

AGREEMENT

BY AND BETWEEN

Veritiv, Livermore
and
TEAMSTERS UNION
LOCAL 70
(Affiliated with IBT)



FOR THE PERIOD OF
January 1, 2020 – December 31, 2021

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THIS AGREEMENT is entered into by and between Veritiv Operating Company, Livermore, and /or its successors or assigns, (herein after referred to as the "Company" or "Employer") and the International Brotherhood of Teamsters, **TEAMSTERS LOCAL 70** (hereinafter referred to as the "Union").

This agreement reflects the wages and other terms and conditions of employment applicable to the Drivers and Warehouse employees of Veritiv Operating Company, Livermore, at 7337 Las Positas Road, Livermore, CA.

As used in this Agreement, the term "employee" means all workers covered by this Agreement, whether male or female, and the use of the masculine pronoun or other masculine terms shall include the feminine.

SECTION 1. RECOGNITION

The Employer recognizes the Union as the sole and exclusive collective bargaining representative for all drivers and warehouse persons employed at its Veritiv Operating Company, Livermore, facility at 7337 Las Positas Road, Livermore, CA.

SECTION 2. UNION SECURITY

2.1 Membership

(a) All employees covered by this Agreement shall become and remain members of the Union within thirty-one (31) calendar days after employment or the effective date of this Agreement, whichever is later, and as a condition of continued employment shall maintain their membership in the Union. Membership, for purposes of this provision, will be deemed satisfied by the employee either (i) becoming a member in good standing by paying the uniform initiation fee and monthly dues and charges pursuant to the Union's Bylaws, or (ii) becoming a financial core member and paying an amount equal to the uniform initiation fee and monthly dues without joining the Union or (iii) paying a service fee which shall reflect the proportion of the amount the Union's collective bargaining expenditures bear to the Union's total expenditures.

(b) The Union shall indemnify and hold the Employer harmless from any claims, suits, judgments, and other forms of liability as a result of the Employer taking any action in accordance with this Section.

2.2 Dues Delinquency

The Employer upon written request of the Union, shall discharge any employee within seventy-two (72) hours after receipt of such notice who fail to tender the periodic dues and initiation fee uniformly required by the Union as a condition of acquiring or retaining membership in the Union. If the Union has notified the Employer in writing prior to the expiration of the seventy-two (72) hours that the employee has paid the amounts owing, the discharge shall not take place.

2.3 Dues Check Off

Upon submission of written authorization, the Employer agrees to deduct from the first two pay checks of each month an equal amount of monies for all employees covered by this Agreement for the dues and/or uniform assessments of the Union. The Union shall certify to the Employer in writing each month a list of its members working for the Employer the required authorization, together with an itemized statement of dues owed and to be deducted for each month from the pay of such member, and the Employer shall deduct such amount from the first paycheck following receipt of statement of certification of the member and remit to the Union in one lump sum. The Employer shall add to the list submitted by the Union the names of all regular new employees hired since the last list was submitted and delete the names of employees who are no longer employed.

Check-off shall be on a monthly or quarterly basis at the option of the Union. When the Employer actually makes a deduction for dues and initiation fees, in accordance with statement received from the Union, he shall remit same no later than thirty (30) days from the date such deduction was made.

Where an employee who is on check-off is not on the payroll during the week in which the deduction is to be made, or has no earnings or insufficient earnings during that week, or is on leave of absence, the employee must make arrangements with the Union and/or the Employer to pay such dues.

2.4 D.R.I.V.E.

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 amounts designated by each contributing employee that are to be deducted from his/her paycheck 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 last four (4) digits of their 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 payroll deduction plan.

SECTION 3. HIRING PROCEDURE

3.1 License Requirements

No employee or applicant for employment shall be required to possess a Class of license or license endorsement unless such license is required by law for the type of work actually performed by the employee. In any such case, a Class of license higher than that imposed by law shall not be required. The Company may require drivers to

possess a Class "A" license. The Company may require additional endorsements to a Class of license for hazardous materials and/or double/triple trailers.

It will be the Employer's responsibility to provide physical examinations for regular seniority employees when those employees are required to submit to such examinations by the Employer for licensing purposes. Pay for time for such examinations will be limited to two (2) hours.

The Employer shall pay for the full, basic cost for an employee to maintain a hazardous materials endorsement and basic TSA credentials and TWIC (Transportation Worker Identification Credential) cards.

3.2 Hiring Hall

Whenever the Employer requires casual workers he shall notify the Union/Hiring Hall, either in writing or by telephone stating the location, starting time, and approximate duration of the job, the type of work to be performed, and the number of workers required.

3.3 Hiring Standard

Upon such receipt of notice, the Union/Hiring Hall shall endeavor to furnish the workers requested. Selection of applicants for referral to jobs shall be on a non-discriminatory basis and those casuals reporting for driving shall present all necessary documentation, i.e., DMV printout, proper license classification, drug testing clearance as mandated by DOT, and steel toe safety shoes, etc.

3.4 Referral

If the Union/Hiring Hall is unable to furnish qualified casual workers or fails to notify the Employer within two (2) hours of their request the Employer shall be free to procure the workers from any other source. In such event, the Employer shall notify the Union of the usage including the casual's name and dates worked. All casuals utilized from the Union/Hiring Hall shall enjoy all wages and benefits provided under this Agreement regardless of whether they were dispatched by the Union/Hiring Hall. All casuals from other sources shall be paid at the discretion of the Company, (i.e., Temp Agency)

3.5 Notification

For each worker dispatched, the Union/Hiring Hall shall send to the Employer, with the worker or by mail, a written referral slip. The Employer shall have the right to reject any job applicant referred by the Union/Hiring Hall, provided that they shall in no way be discriminatory.

SECTION 4. SENIORITY

4.1 Seniority Defined

Seniority is defined as the length of continuous service after completion of the probation period. Seniority shall be used for calculating vacation accrual, scheduling of vacation, determining layoffs and recalls. Seniority will not be used for determining work assignments. The Company shall supply the Union a list of all employees ranked according to seniority. An updated list will be furnished within 30 days of changes when additions and deletions are necessary. Seniority complaints of dates and sequences need to be filed with the Company within 30 days of posting.

4.2 Establishing Seniority

During their first 60 (sixty) days worked in 120 calendar days of employment, employees shall be considered probationary employees. Employees who are employed on a trial basis, shall not be considered regular employees, and shall not be entitled to any benefits afforded by this Agreement, except as expressly provided. Probationary employees may be discharged or disciplined at the discretion of the Company for any reason without recourse by the Union or employee. The Company shall not be required to provide benefits in any retroactive fashion upon completion of the probationary period. Upon completion of the probationary period, such employees will become regular employees and be entitled to such benefits afforded by the Agreement. The seniority date for employees completing the probationary period will commence on the day they complete their 60th day worked of the 120-day probation period. The probationary period may be extended upon mutual agreement by the Company and Union. The Company reserves the right to waive the probationary period.

The Company shall have the right to hire casual employees to fill vacations, absences; fluctuations in workloads providing no regular employees are laid off. Casual employees shall receive no benefits unless provided for in this Agreement.

