AGREEMENT

BETWEEN

COMMERCIAL ENVELOPE MANUFACTURING COMPANY, INC. KIRKSVILLE, MISSOURI

AND

UNITED STEEL, PAPER AND FORESTRY, RUBBER,
MANUFACTURING, ENERGY, ALLIED INDUSTRIAL AND SERVICE
WORKERS INTERNATIONAL UNION (USW) AFL-CIO, CLC on behalf
of its LOCAL UNION 348 – Unit 16

March 14, 2016 - March 17, 2019

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AGREEMENT

Agreement made this 14th day of March, 2016, by and between Commercial Envelope Manufacturing Company, Inc., having an office and place of business at 3010 Industrial Road, Kirksville, Missouri, 63501, and doing business as Commercial Envelope Manufacturing Company, Inc a Cenveo Company (hereinafter called "the Employer") and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (USW) AFL-CIO, CLC on behalf of its Local Union 348 – Unit 16, (hereinafter called "the Union").

RECOGNITION

The Company recognizes the Union as the exclusive bargaining representative for the purpose of collective bargaining concerning wages, hours, and other conditions of employment, for all its full time and part time production and maintenance employees, but excluding temporary employees*, office clerical employees, sales persons, guards and supervisors as defined in the National Labor Management Relations Act as amended. *Temporary employees are defined as employees needed for a short term assignment, not to exceed eight (8) consecutive weeks. In instances of Employer approved leaves of absence, this period may be extended for the duration of the leave, not to exceed twenty-six (26) worked weeks. Voluntary overtime will be offered prior to utilizing temporary employees. Any temporary employee that is hired by the Employer after twelve (12) to twenty (20) worked weeks will not be subject to a probationary period.

ARTICLE I - PURPOSE AND UNION-MANAGEMENT COOPERATION

- A. It is the intent and purpose of this Agreement to promote harmony between the Employer, its employees, and the Union and to provide a procedure for the prompt, peaceful, and equitable adjustment to all differences which may arise under this Agreement.
- B. The Union and the Management of the Kirksville Plant recognize that our future success will be based largely on the efforts of all employees, and those efforts can most effectively be channeled through a constructive, cooperative Labor-Management relationship. Such a relationship is our competitive advantage in the marketplace.
- C. It is in the mutual interest of the Employer, the Union and the employees to provide for the continued operation of the Plant. The parties agree to the fullest extent possible to provide for the welfare and safety of the employees, economy of operation, quality and quantity of output, cleanliness of the Plant, protection of all property and stabilized labor relations. It is recognized by this agreement to be the duty of the Employer and the employees to cooperate fully, individually and collectively, for the advancement of the said conditions.

ARTICLE II - MANAGEMENT RIGHTS

The Employer retains the full and exclusive right of management of the business and its workforce, including, but not limited to, the direction of the workforce, the right to plan, direct and control business operations, hiring and termination of employees, work assignments, scheduling of hours of work, the right to discipline and discharge for cause, to promote, demote or transfer on the basis of qualifications, performance, skills and abilities in the judgment of the Employer, layoff and recall because of lack of work or other business reasons, to assign, change and eliminate positions/work, to make and enforce work and/or safety rules, which shall be effective upon notification, the right to perform work of any kind or have the right to subcontract and to cease any or all of it's operation.

- A. The Union recognizes the right of the Employer to make reasonable rules and regulations, not in conflict with the Agreement, as it may, from time to time, deem best for the purpose of maintaining order, safety, and/or effective operation of the Employer's business, and after publication thereof, to require compliance therewith by Employees.
- B. The Company shall notify the union committee of any change or modifications of the Company's Work Behavior Guidelines or General Safety Rules. Such change or modification shall be posted on the bulletin board for at least thirty (30) days and each employee will be given a written copy of such change or modification.

