

LABOR AGREEMENT

By and Between

Veritiv Operating Company, LIVONIA, MICHIGAN

and

LOCAL UNION NO. 337

**THE INTERNATIONAL BROTHERHOOD OF
TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN AND HELPERS OF AMERICA**

August 11, 2016

through

August 10, 2020

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AGREEMENT

This agreement made and entered into this 11th day of August, 2016, by and between Veritiv Operating Company, for its Livonia Division and LOCAL UNION NO. 337, affiliated with the INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN AND HELPERS OF AMERICA.

WHEREAS, both parties are desirous of preventing strikes and lockouts and other cessations of work and employment; and of maintaining a uniform wage scale, working conditions and hours of employment of the Employer, and of facilitating peaceful adjustment of all grievances which may arise from time to time between the Employer and his employees; and of promoting and improving peaceful industrial and economic relations between the parties.

WITNESSETH;

ARTICLE 1 - RECOGNITION, UNION SHOP AND DUES

Section 1 - Recognition

The Company recognizes the Union as the sole and exclusive bargaining agency for all paper cutters, truck drivers and warehousemen employed at the Company's 28401 Schoolcraft Road, Livonia, Michigan, excluding all office clerical employees, professional employees, guards and supervisors, as defined in the National Labor Relations Act as amended.

The Company and the Union agree that the foregoing sets forth the Company's statutory obligation to recognize the majority representative of its employees, and it shall not be given any additional substantive interpretation.

Section 2 – Union Shop

All present employees who are members of the Union on the effective date of the Agreement or on the date of execution of this Union-shop agreement, whichever is the later, shall remain members of the Union in good standing as a condition of employment. All present employees who are not members of the Union and all employees who are hired hereafter shall become and remain members in good standing of the Union, as a condition of employment on and after the 31st day following the beginning of their employment or on and after the 31st day following the effective date of this Agreement or the date of the execution of this Union shop agreement, whichever is the later. Except no provision of this section or article shall have force and effect to the extent it may be prohibited by Michigan Law.

Section 3 – Hiring

When the Employer needs additional help, it shall give the Union opportunity with all other sources to provide suitable applicants, and the Employer shall not be required to hire those referred by the Union.

Section 4 - Dues

- a. The Employer will recognize written authorization for deductions from wages, if in compliance with State Law, to be transmitted to the Local Union or to such other organizations as the Union may request if mutually agreed to. No such authorization shall be recognized if in violation of State or Federal law. No deduction shall be made which is prohibited by applicable law.
- b. The Company agrees to deduct from an employee's pay, union dues, initiation fees and lawful assessments uniformly levied on Union members in the employ of the Company the first two pay periods of each month after receipt from such employees of written authorization for such payroll deduction which complies with the requirements of the National Labor Relations Act and Labor Management Relations Act of 1947, as

heretofore and hereafter amended during the term of this Agreement or any extension thereof. All amounts so deducted from employee's pay shall be remitted by the last day of the month in which they are due to the Officer or Agent designated by the Union in writing to receive such funds.

- c. Employer agrees to deduct from the pay of each employee all dues and/or initiation fees of the Union, and pay such amount deducted to the Union for employees working in the bargaining unit heretofore set forth; provided, however, that the Union presents to the Employer authorizations signed by such employee, allowing such deductions and payments to the Union.
- d. The Union agrees to hold the Company free and harmless from any and all claims, actions, wages, damages, and the like by reason of such deductions.

Section 5 – Jurisdictional Rule

The Employer agrees to respect the jurisdictional rules of the Union and shall not direct or allow its employees or persons other than employees in bargaining unit classifications as heretofore set forth, to perform work that has been recognized as the work of bargaining unit employees with the following exceptions:

- a) in emergencies and/or Acts of God
- b) in the event there is not sufficient bargaining unit employees available to perform the work required;
- c) in the training of employees; and
- d) in the taking of inventory.

Section 6 – Equal Employment Opportunity

There shall be no discrimination against any employee because of religion, race, color, ethnicity, creed, sex, sexual orientation, marital status, gender identity or expression, genetic information, national origin or Union membership, nor any unlawful discrimination because of age. There shall be no discrimination against any qualified handicapped or disabled employee as defined in the Rules and Regulations relative to Section 504 of the Rehabilitation Act of 1973 or the Americans with Disabilities Act of 1990, or against any qualified disabled veteran or veteran of the Vietnam era, or any other classification protected by law. The provision prohibiting discrimination of employment, under state and/or federal law that would otherwise apply to employees of the employer hereunder, are hereby incorporated by reference.

Whenever the masculine pronoun is used in this Agreement, the parties agree that it shall include and refer to the feminine pronoun, e.g. he/she, etc., where appropriate to carry out the intention of the above paragraph.

ARTICLE 2 - WAGES

Attached hereto and marked Schedule "A" is a schedule of classification and wage rates. Said Schedule "A" further sets forth the hours of work, regular working conditions and other details of employment. It is mutually agreed that said Schedule "A" and the contents thereof shall constitute a part of this Agreement.

ARTICLE 3 - TRANSFER OF COMPANY TITLE OR INTEREST

Section 1

This Agreement shall be binding upon the parties hereto, their successors, administrators, executors and assigns. In the event an entire operation or any part thereof is sold, leased, transferred or taken over by sale, transfer, lease assignment, receivership or bankruptcy proceeding, such operation shall continue to be subject to the terms and conditions of this Agreement for the life thereof. It is understood by this Article that the parties hereto shall not use any leasing device to a third party to evade this Contract. The Employer shall give notice of the existence of the Agreement to any purchaser, transferee, lessee, assignee, etc. of the operation covered by this Agreement or any part thereof. Such notice shall be in writing with a copy to the Union not later than the effective date of sale.

ARTICLE 4 - SUBCONTRACTING

For the purpose of preserving work and job opportunities for the employees covered by this Agreement, the Employer agrees that no work or services of the kind, nature or type covered by, presently performed, or hereafter assigned to the collective bargaining unit will be subcontracted, transferred, leased, assigned or conveyed in whole or in part to any other plant, vendor, person or non-unit employee.

ARTICLE 5 - MULTI-DEPOT ROUTING

The Company has the right to deliver any Veritiv product from any Veritiv location to any customer using Veritiv employees to sufficiently and economically meet customer expectations.