4.3 Seniority Lost

Seniority shall be lost and employment terminated in the event of any of the following:

- (a) Voluntary or involuntary separation.
- (b) Absent for three (3) consecutive days with no notification.
- (c) Absence beyond an approved leave of absence.
- (d) Failure to report to work after recall notice within 72 hours, pursuant to Section 4.4, Layoff and Recall.
- (e) Is laid off 12 months.
- (f) If an employee is unable to perform work as the result of a disability for a period longer than fifteen (15) months.
- (g) If an employee is unable to perform work as the result of a work-related injury or illness, for a period longer than eighteen (18) months.

- (h) If employee obtains other employment or works at another job while on leave of absence.

4.4 Layoff and Recall

Layoff and recall shall be determined by seniority within each classification affected. All employees are to be given written notice or notice posted on a bulletin board of impending layoff or shift reassignment not later than the end of the last shift worked prior to the commencement of such layoff or shift reassignment.

- (a) Temporary Re-employment of Layoffs.

An employee so recalled to work shall report at the call of the Employer, which shall be by telephone. Such telephone call shall be made to the employee's last known telephone number. It will be the employee's responsibility to make his telephone number available to the Employer. The Employer shall make a record of each call. Phone calls do not need to be verified if the Company has a phone system that incorporates listings of long distance and local calls and whether the call is answered and number or duration of the calls. Any employee not available for such temporary employment shall maintain his place on the seniority list, and shall be recalled each day for any available employment in accordance with such seniority. Those laid off employees who are employed elsewhere may waive their right to be recalled daily.

- (b) Regular Re-employment

Regular re-employment is defined as five (5) days or more of employment at the Employer's facility. An employee so recalled to work shall report at the call of the Employer. If unreachable by phone, he will be notified by confirmed or certified letter at his last known address, copied to the Union. The employee will respond upon receipt of said letter of his acceptance or rejection of the recall, and physically report for duty within seventy-two (72) hours, exclusive of Saturday, Sunday, or holidays, from time of receipt of letter.

If employees fail to report, a confirmed or certified letter to the employee and the Union will be sent notifying employee that he is being removed from the seniority roster.

It is the employee's responsibility to keep the Company informed as to their current address and phone number, while actively employed as well as on layoff status.

If laid-off employee will be away for a specified period of time, the above section may be waived by mutual agreement of the Employer and the Union.

It is agreed that the layoff and rehire procedures will be used to replace absent regular employees and temporary fluctuations in the business and not to circumvent rehiring of regular employees.

4.5 Bidding and Filling All Positions

(a) There will be an annual bid in October for all truck driving routes and warehouse shifts. Driver routes, start time and workweek assignments shall be bid based on seniority, provided that the employee is physically capable of performing the work. Routes will be established by start time, frequency and general geographic area and may overlap. Tonnage routes only require a designated start time. Routes will be modified as necessary to meet the needs of the customers and the business. If the Company is eliminating a route where there are multiple routes in the same geographic area, the lesser seniority driver shall be the driver to be reassigned. If a route is eliminated for a period of thirty (30) calendar days or more, the affected driver shall have the right to exercise his seniority to bid to another route based on his seniority. Warehouse assignments will be bid on start time, and based on seniority, provided that the employee is physically capable of performing the work. Warehouse employees are expected to be able to perform any type of warehouse work.

(a) When a permanent job opening occurs on another shift or in another classification, a qualified employee may exercise his/hers seniority to bid such opening.

(b) In the event no employee bids a posted job, it will be awarded by inverse seniority.

(d.) Should a job be abolished or a work week changed, the affected employees would be able to exercise their seniority and bid into another shift.

(e) In filling all positions under the Agreement, qualified employees working in other classifications under the jurisdiction of this Agreement shall be given reasonable trial on the basis of seniority to demonstrate their ability in which to qualify for such positions.

(f) Drivers who desire to bid to a warehouse position or warehouse employees who desire to bid to a driver position may only bid on an open position or a new position. There shall be no bumping between warehouse and driver positions. Employees who desire to move from warehouse to driver or driver to warehouse must notify the Company and the Union in writing.

(g.) Employees holding positions that require job-specific training (as determined by the Company) may only bid to a new position after they have been in their current position for sixty (60) calendar days. Bids that require special training must be identified.

SECTION 5. NO DISCRIMINATION

5.1 Non-discrimination

The Employer and the Union acknowledge their responsibilities under Title VII of the Civil Rights Act of 1964, and the Age Discrimination in Employment Act of 1967, and hereby agree not to discriminate in any manner against any applicant or employee

covered by this Agreement on the basis of race, ethnicity, color, creed, religion, sex, sexual orientation, marital status, gender identity or expression, genetic information, national origin or age, or any other classification protected by law. The parties acknowledge their mutual obligations and responsibilities under the Americans with Disabilities Act and Family Medical Leave Act and therefore will cooperate in the compliance with ADA and FMLA to the extent mandated by the Acts.

5.2 Union Activities

No Employee shall be discharged or discriminated against for legal Union activities.

SECTION 6. SETTLEMENT OF DISPUTES

6.1 Grievance Procedure

Grievances against the Company or Union must be taken up, in writing, within seven (7) working days of the discovery of the existence of the facts giving rise to the grievance.

All grievances must be submitted to the Board of Adjustment within forty-five (45) days of the known occurrence of the matter upon which the grievance is based. Any such grievance not submitted within forty-five (45) days shall be waived unless the parties mutually agree to extend it. A grievance must specify with particularity the conduct alleged and the Article of the contract alleged to have been violated.

The Board of Adjustment shall consist of two representatives designated by the Company and two representatives designated by the Union. Said Committee shall meet within two weeks after the grievance has been referred to it and shall render an immediate decision. The parties may mutually agree to extend the two week limitation or to bypass the Board of Adjustment and move directly to arbitration. Any grievances submitted to said Committee shall be resolved only by majority vote.

Any such majority vote shall be final and binding on the parties and the employees.

6.2 Grievance - Arbitration Procedure

If the grievance is not settled in accordance with the foregoing procedure, the charging party may refer the grievance to arbitration by written Certified Mail notice to the other party within seven (7) calendar days after the Board of Adjustment has issued its decision if employed. After a timely written Certified Mail notice of arbitration has been made by the charging party, the Employer and the Union will attempt to agree upon an impartial arbitrator. In the event that agreement upon an arbitrator cannot be reached within seven (7) calendar days after the date of said letter, the parties will make a request of the FMCS for a list of arbitrators.

The arbitrator shall be selected by striking alternate names from the list. The first party to strike from the list shall be determined by the coin toss. The arbitrator's decision shall be final and binding upon the parties and the employees.

Time is of the essence in all of the grievance and arbitration procedures in this Agreement. The charging party's failure to comply with and fully satisfy any of the time limitations set forth in the foregoing procedures constitutes waiver of the alleged grievance and all rights, claims and actions for all purposes except as otherwise specifically provided in the following sentence. The time limits herein may be extended by mutual agreement between the Union and the Employer.

Each party shall bear its own costs of representation witnesses, and a reporter's transcript for its own use. The arbitrator's fee shall be borne jointly. Each party shall have the right to appear by representatives of its own choice, including attorneys, and to present arguments at the close of the evidence, and shall have the right to submit written briefs. The decision of the arbitrator shall be in writing and signed by the arbitrator.

The arbitrator shall have no power to amend, change, or modify this Agreement or any written agreements, or addenda supplementary hereto or to establish any new terms or conditions of the same.