ARTICLE III - UNION SHOP

- A. It shall be a condition of continued employment that all present regular employees of the Employer within the bargaining unit hereinafter set forth; who are members of the Union as of the effective date of this Agreement remain members in good standing for the term of this Agreement.
- B. It shall be a condition of continued employment that all present regular employees of the Employer within the bargaining unit hereinafter set forth, shall, become and remain members of the Union in good standing.
- C. It shall be a condition of continued employment that all new regular employees hired on or after the execution date of this Agreement within the bargaining unit herein after set forth shall, upon completion of their probationary period, become and remain members of the Union in good standing.
- D. The term "good standing" as mentioned in Article III (A-B-C) above is intended to mean the required payment of dues and/or initiation fees pursuant to the provisions of Article IV (Check-off) below, but in accordance with and as permitted by applicable law.
- E. The Employer agrees to distribute this Agreement to all employees. The cost of production will be shared 50/50 between the Employer and the Union.

ARTICLE IV - CHECK-OFF

- A. The Employer agrees that it will deduct, from wages of each covered employee who is a member of the Union, all such union membership dues and initiation fees as designated by the USW International Secretary-Treasurer. Such initiation fee and dues shall be deducted from the weekly paycheck of every bargaining unit employee. The Employer shall remit the same to the USW International Secretary-Treasurer by the 10th of the following month. A list of such deductions will be provided to local Secretary-Treasurer and Unit President monthly. However, if an employee does not have sufficient earnings in said deduction period, or if said deduction period coincides with a paid vacation period, then the Employer will deduct such authorized initiation fee or dues from the third (3rd) or fourth (4th) pay period in the month. If any employee does not have sufficient earnings during such periods, then upon proper written notification by the Financial Secretary of the Union such dues will be deducted at the next regular dues deduction period, at which time the dues for the current period shall also be deducted.
- B. The Union agrees that it will, before any wage deductions are made as set forth above, furnish the Employer with written authorization signed by each of such covered employees as aforesaid, directing and authorizing the Employer to make such deductions as above set forth, in form and substance as is required by and in compliance with applicable law.
- C. The Union shall indemnify, defend and save the Company harmless against any and all claims, demands, suits, or other forms of liability that shall arise out of, or by reason of action taken by the Company for complying with any of the provisions of this paragraph.
- D. The written authorization mentioned above, shall automatically renew itself unless written revocation is submitted to the Employer as permitted and/or required by applicable law. The Employer shall notify the Union promptly for any revocation of such authorization which may be received by it, as above set forth.

ARTICLE V - REPRESENTATION

- A. The employees covered by this Agreement shall be represented by a Union Committee ("Committee"), which shall consist of the Unit President of the Local and of not more than five (5) Committee members who must be employees within the bargaining unit who have completed their probationary period. The Employer will recognize and deal with the Committee as further provided in this Agreement. Two (2) hourly representatives will be allowed unpaid time off to attend official Union business once a month and at other times to attend official Union business. Additional representatives and additional unpaid time off may be requested by the Union for approval.
- B. The employees shall be represented by one (1) steward for each shift, the number of which shall not exceed four (4). Such stewards must be employees within the bargaining unit. The Employer will recognize and deal with said stewards with respect to grievances.
- C. No more than two (2) members of the Committee will be paid for time spent during their scheduled working hours in meetings of the Committee with Management for the purpose of adjusting grievances. Three (3) members of the Union Committee will be paid their applicable rate of pay for lost wages for time spent in Labor/Management meetings.

Shift Stewards will be paid for a reasonable amount of time spent during their scheduled working hours in discussing grievances with Management.

- D. No Union representative shall leave their work for the adjustment of any grievance without first obtaining permission of the supervisor. Permission shall be granted as soon as possible. Permission shall not be necessary from the supervisor during the Union representative's break periods, or immediately_before or after the scheduled working hours. Requests will be made to the supervisor, and others involved, who will cooperate to schedule coinciding breaks.
- E. The Employer agrees to supply the Union with a location for a bulletin board which is readily accessible to all hourly employees for its use in posting Union notices, such as local Union meetings, local Union elections, and results of elections, recreational and social affairs of the Union, and similar non-controversial subjects.

ARTICLE VI - HIRING NEW EMPLOYEES - PROBATION - DISCHARGE

A. <u>Hiring New Employees</u>

- 1. Whenever new or additional employees, in the unit covered by this Agreement, are required by the Employer, it is agreed that the Union will make every effort to cooperate with the Employer in recruiting and referring such employees. However, it is understood that the Employer may also hire them from the open market or any other source available to it.
- 2. All such new or additional covered employees shall be eligible for membership in the Union without discrimination upon completion of their probationary period as set forth below.

