

AGREEMENT

BETWEEN

VERITIV OPERATING COMPANY

AND

**GENERAL TEAMSTERS, CHAUFFEURS,
WAREHOUSEMEN AND HELPERS**

LOCAL UNION NO. 249

April 1, 2020 through March 31, 2024

| | |
|--|----|
| AGREEMENT | 1 |
| WITNESSETH | 1 |
| ARTICLE I | 1 |
| RECOGNITION / UNION SECURITY / DUES CHECKOFF / DRIVE | 1 |
| ARTICLE II | 2 |
| GENERAL PURPOSE / UNION ACCESS | 2 |
| ARTICLE III | 3 |
| SENIORITY | 3 |
| ARTICLE IV | 4 |
| MANAGEMENT RIGHTS | 4 |
| ARTICLE V | 5 |
| HOURS OF WORK | 5 |
| ARTICLE VI | 7 |
| HOLIDAYS AND VACATION | 7 |
| ARTICLE VII | 9 |
| LEAVES OF ABSENCE, FUNERAL AND JURY DUTY | 9 |
| ARTICLE VIII | 10 |
| SICK DAYS | 10 |
| ARTICLE IX | 10 |
| MISCELLANEOUS | 10 |
| ARTICLE X | 12 |
| WAGES, OVERTIME, PAYDAY | 12 |
| ARTICLE XI | 14 |
| HEALTH AND WELFARE, 401(k) | 14 |
| ARTICLE XII | 16 |
| DISCIPLINE AND DISCHARGE | 16 |
| ARTICLE XIII | 17 |
| SAFETY AND HEALTH | 17 |
| ARTICLE XIV | 18 |
| UNION ACTIVITIES | 18 |
| ARTICLE XV | 19 |
| ANTI-DISCRIMINATION POLICY | 19 |
| ARTICLE XVI | 19 |
| NO STRIKES, NO LOCKOUTS | 19 |
| ARTICLE XVII | 20 |
| BULLETIN BOARD | 20 |
| ARTICLE XVIII | 20 |
| GRIEVANCE PROCEDURE | 20 |
| ARTICLE XIX | 21 |
| KITTING | 21 |
| ARTICLE XX | 22 |
| COMPLETENESS OF AGREEMENT | 22 |
| ARTICLE XXI | 22 |
| TERMINATION OF AGREEMENT | 22 |
| MEMORANDUM OF UNDERSTANDING | 24 |

AGREEMENT

This Agreement is entered into by and between, Veritiv, 150 Thorn Hill Road, Warrendale, PA and/or its successors or assigns, hereinafter referred to as the "Company" or "Employer" and the International Brotherhood of Teamsters, TEAMSTERS LOCAL 249 (hereinafter referred to as the "Union").

In case the Employer sells, assigns or transfers the transportation segment of the business, but continues to maintain his principal business, the Employer covenants and agrees to make as a condition of said sale, assignment or transfer that said purchaser, assignee or transferee of the transportation segment of the business shall employ all regular members of the Union covered by this contract, and said employment to continue and to exist under the same terms and conditions of this contract.

WITNESSETH

Whereas, the parties hereto are desirous of entering upon an Agreement as to wage rates and conditions of employment and to do away with the possibility of strikes, boycotts, lockouts and the like.

Now, therefore, the Employer and the Union, acting by and through their duly authorized agents, hereby agree as follows:

ARTICLE I

RECOGNITION / UNION SECURITY / DUES CHECKOFF / DRIVE

Section 1: Recognition

The Company recognizes the Union signatory 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 regular full-time drivers and loaders employed by the Employer at its Warrendale facility; but excluding all office clerical employees, inventory control coordinator, temporary workers, guards and all professional employees and supervisors as defined in the Act, and all other employees.

Section 2: Union Security

All employees on or after the thirtieth day following the beginning of their employment, or the effective date of this provision, whichever is the later, shall as a condition of employment, become members and maintain their membership in the Union for the duration of this Agreement.

Section 3: Dues Checkoff

The Employer agrees to deduct from the pay of all regular employees covered by this Agreement, each pay period, the dues, initiation fees and/or uniform assessments of the Local Union and agrees to remit to said Local Union all such deductions prior to the end of the month for which the deduction is made. Written authorization by the employees shall be furnished. If the employer deducts and remits due to the Union based on signed authorization cards, the Union will indemnify the employer from any claims over dues.