The burden of proof lies with the charging party in all instances.

In no case will the financial liability on any grievance extend beyond six (6) months from the date of the selection of the arbitrator. Any significant Employer delays in executing a timely arbitration process will result in a waiving of the limit of liability. The arbitrator will have the right to determine if an Employer delay is significant.

The Employer shall give written notice by Certified Mail to the employee and to the Union of its decision to discharge or suspend the employee, within ten (10) business days. Such notice shall set forth the reason or reasons for the discharge or suspension. If the Employer fails to give such notice within the specific ten (10) day period, the right to discharge or suspend for that particular reason shall be waived; however, in security or safety related instances in which additional facts need to be ascertained before the decision to discharge or suspend can be reasonably made, the Employer must take such disciplinary action within ten (10) additional working days. The ten (10) day limitation would not apply to unreported accidents while on the route. The ten (10) day limitation will begin with date of knowledge. If the Union does not file a written protest within five (5) working days, from the time of receipt of the Employer's notice, the right to protest such discharge or suspension shall be waived. The disciplinary letter shall state whether the intention of the Company are an out-right discharge, a suspension pending investigation which could lead up to discharge, or a suspension with an identified number of days.

The union steward will be notified of any discharge or suspension and shall be furnished a copy of any written warning.

6.3 Warnings and Letters of Reprimand Employee Personnel Files

Any warning letters or letters of reprimand sent to the employee by the Employer within the specified ten (10) day period, may be subject to protest. Any employee to be discussed by the Employer and the Union at a joint meeting shall have the right to be present at said meeting.

All letters of warning or reprimand or any record the Employer keeps that can be used to reprimand, suspend or discharge an employee that are twelve (12) months or older may not be utilized in any future disciplinary action. Any letters that concern matters that are in protest or litigation will remain in the employee's file and may be utilized by the Employer.

SECTION 7. NO STRIKE, NO LOCKOUT

7.1 Strike / Lockout

The Company agrees there shall be no lockouts during the term of this agreement.

(a) The Company and the Union agree that the grievance and arbitration procedure provided herein shall be the sole and exclusive means of resolving all grievances arising under the terms of this agreement and, accordingly, neither the Union nor the employees will instigate, promote, sponsor, engage in, or condone any strike including sympathy strikes, slowdown, concerted stoppage of work or any other intentional interruption or application of this Agreement or over any other dispute. Any employee participating in a violation of this article shall be subject to disciplinary action up to and including discharge.

(b) There shall be no interference from the Union to prevent inbound or outbound traffic to or from the employer's property and customer's property. There shall be no hindrance of Employer's or Customer's equipment or vehicles in any fashion.

7.2 Picket Lines

It shall not be a violation of this Agreement, and it shall not be cause for discharge or disciplinary action in the event an employee refuses to enter upon any property involved in a primary labor dispute, or refuses to go through or work behind any primary picket lines, including the primary picket line of the Union party to this Agreement, and including primary picket lines at the Employer's place of business, provided picket line is sanctioned by Joint Council No. 7.

In the event there is a lawful, economic or unfair labor practice strike at a Veritiv customer or vendor location, Veritiv drivers may refuse to cross the picket line and must

notify their supervisor immediately. The company may use supervisory or delivery service to service the customers.

In order to ensure the needs of customers are met, the Union agrees to notify the Employer, when the Business Agent is made aware, if an employee is going to refuse to cross a primary picket line sanctioned by Joint Council 7.

SECTION 8. LEAVE OF ABSENCE

8.1 Approved Leave

Any employee desiring a leave of absence from his employment shall state his reasons in writing, and shall secure written permission from both the Union and the Employer. For leaves of absence related to the Family Medical Leave Act, federal, state or local acts, the employee is required to notify the leave administrator and provide appropriate documentation. Except as otherwise provided in this Section, the maximum leave of absence shall be for thirty (30) calendar days and may be extended for like periods. Written permission for such extended periods shall be secured from both the Union and the Employer. The first approved leave of absence plus approved extended leaves of absence shall not exceed a maximum time period of six (6) months.

Any employee who falsifies his application for leave of absence or who engages in gainful employment in the same industry during such leave shall lose his seniority status.

An employee who is unable to work because of certified sickness or injury shall be deemed to be on leave of absence. For leaves of absence related to FMLA, the employee must also apply for leave by contacting the Company's designated leave administrator.

Such leave shall not exceed fifteen (15) months (eighteen (18) months for leaves due to a work-related injury or illness), unless extended by written consent of the Union and the Employer.

The refusal by either party to give consent for extended leaves shall not be a violation of this Agreement nor be subject to the grievance procedure. However, this Section does not preclude the Employer from extending said leave if the Employer finds merit.

An employee shall be permitted to take a leave of absence for the purpose of undergoing treatment under an approved program for dependency. The leave of absence must be requested prior to the commission of any act subject to disciplinary action. Such leave of absence shall be granted on a one-time basis and shall be for a maximum of sixty (60) calendar days unless extended by mutual agreement. While on such leave, the employee shall not receive any of the benefits provided by this Agreement, except the continued accrual of seniority, nor does this provision amend or alter the disciplinary provisions.

8.2 Effect on Vacation - Holidays

All employees off the job due to illness or injury shall accumulate vacation rights and holiday pay through the month in which the illness or injury occurred.

The qualification periods contained in the vacation and holiday clauses of this Agreement shall not apply to the month in which an employee returns from an approved leave of absence.

8.3 Voting Time

All employees who find it impossible to vote in a general or special election on their own time shall be allowed to end their day earlier or start later to enable them sufficient time to vote after first applying to the Employer and substantiating inconvenience and voting registration.

SECTION 9. OPERATING REQUIREMENTS

9.1 Traffic Citations

No driver shall be required to violate traffic laws or overloading regulations. The Employer shall be responsible for any non-moving and/or owner's responsibility citations issued unless there is proven gross negligence on the part of the driver. Non moving, owner's responsibility citations, and/or any documentation issued by any regulatory or enforcement agency issued to Veritiv Operating Company, must be submitted to the Employer by the end of the employee's shift, and if not the employer shall not be responsible for the same.

A driver must report and deliver a true and correct copy of any and every moving citation they receive to the Employer by the end of the employee's shift, no later than the beginning of their next shift. Failure to comply with this provision shall subject such employee to discipline up to and including termination.

9.2 Suspension or Revocation of License

In the event an employee suffers a suspension or revocation of the right to drive the Employer's equipment for any reason, the employee must promptly notify the Employer in writing. Failure to comply will subject the employee to disciplinary action up to and including discharge in accordance with the procedures previously set forth.

9.3 Passengers

No driver shall allow anyone, other than the authorized employees of the Employer who are on duty, to ride on his truck except by written authorization of the Employer, except in cases of emergency arising out of disabled commercial equipment or an Act of God. No more than two (2) people shall ride in the cab of a tractor unless required by

government agencies or the necessity of checking of equipment. This shall not prohibit drivers from picking up other drivers, helpers or others in wrecked or broken down motor equipment and transporting them to the first available point of communication, repair, lodging or available medical attention. This shall not prohibit the transportation of other drivers from the driver's own Company at a delivery point or terminal to a restaurant for meals.

