

6/1/2019 – 5/31/2022

STRONG CONVERTINGWORKING AGREEMENT

This Agreement is entered into between the Strong Converting Facilities, Inc. of Minneapolis, hereinafter referred to as the Employer and the Miscellaneous Drivers, Helpers and Warehousemen's Union, Local No. 638, I.B.T.C.W.H. of America, hereinafter referred to as the Union, for itself and on behalf of the employees of the Employer covered by this Agreement.

Parties to this Agreement will not discriminate against any employee on account of sex, age, race, color, creed or national origin.

ARTICLE 1. UNION SHOP

The Union shall be sole representative of those classifications of employees covered by this Agreement in collective bargaining with the Employer. There shall be no discrimination against any employee because of Union affiliation. All employees in the classification herein noted shall be members in good standing in the Union. All new employees shall become members of the Union after thirty (30) working days of date of employment, signing of this Agreement or effective date of this clause, whichever is later.

"Membership in Good Standing" shall mean either: (a) full voting membership or (b) the obligation to pay initiation fees and periodic dues generally required for full voting membership or (c) the obligation to pay that portion of initiation fees and periodic dues generally required to the extent attributable to collective bargaining and other duties involving labor management issues.

ARTICLE 2. DUES CHECK-OFF

An employee may authorize the Employer to deduct the standard monthly union membership dues for his current accumulated monthly earnings by the signing of the appropriate Payroll Deduction Authorization form and submitting it to the Employer. The Employer shall promptly remit such dues each month by an agreed upon date to the Financial Secretary of Local 638.

The Union shall indemnify and save the Employer harmless against any and all claims, demands, suits or other forms of liability that shall arise out of or by reason of action taken or not taken by the Employer in the reliance upon the authorization furnished to the Employer by the Union or employee for the purpose of complying with this provision.

### ARTICLE 3. JOB STEWARD

The Employer recognized the right of the Union to elect or select from his employees who are members of the Union, a Job Steward to handle such Union business at the Company where he is employed, as may from time to time be delegated to him by the Union. The name of such Job Steward shall be furnished to the Employer, and any changes in Job Steward shall be reported to the Employer.

### ARTICLE 4. GRANTING OF TIME OFF

The Employer agrees to grant the necessary time off, without pay and without discrimination, to any employee designated by the Union to attend a Labor Convention provided, however, that any key man needed for the efficient or uninterrupted running of the business must obtain written consent of the Employer.

### ARTICLE 5. INDIVIDUAL AGREEMENT

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

### ARTICLE 6. MINIMUM STANDARDS

The Employer agrees that in the event an individual employee is receiving a higher hourly rate of pay than the minimums set forth herein, such employee shall not have his rate reduced as a result of the signing of this Agreement. Any wage differentials or special working conditions allowed to an individual as a reward of his own merit shall apply to him only as an individual and not to the job. Nothing in this Agreement shall be construed to prohibit the Employer from paying above the minimums set forth herein.

### ARTICLE 7. GRIEVANCES

All complaints must be specific and must be registered in writing within fifteen (15) days by either employee or Employer. No complaint will be acted upon by either the Employer or the Union unless such complaint is filed in writing with the Employer and the Union within fifteen (15) days of the alleged violation.

### ARTICLE 8. ARBITRATION

Any controversy arising over the interpretation of and/or adherence to the terms and provisions of this Agreement shall be settled by negotiations between the Union and the Employer. In the event that such controversy cannot be so settled it shall be referred to a Board of Arbitration consisting of one (1) representative of the Union and one (1) representative of the Employer and a neutral member selected by the first two. In the event that a representative of the Union and the Employer fail to reach an agreement within five (5) days, a list of seven (7) arbitrators shall be requested from the Federal Mediation and Conciliation Services and one shall be selected by

the alternate scratching of names by the Union and Company representatives. The majority decision of this Board shall be final and binding on both the Union and the Employer.