Section 4: DRIVE

The Employer agrees to deduct from the paycheck of all employees covered by this Agreement voluntary contributions to DRIVE. DRIVE shall notify the Employer of the amounts designated by each contributing employee that are to be deducted from his / her paycheck on a weekly basis for all weeks worked. The phrase "weeks worked" excludes any week other than a week in which the employee earned a wage. The Employer shall transmit to DRIVE National Headquarters on a monthly basis, in one (1) check, the total amount deducted along with the name of each employee on whose behalf a deduction is made, the last four (4) digits of the employee's social security number, and the amount deducted from that employee's paycheck. The International Brotherhood of Teamsters shall reimburse the Employer annually for the Employer's actual cost for the expenses incurred in administering the weekly payroll deduction plan.

ARTICLE II

GENERAL PURPOSE / UNION ACCESS

Section 1: General Purpose

The general purpose of this Agreement is, in the mutual interest of the employer and employee, to provide for the operation of the facility located in Warrendale, PA under which methods 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.

Section 2: Union Access

The Union Business Agent shall have access to the Employer's premises during working hours to administer the Agreement, providing he / she notifies the employer upon arrival, follows all safety procedures for guests of the facility, and does not interrupt the daily operations of the Employer.

ARTICLE III

SENIORITY

Seniority is defined as the length of continuous service from the last date on which a regular full-time employee enters the service of the Employer and since which date there has been no break in service. Seniority rights shall prevail for layoff, recall, vacation preferences and bid shifts.

New Hire Probationary Period. All new hires shall be considered a probationary employee for ninety (90) working days.

In the event it becomes necessary to lay off employees for lack of work or other legitimate reasons or recall employee from such layoff, regular full-time employees will be given preference in accordance with their seniority. The Union will be advised of the names of employees laid off or recalled. If practicable, such notices will be given in advance. In determining seniority for layoff or recall, absences from work due to layoff for lack of work or other legitimate reasons (see Leave of Absence Article) shall be considered time worked in the accumulation of seniority.

Regular re-employment from layoff is defined as five (5) consecutive days or more of employment. An employee so recalled to work shall report at the call of the Employer, and shall receive at least five (5) business days notice of the employee's recall to regular employment. If an employee fails to report following notification, the employee and the Union will be notified that the employee will be removed from the seniority roster. It is the employee's responsibility to keep the Company informed as to their current address and phone number during the layoff status.

Regular employees must bid on a route that is available. Routes, including start times, will be bid in April and October of each year. Should the needs of the business, dictate that changes to the routes, including starting times, as determined by management, are necessary at times other than April and October, such changes will be discussed with the Union before the rebid is posted. Subsequent bids will be posted the following April and October, whichever is sooner, unless otherwise agreed to by both parties. Bids will be posted for 3 working days.

When the Company adds driving or loading bids in excess of the scheduled work, the employer shall first offer such work to regular employees not scheduled for work that day, in seniority order, prior to offering such work to temporary worker.

Due to a lack of work, the Company may combine a route as needed on a day to day basis. The senior most affected employee shall have the right to pick the combined route or pick an open assignment as a utility driver for the day in question.

Seniority shall be broken if an employee:

- 1) voluntarily resigns;
- 2) fails to report for work for three (3) consecutive scheduled workdays without notification, unless a proven extenuating circumstance prevents notification;
- 3) retires;

- 4) is discharged for cause;
- 5) is laid off for a period in excess of the employee's seniority or eighteen (18) months whichever is less;
- 6) is off as the result of on the job related injury/illness for more than twenty-four (24) months or;
- 7) is off as the result of off the job related injury/illness for more than eighteen (18) months.

ARTICLE IV

MANAGEMENT RIGHTS

- A.) The Management of the Company and the direction of the work force, including the right to plan, direct and control Company operations and to maintain and establish rules of operations and working practices not consistent with the provisions of this Agreement, shall be vested exclusively with the Company. In the exercise of its rights, the Company shall observe the provisions of this Agreement. Such rights include but are not limited to management's right to establish or continue 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, modify and enforce reasonable work rules, procedures 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 an intent to allow modification of wages, hours, and working conditions agreed upon by the parties.
- B.) The Company retains the right to determine from which facility it shall service its customers. With respect to product delivered from the Company's Pittsburgh distribution facility or transferred from Pittsburgh to another facility, the Company agrees that unless all Regular Drivers are working or have been given the opportunity to work, the Company will not use a third party contractor, except where necessary to satisfy customer's demand, or where it is economically unfeasible to make a delivery with a Company driver.
- C.) 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. The Company agrees that the intent is to ensure we are meeting customer requirements in a timely manner and there is no intent to erode the Local 249 Bargaining Unit.
- 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.
- D.) 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.