9.4 Equipment, Accidents, Reports

The Employer shall not require employees to take out on the streets or highways any vehicle that is not in safe operating condition, including but not limited to acknowledged over-weight, or not equipped with the safety appliances prescribed by law. It shall not be a violation of this Agreement when employees refuse to operate such equipment unless such refusal is unjustified. All equipment, which is refused because not mechanically sound or properly equipped shall be appropriately tagged so that it cannot be used by other drivers until the appropriate repairs can be made. Under no circumstances will an employee be required to assign or engage in any activity involving dangerous conditions of work or danger to person or property or in violation of any applicable statute or court order, or in violation of a government regulation relating to safety of person or equipment. The term "dangerous conditions of work" does not relate to the type of cargo, which is hauled or handled.

Any employee involved in any accident shall immediately report said accident and any physical injury sustained. When required by the Employer, the employee, before starting the next shift, shall make out an accident report in writing on forms furnished by the Employer and shall turn in all available names and addresses of witnesses to the accident, with the employee involved receiving a copy of said accident report. Failure to comply with this provision shall subject such employee to disciplinary action by the Employer. Employees shall immediately, or at the end of their shift, report all defects of equipment. Such reports shall be made on a suitable form furnished by the Employer and shall be made in multiple copies, one (1) copy to be retained by the employee and one (1) copy to be made available for inspection by the next driver operating such unit.

9.5 Work Jurisdiction

Only persons working under the jurisdiction of this Agreement shall drive, load and unload trailers, vans or any other type of equipment used in connection with trucks and the operation.

Persons working under the jurisdiction of this Agreement shall operate power equipment used in connection with loading and unloading of pallets, trucks and warehousing duties.

For purposes of this section, worked performed by janitors, sample pullers and inventory controllers will not be considered as bargaining unit work as long as the

product is not being advanced as shipping orders assembled for loading. Supervisors performing training with a trainee may be utilizing equipment for that purpose.

It is understood that the function of supervisors is the supervision of employees and not to perform the bargaining unit work of employees they supervise. Supervisors will not perform bargaining unit work until all reasonable efforts have been exhausted to have the work covered by bargaining unit employees

SECTION 10. GENERAL PROVISIONS

10.1 Rest Periods

All employees shall be allowed to take a break during the first half of any shift and a break during the second half of any shift. Breaks will be no longer than fifteen (15) minutes. If two (2) or more hours of overtime is anticipated beyond the scheduled shift the employees shall be entitled to a fifteen (15) minute break at the end of their regular shift and a fifteen (15) minute break for every two (2) hours worked thereafter.

All shifts shall include an unpaid lunch of one-half (1/2) hour. No lunch period shall begin before the fourth (4th) hour of employment or end later than the sixth (6th) hour of employment.

10.2 Scope of Agreement

Except as otherwise specifically provided herein, this Agreement fully and completely incorporates the understanding of the parties hereto and constitutes the sole and entire agreement between the parties of any and all matters subject to collective bargaining. Nothing herein shall prohibit the parties from changing the terms of this agreement by mutual agreement.

10.3 Time and Attendance

The Employer shall use electronic logs to record time. Such logs must be kept accurate. Starting and stopping times, and meal periods, shall be accurately recorded in the logs. It is understood that such logs are the property of the Employer and may not be altered or written upon without permission of the Company, nor shall the Employer alter the log without clearing the alteration with the employee. No bargaining unit employee shall use the log of another bargaining unit employee. The employee will have access to Time and Attendance information upon request.

10.4 Company Meetings

When employees are required to attend Company meetings they will be compensated under the terms of the Agreement. Employees are expected to actively participate in job related activities, including but not limited to, safety, quality programs, training etc. The Union will encourage employee participation and not interfere with the same. In those

instances when the job related activities are required on days that the employee is not normally scheduled to work, the Company will provide seven (7) calendar days notice.

10.5 Inspection Privileges

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, collection of dues, and ascertaining that the Agreement is being adhered to. It is understood that such visits will not be disruptive to the Company's business, and that meetings with employees will be scheduled through management with sufficient notification. Agents of the Union shall follow all Company visitor policies, and all local safety policies, including the wearing of reflective vests as required.

10.6 Physical Examination

(a) If the Employer requires an employee to take a physical examination, the Employer must bear the cost of said examination and must compensate the employee for time involved in taking the examination.

(b) The Employer reserves the right to select its own medical examiner or physician, and the Union may, if it believes an injustice has been done an employee, have said employee re-examined at the Union's expense.

(c) In the event of disagreement between the Employer's doctor and the Employee's doctor, both doctors shall select a third doctor within seven (7) days, whose opinion shall be final and binding on the Employer, the Union, and the Employee. Neither the Employer, the Union nor the Employee will attempt to circumvent the decision. The expense of the third doctor shall be equally divided between the Employer and the Employee. Disputes concerning back pay shall be subject to the grievance procedure.

SECTION 11. STEWARDS

One Steward and one alternate shall be provided for each classification and shift. There shall be no discrimination of any kind against the stewards or any employee because of Union affiliations or legal Union activities.

The duties of the stewards shall be to report to the Union any and all grievances, which may arise and cannot be adjusted, on the job. Upon request, stewards will account for any time taken on the job to fulfill their steward duties without loss of pay. The shop steward or its alternate will be allowed reasonable time to investigate and process grievances. Should stewards need additional time a request is to be made to management.

Stewards and alternates have no authority to take strike action or to cause a work stoppage, except as authorized by official action of the Union. The Employer recognizes these limitations upon the authority of the stewards and their alternates, and shall not

hold the Union liable for any unauthorized acts. The Employer in so recognizing such limitations shall have the authority to impose proper discipline, including discharge, in the event the steward has taken unauthorized strike action, slowdown, or work stoppage in violation of this Agreement.

The Local Union will identify the shop stewards in writing and within ten (10) business days of their appointment.

SECTION 12. SUBCONTRACTING

With respect to products delivered from the facility, the Company agrees that unless all active regular drivers are working or have been given the opportunity to work, the Company will not use a third party contractor, except where necessary to satisfy customer demand for immediate, same day delivery, or where it is economically unfeasible to make a delivery with a Company driver.

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 exemptions would be the "kitting" business where numbers of temporary contractors or part time contractors are assigned to specific duties for specific customer/jobs and specific times. Contractors assigned to the "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 the 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. Consistent with Section 9.3, kit assemblers shall not be assigned or perform any bargaining unit work nor shall they operate any equipment or machinery used by bargaining unit members.

SECTION 13. UNIFORMS

Employees are required to wear uniforms as a condition of the employee's continued employment; such uniform shall be furnished and maintained by the Employer free of charge at the standard required by the Employer. Shorts to be provided upon request.

Employees are required to wear safety shoes, which meet the present published Company guidelines. Employees are also required to wear reflective vests or garments that meet the High-Visibility ANSI 2 standard, and which will be provided by the Company. The Company will provide a shoe allowance of one hundred dollars (\$100.00) plus tax for safety shoes, and will arrange, annually, for a vendor to appear onsite. New hires and employees on vacation during the vendor visit will be provided

with vouchers in the same amount. The shoe allowance will increase to one hundred five dollars (\$105.00) effective 1/1/2021. Gloves will be provided upon request and whenever replacement gloves are needed the used ones will be returned when possible.

