1,000.00), grossed up, will be made to all individuals actively employed.

2. NEW EMPLOYEES PROGRESSION RATES

First six (6) months of employment – 80%

Second six (6) months of employment – 90%

Thereafter (after twelve (12) months of employment) – 100% of the classification rate as set forth under Paragraph 1 above.

3. WORKING FOREMEN/LEADMEN

Working foremen/leadmen shall receive not less than seventy-five cents (75¢) per hour above the highest bargaining unit classification supervised.