- E.) The Company will continue to fill the loader/utility position with a member of the bargaining unit for the life of the Agreement, so long as all employees in the bargaining unit are employed at full employment. The Company may assign loading work to members of IBT Local 636, or drivers may be assigned to load trucks before departing the facility. Local 249 will no longer have exclusive jurisdictional responsibility for loading trucks.

In the event that a driver determines that a load has been improperly loaded or is unsafe, the driver shall have the opportunity to correct the problem before leaving the facility, after notification and approval from Management. The Distribution Manager or Supervisor must approve all route, delivery and load changes prior to any changes being made.

ARTICLE V

HOURS OF WORK

It is agreed that any employee reporting to work at his scheduled starting time or ordered to report to work at a non-scheduled time shall be paid from the time that he so clocks in and will continue for four (4) consecutive hours of work.

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 week, 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 four a minimum of (4) hours of work or pay. Daily minimum guarantees, as referenced herein, shall apply except when the employee quits, fails to report for work, or is terminated for just cause or in circumstances caused by Acts of God.

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 week, guaranteed 40 hours per week. Payment of sick leave, holiday pay, 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

No double shifts. Night shift employees may voluntarily work over on day shift routes but cannot be required. In the event this is necessary and night shift employees do not volunteer, the Company will be able to utilize whatever means necessary to service its customers.

The employer in order to maintain the best operating efficiency, reserves the right to direct the work force for the purposes of completing a shift, vacation relief, covering absences or fill-in work provided they can do the work safely.

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.

All Regular Full-Time Drivers shall be given an eight (8) hour minimum daily guarantee. When available, and based on operational needs, the Company will offer drivers the option to voluntarily leave early, with the option offered based on seniority. Employees who are granted the option to leave early will not be assessed any penalties. If an employee elects to leave prior to completion of eight (8) hours, the employee will be considered as working eight (8) hours in calculating overtime according to the provisions of Article X, Section 2. A.

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 the settlement of grievances, except in cases of management abuse or if the Company fails to provide work opportunities to make up such violations within a forty-five (45) day period.

Temporary Worker

It is understood that the Company may hire temporary workers for the purposes of replacing employees out of work due to leave of absence, or occupational or non-occupational illness or injury, or for any other temporary vacancies. No temporary worker shall work more than (twelve) 12 consecutive months throughout the life of this agreement. In the event the employee they are replacing does not return to work, the temporary worker will be given the opportunity to join the bargaining unit by the Company.

In addition, the Company may hire temporary workers for servicing unusual workloads or permanent increased workloads. For these purposes, no temporary worker shall work more one thousand (1000) hours within twelve (12) months. If the temporary worker attains more than one thousand (1000) hours in twelve (12) months, the Company will start the hiring process for said worker.

Temporary workers that have attained more than ninety (90) working days who become full-time employees will not be subject to the probationary period.

The Company may not utilize temporary workers for the purpose of reducing or limiting the number of full-time Employees, or for the purpose of depriving full-time Employees of overtime work, or to perform work currently done by full-time Employees.

The parties agree that this provision is not to circumvent full-time employment and can be subject to the grievance procedure.

TEMPORARY WORKERS: 85% of regular employee rate:

Temporary workers shall be paid through a temporary agency designated by the Company. This will in no way affect terms of consideration for hiring, rate of pay, call in, benefits as provided within this Agreement or any other provision specified within this Agreement.

Nothing set forth in this article shall obligate the Employer to provide fringe benefits for temporary workers. Only regular employees shall receive fringe benefits.

ARTICLE VI

HOLIDAYS AND VACATION

A.) HOLIDAYS

Management reserves the right, prior to January 31st of each calendar year, to adjust the holiday schedule for New Year's Day, Independence Day, Christmas Eve, and Christmas Day, as needed to meet customer needs and maximize employee's time off. This adjustment to the holiday schedule could include the movement of a stated holiday to a floating holiday day, and/or the movement of a floating holiday day to a stated holiday. When the Company declares an additional stated holiday, the employee may use a personal floating holiday, vacation day or take the day off without pay. In the event an employee elects to take the day off without pay, daily overtime rules will apply.