SECTION 14. COMPENSATION CLAIMS

An employee who is injured on the job and is sent home or to a hospital or who must obtain medical attention shall receive pay at the applicable hourly rate for the balance of the employee's regular shift for that day. An employee who has returned to his regular duties after sustaining a compensable injury who is required by the Workers' Compensation doctor to receive additional medical treatment during the employee's regularly scheduled working hours shall receive the employee's regular hourly rate to pay for such time. The Employer agrees to provide any employee injured locally transportation at the time of injury from the job to the medical facility and return to the job or the employee's home, if required.

SECTION 15. MILITARY CLAUSE

In the event a military reservist is called to active duty, the Employer agrees to honor and adhere to all provisions of the Uniformed Service Employment and Reemployment Rights Act (USERRA) of 1994, including, when legally required, to make pension contributions up to a maximum of two thousand eighty (2080) hours per year, on behalf of an affected employee.

The Employer shall pay the Health and Welfare contributions on employees on leave of absence for training in the military reserves or National Guard, but not to exceed fourteen (14) days, providing such absence affects the employee's credits or coverage for Health and Welfare.

SECTION 16. UNION BULLETIN BOARDS

The Employer agrees to provide suitable space for the Union bulletin board in its facility. Postings by the Union on such board are to be confined to official business of the Union.

SECTION 17. WAGES

17.1 Classification and Wage Rates

Classification	Hourly Increases Effective		
	<u>Current</u>	<u>1/1/20</u>	<u>1/1/21</u>
Drivers:	\$24.30	\$25.55 (\$0.75 adj. +\$.50 inc.)	\$26.06
Warehouse:	\$21.40	\$21.61 +\$1,000 lump	\$21.83 +\$1,000 lump

Drivers and warehousepersons who are currently at a higher rate the yearly wage increases will be added to their current hourly rate.

Actual list of wage increases for all present employees to be kept by Company and Union and available for review by employees

17.2 Leadperson

In selection of a leadperson, in addition to seniority, selection will be based on work history, attendance, ability to communicate and get along with fellow workers and management, etc. Leadpersons shall receive not less than one dollar (\$1.00) per hour above the highest classification supervised. It is understood that in this position the leadperson will have the responsibility to direct the workforce, gather and record data perform clerical tasks that include daily production reports, communicate with management regarding service failures and production issues, but they will not be permitted to hire, fire or recommend disciplinary actions.

It is further understood that an employee selected as leadperson by the Company must have enough seniority to make the shift that he will lead. If there are no qualified employees to select from the shift the Company, by mutual agreement of the parties, can assign a lesser senior qualified employee to the leadperson position.

17.3 Shift Differentials

Employees working on the swing and graveyard shifts shall be paid a shift differential of twenty-five cents (\$0.25) per hour for swing and thirty cents (\$0.30) per hour for graveyard respectively.

17.4 New Hires

Shall be paid as follows, commencing with the first day of hire:

- (a) Drivers shall receive \$1.00 per hour and Warehouse persons \$0.80 per hour less of the top rate for the first ninety (90) calendar days, and
- (b) Drivers shall receive \$0.50 per hour and Warehouse persons \$0.40 per hour less of the top rate for the next ninety (90) calendar days, and
- (c.) Drivers and Warehouse persons shall be paid one hundred percent (100%) of the top rate thereafter.

17.5 Classification Condition

There will be no jurisdictional restrictions between any classifications in the facility. An employee may be assigned to perform any work, which he/she is qualified to safely perform. Should an employee be assigned to higher pay he/she will be paid the higher rate, for the entire shift if he/she performs that function for one hour or more.

17.6 Temporary Vacancies

When it is necessary to fill temporary vacancies, the parties agree that the vacancy will be filled by utilizing available employees on shift.

SECTION 18. STARTING TIME SHIFTS

18.1 Work Week and Work Day

The regular scheduled workday shall consist of eight (8) consecutive hours with a start time, excluding a non-paid meal period of one half (1/2) hour. The regular scheduled work week shall consist of five (5) consecutive eight (8) hour days Monday through Friday. The eight (8) hour daily guarantee shall not apply to Saturday, Sunday and holiday work. Regarding Saturday, Sunday and holiday work the following will apply: Employees will have a four (4) hour guarantee provided no work is performed over five (5) hours, which will then trigger the eight (8) hour guarantee. In the event an employee requests (and management agrees) to leave prior to completing their eight (8) hour shift they will be paid for time worked with a four (4) hour minimum.

Day shift employees start between 4:00 a.m. to 11:59 a.m., Swing shift 12:00 noon to 7:59 p.m. and Graveyard 8:00 p.m. to 3:59 a.m. Starting times will be developed based on customer and business needs. Employees shall be given seven (7) calendar days notice prior to a change in their starting time.

Employees who report to work on time and who have not been notified the day prior not to report to work, shall receive at least four (4) hours of pay at the regular rate of pay, unless work is not available due to causes beyond the control of the Company.

18.2 Overtime

Hours worked in excess of forty (40) per week, shall be paid at the rate of one and one-half (1 ½) times the regular straight time rate of pay. All paid time shall be considered as hours worked for overtime purposes. Daily overtime of time and one half (1 ½) times over eight (8) hours will be paid for daily overtime when the employee is not afforded the opportunity to work a forty (40) hour workweek, Sunday through Saturday, by Company action of layoff due to lack of work or other conditions beyond the control of the Company such as power failures, fires or similar causes.

Weekend and Holiday overtime for drivers and warehouseman will be rotated between each classification.

Daily overtime for warehouseman will be by seniority and voluntary. However if all employees decline such overtime assignment shall be by inverse seniority.

Overtime work will be required when it is necessary to meet operational needs and delivery schedules, or to meet special needs of customers.

The Company shall have the right to assign overtime work only to employees who are qualified to perform the work safely. Overtime work shall first be offered on the basis of seniority to employees on the current shift and be assigned on the basis of reverse seniority.

In the event that mandatory overtime is necessary, all employees who are required to work overtime will be notified one (1) hour prior to the end of their regular shift, except in an emergency situation. If the employee is notified less than two (2) hours prior to the end of their regular shift, they will be afforded an opportunity to make a phone call prior to continuing their assigned work.

18.3 Ten-Hour Workday

In the event the Company deems it necessary, certain delivery routes may be changed to ten (10) hours per day, four (4) day workweek schedules. Such assignments shall be posted or bid and may be required by the Company on an inverse seniority basis unless a higher qualified seniority person requests the opportunity. The effect on benefits and pay for affected drivers shall be as follows (any other effects to be governed by state law):

- (a) Pay: The first ten (10) hours of each workday shall be at the straight-time rate.

- (b) Overtime: Time and one-half (1-1/2) shall be paid for hours worked in excess of ten (10), and double time (2x) in excess of twelve (12) in any one day.
- (c) Holidays: Whenever a holiday occurs, that week will become an eight (8) hour per day, five (5) day workweek.
- (d) Vacation: As prescribed in the Agreement (Section 21).
- (e) PTO: Ten (10) hours shall be deducted for a day's absence.
- (f) Workweek: The schedule shall be Monday through Thursday or Tuesday through Friday only.
- (g) Bereavement Leave/Jury Duty: The employee shall receive ten (10) hours of pay per day off to the maximum number as provided in this Agreement.