Any historical or new business serviced under this agreement will be considered bargaining unit work and may not be moved, delivered or outsourced except as provided for below:

- Temporary/Seasonal/Project Work
- Customer deliveries made on backhauls/transfers to efficiently manage empty miles/cube
- Work that is moved but replaced by equal or greater work
- Work that is brought in on trial basis for ninety (90) days
- In the event there is a shortage of drivers not due to laxity on the Company's part

- Long haul deliveries
- 3rd Party Logistics Work (3PL)

This provision is not intended to negatively impact the current composition of bargaining unit employees upon the 2016 ratification. Non-bargaining unit drivers shall not be domiciled out of any Local 337 Veritiv locations except for as provided for in Article 1 Section 2 Union Shop.

The Union shall have the right to discuss or grieve any concerns with the Company regarding the outsourcing/insourcing of bargaining unit work. Company agrees that no employee will be laid off, terminated or suffer a reduction in wage rate as a result of implementation of this provision during the life of this agreement.

ARTICLE 6 - EXTRA CONTRACT AGREEMENTS

The Employer agrees not to enter into any agreement with its employees, individually or collectively which, in any way, conflicts with the terms or provisions of this Agreement.

ARTICLE 7 - SENIORITY

Section 1 – Seniority

Seniority shall be defined as the total length of employment with the Company at its Livonia, Michigan branch since the employee's last date of hire.

Section 2 – Probationary Period

All new regular employees shall be employed on a ninety (90) consecutive day probationary period and shall not acquire seniority until they have successfully completed such period. During the probationary period, employees shall not be entitled to any of the terms and conditions of this Agreement, and shall be subject to discharge with no recourse to the grievance procedure. Upon successful completion of the probationary period, regular employees shall date their seniority back to the date of hire.

The Employer shall be permitted to use temporary workers as it has in the past as long as all existing regular employees are offered forty (40) hours or more of work each week.

Section 3 – Loss of Seniority

Seniority shall be broken by any of the following events:

- a) discharge for cause;
- b) layoff for lack of work a period of one (1) year or length of service, whichever is the lesser;
- c) absence from work for three (3) consecutive work days, without proper notification to the Company, and without proper excuse;

- d) retirement;
- e) voluntary quit;
- f) failure to comply with recall provision;
- g) failure to comply with leave of absence provisions;
- h) Absence for one (1) year for non-work related injury or illness
- i) Absence for twenty-four (24) months for work related injury.
- j) Company employment outside the bargaining unit for a period of six (6) consecutive months.

Section 4 – Layoff

In the event it becomes necessary to lay off employees, seniority shall prevail, providing the remaining employees are physically fit to perform the work required and have the immediate ability to perform the work required.

Section 5 – Recall

When employees are recalled from layoff they shall be recalled in seniority order, providing they have the necessary experience, skill, and ability and are physically fit to perform the work required. Recall shall be by registered or certified mail sent to the employee's last address given to the Company. Laid off employees shall report for work within seven (7) calendar days after receipt of notification to report. Failure to do so will be considered as the employee having voluntarily quit unless the employee has a reason satisfactory to the Company for not reporting within the aforementioned period

To be entitled to the benefits of this section an employee must keep the Company advised at all times of his current address.

Section 6 – Seniority List

A seniority list shall be prepared and posted by the Company within fifteen (15) days after the signing of this Agreement. Any protests regarding the seniority of any employee must be made in writing within ten (10) days after posting, or it will be assumed the seniority dates are correct as posted. A seniority list will be provided to a Union Official upon request.

ARTICLE 8 - DISCHARGE OR SUSPENSION

Section 1 – Warning Notice

The Employer shall not discharge or suspend any employee without just cause, but in respect to discharge or suspension shall give at least one warning notice of the complaint against such employee to the employee, in writing, and a copy of the same to the Union and the job steward affected, except that no warning notice need be given to an employee before he is discharged if the cause of such discharge is dishonesty or drunkenness or recklessness resulting in serious accident while on duty, or any other major offense. The warning notice

as herein provided shall not remain in effect for a period of more than nine (9) months from the date of said warning notice. Discharge must be by proper written notice to the employee and the Union.

Section 2 – Questioned Investigation

Any employee may request an investigation as to his discharge or suspension. Should such investigation prove that an injustice has been done to an employee, the employee shall be reinstated. A request by an employee for an investigation as to his discharge or suspension must be made by written request within five (5) days from the date of discharge or suspension. Appeal from discharge or suspension must be heard within ten (10) days and decision reached within fifteen (15) days from the date of discharge or suspension. The company will notify the business agent or job steward if they believe an incident has occurred that may result in disciplinary action. In the case of disciplinary action under the Attendance Policy, the notification must be done within ten (10) working days. In all other situations the notification should be done at the time the company becomes aware of the incident. If no decision has been reached, the case shall be taken up as provided in Article 9 hereof. The arbitrator shall have authority to order full, partial or no compensation for time lost.

ARTICLE 9 - ARBITRATION AND GRIEVANCE PROCEDURE

Section 1 – Arbitrations and Grievances

It is mutually agreed that all grievances, disputes, or complaints arising under and during the term of this Agreement shall be settled in accordance with the procedure herein provided and that there shall at no time be any strikes, tie-ups of equipment, slowdowns, walkouts, or any other cessation of work or the use of any method of lockout. Every effort shall be made to adjust all controversies and disagreements between the Employer and the Union or its members in an amicable manner. In the event that any dispute cannot be settled in this manner, the question may be submitted for settlement or arbitration as hereinafter provided. Definition of a grievance: A grievance shall mean a complaint or explicit violation of a specific provision of the labor agreement.

Section 2 – Grievance Procedures

- a) Should any grievance, dispute or complaint arise over the interpretation or application of the contents of this Agreement, there shall be an earnest effort on the part of the parties to settle such promptly through the following steps:

Step 1. An employee grievance shall first be taken up by conference between the aggrieved employee, the shop steward, or both, and the warehouse supervisor.

Step 1a. Before proceeding to Step 2 below, it shall be the responsibility of the aggrieved employee to reduce any grievance to writing on the regular grievance form

provided by the Union within five (5) days from the date of the occurrence or within five (5) days from when the employee had knowledge or by reasonable diligence should have had knowledge of the occurrence giving rise to the grievance.

Step 2. All grievances not settled in Step 1a shall be referred by the Union to a conference between an official or officials of the Union and the Department Manager and/or his designated representative of the Employer within three (3) working days after the Company's Step 1a answer in writing.

Step 3. In the event Step 2 fails to settle the complaint, it shall be referred to arbitration upon the written request by the Union within ten (10) days from the Step 2 meeting. The President and/or Executive Board of the Local Union shall have the right to determine whether or not the grievance is qualified to be submitted for arbitration by the Union.