B. <u>Probation</u>

- 1. New regular employees shall be on probation for a period of ninety (90) days from the date of such hiring.
- 2. During such probationary period the Employer shall have the right to discharge such employee, with or without cause, and any such discharge shall not be subject to the Grievance and Arbitration Procedure herein.
- 3. All probationary employees retained by the Employer beyond the probationary period shall then be considered regular employees and their seniority shall commence from their original date of hire.

C. <u>Discharge</u>

- 1. The Employer has the right to discipline or discharge any regular employees for just cause.
- 2. The Employer will provide the employee and the Union written documentation at the time of discharge.
- 2. The Union may submit a written grievance relative thereto in accordance with the Grievance and Arbitration Procedure hereinafter set forth within five (5) working days after the discharge.

ARTICLE VII - SENIORITY

- A. Plant and classification seniority shall prevail. However, following the ratification of this agreement, when two (2) or more employees are hired with the same job classification and the same start date, the following method shall be used: last 4 digits of (SS#) Social Security Numbers. Employee whose last 4 of SS# digits add up to the largest number will be granted the requested day. Example: Adjuster A, hired 1/28/2013, SS# ending 1124; and Adjuster B, hired 1/28/2013, SS# ending 3369. Vacation request will be granted to Adjuster B. Any lay-offs will be by plant seniority and classification seniority with any probationary employees laid off first. Any ensuing lay-offs would begin with the junior employee(s) in the plant within a classification. Recalls from lay off would be by reverse seniority with the most senior employee(s) within a classification being called back first.
- B. Plant seniority for all benefits shall be recognized and be effective from the original date of hire by the Employer subject to all of the terms of this Agreement.
- C. Any permanent vacancies and any openings created by new jobs will be offered to employees via job posting within thirty (30) working days of the vacancy in the classification by seniority, skill and ability. Skill and ability are to be determined by the Employer. Should skill and ability be the same, the senior employee will be awarded the position. Should the vacancy not be filled it will be posted for a period of no less than three (3) but no more than five (5) working days. The posting will show job classification, skills and abilities required to perform the work, and shift. All employees may bid on the job by placing their names on the bid sheet. Within three (3) to five (5) working days after the posting is removed, the vacancy will be awarded to the most senior employee who meets all of the requirements of the job posting. Once a job has been awarded the Employer will move the winning bidder to the new position within thirty (30) working days of the award. If not possible, the Employer will meet with the union to discuss the reason.
- D. In case of a temporary or partial shutdown (not to exceed ninety (90) calendar days of a machine or classification the affected employees on said machine or in such classification will be transferred to another machine or classification on the same shift if work is available and the employee is qualified to do the work on said machine. Such transferred employee(s) will retain their rate of pay or be paid the rate of the job transferred, whichever is greater.
- E. In case of a permanent shutdown of a machine, displaced employees would use their classification seniority to bump less senior employees in their classification. Such bumped employees would then be afforded the same opportunity to bump the least senior employees in a lower classification until the bumping process would be complete. All employees so affected would receive the rate of pay of the job bumped to.
- F. In cases of temporary, partial or permanent shutdown of a machine or classification, should the original machine or classification become available again, those employees would be placed back onto such machine and classification.
- G. In the event of a layoff, the Company will notify the Union of the name(s) of employees being laid off one week in advance of the effective date. No regular employees will be displaced or laid off while temporary employees are being utilized.
- H. All employees covered herein shall, when requested by the Employer, work a reasonable amount of hours of overtime, not to exceed sixteen (16) mandatory work hours in

a regular work week (Mon.- Fri.). Any notice of overtime shall be given thirty (30) or more minutes before the overtime begins or the overtime will be voluntary. Notice for weekend overtime will be posted prior to 3:30 AM on the preceding Thursday. In the event of a call-in and overtime work is necessary, the Employer will attempt to staff the requirement with volunteers, beginning with employees who are engaged in the work at the end of the shift. If the employee engaged in the work does not want the overtime, additional volunteers will be sought from among available employees in the classification on and secondly among other employees shift who are qualified to do the work in seniority order. If there are still insufficient volunteers and overtime needs cannot be met voluntarily, the employee who has the least amount of seniority on the rotation list and is qualified to perform the job will be required to work. Employees in the classification on the other shifts will be asked by seniority.

