

AGREEMENT

Between

Veritiv— Pittsburgh Division

and

General Warehousemen and Employees

Union Local No. 636

April 1, 2019 through March 31, 2023

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AGREEMENT

This **AGREEMENT** is entered by and between Veritiv Operating Company - 140 Thorn Hill Rd, Warrendale, PA and/or its successor or assigns, herein referred to as the "Company", "Veritiv" or "Employer" and the International Brotherhood of Teamsters, **Teamsters Local 636**, hereinafter referred to as the "**UNION**".

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.

WITNESSETH

WHEREAS, the parties hereto are desirous of entering into an agreement as to wage rates and conditions of employment and to do away with the possibility of strikes, lockouts and stoppage of work.

NOW, THEREFORE, the Employer and the Union, acting by and through their duly authorized agents, agree as follows:

GENERAL PURPOSE

The general purpose of this Agreement is, in the mutual interest of the Employer and the employee, to provide for the operation of the facility located at 140 Thorn Hill Rd, Warrendale, PA under reasonable methods which will further, to the fullest extent possible, the safety, welfare and health of the employee, economy of operation, quality and quantity of output, cleanliness of facility and protection of property. It is recognized by the Agreement to be the duty of the Company and the employees to cooperate fully, individually and collectively, for the advancement of said conditions.

ARTICLE 1

Recognition

- A.) The Company recognizes the International Brotherhood of Teamsters, Teamsters Local 636 hereto as the sole and exclusive bargaining agent for its employees in regard to hours of work, wages and working conditions during the life of this Agreement. The term "employees" is defined as meaning: all warehouse employees covered under this Agreement employed by the employer at its Thorn Hill facility; but excluding all office clerical employees, inventory control coordinators, temporary workers, guards and all professional employees and supervisors as defined by the Act, and all other employees.

- B.) Non-bargaining unit employees may use material handling equipment for duties other than production, order picking, truck loading, put away stock or receiving. Non-bargaining unit employees may perform production work for training purposes or in the event of an emergency.
- C.) It is understood that for the duration of this Agreement, no work performed by the members of the bargaining unit under the classifications of this Agreement shall be assigned to or contracted to any organization for the purpose of leasing, nor subcontracted to any third-party, so long as personnel and equipment performing the work are available in the plant and where it will reduce the work week of plant personnel below forty (40) hours or causes layoff of employees.

Any strike action disrupting the Company operations shall make the above paragraph void.

Any dispute involving this Article 1 (C) shall be subject to the grievance and arbitration procedure in the Agreement under Article 17, as directed in settling any other work disputes.

- D.) **Subcontracting.** The Company recognizes that the warehouse and delivery employees are generally expected to perform their work to which they are assigned day to day. However, special temporary situations may arise which would necessitate the use of outside forces to perform such work. Should this be the case, no regular employee will be laid off while such work is in progress.
- E.) **Relocation Clause.** In the event the Company decides to relocate its operations or open additional facilities (to include a casual bid after employees are recalled from layoff), all employees, members of the bargaining unit, shall be entitled to transfer to the new location with full seniority rights and shall be entitled to all benefits under the present practices of employment and the existing contract.
- F.) **Jurisdiction.** The Employer, in order to maintain the best operating efficiency, reserves the right to transfer employees from department to department for purposes of completing a shift, vacation relief, covering absences or fill-in work. Employees being transferred will be asked by seniority (on shift) and their ability to safely 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 of wage rate as a result of implementation of this provision.

ARTICLE 2

Seniority

- A.) There will be one (1) seniority list for all employees covered by this Agreement. The Employer recognizes the general principle that seniority preference among regular employees is based on length of service from the date of last hire.

Seniority Rank and Posting: Within thirty (30) days after the signing of this Agreement, the Employer shall post in a conspicuous place of the Employer's warehouse, a list of employees arranged according to their seniority. Claims for correction to such lists must be made to the Employer in writing, with a copy to the Union, within ten (10) working days after the posting and after such time the list will be regarded as correct. Any controversy over the seniority standing of an employee on such list if raised within such ten (10) working day period shall be submitted through the Grievance Procedure as established by this Agreement.

- B.) Seniority shall be broken when an employee:

1. Voluntarily resigns
2. Retires
3. Is discharged for cause
4. Is laid-off for a period in excess of the employee's seniority or two (2) years, whichever is less, or is off as the result of an on-the-job related injury/illness for more than 30 months or is off as the result of an off-the-job related injury/illness for more than 20 months.
5. After layoff, fails to report for work within ten (10) days after being notified by mail to his last known address. The employee must respond to such notice within three (3) workdays after receipt thereof, and actually report for work within (5) workdays after receipt thereof, unless the reporting date is mutually extended.

In the event the employee fails to comply with the above, he shall lose all seniority rights under this Agreement.

- C.) **New Hire Probationary Period.** All new hires shall be considered a probationary employee for sixty (60) working days.
- D.) **Temporary Worker:** It is recognized and understood that the Company has the right to retain temporary workers. Temporary workers shall be paid through an outside temporary agency designated by the Company.