- b) The arbitrator shall be a person mutually agreed to by both the Employer and the Union. In the event the parties have not agreed upon an arbitrator within five (5) days, the Union may request the Federal Mediation and Conciliation Service to provide a panel of seven (7) arbitrators from which one (1) will be selected to hear and decide the case. The selection shall be made by alternate striking of names, with the Union striking first, until one name remains.
- c) In the event of a refusal by either party to submit to or appear at the arbitration hearing, the arbitrator certified by the National Academy of Arbitration Association shall have jurisdiction to proceed ex parte and make an award. The fees and expenses of the arbitrator shall be shared equally by the Employer and the Union. The decision of the arbitrator shall be rendered within thirty (30) calendar days after all the testimony has been presented and briefs have been submitted. The arbitrator's decision shall be final and binding on all parties, including the employees involved. The arbitrator shall not be empowered to add to, subtract from, or amend the terms of this Agreement.
- d) In no case will the financial liability on any grievance extend beyond six (6) months once the Arbitrator has been selected.

Section 3 – No Interruption of Work

It is further agreed that in all cases of any unauthorized strike, slowdowns, walkout or any unauthorized cessation of work, the Union shall not be liable for damage resulting from such unauthorized acts of its members. While the Union shall undertake every reasonable means to induce such employees to return to their jobs during any such period of unauthorized stoppage of work mentioned above, it is specifically understood and agreed that the Employer, during the first twenty-four (24) hours of such unauthorized work stoppage, shall have the sole and complete right of reasonable discipline short of discharge. Such

Union members shall not be entitled to, or have any recourse to any other provision of this Agreement.

Section 4 – Unauthorized Work Stoppage

After the first twenty-four hour period of such stoppage, however, the Employer shall have the right to immediately discharge employees participating in any unauthorized strike, slowdown, walkout or any other unauthorized cessation of work, and such Union members shall not be entitled to or have any recourse to any other provisions of the Agreement.

ARTICLE 10 - STEWARDS

The Employer recognizes the right of the Union to designate a job steward and an alternate from the Employer's seniority list. The authority of the job steward and alternate so designated by the Local Union shall be limited to, and shall not exceed, the following duties and activities:

- a) the investigation and presentation of grievances with the Employer or the designated Employer representative in accordance with the provision of the grievance procedure of the collective bargaining agreement;
- b) the collection of dues when authorized by appropriate Local Union action; and
- c) the transmission of such messages and information, which shall originate with, and are authorized by the Local Union or its officers, provided such messages and information
 - (1) have been reduced to writing, or
 - (2) if not reduced to writing, are of a routine nature and do not involve work stoppages, slowdowns, refusal to handle struck goods, or any other interference with the Employer's business.

The job steward and/or alternate shall have no authority to take strike action, or any other action interrupting the Employer's business. The Employer recognizes these limitations upon the authority of the job steward and the alternate, 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 job steward or alternate has taken unauthorized strike action, slowdown or work stoppage in violation of this Agreement. The steward shall be permitted reasonable time to present and process grievance on the Company property without loss of pay during his normal working hours.

ARTICLE 11 - ABSENCE

Section 1 – Leave of Absence

Any employee desiring a leave of absence from his employment shall secure written permission from both the Union and the Employer. The maximum leave of absence shall be for thirty (30) days and may be secured from both the Union and the Employer. During the period of absence, the employee shall not engage in gainful employment elsewhere. Failure to comply with this provision shall result in the complete loss of seniority rights for the employee involved. Inability to work because of proven sickness or injury shall not result in the loss of seniority rights up to a maximum of one (1) year. The employee must make suitable arrangements for continuation of Health and Welfare and pension payments before the leave may be approved by either the Union or the Employer.

Section 2 – Union Business Functions

The Employer agrees to grant necessary and reasonable time off, without discrimination or loss of seniority rights and without pay, to any employee designated by the Union to attend a labor convention, or serve in any capacity on other official Union business, provided one (1) week's written notice is given to the Employer by the Union, specifying length of time off for Union activities. In order that there shall be no disruption of the Employer's operations due to lack of available employees, no more than one employee will be permitted such a leave during the life of this Agreement. Furthermore, the maximum period of such leave shall be six (6) months, after six (6) months the employee shall lose all seniority. In the event more than one (1) employee is elected as a delegate to the National Convention of Teamsters, such employees shall be granted leaves.

Section 3

Any leave of absence taken shall not be counted in determining vacation eligibility.

ARTICLE 12 - LIMITATION OF AUTHORITY

No employee, Union member or other agent of the Union shall be empowered to call or cause any strike, work stoppage or cessation of employment of any kind whatsoever without the express approval of the Executive Board of the Local Union through its President. The Union shall not be liable for any such activities unless expressly so authorized.

Any individual employee or group of employees who willfully violate or disregard the arbitration and grievance procedure set forth in Article 9 of this Agreement may be summarily discharged by the Employer without liability on the part of the Employer of the Union.

ARTICLE 13 - PICKET LINE

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 line, including the primary picket line of the Union party to this Agreement, and including primary picket lines at the Employer's places of business, provided the picket line is sanctioned by Joint Council No. 43.

In order to ensure the needs of customers are met, the bargaining unit employees agree to provide 48 (forty-eight) hours notice of when it becomes known, if an employee is going to refuse to cross a bona fide picket line.

In the event there is a lawful, economic or unfair labor practice strike at an Veritiv customer or vendor location, Veritiv drivers may refuse to cross the picket line. The Company may use salary employees or delivery service to service the customers.

Salary employees may make deliveries to customers involved in a primary labor dispute.

ARTICLE 14 - STRUCK GOODS

It shall not be a violation of this Agreement and it shall not be a cause for discharge or disciplinary action, if any employee refuses to perform any service which his Employer undertakes to perform as an ally of an Employer or person whose employees are on strike and which service, but for such strike, would be performed by the employees of the Employer or person on strike.

ARTICLE 15 - MAINTENANCE OF STANDARDS

The Employer agrees that all conditions of employment, in his individual operation relating to wages, hours of work, overtime differentials and general working conditions, shall be maintained at not less than the highest minimum standards in effect on the effective date of this Agreement and that conditions of employment shall be improved wherever specific provisions for improvement are made elsewhere in the Agreement. It is agreed that the provisions of this Section shall not apply to inadvertent or bona fide errors made by the Employer or the Union in applying the terms and conditions of this Agreement if such error is corrected within ninety (90) days from the date of error.

ARTICLE 16 - GENERAL

The Employer agrees that it will allow the proper accredited representatives of the Union access to the warehouse during normal working hours for the purpose of conferring with management, investigation of grievances and the handling of dues matters, provided he first

notifies the warehouse supervisor or the logistics manager of his presence, and provided further there is no interruption of the firm's working schedule.