The ten (10) hour runs will be bid in accordance with existing rules

The ten (10) hour runs will be so identified in the bid with the starting time.

SECTION 19. PAID TIME OFF (PTO)

All employees who have achieved seniority shall be awarded twenty-four (24) hours of Paid Time Off (PTO) on the first day of each calendar year. Newly hired employees, will be awarded twenty-four (24) hours of PTO upon completion of 90 (ninety) calendar days of employment. Notice of intended absence shall be given to the Employer at least two (2) hours before starting time, and provided the Employer has a representative to receive such notice. Employees shall accumulate a maximum of three (3) days of PTO per year, not to exceed ten (10) days of such leave.

Floating holidays and/or vacation time may, on January 1 of each calendar year, be converted to PTO time and added to the existing PTO balance. Each day of vacation will be converted to PTO at a rate of eight (8) hours of PTO per vacation day converted. This conversion of floating holidays and/or vacation time PTO may not bring the total PTO balance gained in any one calendar year above 48 hours, and the converted floating holiday and/or vacation hours will be awarded at the same accrual rate as the PTO hours.

PTO pay is payable for days falling within the workweek only.

PTO will not be paid at any time the employee is receiving payment under the terms of this Agreement or is on leave or layoff. An employee on layoff may not use PTO leave until he has reported back from layoff for at least one (1) day.

The Union hereby waives on behalf of the employees any rights the employees may have or obligations the Employer may have under the San Francisco Paid Sick Leave Act, the Oakland Paid Sick Leave Ordinance, or similar local law.

Any employee who has PTO credit and is drawing disability insurance or Workers' Compensation shall, at the employee's request, be paid the difference between such benefit payments and the employee's straight-time earnings for such time such benefit payments are made. These payments shall be charged to the employee's PTO credit. The request for this procedure shall be made by the employee in writing.

All accrued PTO will be cashed out upon termination.

Employees may use PTO time in whole or partial day increments where time off is needed for their own illness or for the illness of any family member or related person covered under the California Healthy Workplaces, Healthy Families Act of 2014 ("covered person"). The employee must provide advance notice of such need for PTO time due to illness where foreseeable, but if not foreseeable shall not be required to provide advance notice of need to use PTO time for illness of the employee or a covered person.

SECTION 20. HOLIDAYS

The following days shall be observed:

New Year's Day; Memorial Day; Fourth of July; Labor Day; Thanksgiving Day; Day after Thanksgiving; Day before Christmas, Christmas Day.

In addition to the above mentioned holidays, there will be two (2) paid floating holidays. Management reserves the right, with thirty (30) days written notice to the Union, to adjust the holiday schedule for holidays not recognized in this Agreement, as needed to meet customer needs. This adjustment to the holiday schedule could include the movement of a stated holiday to a floating holiday day, and/or the movement of a floating holiday day to a stated holiday.

Floating holidays must be scheduled with and approved by management at least two (2) weeks in advance. Ordinarily, holidays that occur on Saturday should be scheduled for the proceeding Friday, and holidays that occur on Sunday should be scheduled for the following Monday, however this may be changed based on customer needs and business requirements.

Employees qualifying for holiday pay shall receive eight (8) hours straight-time pay even though no work was performed, regardless of the day of the week on which the holiday may fall.

Holidays are to be paid for at straight time if no work is performed.

An employee shall not be entitled to holiday pay unless he reports for work and is put to work thirteen (13) days in the calendar month in which the holiday occurs. Paid holidays, employees must work the schedule day before and after the holiday in order to be eligible for holiday pay, unless pre-approved PTO or vacation by the Employer. Paid vacation and paid PTO leave shall be counted as days worked for the purpose of this Section. An employee who takes PTO that is not pre-scheduled/pre-approved on the last scheduled workday before a holiday or on the first scheduled workday following a holiday shall not qualify for holiday pay. The employee's last scheduled workday before, and the employee's first scheduled workday after a holiday, are defined as those dates on which the employee is expected to report for work and is not on pre-approved PTO or vacation.

Unused floating holidays from the previous calendar year and/or vacation time awarded in the current calendar year may, on January 1 of the following year, be converted to PTO time and added to the existing PTO balance. This conversion of floating holidays and/or vacation time to PTO may not bring the total PTO balance gained in any one calendar year above 48 hours, and the converted floating holiday and/or vacation hours will be awarded at the same accrual rate as the PTO hours.

SECTION 21. VACATIONS

21.1 Vacation Accrual

Subject to the thirteen (13) day qualification period outlined below, employees with one (1) year and less than five (5) years of service with the Employer shall receive two (2) weeks of vacation pay.

Employees with five (5) years and less than fifteen (15) years of service shall receive three (3) weeks of vacation pay

Any employee who has fifteen (15) years of service shall receive four (4) weeks of vacation pay each year.

Any employee who reports to work and is put to work thirteen (13) days in a calendar month shall be entitled to vacation credit for that month. Paid holidays, paid vacation and paid sick leave shall be counted as days worked for the purpose of this Section.

Should a holiday fall within the week of an employee's selected vacation, the employee will have the option of taking an additional day of single day vacation or be paid one additional day. For manning purposes such designation should be made at the time of vacation selection.

Employees laid off or terminated shall be cashed out of all accrued vacation.

Vacation pay per week will be computed at forty five (45) straight time hours plus applicable shift differentials.

21.2 Vacation Pay

All accrued vacation pay for the amount of vacation time to be taken may be paid to the employee on their regularly scheduled paycheck provided that the employer shall furnish the employee with an itemized statement of earnings and deductions specifying hours paid, straight time and overtime, vacation pay, and other compensation payable to the employee.

All accrued vacation pay means the pay accrued January 1st through December 31st. Payment for any vacation period taken in the employee's current accrual period shall be based on his complete prior accrual period (January 1st through December 31st), and the amount of pay shall be at the current rate.

Vacation will be awarded on January 1 of each year. In order to transition from anniversary date to annual awards on January 1, the amount awarded shall be prorated, based on the employee's hire date and attaining seniority. In the case where these awards include partial days, the amount which is less than a full day shall be paid as soon as practical after the first of the year.

In those years in which an employee is transitioning from 2 to 3 weeks or 3 to 4 weeks of vacation, the additional week will be available on January 1.

21.3 Seniority Affect on Vacation

Seniority will be considered in the choice of vacation periods. A vacation calendar shall be posted on the first Monday in November each year. The selection process will be limited to two selections by seniority until the entire seniority roster has made their choices, and this shall be completed by November 30th of each year. A selection is defined as a full calendar week (Sunday through Saturday) or multiple consecutive calendar weeks. Each employee shall be afforded up to twenty-four (24) hours to make their selection. The process then starts over with the most senior employee entitled to a single selection and continues in this manner until all weeks are filled. The formula for how many employees to be permitted to take vacation per week will be limited to the seniority list, and will be applied to the driver classification, as well as to each warehouse shift. The total amount of accrued weeks, per the seniority list will be divided by fifty-two (52) weeks and that number, rounded up to the next whole number, will be the number of employees allowed to take vacation per week. Within the driver population, a minimum of one (1) additional employee will be permitted to take incremental vacation days and/or personal holidays in addition to the amount determined by the vacation formula. Within the warehouse population, one (1) additional employee will be permitted to take incremental vacation days and/or personal holidays in addition to the amount determined by the vacation formula, subject to business needs and management approval. The vacation selection process shall be completed no later than December 15th of each year.