#### ARTICLE 9. STRIKE OR LOCKOUT

The Union and the Employer agree that there shall be no strike or lockout without first using all possible means of peaceful settlement of any controversy which might arise.

#### ARTICLE 10. DRIVERS AND TRUCKING DEFINITIONS

The term "driver" shall be construed to mean the operator of a truck, motorcycle, passenger, horse-drawn vehicle, or any other power driven vehicle used for merchandise delivery purposes.

The term "Individual Truck Owner" shall be construed to mean the owner-driver of a truck, motorcycle, two or four wheel trailer, taxicab, horse-drawn vehicle, or any other power driven vehicle used for merchandise delivery purposes.

Unless otherwise indicated within the articles of this Agreement, the rates of pay, hours of work, overtime differentials and general working conditions for "Individual Truck Owners" shall conform to the schedules which shall from time to time be agreed to by the Union and the Employer.

The "Individual Truck Owner" working exclusively for one company shall have seniority standing with that Company only as a driver. The vehicle shall have no seniority standing.

The Union and the Employer agree to abide by the following procedure on seniority in the event that the Employer elects to use contract hauling.

- a. In the event that a company other than a contract hauler which has previously operated its own trucks discontinues this method of operation and turns it hauling over to a contract trucking company, the employees of this company working on the trucks may transfer to the company taking the contract and be placed at the bottom of the seniority list of that company with first preference for all work done for their former employer. It is further agreed that said company shall guarantee all employees covered in this Agreement the same hours, wages and working conditions covered in this Agreement.
- b. In the event that a contract for hauling is transferred from one hauling contractor to another, the men employed at the company which is losing the contract may elect in accordance with their seniority rights at the company to transfer to the company receiving the contract where they shall be placed at the bottom of the seniority list and shall have no preference other than that provided by their seniority standing at the Company to which they transfer.

#### ARTICLE 11. UNIFORMS

The Employer agrees that if any employee is required to wear any kind of uniform, same shall be furnished and maintained by the Employer free of charge and shall bear the Union label.

#### ARTICLE 12. LOSS OR DAMAGE

The Employer shall not arbitrarily charge employees for any loss or damage. The Employer may prefer charges against an employee for alleged negligence resulting in loss or damage. The Union shall make immediate investigation on the charges and a settlement of the case shall be made as provided under Article 8 of this Agreement.

#### ARTICLE 13. PREMIUM ON BOND

Should the Employer require any employee to give bonds, the premium on same shall be paid by the Employer.

#### ARTICLE 14. INJURY COMPENSATION

The Employer agrees to cooperate in securing prompt payment of injury compensation claims by the compensation insurance carrier as required by the Minnesota Worker's Compensation Act.

#### ARTICLE 15. PICKET LINE

The Employer shall not require an employee to go through a picket line of a striking union. However, in the event the Employer becomes involved in a controversy with any other Union, the Union will do all in its power to help effect a fair settlement.

#### ARTICLE 16. VACATIONS/TIME OFF

The vacation year during which vacation pay is earned shall be from January 1<sup>st</sup> through December 31<sup>st</sup>. The selection of vacation will be based on plant seniority with the approval of management. The amount of time off for vacations shall be the equivalent to the earned vacation pay of the individual employee.

Earned vacation pay will be based on 1200 hours of work performed for the previous year. If all hours are worked, all vacation for the period will be paid. If less hours are worked, the vacation will be a percentage of hours worked, i.e. 900 hours worked you will earn 75% of your vacation due for the period or 30 hours if you had less than one year of service.

Past practice shall prevail in the selection of vacation. The employer shall have the right to refuse a vacation request in order to maintain efficient operation.

Senior employees shall have preference in selection of their vacation. Seniority shall prevail only if vacations are scheduled by April 1 of each year.