The Union shall have the right to examine time sheets and any other records pertaining to the computation of compensation of any employee whose pay is in dispute or any other pertinent records of the Employer pertaining to a specific grievance.

ARTICLE 17 - PAID-FOR-TIME

All employees covered by this Agreement shall be paid for all time spent in the service of the Employer. Rates of pay provided for by this Agreement shall be minimums, except that over scale wage rates may be established or maintained only by mutual agreement by both parties. Time shall be computed from the time that the employee actually reports for work until the time he is effectively released from duty.

ARTICLE 18 - STATEMENT OF EARNINGS

Each employee shall be provided with an itemized statement of his earnings and all deductions made for any purpose, upon request of individual employees or Union representatives.

ARTICLE 19 - BONDS

Should the Employer require any employees to give bond, cash bond shall not be compulsory, and any premium involved shall be paid by the Employer.

The primary obligations to procure the bond shall be on the Employer. If the Employer cannot arrange for a bond within 90 days, he must so notify the employee in writing. Failure to so notify shall relieve the employee of the bonding requirement. If proper notice is given, the employee shall be allowed thirty (30) days from the date of such notice to make his own bonding arrangements, standard premiums only on said bond to be paid by the Employer. A standard premium shall be that premium paid by the Employer for bonds applicable to all other of its employees in similar classifications.

If there is any excess premium to be paid, it shall be paid by the employee. Cancellations of a bond after once issued shall not be cause for discharge, unless the bond is canceled for cause which occurs during working hours, or is due to the employee having given a fraudulent statement in obtaining said bond.

ARTICLE 20 - BULLETIN BOARD

The Employer shall provide a conveniently placed bulletin board for the use of the Union. Posting by the Union on such boards shall be confined to official business of the Union.

ARTICLE 21 - 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 on a weekly basis for all weeks worked. The phrase "weeks worked" excludes any week other than a week in which any 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.

ARTICLE 22 - MANAGEMENT RIGHTS

Except as otherwise specifically provided in this contract, 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, or to transfer, to promote or demote, the right to relieve employees from duty because of lack of work, or for other legitimate reasons, and the right to maintain order and efficiency, is vested exclusively in the Company; provided, however, that none of the powers herein reserved to the Company shall be used for purposes of discrimination against a member of the Union.

ARTICLE 23 - UNIFORMS

The Company agrees that if any employee is required to wear any kind of uniform, such uniform shall be furnished by the company once the employee's probationary period is complete. If uniforms are required, they will be provided on the following basis:

Delivery Drivers:

- Five (5) pants, five (5) shorts, five (5) short sleeve shirts, five (5) long sleeve shirts, one (1) jacket with liner, one (1) summer cap, and one (1) winter cap.

Warehouse Workers:

- Five (5) short sleeve shirts, four (4) long sleeve shirts, one (1) long sleeve sweat shirt, and one (1) winter cap.

Any additional uniforms will be charged to the employee at Company cost. All employees upon termination will be required to turn in their issued uniforms or pay to the Company the original cost of those not turned in. The Company will furnish replacements based on reasonable wear

and tear at Company expense upon return of the used uniform. Employees will be required to sign for and wear the uniforms during working hours. The uniform must be presentable.

ARTICLE 24 - EQUIPMENT, ACCIDENTS AND REPORTS

Section 1 – Safety and Equipment

It is agreed that careful observation of safe working practices and Company safety rules is primary duty of all employees. The Company agrees to provide necessary safety equipment. Employees are responsible for providing safety shoes which meet the published Company guidelines. The Company has included \$0.07 in the hourly base rate of the wage section as a shoe allowance. The employees are required to utilize and/or wear designated safety equipment.

The Company will implement safety programs including OSHA/VPP designed to recognize and promote effective safety and health management among all employees. The Union agrees to participate in the safety programs, including OSHA/VPP, and work with management to assure a safe and healthful workplace.

Employees will not be required or assigned to engage in any activity involving dangerous conditions of work or danger to person or property or in violation of an applicable statute or court order, or governmental regulations relating to safety of person or equipment.

Section 2 – Accident Reporting

Any employee involved in any accident shall immediately report said accident and/or any physical injury involved. When required by his Employer, the Employee before starting his 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 any accidents. Failure to comply with this provision shall subject such employee to disciplinary action by the Employer.

Section 3 – Equipment Defect Reporting

Employees shall immediately 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 copy to be retained by the employee. The Employer shall not ask or require any employee to operate equipment that has been reported by any other employee as being in an unsafe operating condition until same has been approved as being safe.

When the occasion arises where an employee give a written report on forms in use by the Employer of a vehicle being in unsafe working operating condition, and receives no consideration from the Employer, he shall take the matter up with the officers of the Union who will take the matter up with the Employer.

ARTICLE 25 - NEW EQUIPMENT / NEW JOBS

When new types of equipment for which rates of pay are not established by this Agreement are introduced within the operations covered by this contract, or where new classifications are created within the operations covered by this contract, rates governing such operations shall be subject to negotiations between the parties. Rates agreed upon shall be effective as of the date the equipment is put into use or the new classification was established.

Should negotiations fail to result in agreement upon the rate of pay, the Union may grieve the matter as provided in the grievance procedure. In the event such a grievance is referred to arbitration, the parties shall specifically request a panel of arbitrators who are experienced in setting wage rates. Any rate so established must be consistent with the rate structure established in this Agreement and it shall be retroactive to the date the new or changed classification was established.

ARTICLE 26 - WORKERS' COMPENSATION

The Employer agrees to cooperate toward the prompt settlement of employees on-the-job injury and sickness claims when such claims are due and owing. The Employer shall provide Workers' Compensation protection for all employees even though not required by State Law.

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 his regular shift on 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 his regularly scheduled working hours, shall receive his regular hourly rate of pay for such time.

ARTICLE 27 - MILITARY SERVICE

Any employee on the seniority list inducted into military, naval, marine or air service under the provisions of any Federal Selective Service Training Statute and amendments thereto, or any similar act in time of National Emergency, shall, upon termination of such service, be re-employed in line with his seniority, as the then current rate for such work, provided he has not been dishonorably discharged from such service with the United States Government and is physically able to do work available, and further provided he reports for work within ninety (90) days of the date he is discharged from such service with the United States Government.

ARTICLE 28 - OPERATING PROVISIONS

Section 1 – Productivity and Crew Concept

There will be no jurisdictional restrictions between any classifications in the facility including warehouse functions and delivery. Any employee may be assigned to perform any work which they are qualified to safely perform.

If the company is aware at the beginning of the shift that a work assignment in the warehouse will require overtime or whenever practical, the company will offer the assignment to the employees on shift based on their seniority provided they are qualified to perform the work.