Whenever possible, and when desired by the employee, the employee may stagger or spread the vacation period throughout the year. The employee shall have two options. Option #1: One (1) week of an employee's annual vacation may be taken in increments of at least one (1) full day (eight (8) or ten (10) hours), provided the employee gives the company at least five (5) working days written notice prior to each vacation day requested. No more than two (2) incremental days can be taken consecutively. Once written requests are received by management the assignments will be on a first-come, first-serve basis. Requests begin at same time of vacation selection. Option #2: At the time of vacation selection, the employee may divert three (3) days of their annual vacation to their PTO bank, to be used as PTO under the provisions of Section 19. This diversion of vacation days to the PTO balance, when combined with the diversion of floating holidays to PTO, may not bring the total PTO balance gained in any one calendar year above 48 hours, and the converted vacation hours will be awarded at the same accrual rate as the PTO hours. The remaining two (2) days may be taken in increments of at least one (1) full day (eight (8) or ten (10) hours), provided the employee gives the company at least five (5) working days written notice prior to each vacation day requested. No more than two (2) incremental days can be taken consecutively. Once written requests are received by management the assignments will be on a first-come, first-serve basis. Requests begin at time of vacation selection.

21.4 Requirement

It is agreed by both parties to this Agreement that each eligible employee must take all accrued vacation each year, and that no arrangement to work for additional compensation during the earned vacation will be allowed.

21.5 Changes

The Employer and an employee may agree on a change in the vacation period of such employee after the vacation period has been posted, provided it does not affect the vacation period of any other employees on the vacation schedule.

21.6 Service

Any employee called into the military service shall be paid for prorated vacation earned.

SECTION 22. MANAGEMENT RIGHTS

Except as otherwise provided in a provision of this Agreement, the management of the Company's business and the direction of the working forces, including but not limited to, the right to hire, suspend, or discharge for proper causes, the right to maintain order and efficiency, the right to determine the nature and kind of business conducted by the Company, the locations of facilities, equipment and materials to be used, the methods and techniques of work, the content of jobs, the number of employees to be employed, the extension, limitation, curtailment or cessation of operations or any part thereof is vested exclusively in the Company; provided, that none of the powers reserved to the

Company shall be used for the purposes of discrimination against any member of the Union.

SECTION 23. HEALTH AND WELFARE PLAN

23.1 Payments

(a.) The Employer shall become a subscriber of the Teamsters Benefit Trust (TBT) Plan V-A and shall pay into such Trust the following sum per month for each eligible employee working under this Agreement:

Effective January 1, 2020, the Company and the Employee will share the total premium cost 87% to the Company, 13% to the Employee.

Employer will deduct on a pre-tax basis from the first two pay checks of each month an equal amount of monies for the employees contribution portion of the Health and Welfare.

(b.) It is the objective of the parties to maintain for the term of this Agreement the benefits of the TBT Plan. The parties shall have authority upon their mutual agreement to modify the existing Plan, including the right to merge with or participate in other Health and Welfare trust programs, where they consider such modifications, mergers or participation to be essential to maintain a proper Health and Welfare plan(s) for the employees, and to maintain a proper relationship between the cost of such plan(s) and the total labor costs under this Agreement.

(c.) Such payments to the Health and Welfare Trust shall be made in addition to all wages and other compensation provided in the Agreement, and such payments shall be made without any deduction for any purpose whatsoever. Such payments shall be due on the first day of the calendar month, and shall be paid not later than the tenth (10th) day of the same month.

23.2 Eligibility

(a.) The Employer agrees to make the required contribution for the current month on behalf of each employee who has worked or who has been paid for eighty (80) hours or more in the preceding calendar month. Time paid for, but not worked, shall be considered time worked for the purpose of this Section. Specific eligibility for coverage shall be in compliance with the Trust rules for eligibility.

SECTION 24. PENSION PLAN

24.1 Employer Contributions

The Employer shall contribute to the Western Conference of Teamsters Pension Trust Fund the amounts listed below for each employee covered by this Agreement.

Contributions shall be made for each compensable hour up to a maximum of two thousand eighty (2,080) hours per calendar year.

<u>Classification</u>	<u>Effective</u>	<u>Accrual Rate</u>	<u>PEER/84 Rate</u>	<u>Total Rate</u>
Warehouse	1/1/2010	\$2.07/hour	\$0.13/hour	\$2.20/hour
Driver	4/1/2012	\$4.08/hour	\$0.27/hour	\$4.35/hour

The contribution required to provide the PEER/84 will not be taken into consideration for benefit accrual purposes under the Plan. The additional contribution for the PEER/84 must at all times be 6.5% of the basic contribution, and cannot be decreased or discontinued at any time.

The Employer agrees to remit these monies to the appropriate area administrative office by the date designated by the Trust, and monies received after that date shall be considered delinquent.

24.2 Break-In Rate for Temporary/Probationary Employees

For temporary agency personnel or probationary employees hired or utilized for the first time on or after January 1, 2008, the employer shall pay an hourly contribution rate of \$0.10 (including PEER/84) during the probationary period as defined in Section 4.2 or the initial period of utilization, but in no case for a period longer than ninety (90) calendar days from an employee's first date of hire (into the bargaining unit) or utilization in the performance of bargaining unit work. Contributions shall be made on the same basis as set forth in Section 24 of the agreement. After the expiration of the probationary period as defined in Section 4.2, or an equivalent period if an individual is utilized as a temporary employee, but in no event longer than ninety (90) calendar days from an employee's first date of hire (into the bargaining unit) or first date of utilization as a temporary employee, the contribution shall be increased to the full contractual rate stated in Article 24.1.

24.3 Hourly Savings Plan

The location participates in the Company Hourly Savings Plan for employees covered by a collective bargaining agreement., as described in the summary plan description entitled "Savings Plan". All plan provisions are indexed to the core company plan.

The Company reserves the right to modify or amend the Savings Plan at any time including, but not limited to, the right to make changes in the provisions and/or administration of the Plan. Employees will be notified of all plan changes.

SECTION 25. PENSION & HEALTH & WELFARE PAYMENTS DURING PERIOD OF ABSENCE.

If an employee, absent because of illness or off-the-job injury, notifies the Employer of such absence, the Employer shall continue to make the required contributions for a

period of one (1) month after contribution for active employment ceases. If any employee is injured on the job, the employer shall continue to pay the required contribution until such employee returns to work; however, such contribution shall not be paid for a period of more than twelve (12) months beginning with the first month after contribution for active employment ceases.

SECTION 26. MISCELLANEOUS PROVISIONS

26.1 Pay Periods

Employees shall be paid biweekly, payable on Friday for the two weeks ended the prior week. When a regular payday falls on a bank holiday, the preceding workday shall be payday. The Employer shall furnish each employee with an itemized statement of earnings and deductions specifying hours paid, straight-time and overtime, vacation pay, holiday pay, and other compensation payable to the employee, which is involved in the check. For efficiency purposes, within 60 days of ratification of this agreement, all employees will be asked to enroll in direct deposit for payroll processing. In the event a payday falls on a Company holiday, employees who do not enroll in direct deposit will receive their paychecks on the first business day following the holiday.