If a temporary worker has worked for one (1) year and has accumulated 1700 working hours within that year, the Company will initiate the new hire recruiting process with said temporary worker as the preferred candidate. If the preferred candidate is selected, the Company will make an offer of employment contingent upon successful completion of the Company's post offer hiring process. Once

the Temporary worker who has accumulated 1700 hours within one (1) year is hired, he would not be required to serve a new hire probationary period.

Temporary workers who are hired full-time will attain vacation service eligibility time for purposes of vacation accrual only, as set forth in Article 9, within the vacation eligibility year. The hours worked as a temporary worker will count towards the vacation accrual once hired full-time.

E.) It is agreed that the duly authorized steward of the union shall maintain seniority over all other employees as far as layoff or plant closure is concerned.

F.) **Bidding.** Every May & December of each contract year, each regular employee will bid for time schedule and classification for six months by seniority and qualifications to do the job. The only way that an employee can leave the time schedule in that 6 month period is if a vacancy occurs by retirement, death, vacation or a long-term disability or illness. This will be done by weekly bidding, by seniority and qualifications, for the vacated classification. The Company will post open bids until Thursday at 6:00 PM.

If any overtime is needed in a certain time schedule, those people will be offered the overtime first, then by overall seniority if needed.

Absent employees must be available when the bid takes effect. Once the absent employee returns their seniority will be honored.

G.) **Layoff.** Any employees laid-off on account of reduction of force, who seek employment elsewhere, will be furnished with justifiable references and recommendations.

If due to lack of work, it shall be necessary to reduce the workforce, it shall be accomplished by laying off the most junior employee first, then the next most junior employee and so on. In the matter of recall, the reverse procedure shall apply.

ARTICLE 3

Cooperation

A.) The Union agrees to further and promote the best interests of the Employer at all times.

B.) The Union agrees to make every effort to see that employees who are in the Employer's employment obey all reasonable rules and regulations established by the Employer. The Union agrees to further promote/support and endorse the participation in all Service Quality and Safety Quality Training.

C.) A Labor-Management Operations committee will be established. This committee will be comprised of not more than three to four (3 to 4) employees designated by

the Business Agent of Local 636 and not more than three (3) managerial employees designated by the General Manager – Pittsburgh. This committee will meet as necessary to discuss issues, improve productivity, quality and customer service and keep communications open. There will be no bargaining during these sessions.

ARTICLE 4

Safety

- A.) It is agreed that careful observation of safe working practices and Company safety rules is a 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 a total of \$.07 in the hourly base rate of the wage section of this agreement as a shoe allowance. The employees are required to utilize and/or wear designated safety equipment. The Company shall supply all tools, equipment and supplies directed by the Company to be used in the performance of work. Uniforms supplied by the Company are required to be worn. The Company may implement safety programs, including OSHA/VPP, designed to recognize and promote effective safety and health management among all employees. The Union agrees to fully participate in such safety programs and work with management to assure a safe and healthful workplace.
- B.) The Company makes light duty available for employees involved in work related injuries. The light duty is only available for a limited time, while the employee is recovering. Long-term light duty is eliminated.
- C.) Employees are expected to actively participate in job-related activities, including but not limited to safety, quality programs, etc. The Union will encourage participation.
- D.) The Company and the Union will encourage employees to actively participate in non-required activities such as service on the facility safety committee, CPR/First Aid training, etc.
- E.) All references to safety programs contained in this Agreement are for the promotion of a safe and healthful work environment. They are not intended as a mechanism for disciplinary action.

ARTICLE 5

No Strikes – No Lockouts

- A.) The Union agrees that during the life of this Agreement the Union, its officers, agents, representatives and members will not initiate, authorize, sanction or participate in any picketing, hand billing, strikes, including sympathy strikes, work stoppages, slowdowns, sit downs, sickouts, refusals to work or handle merchandise, or any other interference with or interruption of the Company's operations or employees, and the Union and its officers, agents and representatives will use every reasonable effort to prevent or end such activity if it commences, including working as scheduled. The Company agrees that it will not lock out during the term of this Agreement. For the purpose of this provision, the term "members" shall mean employees who are employed by the Company and the bargaining unit covered by this Agreement.

- B.) 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 refused to go through a primary picket line by Veritiv employee at Veritiv's place of business. The only picket line which is a primary at Veritiv facility is a picket line by Veritiv employees. Employees must cross any other non Veritiv employee picket line at a Veritiv company facility.

- C.) It is further agreed that in the event of a primary economic strike after the end of the contract, the Union will provide adequate official notice of at least ten (10) days to the Company prior to going on strike. This notice provision survives after the contract expiration or extension.

ARTICLE 6

Hours of Work and Overtime

- A.) The work week shall be Monday thru Friday. Start time of 10:00 p.m. or later on Sunday shall be considered Monday.