Vacation hours will be as follows:

|   |                       |
|---|-----------------------|
| After 1 year of service but less than 3 years of service    | 40 hours of vacation  |
| After 3 years of service but less than 8 years of service   | 80 hours of vacation  |
| After 8 years of service but less than 15 years of service  | 120 hours of vacation |
| After 15 years of service but less than 25 years of service | 160 hours of vacation |
| After 25 years of service                                   | 200 hours of vacation |

New full-time employees after completion of their probationary period, will earn 4 hours of vacation for every 160 hours worked during the vacation year with a maximum of 40 hours of vacation pay. It is understood new employees must complete one (1) year of continuous service to be eligible for time off.

Vacation pay will be paid at the employees current straight time rate at the time vacation is taken, plus any premium pay (i.e. shift differential, 401(k) premiums, etc.)

Paid vacation shall be counted as hours worked for the purpose of computing vacation eligibility.

Employees shall be permitted to waive vacation up to a maximum of one week and take their vacation pay. Employees shall notify the employer for any unused or unscheduled vacation (maximum five days) that they wish to be paid for by December 1 of each year.

Employees who quit must give ten working days' notice to receive vacation pay earned at the time of termination of employment based on the provisions set forth for vacation unless by mutual agreement with employer.

Employees who are discharged for just cause, (except stealing) or layoff for an indefinite period, will receive vacation pay earned at the time of such leaving based on the provisions set forth for vacation.

Time lost due to workers compensation shall be considered as time worked in computing vacation eligibility during the period of disability, not to exceed one year.

Time lost by employees while serving the Union in connection with the settlement of grievances and negotiations of a contract, Union conventions, serving on auditing board, Executive Board or Trustee, shall be considered time worked for the purpose of computing vacation.

Vacation days may be used for sick or safe time by the employee for themselves or if they need to care for a family member.

The parties acknowledge and agree that the Vacation/Time Off provision of this Contract has been the subject of collective bargaining and is intended to meet the goals of Chapter 40 of the City of Minneapolis Ordinances regarding paid sick and safe time. As such, employees covered by this Contract are not subject to the provisions of said Ordinance.

#### ARTICLE 17. SENIORITY RIGHTS

Seniority rights shall prevail in all matters relating to employment except where special qualifications or training is required. The senior qualified man shall have first preference on the job. The oldest qualified man on the job from point of service shall be given the regular job and shall be provided full time work, if work is available. In reducing the personnel because of lack of work or other legitimate cause, the last man hired shall be the first man laid off, and in returning men to work, the last man laid off shall be the first man hired.

New employees shall be placed on the seniority list after having worked a total of thirty (30) accumulated workdays in any ninety (90) day period. Seniority to start from the date of employment. A copy of the seniority list shall be posted by the time clock. The probationary period may be extended for an additional thirty (30) work days by mutual agreement between the Employer and the Union.

Seniority as used in this Agreement refers to length of continuous service since the last date of employment.

An employee shall not lose his seniority rights because of sickness or injury, provided, however, that any employee who is, or become handicapped so that he can no longer perform his normal duties in a satisfactory manner, may be retired from service or may be retained to do some work which he is capable of doing, in which event his seniority standing and rate of pay for that employment shall be subject to readjustment as mutually agreed upon between the employee involved, the Employer and the Union. Should a controversy arise concerning the above provisions, it shall be settled as provided for in Article 8 of this Agreement.

When a job becomes open for any reason in any classification of work covered by this Agreement, it shall be bulletined by the Employer in writing for three (3) working days. Job assignment shall be made in accordance with Section 17.01. The employee receiving the bulletined job shall not be eligible to bid on another bulletined job during this six (6) week qualifying period unless the bulletined job is a promotion for the employee in wages and working hours.

Seniority shall be lost and the employment relationship terminated when the employee:

1. Voluntarily quits.
2. Retires.
3. Is discharged for just cause.
4. Fails to report for his regular work shift for two (2) consecutive work days without notification to the Employer unless the employee has an explanation acceptable to the Employer.