Scheduled time off that needs to be covered will be done as follows: the employee who is normally engaged in work on the upcoming vacant machine will have first choice of the overtime regardless of seniority (limited to three (3) opportunities on the first pass). Vacancies not covered will be offered on a voluntary basis to employees within the classification starting with the highest seniority. Starting each week through a rotation, the senior employee may chose once and then the next senior employee may chose and so on, until all vacancies are filled and/or there are no more volunteers

Employees will be assigned the overtime required to fill unfilled vacancies on a rotating basis, beginning with the qualified employee with the least amount of seniority in the classification and then working up through the seniority list. When all employees have been required to work necessary overtime, the rotation would begin again with the least senior employee within the classification. Voluntary overtime that cannot be worked shall be offered to all available employees within the classification by seniority, with management approval. Should the employee(s) required to work overtime find his own qualified replacement, their turn shall count in the rotation. No employee is to miss a turn in the rotation, except for employees who are on vacation, union business, floater holiday, medical leave or out for bereavement.

Refusal, failure to work or failure to notify one's supervisor no less than one (1) hour prior to the end of his/her regularly scheduled shift in advance of scheduled of required overtime shall subject such employee to disciplinary action, including discharge, except for those occasions which would otherwise be excused under the Employer's attendance policy.

- I. An employee shall lose seniority if:
 - 1. The employee quits or is discharged for just cause; or
 - 2. The employee has been off the payroll due to layoff for one (1) year or more; or
 - 3. If the employee fails to return from a vacation or a granted leave of absence; or
 - 4. The employee fails to report to work within three (3) working days after recall.
- J. Failure to report to work or call for two (2) consecutive days constitutes quitting.
- K. When a change in product or equipment creates a new job opening, which cannot properly be placed within existing classifications, the Employer and the Union will meet to establish a new classification and a rate covering that classification in line with the existing rate structure in Appendix A (Wage Schedule). In the event the question of wage rate is

not settled, the matter may be processed as outlined in Step 3 of the Grievance Procedure.

Employees must provide, and keep the Employer apprised in a timely manner of any changes to, their current residential address and telephone number where they may be reached for important messages and official notices concerning their employment. The Employer will furnish an updated name and address listing to the Union for all employees covered by this Agreement, upon request.

ARTICLE VIII - VACATIONS

A. All covered employees who shall have completed the following continuous employment with the Employer by June 30th of any calendar year shall receive the following vacation time off work with pay:

<u>EMPLOYMENT</u>	<u>VACATION</u>	
1 year	1 week	(5 working days)
3 years	2 weeks	(10 working days)
7 years	3 weeks	(15 working days)
14 years	4 weeks	(20 working days)

A vacation day scheduled on a Monday will relieve the employee from mandatory overtime on the preceding Sunday and Saturday. A vacation day scheduled on a Friday will relieve the employee from mandatory overtime on the following Saturday and Sunday. Pre-approved scheduled vacation days spanning either a Monday or Friday or both will relieve the employee from mandatory four (4) hour float overtime for both attached weekends and "over's" on last scheduled day prior and "early's" on next scheduled day after said vacation days.

- B. Employees hired by Employer from within Cenveo will retain their seniority for the purposes of vacation only.
- C. Employees shall be permitted to break up two (2) weeks of vacation each year into single days. Any additional weeks may be broken up into two (2) days one week and three (3) days one week, subject to the following conditions:
 - (1) For purposes of this paragraph, employees may schedule up to five (5) days off per week. Employees will be paid one-fifth (1/5) of their normal vacation pay for a week of vacation for each vacation day scheduled one day at time paid with their regular paycheck.
 - (2) Full week vacations take precedence over day at a time vacation if requested by March 1st.
 - (3) An employee who is absent and submits medical documentation for the employee's own health condition to HR the day the employee returns will be granted vacation pay if so requested at the time of call-in.
- D. 1) The plant vacation year for scheduling purposes shall be July 1 through June

30 of the following calendar year. Vacation request cards will be distributed to employees on February 1st and must be returned by March 1st of each vacation year in order to properly schedule vacations. All vacation requests submitted prior to March 1st will be approved based on classification seniority and operational business needs.