Any shift start time changes will be communicated to the union and implemented no sooner than 5 working days after changes are communicated. Shift time may start at any time in the following ranges: 1st – 4:00 am-11:59 am, 2nd – 12:00 pm – 7:59 pm, 3rd – 8:00 pm- 3:59 am. Start times will be the same for each day of the week. Start times will not be changed more than 2 hours at a time within a shift.

- B.) If employee(s) are scheduled in early and finish work prior to the end of their regular shift, then such employee(s) may volunteer to leave at that time. Should an employee volunteer, he will be paid for hours worked and will not have any penalty assessed as a result of volunteering.
- C.) 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 provision 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.

Overtime notice shall be a minimum of two (2) hours prior to the end of the scheduled shift ending time.

- D.) 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 such grievances, except in cases of management abuse. Management abuse may be a matter of discussion of the Union-Management Committee; however the determination of abuse shall be subject to the Grievance Procedure incorporated in this Agreement.
- E.) All intended weekend work will be posted to give reasonable time for response. List shall include the number of people needed, starting time and ending time.
- F.) Employees called in for weekend work will be guaranteed 4 hours work or pay.

ARTICLE 7

Holidays

The following shall be considered Company Holidays and shall be paid for eight (8) hours at the regular rate of pay: New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Day After Thanksgiving, Day Before Christmas, Christmas Day. Employees are also allowed two (2) personal days. The personal days must be scheduled forty-eight (48) hours in advance, unless the employee receives prior authorization from management waiving the forty-eight (48) hour notice.

Prior to January 1 of each year, or as soon as practicable thereafter, a holiday schedule for the year will be posted for employees. The schedule will announce the dates of which Company holidays will be observed. Should it be necessary to move the holiday, the Company and the Union will meet to discuss prior to any change. When the

Company declares an additional holiday the employee may use a personal day, vacation day, or take the day off without pay. If the Company declares more than one additional holiday the Company will pay for the additional holidays over one.

In order to qualify for eight (8) hours of straight time pay for holiday not worked, a regular employee must work the regular scheduled work day which immediately precedes and follows the holiday, unless excused in advance by the Company. A contractual day off, except for sick day, will not deprive an employee of his holiday pay.

ARTICLE 8

Wage Rates

It is expressly understood and agreed that employees will be paid for only time actually worked, with the exception of those days specified elsewhere in this contract.

	Current	4/1/2019	4/1/2020	4/1/2021	4/1/2022
Warehouse Workers hired prior to 4/1/2019	\$20.24	\$20.59	\$20.94	\$21.29	\$21.64
Warehouse Workers hired after 3/31/2019	N/A	\$18.00	\$18.36	\$18.73	\$19.08

The Company has included a \$.07 in the hourly base wage rate as a safety shoe allowance.

A lump sum payment in the amount of \$600 will be made on a one time basis to individuals actively employed as of ratification. Active employees include individuals on Company paid vacation and holidays, FMLA, or Company paid disability leave.

Employees shall be paid biweekly, 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 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. All employees will be paid through direct deposit.

NIGHT SHIFT

Premium pay for work other than day shift will be \$.50 per hour.

ARTICLE 9 Vacation

The vacation year for all eligible employees shall begin January 1st of each calendar year and end December 31st of each calendar year.

- A.) Any employee having one (1) year of service shall receive two (2) weeks vacation with pay. Any employee having six (6) years of service shall receive three (3) weeks vacation with pay. Any employee having fifteen (15) years of service shall receive four (4) weeks vacation with pay. Any employee having twenty-two (22) years of service shall receive five (5) weeks vacation with pay. Any employee hired after December 1, 1997 shall be subject to the following vacation schedule: Any employee having one (1) year of service shall receive two (2) weeks vacation with pay. Any employee having five (5) years of service shall receive three (3) weeks vacation with pay. Any employee having fifteen (15) years of service shall receive four (4) weeks vacation with pay.

Employer may prorate vacations for employees with less than fifteen hundred (1500) hours worked during an employment year. Formula shall be: All employees with fifteen (1500) or more hours worked during an employment year shall be entitled to full vacation benefits. Formula for employees with less than fifteen hundred (1500) hours worked shall be Worked hours, divided by fifteen hundred (1500), equals percentage earned vacation due employee. Holiday and vacations shall be counted as hours worked.

Hired Prior to December 1, 1997		Hired On/After December 1, 1997	
Years of Service	Weeks Vacation with Pay	Years of Service	Weeks Vacation with Pay
1	2	1	2
6	3	5	3
15	4	15	4
22	5		

All employees completing their 5th, 6th, 15th, and 22nd year of service shall receive their additional week of vacation on or after their seniority date.

- B.) New hires who have worked less than the full preceding vacation year shall receive vacation pay on a pro-rated basis when they reach their one (1) year of service date.
- C.) With 48 hours notice, employees will be given the option of using two (2) weeks of **accrued** vacation in less than full week increments. This is referred to as Day-at-a-Time or DAT vacation.