26.2 Bereavement Leave

In the event of a death in an employee's immediate family the Company shall allow such employee up to three (3) consecutive days off from work with straight-time pay for the purpose of making funeral arrangements and/or attending services for the deceased. If the bereavement leave occurs during a holiday, vacation, or leave of absence there will be no additional time off.

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.

26.3 Jury Duty

An employee called for jury duty shall be excused from work upon representation to his department head of an order requiring such duty, and the employee shall be paid regular pay for time actually spent in such service up to a maximum of ten (10) days in one (1) calendar year.

If the employee is discharged from the jury with four (4) or more hours remaining before the workday ends, he/she needs to call the company for possible assignment of work. Employees who are normally scheduled on a night shift when selected for jury duty shall automatically be changed to the day shift for the term of such jury service.

26.4 Integrated Seniority

In the event of a merger or purchase of other companies, those bargaining unit employees which are covered by a bargaining agreement with Teamsters Local 70 will be dovetailed into the existing seniority list based on seniority date. Should the employees affected not be members of Teamsters Local 70, issues of seniority will be determined during the process of effects bargaining, as needed.

26.5 Safety and Health

The Company and Union recognize the applicable laws and regulations of OSHA. Employees are required to comply with all OSHA regulations at all times.

The Company is completely safety conscious and will attempt in every manner to create a safe working environment for all its employees. Whenever necessary and available training will be offered to its employees. Careful observation of safe working practices and Company safety rules is primary to all employees. Employees are required to utilize and/or wear designated safety equipment.

Employees are expected to actively and constructively participate in job related activities including but not limited to safety, quality, training and CAL-OSHA / VPP. These activities will all be on paid time.

The parties agree to take appropriate steps necessary to create and maintain a Drug Free Workplace. These steps would include "for cause, random and post-accident" testing of all employees. (To the extent allowed by law).

In the event of a disabling injury on the job, an employee shall be entitled to the full day's pay.

An employee who has returned to regular duties after sustaining a compensable injury who is required by the Workers' Compensation doctor to receive additional medical treatment during regularly scheduled working hours shall receive his regular hourly rate of pay for such time, provided such employee has notified the Employer of such appointment no later than the day preceding the appointment. An attempt must be made to schedule these appointments during non-working hours.

26.6 Extra Contract Agreements

The Employer and the bargaining unit agree not to enter into any agreement or contract with employees, individually or collectively, which in any way conflicts with the terms and provisions of this Agreement. Any such agreement shall be null and void.

26.7 Company Rules and Regulations

The Union recognizes the right of the Company to adopt, modify, promulgate, and enforce reasonable Company rules and regulations. The Union shall be notified of rule changes and shall have an opportunity to discuss any objections to them with the Company prior to their implementation. Copies of any such rules shall be made available to the Union and the employees.

26.8 Separability and Savings Clause

If any Section or subsection of this Agreement or any supplements or riders hereto should be held invalid by operation of law or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any Section or subsection should be restrained by such tribunal pending a final determination as to its validity, the remainder of this Agreement and of any supplements or riders hereto, or the application of such Section or subsection to persons or circumstances other than those as to which it has been held invalid or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.

26.9 Maintenance of Standards

The Employer agrees that all conditions of employment in its operation relating to wages, hours of work, overtime differentials and general working conditions shall be maintained and not be reduced during the term of this Agreement, and if conditions of employment are improved such conditions are to be maintained as well.

It is agreed that the provisions of this Section shall not apply to inadvertent or bona fide errors made by the Employers or the Union in applying the terms and conditions of this Agreement.

This provision does not give the Employer the right to impose or continue wages, hours and working conditions less than those contained in this Agreement.

Any disagreement between the Union and the Employer with respect to this matter shall be subject to the grievance procedure.

In the event that any Section or subsection is held invalid or enforcement of or compliance with which has been restrained, as above set forth, the parties affected shall enter into immediate collective bargaining negotiations, upon the request of either party, for the purpose of arriving at a mutually satisfactory replacement for such Section or such subsection during the period of invalidity or restraint.

26.10 Successors and Transfer of Title

The Company shall give notice of the existence of this agreement to any purchaser, transferee, lessee or assignee of the operations covered by this Agreement or any part

thereof. Such notice shall be in writing, with a copy to the Union at the time the Company executes a contract with the purchaser, transferee, lessee or assignee.

26.11 Surveillance Language

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. 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. 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.

26.12 Complete Agreement

This Agreement contains the full and complete Agreement on all bargaining issues between the parties. Any side agreements, memoranda of understanding of any kind, written or oral, and any past practices, which are not specifically incorporated in writing into this Agreement, are null and void.

SECTION 27. DURATION

This Agreement shall be in full force and effect from January 1, 2020, to and including December 31, 2021 and shall continue from year to year thereafter unless written notice of desire to cancel or terminate the Agreement is served by either party upon the other at least sixty (60) days prior to day of expiration.

In the event timely notice for negotiating contract modifications is given by either party, the other party shall make itself available for negotiations upon the request of the party giving notice, and a good faith effort shall be made by both parties to conclude such negotiations before the expiration date of this agreement.

In the event timely notice for negotiating contract modifications is given by either party, both parties shall meet and negotiate in good faith. If notice is given as required in this section and an agreement is not reached prior to the expiration date, the existing

Agreement will remain in full force and effect until either party notifies the other, in writing, that the agreement will terminate in ten (10) calendar days and the ten (10) calendar days period elapses.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement this 2nd day of November 2020.

Veritiv Operating Company

Teamsters Local No. 70

EBrennan 11-4-20
Elizabeth Brennan, Veritiv Corp. Date

Marty Frates 11/3/20
Marty Frates, Sec-Treasurer Date

Honey Rivers 11/5/20
Honey Rivers, HRBP Date

Dominic Chiovare 11/2/2020
Dominic Chiovare, President Date

Carl Burris 11/5/20
Carl Burris, Distribution Manager Date

Patrick Hickman 11/5/2020
Patrick Hickman, Shop Steward Date

Eli Forster 11/5/20
Eli Forster, Distribution Supv Date

MEMORANDUM OF UNDERSTANDING

between

Veritiv Operating Company – Livermore

and

Teamsters Local 70

Effective with the date of ratification of this agreement, the current agreement between Veritiv Operating Company – Livermore and Teamsters Local 70, which covers the drivers and which expires on March 31, 2020, will cease to be in effect. Consistent with the recognition language contained in this Agreement, which takes effect on January 1, 2020, all drivers and warehouse persons employed by Veritiv at its Livermore facility, located at 7337 Las Positas Road, Livermore, CA, will be under the jurisdiction of this newly ratified agreement.

Veritiv Operating Company

Teamsters Local No. 70

EBrennan 11-4-20
Elizabeth Brennan, Veritiv Corp. Date

Marty Frates 11/3/20
Marty Frates, Sec-Treasurer Date

Honey Rivers 11/5/20
Honey Rivers, HRBP Date

Dominic Chiovare 11/2/2020
Dominic Chiovare, President Date

Carl Burris 11/5/20
Carl Burris, Distribution Manager Date

Patrick Hickman 11/5/2020
Patrick Hickman, Shop Steward Date

Eli Forster 11/5/20
Eli Forster, Distribution Supv Date