5. Fails to notify the Employer of his intent to return from layoff within two (2) days after he receives official recall notification which shall be by email and/or certified mail.
6. Fail to report to work upon the termination of an approved leave of absence.
7. Performs no work (off the payroll) for the Employer for fourteen (14) months.

#### ARTICLE 18. LEAVE OF ABSENCE

Any employee desiring a leave of absence from the job shall secure written permission from both the Union and the Employer. Failure to comply with this provision or to return to work on time shall result in the complete loss of seniority rights of the employee involved.

#### ARTICLE 19. DISCHARGE CLAUSE

The Employer shall not discharge any employee without just cause and shall give at least one (1) warning notice in writing to both the employee and Union of the complaint against such employee, except that no warning notice need be given to an employee before he is discharged if the cause of such discharge is dishonesty or drunkenness while on the job or other serious violations of Company Rules such as fighting, insubordination, willful destruction of company property and so forth. A warning notice shall be effective only for a period of one (1) year from the date of notice. Any employee may request an investigation as to his discharge and should such an investigation prove that an injustice has been done an employee, he shall be reinstated and compensated at this usual rate of pay while he has been out of work. Appeal from discharge must be taken within five (5) days by written notice and a decision reached within ten (10) days from the date of discharge.

#### ARTICLE 20. POSTING OF WORKING RULES

The Employer may prefer charges against an employee for alleged violation of properly posted working rules which do no conflict with any of the terms and provisions of this Agreement. The Union shall make immediate investigation of the charges and a settlement of the case shall be made under Article 8.

#### ARTICLE 21. DAILY AND WEEKLY HOURS: OVERTIME

The regular work week shall be forty (40) hours Monday through Friday. All time worked in excess of eight (8) hours per day or forty (40) hours per week shall be paid for at the rate of time one-half (1 ½). All time worked on Sundays, New Year's Day, Good Friday, Memorial Day, July 4<sup>th</sup>, Labor Day, Thanksgiving Day, the day after Thanksgiving, the day before Christmas and Christmas Day and the day before New Year's Day, or days celebrated as such shall be paid for the rate of double (2) time in addition to eight (8) hours holiday pay provided he otherwise qualifies. All employees on the seniority list who appear on the payroll during a week in which any of the above named holidays occur shall receive eight (8) hours straight time pay for such holidays not worked, provided that the employee works his last regularly scheduled work day before the holiday and his first regularly scheduled work day after the holiday. Absence on either of the scheduled work days referred to above, due to proven bona-fide illness shall not

deprive any employee who is otherwise qualified for his holiday pay. The Employer agrees further that he will grant a day's pay or a day off in lieu thereof for each holiday that falls on a Saturday.

The above forty (40) hours per week to be the new minimum for senior employees affected by the Fair Labor Standards Act, if and when work is available.

There shall be no pyramiding of overtime on overtime or premium time pay.

The regular lunch period each day shall be one-half (1/2) hour.

There shall be no split shifts. When called to work, regular employees shall be guaranteed a minimum of four (4) hours work.

At the discretion of the Company, and with two weeks (14 days) notice, the Company may implement a work schedule of four (4) consecutive days of ten (10) hours. If this schedule is implemented daily overtime would be paid after ten (10) hours. Details, if implemented, would be negotiated with the Union.

#### ARTICLE 22. GUARANTEE FOR SENIOR EMPLOYEES

The senior employees shall be the first to work the full weekly regular hours. There shall be no favoritism shown to junior employees. The Union shall have the right to examine the payroll records relating to the dispute in question.

Except in cases of emergency or where it is clearly unavoidable, no employee shall work overtime until all employees on the seniority list have worked the full quota of regular hours.

#### ARTICLE 23. PAYROLL

All employees shall be paid bi-weekly.

#### ARTICLE 24. RIDERS

No driver will be permitted to allow anyone other than the employees of the Employer to ride on his truck.