- 2) The Employer, in scheduling vacations during the vacation period, will in planning eligible employees' vacation schedules seek to accommodate the personal desires of the various employees. Conflicts between the requested dates of two (2) or more employees who submit timely requests shall be resolved on the basis of classification seniority. Employees who submit second and/or third choice preferences shall have their requests honored on the basis of classification seniority in the event of conflicts, provided they are submitted in a timely manner. The Employer will post, on or before April 1 of each year, a list of the employees who will qualify for vacations and the terms of such vacation. The maximum length of an employee's scheduled vacation period will be two (2) consecutive weeks.
- 3) Any unscheduled vacation requests after March 1st will be approved on a first-come, first serve basis, provided at least one (1) week notice has been given to the Employer.
- E. In any year an employee receives an additional week of vacation, they shall be eligible to take such week following their anniversary date.
- F. A week's vacation pay for all regular full time employees shall be computed on their rate of pay times forty (40). Vacation will be paid at the time it is taken as part of the employee's regular paycheck.
- G. Granted vacation restricted from use by management by June 30 of each year will be cashed-out at the applicable vacation pay rate in Section F.
- H. If any holidays fall in a week when an employee is on vacation he will receive eight (8) hours pay at his base rate in addition to his vacation pay.
- I. Vacation provided by this Article is granted to employees to be used as paid time off from work only. (Except as noted in "G" above) Therefore, no employee who terminates employment for any reason whatsoever will receive pay for vacation that has not been taken as of the date of termination.

ARTICLE IX - HOLIDAYS

A. All employees who have completed their probationary period shall receive a full eight (8) hours of pay at their established rate, for the following holidays:

New Year's Day

July 4th

Memorial Day

Labor Day

Thanksgiving Day Friday after Thanksgiving

Christmas Eve Day Christmas Day

New Year's Eve

One (1) Floating Holiday each calendar year (Granted with Employer approval with one (1) weeks' notice. Floating Holidays can be granted with Employer approval with less notice)

- B. To be eligible for such pay the employees must have worked their working day before and their working day after the holidays. At Thanksgiving, Christmas and New Year's the employees (to be eligible for the two (2) day holiday) must work their full working day before and their full working day after the holiday. If any employees are out their full working day before the holiday, they lose one (1) day's holiday pay. If any employees are out their full working day after the holiday, they will lose one (1) day's pay. If any employees are out their full working day before and their full working day after the holiday, they will lose two (2) days' pay.
- C. Employees who work on the above holidays shall receive time and one half $(1\frac{1}{2})$ times) rate, plus the holiday pay.
- D. All employees will be eligible for two (2) Personal excused absence Days per calendar year after one (1) year from date of hire and may be broken into four (4) hour increments. The above two (2) Personal Days must be requested in writing to the Plant Manager within twenty-four (24) hours of the desired day, unless otherwise approved with shorter notice on a case by case exception basis.
- E. If any of the above holidays falls on Sunday, the following Monday will be considered as a holiday.

<u>ARTICLE X – RIGHT OF VISITATION</u>

- A. A duly authorized officer or representative of the Union shall be permitted to visit the premises of the Employer during the day shift for the purposes of administering matters pertaining to this Agreement, but shall not interfere with work or production in Employer's premises.
- B. The Union representative shall notify the General Manager or the Plant Manager at least twenty-four (24) hours prior to such visits. The Union representative will be admitted to the Plant for scheduled visits only.
- C. The Union agrees to provide, and to keep the Employer apprised in a timely manner of any changes to, a current listing of its officers, business representatives and shop stewards.