The above language supersedes all existing language, position statements, special agreements, letters of instruction, grievance answers, arbitration awards or any other source related to jurisdictional work assignments.

The Company agrees that no employee will be laid off, terminated or suffer a reduction in wage rate as a result of the implementation of this provision.

Section 2 – Participation Agreement

Employees are expected to actively participate in job related activities, (on paid time) including but not limited to, safety, quality programs, training etc.. The Union will encourage employee participation and not interfere with the same.

Section 3 – Missed Work Opportunities

When employees have been denied work due to scheduling errors (including doubling, holdover and call-ins) they will be made whole by providing them with the opportunity to work a comparable number of hours. Penalty payments will not be permitted in settlement of grievances. This shall not preclude payment of back pay in appropriate circumstances, such as management abuse.

ARTICLE 29 - 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, 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 shall not engage in or direct any surveillance or undercover investigation with respect to any employee's Union activity, or the exercise by any employee of any right protected by Section 7 of the National Labor Relations Act. The Company further agrees that it will not intentionally engage in or direct surveillance or undercover investigation in any way that would violate state or federal law.

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 30 - SEPARABILITY AND SAVINGS CLAUSE

If any Article or Section of this contract or of any Riders thereto should be held invalid by operation of law or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any Article or Section should be restrained pending a final determination as to its validity, the remainder of this contract and of any Rider thereto, or the application of such Article or Section to persons or circumstance 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.

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

ARTICLE 31 - TERM OF AGREEMENT

This Agreement shall become effective August 11, 2016, and continue in effect through August 10, 2020, and from year to year thereafter, unless either party desires to change any provision of this Agreement. In that event, it shall give written notice of such desire by Certified or Registered Mail to the other party no more than ninety (90) days nor less than sixty (60) days in advance of August 11, 2020, or any anniversary date thereafter. The giving of notice as provided above shall constitute an obligation upon both parties to negotiate in good faith with the intent of reaching a written agreement prior to the anniversary date.

At any time after August 11, 2020, or any anniversary date thereafter, if no agreement on the questions at issue has been reached, either party may give written notice to the other party

of intent to terminate the Agreement in not less than fifteen (15) days. All provisions of the Agreement shall remain in full force and effect until the specified time has elapsed. During this period, attempts to reach an agreement shall be continued.

IN WITNESS WHEREOF, the Company and the Union have caused this Agreement to be executed this 12th day of December, 2016.

Veritiv Operating Company
Livonia, Michigan

INTERNATIONAL BROTHERHOOD
OF TEAMSTERS, CHAUFFEURS,
WAREHOUSEMEN, AND HELPERS OF
AMERICA, LOCAL UNION NO. 337

<u>Cathy McQuinn</u>	<u>1/12/17</u>	<u>Judd Lince</u>	<u>1/3/17</u>
(Signature)	(Date)	(Signature)	(Date)
<u>Kimberly D. Hall</u>	<u>1/12/17</u>	<u>[Signature]</u>	<u>1/3/17</u>
(Signature)	(Date)	(Signature)	(Date)
<u>Tammy Canell-Lisbon</u>	<u>1/12/17</u>		
(Signature)	(Date)	(Signature)	(Date)
_____	_____	_____	_____
(Signature)	(Date)	(Signature)	(Date)

SCHEDULE "A" - SUPPLEMENTARY AGREEMENT

ARTICLE 1 - WAGES AND HOURS

Section 1 – Hours of Work

Hours of Work:

The Company shall designate starting times. The first (1st) shift employee starting times shall be between 4:00AM and 12:00 Noon. The second (2nd) shift employee starting times shall be between 12:01 PM and 8:00 PM. The third (3rd) shift employee starting times shall be between 8:01 PM and 3:59 AM. The employee starting time of a shift may be changed upon notice of at least five (5) workdays. In case of a shift change of two (2) hours or more, the Company will re-bid the job.

Bi-Weekly Pay

Employee shall be paid bi-weekly, payable on Friday for the two weeks ended the prior week. When the regular payday falls on a bank holiday, the preceding workday shall be a payday. The Employer shall provide each employee with access to 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.

Direct Deposit

Within sixty (60) days of ratification of this agreement, all employees will enroll in direct deposit for payroll processing.

Section 2 – Hours of Work

(a) Five Days/Eight Hours Per Day Work Week: All regular employees who report to work shall receive a minimum of eight (8) hours pay during the regular work day, guaranteed 40 hours per week. If any employee is called to work on a non-scheduled workday, and reports to work as scheduled, he shall receive a minimum of four (4) of work or pay. Daily minimum guarantees, as referenced herein, shall apply except when the employee quits, fails to report for work, accepts the Company's offer to voluntarily leave early, or is terminated for just cause or in circumstances caused by Acts of God.

The Company will offer voluntary leave early by seniority and/or bid route. Employees who are granted to leave early will not be assessed any penalties.

Four Days/Ten Hours Per Day Work Week: All regular employees who report to work shall receive a minimum of ten (10) hours pay during the regular work day, guaranteed 40 hours per week. Payment of sick leave, holiday pay, floating holiday, and funeral pay for normally

scheduled workdays shall be for ten (10) hours. If a holiday falls on a day that an employee is not normally scheduled and he works four (4) shifts during that week, he shall receive ten (10) hours of holiday pay. If any employee is called to work on his fifth, sixth or seventh day and reports to work as scheduled, he shall receive a minimum of five (5) hours of work or pay, provided said fifth, sixth or seventh is not a part of the employee's scheduled work week. Daily minimum guarantees, as referenced herein, shall apply except when the employee quits, fails to report to work, or is terminated for just cause or in circumstances caused by Acts of God.

(b) Hours paid for under other provisions of this Agreement, but not actually worked, will be credited against the guaranteed forty (40) hours.

Section 3 - Weekly Overtime

Employees shall be paid one and one-half (1 1/2) times their straight time hourly rate for all hours worked in excess of forty (40) hours per week.

Section 4 - Daily Overtime

Hours worked in excess of forty (40) per week, shall be paid at the rate of one and one-half (1 1/2) times the regular straight time rate of pay. Paid time off, in accordance with the provisions in the agreement shall be counted as hours worked when calculating overtime. Daily hours, in excess of eight (8) per day, shall be paid at the overtime rate of one and one-half (1 1/2) times the regular straight time rate for all hours worked in excess of eight (8) when the employee is not afforded the opportunity to work all of his/her scheduled work week by Company action of layoff, due to lack of work, or other conditions beyond the control of the Company, such as power failures, fires, floods or similar causes. If an employee accepts the Company's offer to voluntarily leave early, the daily overtime provision will not apply and the employee will not be eligible for daily overtime.