ARTICLE 25. WAGES

Minimum rates of pay in the various work classifications shall be as follows:

Rates of Pay Effective

| <u>Classifications</u>  | <u>6/1/2019</u> | <u>6/1/2020</u> | <u>6/1/2021</u> |
|---|-----------------|-----------------|-----------------|
| Class #1  |                 |                 |                 |
| Shipping & Receiving Clerks   | \$22.26         | wage reopens    | wage reopens    |
| Order Fillers, Packers & Checkers,<br>Helpers and Machine Operators |                 | reopener        | reopener        |
| Class #2  |                 |                 |                 |
| Machine Operator Assistant  | \$17.89         | wage reopens    | wage reopens    |
|   |                 | reopener        | reopener        |

|            |       |       |         |
|------------|-------|-------|---------|
| Start..... |       |       | -60%    |
| Beginning  | 7 mo  | ..... | -62 ½ % |
|            | 13 mo | ..... | -65%    |
|            | 19 mo | ..... | -67 ½ % |
|            | 25 mo | ..... | -70%    |
|            | 31 mo | ..... | -75%    |
|            | 37 mo | ..... | -80%    |
|            | 43 mo | ..... | -85%    |
|            | 48 mo | ..... | -100%   |

Any employee working on a regularly scheduled night shift shall receive an additional twenty (.20) per hour.

Part-time Employees:

- 1) Shall comply with Article 1 and 2 regarding Union membership and dues check-off.
- 2) Shall not qualify for benefits under Article 16, 18, 22 and 33.
- 3) Shall be employed for thirty-nine (39) hours per week or less aggregate.
- 4) Hourly rate of pay shall be sixty percent (60%) of the Driver/S%R classification.
- 5) Shall not acquire or accumulate seniority.
- 6) Shall be first to be hired for a full-time job.
- 7) In the event of a reduction in the unit work force, they shall be first laid off and last recalled.
- 8) Shall receive pro-rated holiday pay.

#### ARTICLE 26. JURY PAY

It is agreed that The Employer shall pay all employees for the necessary time spent serving on the petit jury, the difference in salary between jury pay and their regular salary while in such service. Any employee release from jury duty by or before noon on any day shall report back to work the balance of the day.

#### ARTICLE 27. FUNERAL LEAVE

Employees who lose time on scheduled work days on account of death of members of their immediate family will be paid for working time lost as a result of making arrangements and/or attendance at the funeral. For the purpose of this paragraph, a member of an employee's immediate family is one of the following: Spouse, parent, child, step-child, brother, sister, mother-in-law and father-in-law. Pay for such time as is necessary but not to exceed three (3) days will be based on an eight (8) hour day at straight time. Employees may take up to one (1) paid day for the death of a grandparent, brother-in-law or sister-in-law. The Company shall be promptly notified of the absence hereunder and the reason therefore.

#### ARTICLE 28. APPEARING ON COMPANY PROPERTY

It is understood and agreed that whenever it becomes necessary for a representative of the Union to take up with employees any routine Union business, such as collection of Union dues, a representative of the Union may enter the property of the Employer for this purpose only during the lunch hour and not during the regular working hours unless agreed to by the Employer.

In the event that it becomes necessary for a representative of the Union to present grievances to the Employer, the representative of the Union shall present the same directly to the Employer, and it shall then be the responsibility of the Employer to arrange for the necessary conference for the adjustment of such grievances. It is mutually understood and agreed that all matters of this character are to be handled in a manner such as will not disturb the regular operation of the business more than is absolutely necessary.

#### ARTICLE 29. WORK ASSIGNMENT

Any employee receiving a work assignment from his Employer shall accept and perform such assignment regardless of classification or seniority. If the employee feels such assignment is not proper he shall notify the steward, or the Union business agent who will process the grievance as provided in Article 7 and 8 and in such manner as not to result in an interference with or an interruption of the regular operation of the business.