The following shall be considered as holidays, and shall be paid to all employees, at the straight-time hourly rate, for eight (8) hours:

1. New Year's
2. Memorial Day
3. July 4th
4. Labor Day
5. Thanksgiving Day
6. Day After Thanksgiving
7. Christmas Eve Day
8. Christmas Day

Additionally, two (2) Personal Floating Holidays shall be taken by employees at their discretion, provided the Company is given twenty-four (24) hours notice.

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

No work on Labor Day except for the protection of life and property.

VACATION

Regular Full-Time Employees shall receive forty (40) hours straight-time vacation pay, according to the following schedules, based on years of service.

| VACATION ELIGIBILITY | |
|----------------------|-------------------|
| Years of Service | Weeks of Vacation |
| 1 | 2 |
| 5 | 3 |
| 15 | 4 |
| 25 | 5 |

Upon mutual agreement between the employee and the employer, the employer will have the option of buying the fourth (4th) week of vacation

Employer may prorate vacations for employees with less than thirteen hundred (1300) hours worked during an employment year. Formula shall be: All employees with thirteen hundred (1300) or more hours worked during an employment year shall be entitled to full vacation benefits as set forth in Article VI B. Formula for employees with less than thirteen hundred (1300) hours worked shall be Worked hours, divided by thirteen hundred (1300) equals percentage earned vacation due employee. Holiday and vacations shall be counted as hours worked.

Vacations must be taken Monday through Friday, as five (5) consecutive days. In the event a holiday falls during an employee's scheduled week of vacation, the employee shall have the option to take five (5) days off, and be paid at the straight-time rate for the week of vacation and the holiday(s), or the employee may choose to use the holiday(s) as floating personal holidays. If the employee chooses to use the holiday(s) as floating personal holidays, the Company must be given notice prior to the first scheduled day of vacation.

With 48 hours notice, employees will be given the option of using two (2) weeks of accrued vacation in less than full week increment. This is referred to as Day-at-a-Time or DAT vacation. It is also agreed that three (3) DAT days may be converted to sick days and be utilized as such.

On any given workday, a maximum of 15% of drivers may be on vacation. (conventional rounding will be used)

An employee who is eligible for vacation pay and who retires on pension shall receive, in addition to the vacation pay to which he is entitled in that calendar year, 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 Benefit |
|---------------------|--------------------|
| January – February | 0% |
| March – April | 20% |
| May – June | 40% |
| July – August | 60% |
| September – October | 80% |
| November – December | 100% |

ARTICLE VII

LEAVES OF ABSENCE, FUNERAL AND JURY DUTY

- A. **Military Leave:** The Company and the Union agree that it is their mutual intention that this agreement be interpreted to comply with and provide the maximum benefits permitted under all applicable Federal and Pennsylvania State laws governing military leave and the agreement shall not be interpreted as in any way limiting said Federal and Pennsylvania State benefits. Anyone belonging to the National Guard or Reserve component of the Armed Forces or choosing to join these organizations shall be provided with the necessary time off without pay to fulfill any obligations required of their participation in these programs. If voluntarily called to active duty, the Company shall pay them the difference between their military pay and their wage rate at the time of leaving, after providing documentation of military pay.

- B. **Medical Leave.** A leave of absence of up to twenty-six (26) weeks for reason of extended personal illness or injury may be granted to employees, provided such request 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 with the opportunity to submit subsequent medical evidence that is reasonable.

- 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. Employees will not be required to take sick days, floating holidays or vacation while on FMLA.

- E. **Funeral Leave:** In the event of a death in the immediate family of an employee, the Employer shall pay the employee not to exceed three (3) days to attend the funeral services. If an employee needs more than three working days off, the employee should discuss the need with their manager, in consultation with the Group HR Manager. 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 the employee's spouse, children, stepchildren, parents, legal guardian, grandparents, parents in-law, brothers, sisters, brothers in-law, sisters in-law, grandchildren, spouses of children and spouses of stepchildren and includes 'domestic partners'.

- F. Jury Duty: An employee summoned to jury duty must report receipt of a jury summons to their manager. The notification to the supervisor of the need for time off for jury duty must be made as soon as notice or summons from the court is received.

Regular pay will continue for up to eight (8) hours a day, up to the employee's regularly scheduled work hours per week, for the duration of the trial. The employee must bring proof from the court reflecting time served on jury duty and money received.

ARTICLE VIII

SICK DAYS

The Employer shall provide a sick leave program consisting of three (3) days each year, which must be taken in full day or days (either 8 or 10 hour segments). An employee absence 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, provide the Company with appropriate medical documentation. Otherwise, the absences will be considered as unexcused. At the end of any calendar year, an employee will be paid for any unused sick leave, and shall receive eight (8) hours for each unused sick day at this regular straight time rate of pay.