Employees shall not be compensated for absence for any cause not originating with the Employer, except as otherwise provided herein.

Section 6 - Minimum Wages

All employees at present receiving wages in their regular classification in excess of the amounts herein specified shall not have their wages reduced by reason of the execution of this agreement.

Section 7 - Call-in-Pay

Any employee called into work and whose services shall not be required for an eight (8) hour day shall be paid for at least four (4) hours time unless more than four (4) hours are worked. Payments for time not actually worked required by this Section shall be computed towards overtime as if such hours had been actually worked. The above guarantee shall not

apply in the event of an emergency, fire, flood, snowstorm, strike, power failure, or other causes beyond the control of the Company.

Section 8 - Distribution of Overtime

Employees will be notified of daily and Saturday overtime as soon as practical on the day overtime is to be worked; and in the case of Saturday overtime, as soon as practical on Friday.

ARTICLE 2 - VACATIONS

Section 1 - Eligibility

- (a) All employees shall become eligible for one (1) week of vacation with pay when they have attained one (1) year's seniority, provided that they have been on the active payroll and actually worked thirteen hundred (1300) hours or more during the preceding calendar year.
- (b) All employees shall become eligible for two (2) weeks' vacation with pay when they have attained three (3) years seniority, provided that they have been on the active payroll and actually worked thirteen hundred (1300) hours or more during the preceding calendar year.
- (c) All employees shall become eligible for three (3) weeks' vacation with pay when they have attained eight (8) years seniority, provided that they have been on the active payroll and actually worked thirteen hundred (1300) hours or more during the preceding calendar year.
- (d) All employees shall become eligible for four (4) weeks' vacation with pay when they have attained fifteen (15) years seniority or more, provided they have been on the active payroll and actually worked thirteen hundred (1300) hours or more during the preceding calendar year.
- (e) All employees shall become eligible for five (5) weeks' vacation with pay when they have attained twenty-five (25) years seniority or more, provided that they have been on the active payroll and actually worked thirteen hundred (1300) hours or more during the preceding calendar year.
- (f) Unless by mutual consent, no employee shall be entitled to more than three (3) weeks vacation at one time.

Section 2 - Amount of Vacation Pay

- (a) Each week of the vacation pay shall be equal to forty (40) hours at straight time hourly rate.

- (b) If a holiday should fall within the vacation period, the employee shall be paid an additional day's pay of eight (8) hours at straight time hourly rate.
- (c) Employees will be permitted to accept 1 week of pay in lieu of vacation time off.
- (d) Vacation pay, less all appropriate deductions, shall be paid to the employee before leaving on his vacation, upon request.
- (e) Employees may schedule one week of vacation a day at a time. Vacation days must be scheduled forty-eight (48) hours in advance and approved by the company. Vacations scheduled in full weeks, in all cases, will take precedent over single days.

Section 3 - Time for Vacation Leaves of Absence

- (a) All employees eligible for vacations shall receive their vacation leaves of absence in the vacation period from January 1 to December 31 of any calendar year. This clause does not nullify paragraph (b) below.
- (b) The Employer shall have the right to determine vacation leaves of absence so that such vacation leaves of absence shall not interfere with efficient operation of the Company. The vacation calendar will be subject to the following: Up to a maximum of ten percent (10%) of the drivers per shift and up to a maximum of fifteen percent (15%) of warehousemen per shift may take a vacation leave of absence at the same time. (Conventional rounding applies, and means, for example, 1.5 rounds to 2; 1.49 rounds to 1.) As business conditions dictate, management reserves the right to open additional days/weeks of vacation.
- (c) The first week in January, the Company shall post a notice advising employees that vacation period selection is open. The selection period shall end on the last working day in January. Eligible employees shall select their vacation periods during this time. In the event of conflicts, seniority shall prevail. Any employee not selecting his vacation during the selection period shall only have a choice of the remaining weeks. There shall be no deviation once the selection period has ended without the express written consent of the Company, the Union, and the particular employees involved.
- (d) Any employee who is eligible for vacation and is terminated from his employment before taking it shall be paid his vacation at the time of separation.

ARTICLE 3 - HOLIDAYS

Section 1 - Paid Holidays

(a) The employees shall be granted an eight (8) hour day's pay for a total of 10 holidays.

New Year's Day	Day after Thanksgiving
Memorial Day	Christmas Eve
Fourth of July	Christmas Day
Labor Day	Floating Holiday (2)
Thanksgiving Day	

*Each year on a calendar year basis, the Employer and the Union shall agree on a date to be designated as the Holiday for the following twelve (12) months. Management may designate a floating holiday but will do so only after consultation with the Local Union by January 31st, of each year. Floating holidays must be scheduled with and approved by management at least forty-eight (48) hours one (1) week in advance. Employees will not be permitted to use two (2) floating holidays in January.

Pay for those hours of the holiday which fall within the guaranteed forty (40) hours of work shall be computed towards overtime as if they had been actually worked. Pay for those hours of the holiday which come after the guaranteed forty (40) hours have been reached shall be computed at straight time hourly rates.

(b) No employee shall be paid for any aforementioned holidays who, for any reason, shall be absent on the work day immediately prior to or the work day immediately after the said holiday, unless the employee is absent for reason of bona fide illness; provided, however, that the failure of any employee to qualify for the payment of any one holiday shall not preclude him from being paid for the subsequent holiday. Employees absent because of extended illness or injury shall be entitled to holiday pay only for any holiday falling within the first thirty (30) days of absence.

(c) No employee shall be required to work on Labor Day.

ARTICLE 4 - SICK LEAVE

Section 1 - Eligibility

Effective January 1, 2017, all employees with one (1) full year of service shall be entitled to three (3) days sick leave per calendar year. Employees may use up two (2) vacation days as additional sick days. Employees shall be entitled to accumulate not more than ten (10) days sick leave at any one time. Payment will be made for unused sick leave. Payment shall commence on the first regularly scheduled work day of absence and continue until the employee returns to work or until the maximum number of sick leave days the employee is entitled to, whichever occurs first.

To be entitled to payment under this provision, an employee, upon request of the Company, must provide a doctor's statement setting forth the days off work, the nature of the illness or injury, and that it was at the direction of the doctor that the employee absent himself from work on such days.

Section 2 - Sick Days

The Employer shall pay up to three (3) sick days per calendar year for unused sick leave provided the employee requests it. Employees may accumulate the sick leave under Section 1 instead of receiving payment. Employees leaving the Company shall be paid for unused sick days up to a maximum, of three (3) days.