#### ARTICLE 30. NOTICE OF SEPARATION

Regular employees shall be entitled to one (1) week's written notice of layoff or the Employer shall pay one (1) week's salary in lieu thereof. Such one (1) week's notice or pay in lieu thereof may be split up between notice time and pay, so long as the employees receive a total of at least one (1) week notice or in pay. Employees terminating their employment with their Employer

voluntarily shall advise the Employer in writing one (1) week in advance and, if this is not done, shall forfeit any claims to any vacation or vacation pay that may be due to them in accordance with Article 16 hereof. This Article shall only apply to employees who have had six (6) months or more continuous employment with their Employer and shall not apply in cases of less than one (1) week's duration.

ARTICLE 31. HEALTH AND WELFARE, EYE, AND DENTAL

The Employer shall contribute to the Central States Southwest Areas Health & Welfare Fund for each individual who has performed work covered under this agreement for thirty (30) calendar days effective 6/1/2019. The Employer shall contribute the sum of (see chart below) per week for each full-time employee.

PA Plan

| Effective Date | Member     | Family     |
|----------------|------------|------------|
| 6/2/2019       | \$151.20   | \$367.80   |
| 5/31/2020      | \$160.30 * | \$389.90 * |
| 5/30/2020      | \$169.60 * | \$413.30 * |

\* Years 2 and 3 Rates are not to exceed amounts.

Bargaining unit members will share in the cost of health and welfare. The Company will pay for 80% of rate. Members will pay for 20% of rate through payroll deduction on a pretax basis.

ARTICLE 32. EXAMINATIONS

Physical examinations required by a government body or the Employer, including drug and alcohol testing in compliance with Minnesota Statute § 181.951, et seq. shall be promptly complied with by employees and paid for by the Employer. Employees will not be required to take examinations during their working hours unless paid by the Employer for all time spent. Employees shall be given reasonable notice of dates of examinations. The Employer reserves the right to select its own medical examiner or physician and the Union may, if it believes an injustice has been done an employee, have said employee re-examined at the employee's expense. If the two (2) physicians disagree, the Employer and the Union shall mutually agree upon a third physician within ten (10) working days, whose decision shall be final and binding on the Employer and the Union and the employee. Neither the Employer nor the Union will attempt to circumvent the decision of the third physician and the expense of the third physician shall be equally divided between the Employer and the Union.

ARTICLE 33. 401(k) PLAN

If the Company reinstates a matching contribution for non-Union participants in the Company 401(k), it will reinstate the matching contribution for Union participants on an equivalent basis.

ARTICLE 34. INJURY ON THE JOB

The Employer agrees to pay the employees their regular straight time rate of pay for any time lost from their regular work shift due to time spent obtaining a doctor's medical care for any physical injury sustained and reported while at work on the original day of injury. The above shall also apply to visits for doctor's medical care after the original day of injury provided the employee works the major portion of the day and further provided that the visit does not exceed two (2) hours unless the doctor certifies that more than two (2) hours was necessary. A verification from the doctor will be required to support each visit.

ARTICLE 35. SEPARABILITY

If any Article of this contract should be held invalid by operation of law the remainder of this Contract shall remain in full force and effect.

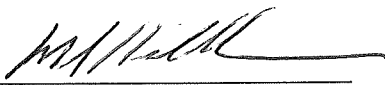
ARTICLE 36. DURATION OF AGREEMENT

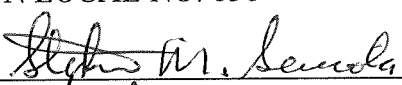
This Agreement shall supersede and replace all previous agreements between the parties hereto and shall be in effect from June 1, 2019 up to and including May 31, 2022, and shall remain in effect from year to year thereafter unless either party notifies the other in writing at least sixty (60) days prior to the annual expiration date of their intention to change, modify or terminate this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused these present to be duly executed this 29 day of May, 2019.

STRONG CONVERTING FACILITIES, INC.

MISCELLANEOUS DRIVERS,  
HELPERS & WAREHOUSEMEN'S  
UNION LOCAL NO. 638

By:   
Its: Strong Converting

By:   
Its: BA 638