- D.) The employer shall post the vacation schedule for a period of eight (8) weeks beginning on a mutually agreed upon date for the following calendar year. The top one-third (1/3) of the seniority roster will specify two (2) vacation weeks he desires during the first two (2) week period. The middle one-third (1/3) will specify two (2) weeks vacation he desires during the second (2nd) two-week period. The bottom one-third (1/3) of the seniority roster will specify two (2) vacation weeks during the third (3rd) two-week period. During the fourth (4th) two-week period, a final roster (in order of seniority) will be established. This will be a list of employees having three (3) or more week(s) of earned vacation. At such time each employee will choose one (1) vacation week he desires (one (1) week per choice). No more than 15% (conventional rounding will be used) will be off at any one time, including DAT.
1. Should any employee fail to select his vacation in the eight-week period mentioned, his selection shall be deemed a "PASS".
 2. An employee may request an Emergency vacation with a valid reason. Should an Employee choose to use an emergency vacation, the next junior employee shall be given the opportunity to select that vacation week.
 3. Upon mutual agreement between the employee and the employer, the employer will have the option of buying the fourth (4th) and fifth (5th) week of an employee's vacation.
No employee shall be entitled to vacation pay in lieu of vacation, except as noted above, however any employee who has quit, been discharged or laid off shall be entitled to any vacation pay earned.
 4. Full weeks vacations will be given preference over Day-at-a-Time (DAT) vacations regardless of seniority.
 5. Day-at-a-Time (DAT) vacations will not be recorded on annual vacation schedule.
 6. Day-at-a-Time (DAT) vacations must be scheduled forty-eight (48) hours in advance, unless the employee receives prior authorization from management waiving the forty-eight (48) notice.
 7. The Employer agrees to the language above and agrees to adhere to see the proper time lines are adhered to.
- E.) Should a holiday occur during a vacation week, the employee or employees will be entitled to an extra day of vacation or to be paid for the day.
- F.) An employee who is eligible for vacation pay under Paragraph A above and who retires on pension shall receive, in addition to the vacation pay to which he is entitled in that calendar year under Paragraph A above, additional vacation benefit, which shall be a percentage of his vacation pay in the calendar year of retirement, and which shall be determined as follows:

Month of Retirement	Additional Benefits
January – February	0%
March – April	20%
May – June	40%
July – August	60%
September – October	80%
November – December	100%

This additional vacation benefit is subject to reduction under Article 26 below.

ARTICLE 10

Union Membership

- A.) All present employees who are members of the Local Union on the effective date of this subsection or on the date of execution of this Agreement, whichever is the later, shall remain members of the Local Union in good standing as a condition of employment. All present employees who are not members of the Local Union and all employees who are hired hereafter shall become and remain members in good standing of the Local 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 subsection or the date of this Agreement, whichever is the later. This provision shall be made and become effective as of such time as it may be made and become effective under the provisions of the National Labor Relations Act, but not retroactively.

The failure of any person to become a member of the Union at the required time shall obligate the Employer, upon written notice from the union to such effect and to the further effect that Union membership was available to such person on the same terms and conditions generally available to other members, to forthwith discharge such person.

In the event of any change in the law during the term of this Agreement, the Employer agrees that the Union will be entitled to receive the maximum Union security which may be lawfully permissible.

No provision of this Article shall apply in any state to the extent that it may be prohibited by state law. If under applicable state law, additional requirements must be met before any such provision may become effective, such additional requirements shall first be met.

- B.) During the term of this Agreement, for the convenience of the Union and the employees, the Employer agrees to deduct initiation and assessment fees and the regular monthly Union dues from the pay of all regular employees who authorize such deductions provided herein.

- C.) Any regular employee who desires the initiation and assessment fees and/or Union dues to be deducted from his pay shall submit to the Employer through the Union a fully executed authorization card.
- D.) Deductions shall be made for the initiation fees and/or the current regular monthly union dues and assessment fees of each regular employee for whom the above authorization has been received. Such deductions shall be made in each pay period and forwarded to the Secretary Treasurer of the Local Union No. 636 by the last business day of the current month.
- E.) The Local Union shall submit written authorizations of each regular employee to the Employer. The Local Union also shall furnish to the employer a monthly statement showing the names of all regular employees of the employer for which such deductions have been authorized and the amounts to be deducted in accordance with such authorizations.
- F.) The term regular monthly dues shall not include fines or deductions for any other purpose.
- G.) No employee will be permitted time off from work to transmit dues or fees to the Union office.