In order to be eligible for sick days and/or the payout of unused sick days in any calendar year, an employee must have reported for active work in that same calendar year.

New hires will be awarded sick days based on their month of hire, per the following schedule:

- Hires in January through April will be awarded three (3) sick days upon hire.
- Hires in May through August will be awarded two (2) sick days upon hire.
- Hires in September through December will be awarded one (1) sick day upon hire.

ARTICLE IX

MISCELLANEOUS

- A. Management will be responsible for posting bids based on customer delivery requirements and equipment utilization. While the Company looks for input from the Union, the Company reserves the unilateral right to make the final determination regarding start times and truck routing requirements.

- B. No driver shall be required to carry goods up or down stairs to make a delivery except where necessary to reach the main floor to the customer's business or where an elevator is available for use in making the delivery. The Company and Union will develop a list of customers that require both a driver and a helper. A two-man truck will be scheduled on an "as needed" basis. In any case, the Company reserves the unilateral right to make the final determination regarding its delivery requirements and the use of both a driver and a helper. The helper will be a member of Local 249.
- C. As used in this Agreement, "days" means calendar days and "working days" will be specified as such. When referring to vacation and holidays, "year" shall mean calendar year (January through December).
- D. The Employer agrees to furnish, upon demand, evidence that the terms and conditions of this Agreement are carried out.
- E. 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 not limited to, truck monitoring devices, and/or hidden cameras and/or to use such means deemed necessary by the Company, including but not limited to the use of undercover investigators. If the use of any surveillance information can lead to discipline, the Company will share the relevant information with the Union Representative and will provide copies of the tapes and investigative reports prior to taking final disciplinary action. If employees are found to have engaged in misconduct as a result of such investigation, discipline up to and including discharge pursuant to the provisions of the labor agreement will be imposed.

The Company further agrees that it will not engage in or direct any surveillance and/or undercover investigation in any areas where the employee has a reasonable expectation of privacy (e.g. lockers, bathrooms, personal effects and vehicles) unless the Company has probable cause to suspect that the employee(s) has been or is engaging in violations of law or serious rules.

- F. The Union agrees to make every effort to see that its members who are in the Employer's employ abide by all reasonable rules and regulations required by the Employer. The Teamsters Local 249 agrees to further promote/support and endorse the participation in all Customer Service and Customer Service Training.
- G. Employees are expected to actively participate in job-related activities, including but not limited to safety, quality programs, training, etc. The Union will encourage employee participation and will not interfere with same. Any required job-related activity will be paid.
- H. The Employer agrees that none of his employees will be asked to enter into a written or verbal contract, the provisions of which will be inconsistent with any of the provisions of this Agreement.

- I. The Company will reimburse CDL drivers for CDL license renewal (License fee), HME renewal fee, TSA background check fee, and DOT physical fee. The company will pay for time spent for the DOT physical only (up to 1½ hours if unable to do on own time).
- J. Driver requirements: All drivers are required to drive tractor-trailers.
- K. Meal break: All drivers shall take their meal break prior to the 8th hour.
- L. Drivers will be provided uniforms by the company. Drivers are responsible for wearing and maintaining company provided clothing to a professional appearance at a standard required by the company.

ARTICLE X

WAGES, OVERTIME, PAYDAY

A.) WAGES AND OVERTIME

1. The parties agree the rate of pay as of March 31, 2020 is \$23.55*. Changes to that rate will be made per the following schedule:

| Effective date | Cents/Hour | New rate |
|----------------|------------|----------|
| 4/1/20 | \$0.71 | \$24.26 |
| 4/1/21 | \$0.73 | \$24.99 |
| 4/1/22 | \$0.75 | \$25.74 |
| 4/1/23 | \$0.77 | \$26.51 |

* This rate include \$0.07/hour from prior contracts to be used for the purchase of safety shoes.

- Note: All rates are effective at the start of the first full payroll period beginning on or after the dates shown.

A \$0.75 premium is considered to be a shift premium. Shift premium: \$0.75/hour for 2nd and 3rd shift.

For the purpose of determining eligibility for shift differential, shift times are: 1st – 4:00 am - 11:59 am, 2nd – 12:00-7:59 pm, 3rd – 8:00 pm – 3:59 am.