Section 3 - Amount of Payment

Payment for sick leave shall be eight (8) hours straight time pay at the employee's regularly hourly rate for each day of sick leave used. Such payment shall be reduced by any amount received by the employee from Workers' Compensation payments or temporary disability payments.

ARTICLE 5 - WORKING CONDITIONS

Section 1 – Lunch Period

(a) Luncheon periods shall not exceed one-half (1/2) hour and shall not be paid for unless actually worked.

(b) The Employer shall grant a fifteen (15) minute coffee break for all employees in the first four (4) hour period of any shift with pay, and a ten (10) minute break in the second four (4) hour period of any shift.

Section 3 - Permanent Job Openings

In the event of permanent job openings covered by this Agreement (excluding Shift Leader), the Company shall post a notice advising employees of such opening. The notice shall be posted for a period of seventy-two (72) hours. Employees desiring the open job shall be permitted to bid for such job by signing the bid notice only within the seventy-two (72) hour period. In the event more than one employee bids for the opening, the senior employee shall be given preference providing qualifications, overall record, and ability to perform the work are reasonably equal between bidding employees. In no event will the Company be required to fill a job opening with existing employees if they are not qualified to perform the work. Successful bidders shall be given a maximum fourteen (14) days trial period on the job. In the event an employee does not qualify, the employee shall return to their most recent

position. In the event of a vacancy in the Shift Leader classification, the Company shall consider existing employees who have submitted written requests for consideration in that position. Such requests should be submitted to the Logistics Manager prior to the opening existing and should set forth briefly the applicant's qualifications for the job. The Company shall review the applications on file and shall then make a determination as to whether to fill the job from within the bargaining unit or to see applicants from other sources.

Section 4 – Temporary Vacancies

- (a) Any employee transferred temporarily from a lower classification to a higher classification shall receive the rate of pay established for the higher classification if more than four (4) hours are actually worked in the higher classification.
- (b) Any employee transferred temporarily from a higher classification to a lower classification shall retain his higher rate of pay during the temporary period, unless such transfer is made because of the employee's request or is due to lack of work in the employee's regular classification. In these cases, the employee shall receive the lower rate.
- (c) Any employee transferred permanently from a higher classification to a lower classification shall receive the rate of pay established for the lower classification.

Section 5 – Permanent Promotions/Job Bids

- (a) In permanent promotions to vacant higher paid jobs, senior employees shall be given preference when qualifications and ability are reasonably equal.

Route Bids: Driver routes, start time and workweek assignments shall be bid based on qualifications and plant wide seniority provided that the employee is fit and able to perform the work. Routes will be established by start time, frequency and business need, and may overlap.

Routes to be bid annually by seniority. Should a route come open during the year; only that vacated route will be bid, which will leave an (one) opening; that opening may be filled for the duration of the year with the new person.

- (b) When an employee is permanently promoted to a higher rated job classification, he or she will not suffer a rate reduction if that higher classification calls for incremental rate adjustments based upon time on the job.
- (c) Warehouse positions will be bid annually by seniority. The bids will be posted within thirty (30) days of the contract anniversary date. The bids will be posted for five (5) business days.
- (d) If a job is moved or transferred more than a twenty (20) mile radius from its original bid location the Company will bid the position, however, the incumbent employee in the

position would have first right of refusal. If the new location is less than a 20 mile radius the incumbent employee would move with the business.

Section 6 – Funeral Leave

In the event of the death of a family member in your immediate family, you will be granted a paid leave of absence from work to attend the funeral for up to three (3) working days. (Documentation may be required.) Sometimes circumstances arise where you may need more than three days off. If this occurs, you should discuss this need with your manager, in consultation with your human resource professional. Using vacation may also extend your absence.

Immediate family members for purposes of granting funeral leave include spouse, domestic partner, children, stepchildren, children of domestic partner, parents, parents-in-law, parents of domestic partner, grandparents, brothers, sisters, brothers-in-law, sisters-in-law, brothers of domestic partner, sisters of domestic partner, brothers-in-law of domestic partner, sisters-in-law of domestic partner, spouses of children, spouses of stepchildren and spouses of children of domestic partner. For family members or close relatives outside of these definitions, please consult with your local human resource professional and your immediate supervisor.

This policy for funeral leave pay is applicable only to full-time hourly employees.

Section 7 - Examinations and Identification Fees

- (a) Physical, mental, or other examinations required by a government body or the Employer shall be promptly complied with by all employees; provided, however, the Employer shall pay for all such examinations.
- (b) The Company 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 reexamined at the Union's expense.
- (c) Should the Employer find it necessary to require employee to carry or record full personal identification, such requirement shall be complied with by the employees. The cost of such personal identification shall be borne by the Employer.
- (e) The company will reimburse CDL drivers for CDL license renewal (License fee), HME renewal fee, TSA background check fee, DOT physical fee, and drug testing. The company will pay for time spent for the DOT physical and drug testing.

Section 8 – 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 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 Article 1, 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.

Before kitting projects are started, the Company will meet with the Union to inform the Unit of the project, customer, scope and the project term.

The parties agree that the first source of potential contractors will be organizations servicing the handicapped within the community provided, in the view of the Company, the resources possess the ability to perform the work safely and efficiently.

ARTICLE 6 - TEMPORARY WORKERS AND SALES TRAINEES

It is recognized and understood that the Company has the right to utilize temporary workers. Temporary workers may be utilized for employees unable to work due to occupational or non-occupational injury or illness, to assist in peak work periods, or unusual volume . Not more than three (3) temporary workers can be employed at a time unless both parties mutually agree.

The Employer will not employ such temporary workers for the purpose of depriving a member of the Local Union of his rights under this Agreement. In the event a temporary worker is used, the hourly rate will be 75% of the hourly rate in effect at the time plus applicable shift differential. Drivers – 80% of regular employee rate.

Sales trainees may be assigned to work with members of the Local Union subject to the provisions of the above paragraph.

Temporary workers may be utilized for periods not to exceed ninety (90) consecutive days. Temporary workers shall become employees and union members after the ninety (90) day period. In the event that the company needs an additional thirty (30) days to evaluate the employee or for unforeseen circumstances it shall be given by mutual consent of the parties.

ARTICLE 7 - JURY DUTY

Any employee required to serve on any jury will receive the difference between his regular rate of pay for forty (40) hours and the compensation which he will receive for such jury duty, provided the employee did not volunteer for jury service.