ARTICLE 11

Equal Opportunity to Employment

(Non-Discrimination Clauses)

- A.) When the Employer needs additional employees, it shall notify the Union and give it equal opportunity with all other sources to provide suitable applicants. Selection of applicants for referral to jobs shall be a non-discriminatory basis and shall not be based on or in any way affected by Union membership, by-laws, rules, regulations, constitutional provisions or any other aspect or obligation or union membership, policies or requirements. The Employer retains the right to reject any job applicants referred by the Union.
- B.) Neither the Employer nor the Union will discriminate against any individual with respect to hiring, compensation, terms or conditions of employment because of such individual's race, ethnicity color, creed, religion, sex, sexual orientation, marital status, gender identity or expression, genetic information, national origin or age, (nor will they limit, segregate or classify employees in any way to deprive any individual employee of employment opportunities race, ethnicity color, creed, religion, sex, sexual orientation, marital status, gender identity or expression, genetic information, national origin or age). In addition, 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, nor any qualified

disabled veteran or veteran of the Vietnam era. Or any other classification protected by law.

- C.) The Company and the Union agree that there will be no discrimination by the Company or the Union against any employee because of his or her membership in the Union, or because of any employee's lawful activity and/or support of the Union.
- D.) The parties to this Agreement agree to abide with all applicable Federal, State, and Local laws. Should there be a conflict between any provision of this Agreement and applicable law, that law shall govern. Whenever the masculine pronoun is used in the 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.

As used in this Agreement, "days" mean calendar days and "working days" will be specified as such. When referring to vacation and holidays, "year" shall mean calendar year (January through December).

ARTICLE 12

Job Steward

The Employer recognizes the right of the Union to designate job stewards and alternates.

The authority of job stewards and alternates so designated by the Union shall be limited to, and shall not exceed, the following duties and activities.

1. The investigation and presentation of grievances in accordance with the provisions of the Collective Bargaining Agreement.
2. The collection of dues when authorized by appropriate local union action.
3. 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:
 - a. Have been reduced to writing, or
 - b. If not reduced to writing, are of a routine nature and do not involve work stoppages, slowdowns, refusal to handle goods, or any other interference with the employer's business.

Job stewards and alternates have no authority to take strike action, or any other action interrupting the Employer's business, except as authorized by official action of the Union.

The Employer recognizes these limitations upon the authority of job 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 shop steward has taken unauthorized strike action, slowdown, or work stoppage in violation of this Agreement. Stewards shall be permitted to investigate, present and process grievances on the property without loss of time or pay. Such time spent in handling grievances shall be considered working hours in computing daily and/or weekly overtime.

ARTICLE 13

Bulletin Board

The Employer will provide reasonable bulletin board space for official union notices issued by the Union to its members.

ARTICLE 14

Surveillance

Surveillance: 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 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 laws or rules.

ARTICLE 15

Discharge

- A.) The Employer reserves the right to discharge any employee for the violation of any reasonable work rules or regulations made by the said Employer for inefficiency or incompetency in the work in which the employee is classified. It is understood that the Employer will give the reason of such discharge to the committee of the Union upon request.
- B.) Should it be found, upon investigation, that an employee has been unjustly discharged or laid-off, such employee or employees shall be immediately reinstated to their former positions without loss of rank and shall be compensated for all time lost at the regular rate of wages received.
- C.) The Employer will not discharge a regular employee without just cause except as listed below. Any dispute by the Union regarding employee discharge shall be addressed through the Grievance Procedure.
- D.) Neither verbal nor written warnings will be required prior to discharge for the following incidents performed on Company property and/or Company time.
 - 1. Assault or fighting
 - 2. Gross insubordination
 - 3. Theft or dishonesty
 - 4. Drinking or being under the influence of alcohol while on duty or on Company property
 - 5. Possession, use, sale or under the influence of illegal drugs or controlled substances not prescribed for the employee while on duty or on Company property
 - 6. Willful destruction of Employer property
 - 7. Possession of firearms on Company property
 - 8. Felonies or serious misdemeanors committed on employer time or property

ARTICLE 16

Substance Abuse Policy

While abuse of alcohol and drugs among members/employees is the exception rather than the rule, the Teamsters Negotiating Committee and Veritiv share the concern expressed by many over the growth of substance abuse in American society. 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 (to the extent allowed by law). Each employee shall receive a copy of the Company's Substance Abuse Policy which includes information on chain of custody, etc.

ARTICLE 17

Grievance Procedure

Should an employee (or former employee within five (5) working days of his layoff or discharge) feel that he has been unjustly treated, he or his representative or representatives may present his grievance to the proper representative of the Employer who will give it prompt and thorough consideration.

He or they will take the matter up with his immediate supervisor and failing satisfactory explanation or settlement, he or they may appeal in turn to the next highest ranking representative of the Employer.

- A.) A grievance is hereby jointly defined to be any controversy, complaint, misunderstanding, or dispute arising out of the interpretation or application of the terms and conditions of this Agreement.
- B.) Any grievance may be raised by the Union, or an employee represented by the Union and shall be settled in the following manner:

Step 1 — The aggrieved employee, the Union, steward, or the committeeman must present the grievance within five (5) working days after the reason for the grievance has occurred. Where the grievance is raised by an employee, the employee and/or the shop steward or committee member shall state their grievance to their immediate supervisor and a bona fide attempt shall be made to arrive at satisfactory settlement.