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 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) or ten (10) per day, shall be paid at overtime rate of one and one-half (1-1/2) times the straight time regular 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 involuntary lack of

work, or other conditions beyond the control of the Company, such as power failures, fires, flood or similar causes.

PAYDAY: 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.

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

B.) Pallet program -

For each QUALITY pallet returned ("Quality" defined as 40" x 48" completely intact with no broken or missing boards). Only Veritiv employees in the job classification of "driver" will receive \$1.00 per pallet to be paid as part of a regular payroll check. Normal Federal and Local taxes apply. There will be no "off cycle" check requests for this award where errors or delay occur.

The following is a list of guidelines for which Pittsburgh Drivers will need to adhere to in order to participate in the Pallet Return Program:

1. All pallets need to signed off by one the Veritiv warehouse supervisors/managers: without a signature from one of these individuals a receipt will not be provided for the pallets.
2. Once the number of pallets has been determined by one of the authorized Veritiv supervisors/managers the driver will be given a dated receipt showing the agreed number of pallets.
3. Unusable pallets will not count towards the driver's total number of pallets returned. The individuals who sign off the driver's pallets will determine if a pallet is unusable.
4. Drivers will not be allowed to travel out of route to collect pallets unless specifically authorized by a supervisor..
5. Drivers will not be allowed to collect pallets from customers that are not on their daily manifest unless specifically authorized by a supervisor.
6. Pallet returns from outlying branches shall not be included in this program.
7. Based upon the needs of the business, management will determine when the "Pallet Program" will be in effect and to the best of its ability, will provide advance start and stop notification.

Any misrepresentation of this program by a Veritiv employee involved will be subject to progressive disciplinary action. The Company may, at its' sole discretion, discontinue and or modify this program at any time.

Pallet Return Forms must be turned in at the end of each month. The Company will post a schedule of the Pallet Return Form due dates within thirty (30) days of

ratification of this agreement. Pallet Return payments can not be rolled over into the next month. If the forms are not turned in by the end of the month, the payment will be forfeited for that month.

ARTICLE XI

HEALTH AND WELFARE, 401(k)

A.) HEALTH AND WELFARE

The employer agrees to make contributions to the Western Pennsylvania Teamsters and Employers Welfare Fund. Employee contributions will be:

- Effective April 1, 2020, the employee will contribute on a pre-tax basis 10% of the applicable premium.
- Effective April 1, 2022, the employee will contribute on a pre-tax basis 15% of the applicable premium.

If for any reason beyond the employer's or employee's control, the 9CF plan is not available, the employer agrees to meet with the Union to discuss replacing the plan.

The monthly health and welfare contribution will be provided for each newly hired employee beginning on the first (1st) of the month following completion of one (1) full calendar month of active employment.

Employee contributions to the Health & and Welfare Fund will be made on a pre-tax basis.

B.) PENSION

Effective on the last day of the month in which this Agreement is ratified, March 31, 2020, 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, April 1, 2020, 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 XI, Section B. For avoidance of doubt, the terms of the new Exhibit to the Veritiv Pension Plan that is adopted pursuant to this Article XI, Section B 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 actively employed as of 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.

C.) **PLAN MAINTENANCE**

Company contributions for health and welfare plans are defined above for the duration of this Agreement. If employees wish to have additional contributions made in order to keep the plans, such contributions will be deducted from the employee's wages. The Union shall provide the Company with written instructions regarding additional contributions.

D.) **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. 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 Article XI, Section C. 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 actively employed at the time of ratification shall be eligible for a nonelective employer contribution up to \$6,000 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:

- 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 50% of the aggregate employee contributions made by an eligible employee of the Employer in the bargaining unit, up to 4% 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.

E.) CONTINUING CONTRIBUTIONS TO HEALTH, WELFARE

The Employer shall continue contributions to the Teamsters Health and Welfare for the following terms: Layoff: three (3) months, Non-work related injury/illness: six (6) months; Work-related injury: twelve (12) months. Those currently on Leave of Absence will be grandfathered under the immediately previous timeframes. The company will pay per the above for all regular full time employees. Thereafter, no contributions shall be made for such employee, even if he works thereafter as a temporary worker, unless or until he is recalled to work as a regular employee. Employees working under a temporary light duty program will continue to have contributions made by the company.

ARTICLE XII

DISCIPLINE AND DISCHARGE

- A.) Warning letters and consultations shall be invalidated twelve (12) months following the date of issuance. Copies of verbal and written reprimands shall be issued to the shop steward and the union agent. It is recognized that all infractions of rules and or polices are not necessarily equal in weight. Therefore, the Company reserves the right to review the circumstances and events of each

infraction to determine if the progressive discipline steps should be amended for that particular infraction.