ARTICLE 8 - WAGES AND CLASSIFICATION

Hire Date	Classifications	Current	Effective 1st Yr	Effective 2nd Yr	Effective 3rd Yr	Effective 4th Yr
Pre 8/11/09	Driver A	\$22.36*	\$22.81	\$23.26	\$23.71	\$24.16
	Warehouse	\$21.65*	\$22.10	\$22.55	\$23.00	\$23.45
	Cutter	\$21.93*	\$22.38	\$22.83	\$23.28	\$23.73
	Shipping/Receiving	\$21.93*	\$22.38	\$22.83	\$23.28	\$23.73
Post 8/11/09	Driver	\$19.26*	\$19.71	\$20.16	\$20.61	\$21.06
	Warehouse, Shipping/Receiving	\$17.66*	\$18.11	\$18.56	\$19.01	\$19.46
Shift Leader	Above classification wage	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00

*Includes Shoe Allowance of \$0.07

Hire Progression:

Percentage of the Number of Months Worked	Classification Rate
Hire	80 %
Completed 3 Months	85 %
Completed 6 Months	90 %
Completed 9 Months	95 %
Completed 12 Months	Classification Rate

The Progression may be waived or accelerated, if in the view of Management, the new hire is qualified to fully perform the job safely.

SHIFT DIFFERENTIAL PAY

Shift Premium: Second shift starts after 12:00PM. Third shift starts after 8:00PM
 Second shift Premium \$0.40 Third Shift Premium \$0.40

ARTICLE 9 - BENEFITS

The Company shall provide coverage to full-time employees in accordance with the provisions of the Participation Agreement under the Michigan Conference of Teamsters Welfare Fund. The following rates will be paid by the company for the term of this Agreement on a weekly basis at 80% for years 1 through 3; and at 77% Year 4: Any additional annual cost of the Benefit package will be paid by the employee. Employees may choose to "opt-out" of the benefit plans available if they meet the requirements of the MCTWF. For details on the "opt-out" requirements employees may contact MCTWF. For avoidance of doubt, employees who "opt-out" of the MCTWF will not be eligible to enroll in the Veritiv Benefit Plan.

WEEKLY DEDUCTIONS

Employee Only:

Effective 1/1/2017 thru April 1, 2017
 Effective 4/2/2017
 Effective 4/2/2018
 Effective 4/2/2019
 **Effective 4/2/2020

Employer: Employee:

\$122.40 \$30.60
 \$128.16 \$32.04
 \$126.84 \$31.71
 \$124.93 \$37.32

Employee Plus any Children:

Effective 1/1/2017 thru April 1, 2017
 Effective 4/2/2017
 Effective 4/2/2018
 Effective 4/2/2019
 **Effective 4/2/2020

Employer: Employee:

\$226.96 \$56.74
 \$238.04 \$59.51
 \$234.96 \$58.74
 \$231.62 \$69.18

Employee Plus Spouse:

Effective 1/1/2017 thru April 1, 2017
 Effective 4/2/2017
 Effective 4/2/2018
 Effective 4/2/2019
 **Effective 4/2/2020

Employer: Employee:

\$268.76 \$67.19
 \$282.00 \$70.50
 \$278.24 \$69.56
 \$274.31 \$81.94

Family:

Effective 1/1/2017 thru April 1, 2017
 Effective 4/2/2017
 Effective 4/2/2018
 Effective 4/2/2019
 **Effective 4/2/2020

Employer: Employee:

\$331.52 \$82.88
 \$347.92 \$86.98
 \$343.12 \$85.78
 \$338.34 \$101.06

**Effective 4/2/2020 through Contract expiration date, any additional increase to the current annual premium cost over 7% will be paid by the employee at 100% throughout the life of this Agreement.

Company contributions will remain as listed above throughout the life of this agreement. Employee contributions to premiums shall be paid through payroll deductions Employee

contributions shall start to be deducted from the first paycheck issued in April of each calendar year.

A. 401K

Individuals who were participants in the Veritiv Retirement Savings Plan, the Company's 401(k) plan (the "Savings Plan"), immediately before the term of this Agreement will continue to participate in the Savings Plan. All present employees who are members of the Union during the term of the Agreement shall be eligible to participate in the Savings Plan. As soon as practicable following ratification, the Company will amend the Savings Plan to reflect the terms of this Section 9.B. For avoidance of doubt, the terms of the Savings Plan, as amended from time to time, will control with respect to all Union employees, subject in all cases to applicable law and the express terms of this Agreement.

Notwithstanding the foregoing, during the term of the Agreement, the following provisions shall apply to eligible Union employees:

- 1) Each Plan Year, an eligible Union employee may elect to make Before-Tax Contributions and/or Roth 401(k) Contributions to the Plan in an aggregate amount not to exceed 85% of the employee's Compensation for such Plan Year. An eligible Union employee may also elect to make such other types of employee contributions (if any) available to non-union employees at the Company's Livonia, Michigan location to the Plan.
- 2) Each Plan Year, the Company will match 50% of the aggregate employee contributions made by an eligible Union employee in accordance with paragraph 1 of this Section 9.B., up to 4% of his Compensation for such Plan Year.

Capitalized terms not otherwise defined in this Agreement shall have the meaning assigned thereto under the terms of the Savings Plan.

B. Pension

Individuals who were participants in the Veritiv Pension Plan, the Company's defined benefit plan (the "Pension Plan"), immediately before the term of this Agreement will continue to participate in the Pension Plan. All present employees who are members of the Union during the term of the Agreement shall be eligible to participate in the Pension Plan. For avoidance of doubt, the terms of the Pension Plan document and Exhibit 18 thereto, as amended from time to time, will control with respect to all Union employees, subject in all cases to applicable law and the express terms of this Agreement.

Accrued benefits for Union employees under the Pension Plan are determined by the Converting Joint Pension Council and are not subject to local bargaining. For reference, as of the effective date of this Agreement, the Gross Accrued Benefit for Union employees participating in the Pension Plan is determined as follows:

For Participants Actively
at Work On or After
07/01/2014

Retirement Benefit Rate
\$34.00 Per Year of Credited Service

ARTICLE 10 - SUBSTANCE ABUSE

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-incident “testing of all employees.

IN WITNESS WHEREOF, the parties hereto have hereunder set their hands and seals the day and year first above written.

Veritiv Operating Company
Livonia, Michigan

INTERNATIONAL BROTHERHOOD
OF TEAMSTERS, CHAUFFEURS,
WAREHOUSEMEN, AND HELPERS OF
AMERICA, LOCAL UNION NO. 337

Cathy McQuinn 1/12/17
(Signature) (Date)

Judith Lince 1/3/17
(Signature) (Date)

Kimberly S. Hane 1/12/17
(Signature) (Date)

P. Lee 1/3/17
(Signature) (Date)

Jimmy Canell-Lukonac 1/12/2017
(Signature) (Date)

(Signature) (Date)

(Signature) (Date)

(Signature) (Date)