Step 2 — If a satisfactory settlement is not effected within five (5) working days following Step 1, the aggrieved employee, the Union, steward, or committeeman shall submit such grievance in writing to management with copy to the Union's Business Representative.

Step 3 — Any grievance not resolved in Step 2 of the grievance process within five (5) working days may be appealed to Step 3. The Business Representative shall then take the matter up with the representative of the Company with authority to act upon such grievance within ten (10) working days from the date of the appeal to the third step. No grievance shall be changed beyond **Step 3**. If a satisfactory settlement has not been reached within three (3) working days following **Step 3**, the grievance may be appealed to arbitration.

Step 4 — If after following the above procedure, a grievance has not been satisfactorily settled, either party may, at its option, within ten (10) working days

after either party gives its answer in **Step 3**, submit such grievance to arbitration by notifying the other party in writing of this desire. If the parties are unable to agree upon an arbitrator within a one (1) week period, they shall immediately jointly request the Federal Mediation and Conciliation Service to submit a panel of arbitrators and the Union and the Company shall each have the choice of alternately rejecting the names submitted and the remaining arbitrator shall be selected to arbitrate the dispute. Both parties agree once the panel of arbitrators has been submitted to the Union and the Company, an arbitrator must be selected within ten (10) working days.

Each party will bear the expense of his own representative and any other expenses of the arbitration will be shared equally.

The jurisdiction of the arbitrator will be limited to determining questions involving the interpretation, application or alleged violations of the terms of this Agreement. He shall not have authority to add to, subtract from or change any of the terms of this Agreement, including the existing wage structure. The decision of the arbitrator shall be final and binding upon the Company and the Union. The arbitrator must render a decision 30 days after the Company and Union submits their respective position briefs.

Each party agrees to work expeditiously together to resolve the grievance that has been submitted to the arbitration process. In no case will the financial liability on any grievance extend beyond six (6) months from the date of the selection of the arbitrator.

- C.) Time limits specified in this Article refer to working days and such limits may be extended by mutual consent in writing.
- D.) A grievance not appealed to the next step within the time limits specified shall be considered closed and settled on the basis of the Company's last reply.
- E.) With the permission of the Employer, the Business Agent shall be given the opportunity to investigate grievances, provided he gives proper notification and abides by all safety rules and regulations.

ARTICLE 18

Management Rights

Unless limited by a specific provision of this agreement, the Employer reserves and retains, solely and exclusively, all of its inherent rights to manage the business, as such rights existed prior to the execution of this agreement. Such rights include but are not limited to management's right to establish or continue policies, practices and procedures for the conduct of the business and to assign work to such employees in

accordance with requirements determined by management; to make and enforce reasonable work rules; and otherwise to take such measures as management may determine to be necessary for the orderly, safe and efficient conduct of the business. These rights are not intended to allow modification of wages, hours, and working conditions agreed upon by the parties. If any dispute arises concerning this Article, it shall be processed through the grievance procedure.

ARTICLE 19

Health and Welfare Fund

The employer agrees to make contributions to the Teamster's Health & Welfare plan of Western Pennsylvania. Employee contributions will be:

- Effective April 1, 2019, the employee will contribute on a pre-tax basis 15% of the applicable premium.
- Effective April 1, 2020, the employee will contribute on a pre-tax basis 15% of the applicable premium;
- Effective April 1, 2021, the employee will contribute on a pre-tax basis 16% of the applicable premium.
- Effective April 1, 2022, the employee will contribute on a pre-tax basis 18% of the applicable premium.

Employee contributions to the Teamster's Health & Welfare plan of Western Pennsylvania will be on a pre-tax basis.

Employee contributions to premiums shall be paid through payroll deductions. Any increased annual employee contributions shall start to be deducted from the first paycheck issued in April in that calendar year.

ARTICLE 20

Retirement Benefits

Section 1. Pension

Effective on the last day of the month in which this Agreement is ratified, April 30, 2019, the Company and Union agree that employees in the bargaining unit shall (i) the Company will cease participation Western Pennsylvania Teamsters and Employees Pension Fund (the "Union Pension Fund") and (ii) employees in the bargaining unit will cease accruing benefits under the Union Pension Fund. All benefits accrued under the

Union Pension Fund following ratification will continue to be administered by the Union Pension Fund.

Effective on the first of the month following ratification, May 1, 2019, all individuals whose employment is governed by this agreement and who are employed with the Company will participate in the Veritiv Pension Plan (the "Pension Plan").

The Veritiv Pension Plan is incorporated herein by reference. As soon as practicable following ratification, the Company will amend the Veritiv Pension Plan to reflect the terms of this Article 20, Section 1. For avoidance of doubt, the terms of the new Exhibit to the Veritiv Pension Plan that is adopted pursuant to this Article 20, Section 1 as amended from time to time, will control with respect to all employees in the bargaining unit during the term of this Agreement, subject in all cases to applicable law and the express terms of this Agreement.