- B.) Warning letters must be issued no later than ten (10) working days following the employer's knowledge of the violation, except in those cases where a letter of investigation was issued within the ten (10) working day period. Letters of investigation shall be valid for thirty (30) calendar days from the said infraction, unless mutually agreed to extend between the Company and Union.
- C.) The Employer will not discharge a Regular Employee without just cause. Any dispute by the Union regarding an employee's discharge shall be addressed through the Grievance Procedure.

ARTICLE XIII

SAFETY AND HEALTH

- 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 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 for drivers.
- B. 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.
- C. Dangerous conditions: Under no circumstances will an employee be required or assigned or engage in any activity involving dangerous conditions of work, or danger to person or property or in violation of any applicable statute or court order, or in violation of a government regulation relating to safety of person or equipment.
- D. 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).
- E. The Company makes light duty available for employees involved in work related injuries. Light duty is only available for a limited time, while the employee is recovering. Long term light duty has been eliminated.

ARTICLE XIV

UNION ACTIVITIES

Any employee, member of the Union, acting in an official capacity whatsoever shall not be discriminated against for his/her acts as such officer of the Union so long as such acts do not interfere with the conduct of the Employer's business, not shall there be any discrimination against any employee because of Union membership or activities.

A Union member elected or appointed to serve as a Union official shall be granted a leave of absence during the period of such employment, without discrimination or loss of seniority rights, and without pay or benefits.

JOB STEWARDS

The Employer recognizes the right of the Union to designate Job Stewards. The Company will pay one (1) Job steward and (1) Committeeperson to be utilized in the event the Steward is not available provided the following:

The authority of job steward 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 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.

Stewards are permitted to investigate, present and process grievances on the property without loss of time or pay provided permission to do so if given by the Company. Such time spent in handling grievances shall be considered working hours in computing daily and/or weekly overtime.

Upon ratification of this agreement, the Union will furnish the Company with a list of the job steward and committeeperson who will be responsible for representing Local 249 employees. The Union will notify the Company, in writing, of new appointments within ten (10) working days throughout the life of this agreement.

The Employer shall give one (1) job steward, during his regular working hours or if outside his regular working hours his / her designated alternative, an opportunity to participate in the Employer's orientation of new employees, or the right to meet with new employees during their workday to inform them of the benefits of Union representation without loss of time or pay.

ARTICLE XV

ANTI-DISCRIMINATION POLICY

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, age, or any other protected class (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, or any other protected class). This protection shall include attention to those protected under current and future state and locals laws, in addition to federal statutes. 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.

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 XVI

NO STRIKES, NO LOCKOUTS

- A.) The Employer agrees during the term of this Agreement there will be no lockouts. The Union agrees that during the term of this Agreement, there shall be no strikes, picketing, handbilling, work stoppages or slowdowns.
- B.) It shall not be a violation of this Agreement, and is shall not be cause for discharge or disciplinary action in the event an employee refuses to enter upon a non-Company facility involved in a primary picket line by Company employees at the Company's place of business.
- C.) Should the above become effective, the Company shall service its customers by whatever means necessary without having grievances filed.

- D.) In order to ensure the needs of customers are met, the Union agrees to provide forty-eight (48) hours notice, or when it becomes known, if an employee is going to refuse to cross a bona fide picket line. Under no circumstances will an employee be required to place himself or herself in physical danger.

ARTICLE XVII

BULLETIN BOARD

The Employer agrees to install a Bulletin Board to be used exclusively by the Union. However, the Employer reserves the right to remove any matter from the Union Bulletin Board that is derogatory to the Employer, provided the Employer notifies the Union before doing so.

ARTICLE XVIII

GRIEVANCE PROCEDURE

A representative of the Union shall be given every opportunity to investigate whether the terms of this Agreement are being complied with, provided he first notifies the Employer of his presence and abides by all safety rules and regulations, and will not conduct an investigation inside the plant during the working hours unless permission to do so is granted by the Company.

- A.) 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 or steward, must present the grievance within five (5) working days after the reason for the grievance has occurred or had reasonable knowledge that a grievance has occurred. Where the grievance is raised by an employee, the employee and/or the shop steward shall state their grievance to their immediate supervisor and a bona fide attempt shall be made to arrive at satisfactory settlement.