- Employees in the bargaining unit who are active and on-roll as the date of ratification will be immediately vested under the Veritiv Pension Plan. Employees who are hired or become active in the bargaining unit after said date shall become vested under the terms of the Pension Plan.
- Employees covered by this Agreement will accrue a Normal Retirement Benefit (as defined in the Pension Plan) of \$50.00 per month for each year of Benefit Service on and after the first of the month following ratification. (For avoidance of doubt, Benefit Service will not include periods during which all whose employment is governed by this agreement accrued a benefit under the Union Pension Plan.)
- The Pension Plan neither requires nor accepts employee contributions.

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

Section 2. Company 401(k)

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. Effective as of ratification of this Agreement, all present employees of the Employer in the bargaining unit during the term of the Agreement shall be eligible to participate in the Savings Plan, without regard to Service (as defined in the Savings Plan). As soon as practicable following ratification, the Company will amend the Savings Plan to reflect the terms of this Section 2. For avoidance of doubt, the terms of the Savings Plan, as amended from time to time, will control with respect to all employees of the Employer in the bargaining unit, 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 employees of the Employer in the bargaining unit.

- A. All employees of the Employer in the bargaining unit and on roll at time of ratification shall be eligible for a nonelective employer contribution up to \$6000 to be credited to a Savings Plan account established for the employee. Both parties agree that The Company will make such nonelective employer contribution as follows:
- o Within 30 days after ratification of this Agreement, The Company shall make a \$6,000 nonelective contribution.

Each nonelective contribution set forth above shall only be made on behalf of active employees of the Employer in the bargaining unit and on roll on the date such contribution is made. Employees hired after the ratification date are not eligible for the nonelective contribution.

- B. Each Plan Year, an eligible employee of the Employer in the bargaining unit 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 employee of the Employer in the bargaining unit may also elect to make such other types of employee contributions (if any) available to non-union employees in the Company's Savings Plan.
- C. Each Plan Year, the Company shall match 100% of the aggregate employee contributions made by an eligible employee of the Employer in the bargaining unit, up to 1% of 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. There will be no diversion of wages for the term of the agreement.

ARTICLE 21

Continued Contributions to Health and Welfare and Pension Fund

The Employer shall continue contributions to the Teamsters Health and Welfare Pension Plans for the following terms: Layoff: 3 months, Non-work related injury/illness: 6 months; Work-related injury: 12 months.

ARTICLE 22

Union Leave for Elected Office

Members of the Union elected to Local or International Office, upon receipt by the Company of a written request from the Local or International Union shall be entitled to a

leave of absence not to exceed six (6) years and three (3) months to serve in such elected position. A temporary leave of absence not to exceed six (6) years and three (3) months shall be granted upon receipt by the Company of a written request from the Local or International Union for a Union member temporarily appointed to an assignment with the Local or International Union. Upon return, they shall be reinstated in accordance with their seniority, which seniority shall accumulate during such absence. All such leaves of absence will be without pay.

ARTICLE 23

Time off for Union Activities

The Employer agrees to grant the necessary and reasonable time off, without discrimination or loss of seniority rights (including vacation and holiday eligibility as provided in this Agreement), and without pay to any employee designated by the Union to attend a labor convention or serve in any composite or other official union business, provided a one (1) week advance written notice is given to the Employer by the Union specifying the approximate length of time he may be off. The Union agrees that, in making request for time off for Union activities, due consideration shall be given to the number of employees affected in order that there shall be no disruption of the Employer's operation due to lack of available employees. Any such requests will be considered by the Employer on a case by case basis, depending on the number of employees needed and business requirements.

ARTICLE 24

Leaves of Absence

- A.) **Military Leave.** The company and the union agree to abide by all federal, state and local regulations governing members of the armed forces.
- B.) **Medical Leave.** A leave of absence of up to twenty-six (26) weeks for reason of extended personal illness or injury shall be granted to all employees, provided such request is supported by reasonable medical evidence, which is satisfactory to the Company. If, at the end of the twenty six (26) weeks the employee is unable to return to work, the leave may be extended at the Company's discretion up to an additional twenty six (26) weeks, provided the extension is supported by reasonable medical evidence, which is satisfactory to the Company. The Company will continue to provide health and welfare contributions during said medical leave, provided the employee continues to make any required contributions to the benefit plans. If the Company does not believe that said medical evidence is reasonable, the Company agrees to provide the employee with specific reasons why not. The Company also agrees to afford the employee the opportunity to submit subsequent medical evidence that is reasonable. Upon the start of any type of leave of absence, the employee must use five (5) days of vacation (or available days if less than 5). Another 5 days of vacation (or

available days if less than 5) must be used when an employee reaches 60 cumulative calendar days absent in a calendar year. A maximum of ten (10) days of vacation will be used in a calendar year.

- C.) Personal Leave. Personal leave of absences may be granted and approved by the employer for up to thirty (30) days. The employee may be granted extensions for personal leave with the approval of the Employer and the Union. All such requests, granting and extensions of leaves shall be in writing.
- D.) FMLA will be administered per Federal guidelines and will run concurrent with other provisions described above.

ARTICLE 25

Sick Days, Bereavement, Jury Duty

The Employer shall provide a sick leave program consisting of three (3) days each year for regular employees only, which must be taken a full day at a time. An employee absent from work for three (3) consecutive work days or more who intends to use his sick leave entitlement to cover said absences must, immediately upon his return to work, if requested, provide the Company with appropriate medical documentation. Otherwise, the absences will be considered as unexcused. The Company's request for medical documentation shall not be construed as capricious, arbitrary or discriminatory and shall not be subject to the grievance/arbitration procedure. At the end of any calendar year, a regular employee, will be paid for any unused sick leave, and shall receive eight (8) hours for each unused sick day at his regular straight-time rate of pay.

Employees shall be granted three (3) sick days per calendar year, effective January 1, 2007. Effective April 1, 2016, employees can use up to three (3) DAT Vacation Days as Sick Days.

Notwithstanding the foregoing, an employee who retires on pension, shall be entitled to a pro-rated number of sick days for each full quarter which he works as a employee in that calendar year. If at the time of retirement the employee has taken more sick days in the calendar year of retirement than he is entitled to under this paragraph, the excess day or days shall be deducted from the additional vacation pay due him under Article 9 (E) above.

For an employee to be eligible for sick days, he/she must be an active employee in the same calendar year.

BEREAVEMENT PAY

In the event of a death in the immediate family of any employee, the Employer shall pay the employee not to exceed three (3) days to attend the funeral services. If you need more than three working days off, you should discuss this need with your manager, in consultation with the HR Business Partner. One (1) additional day shall be paid if services require out of town travel in excess of 500 miles (documentation may be required).

It being understood that 'immediate family' means your spouse, children, stepchildren parents, legal guardian, grandparents, parents-in-law, brothers, sisters, brothers-in-law, sisters-in-law, grandchildren, spouses of children, spouses of stepchildren and includes *domestic partners *includes domestic partner's equivalent relatives as listed above.

JURY DUTY

In order to receive payment under this Section, an Employee must give the Employer prior notice that he has been summoned for jury duty promptly after he receives such summons and must furnish satisfactory evidence that he performed jury duty on the day when he claims such payment.

ARTICLE 26

Completeness of 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.

The following past practices shall be continued:

1. If the cutting operation returns to the Pittsburgh facility, the Company and the Union will discuss its implementation
2. Members of Local 636 will be involved in minor racking projects in the Pittsburgh facilities covered by this contract.
3. Light duty, when available, will be consistent with company policy. The employer will attempt to keep the employee on the shift they have bid.
4. Employer shall train volunteers for cross-training in receiving.
5. The Employer shall post the weekly schedule for the warehouse staff. Employees have until 6:00 p.m. Thursday to bid on an opening according to the bidding provisions of this Agreement.

ARTICLE 27

Kitting

Consistent with Article I paragraph D, 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. 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.

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.

ARTICLE 28

Political Action Fund

The Employer agrees to deduct from the paycheck of all regular employees covered by this Agreement voluntary contributions to Teamsters Local 636 Political Action Fund. The Teamsters Local 636 Politician Action Fund 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" excluded any week other than a week in which the employee earned a wage. The Employer shall transmit to Teamsters Local 636 Political Action Fund 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. THIS CONTRIBUTION IS NOT TAX DEDUCTIBLE.

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 29

Termination of Agreement

At any time after the anniversary date of this Agreement, if the questions at issue have not been settled satisfactorily, either party may give written notice to the other party of its intent to terminate the Agreement. Termination may take place only after a lapse of at least twenty (20) working days from the date of notification to terminate. All provisions of this Agreement shall remain in effect until the specified time has elapsed. During this period attempts to reach an agreement shall be continued. If no agreement is reached before the specified time has elapsed, all obligations under this Agreement shall be automatically canceled.

ARTICLE 30
Effective Dates of Agreement

First year improvements will be effective on April 1, 2019 (unless noted otherwise below) provided the proposal is ratified and executed in a timely manner. Subsequent improvements will be at 12 month intervals following the first year's improvements. If the offer is not ratified and executed in a timely manner, all first year improvements will become effective as soon as administratively possible upon ratification and execution and subsequent improvements shown will become effective at 12 month intervals thereafter. No improvements will be made after March 31, 2023.

IN WITNESS WHEREOF, each party has caused this Agreement to be executed by the hands of its proper officers and its corporate seal to be affixed hereto this 17th day of April 2019.

Veritiv

By: Danielle Dalay
[Signature]
Tammy Ann Lehen

For the Union

[Signature]
Dan Rothrauff
[Signature]

Unpublished Addendum

At the time of ratification, Earl Battles and Tim Mayernik are currently laid off under the layoff provisions provided in this agreement. If either of the employees is returned to work under the provisions of Article 2 of this agreement they will be fully vested in the Veritiv Pension and Savings plan. They are not eligible for the non-elective payment to the Savings Plan provided in Article 20, Section 2(a).