Step 2 — If the grievance is not verbally settled, the aggrieved employee, the Union, or steward within five (5) working days shall submit such grievance in writing to management with a copy to the Union's Business Representative. Management shall answer the grievance in writing within five (5) working days upon receipt of the grievance.

Step 3 — If the written response does not settle the grievance the Business Representative shall meet with the Distribution Manager within ten (10) working days from the date the written response was submitted to the Union. After the parties meet, the Company has five (5) working days to respond to the grievance in writing.

Step 4 — If after following the above procedure, a grievance has not been satisfactorily settled, either party may 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.

The authority of the arbitrator shall be limited to applying and interpreting the express terms and conditions of this Agreement specifically set forth. The arbitrator shall not have the authority to establish or change any rates of pay, or add to, subtract from, or otherwise change or modify any terms and conditions. The decision of the arbitrator final and binding upon all matters as to which he shall have authority.

In no case will the financial liability on any grievance extend beyond six (6) months from the date of the selection of the arbitrator. The parties agree that if there are any extenuating circumstances the timeframe can be mutually extended beyond six (6) months.

Sufficient methods having been established to settle any grievance or dispute that may arise, in an amicable manner, there shall be no strikes, stoppage of work, or slowdowns by the employees nor any lockout of the employees by the Employer during the terms of this Agreement.

There will be no Company payment for lost time for the Union Committee, officials, or Union witnesses at any arbitration hearing. The cost of the arbitration, arbitrator, transcripts, facility, etc. will be borne equally by both parties.

ARTICLE XIX

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. Should the operations herein described be relocated to a separate Pittsburgh facility, the bargaining unit employees shall maintain and perform all their present duties associated with the Kitting department at the relocated facility. This provision will not dilute or cause layoffs of bargaining unit employees.

The parties agree that the assembling of kits is not bargaining unit work. The company may therefore employ temporary or part-time contractors to perform such work who shall be exempt from the wage and benefit and working conditions of the Labor Agreement. Consistent with Section 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.

ARTICLE XX

COMPLETENESS OF AGREEMENT

This Agreement contains the full and complete Agreement on all bargaining issues between the parties. Any side agreements, memoranda or 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.

In the future, the issue of the Union Negotiating Committee being paid by the Company will be a subject of bargaining and not subject to past practice. The Company will attempt to schedule during off hours.

ARTICLE XXI

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 this Agreement. Termination may take place only after a lapse of twenty (20) working days from the date of the 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 continue. If no agreement is reached before the specified time has elapsed, all obligations under this Agreement shall be automatically cancelled.

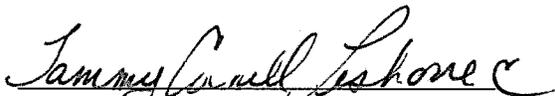
This Agreement shall be in effect for the period April 1, 2020 through midnight March 31, 2024.

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.

**FOR VERITIV
OPERATING COMPANY
PITTSBURGH:**



Elizabeth Brennan
Director, Labor Relations

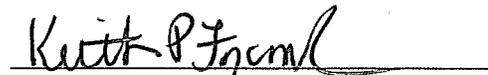


Tammy Cornell-Leskovec
HRBP

FOR THE UNION:



Kevin Schmitt
President



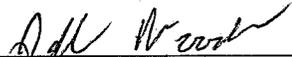
Keith Frank
Vice-President



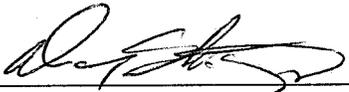
Earl Dent
Distribution Manager



Bryan Ahrens
Logistics Manager



Jeff Woodard
Shop Steward



Danny Stritzinger
Committee Member

MEMORANDUM OF UNDERSTANDING

Between

VERITIV OPERATING COMPANY

And

GENERAL TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN
AND HELPERS, LOCAL UNION NO. 249

This Memorandum of Understanding, represents the agreement reached between Teamsters Local 249 (the Union) and Veritiv Operating Company, (the Company) regarding access to supplemental life insurance coverage through Veritiv.

The Company will continue to offer to members of the bargaining unit the employee-sponsored supplemental life insurance benefit that has been in place through the life of the agreement that expired on March 31, 2020. The coverage will be offered at no cost to the employer, and the employee shall bear the burden of the cost of coverage, which will be paid via payroll deductions.

This continuation of the availability of supplemental life insurance coverage will extend through the expiration of the current agreement on March 31, 2024.

Date: April 7, 2020

For the Company

ABrannan

For the Union

Keith P. Fernald