ARTICLE XI - NO STRIKES - NO LOCKOUT

- A. The Union and its members, individually and collectively, agree that during the term of this agreement they will not engage in, nor cause, permit nor take part in: a sympathy strike, a stoppage of work, a sit-down, walk-out, slow-down, illegal picketing, boycott, refusal to work, or other interference with or interruption of the normal conduct of Employer's business.
- B. The Employer agrees that it will not cause any lockout during the term of this Agreement.

ARTICLE XII – CALL-IN PAY, ETC.

A. The Employer agrees that should it fail to inform its employees not to report a minimum of one (1) hour prior to the assigned start time, the Employer shall be required to pay for four (4) hours' work in the event the employee reports to work. Calling the employee's phone number on record is included in the definition of "inform".

B. Employees who have started work shall be entitled to eight (8) hours' pay except in circumstances beyond the control of the Employer, such as acts of God, power outages or other unique circumstances.

ARTICI E XIII -HOURS OF EMPLOYMENT

- A. The regular work week shall commence on Sunday at 11:00 P.M. and end the following Sunday night at 10:59 P.M.
- B. Forty (40) hours shall constitute the week's work, divided into five (5) days of eight (8) full working hours each.
- C. Employees shall work overtime if required when and in the judgment of the Employer, such work is necessary and they will be paid the rate of time and one-half (1-1/2) for all hours worked in excess of forty (40) hours in any one week. For overtime purposes, "hours worked" toward the forty (40) hours threshold shall include time-off for pre-approved scheduled vacations, holidays, personal days, jury duty, Union business and bereavement leave.

An employee shall be paid at the rate of two (2) times the employee's regular straight-time rate of pay for all hours worked by the employee on the seventh consecutive work day in a work week during which the employee is scheduled to work on six other work days and performs all such scheduled work.

D. The current hours of employment are subject to change. The Employer may modify start and end times by no more than a one (1) hour window if business needs require such change. Employees* will be given a minimum of one (1) week notice prior to such change.

3rd Shift 11:00 P.M. to 7:30 A.M. 1st Shift 7:00 A.M. to 3:30 P.M.

2nd Shift 3:00 P.M. to 11:30 P.M.

- * Maintenance/Electrical and select Adjusters (on a voluntary basis) first shift of the work week may be split across two (2) consecutive shifts or later in the week.
- E. If an employee is unable to report for work as scheduled, he or she must call the supervisor on shift to report an absence at least thirty (30) minutes prior to the scheduled starting time. Extenuating circumstances may delay such a telephone call in a bona fide emergency, substantiated through credible documentation, but the employee shall be responsible for making the required call as soon thereafter as the situation permits. Failure to report-off in a timely manner will be considered an unreported absence.
- F. Two (2) separate rest breaks of fifteen (15) minutes each will be permitted per shift, the first of which will normally be taken after the second hour of work and the other after the sixth hour of work. The employee's supervisor will determine when such breaks may be taken, depending upon the production requirements and operating conditions in effect at the time. Breaks may not be taken consecutively. A thirty (30) minute unpaid lunch period will be granted each day as close to the middle of the shift as possible. In the event of two (2)

assigned hours of overtime there will be a ten (10) minute break after working the original eight hours, as near to the middle of the overtime period as possible. In the event of more than two (2) hours of overtime there will be an additional ten (10) minute break as near to the middle of the second two (2) hour overtime period as possible.

ARTICLE XIV - NO DISCRIMINATION

- A. The Employer shall not discriminate or show favoritism amongst its employees.
- B. It shall continue to be the policy of both the Union and the Employer that there shall be no discrimination in employment on the basis of race, color, religion, national origin, ancestry, physical disability, mental disability, medical condition, marital status, gender, age, sexual orientation, gender identity, or veteran status. The Employer and the Union recognize the requirement for affirmative action in employment on the part of government contractors under Executive Order 11246, as amended, the Rehabilitation Act of 1973 and the Vietnam Era Veterans Readjustment Act of 1974, as amended.
- C. The use of masculine personal pronouns throughout this Agreement is a convention that is understood by the parties to include both female and male genders without indicating a preference for either on the basis of gender.

ARTICLE XV - GRIEVANCE & ARBITRATION PROCEDURE

- A. <u>Step One</u>: All grievances arising under this Agreement shall be presented within five (5) working days after the occurrence of the event causing a dispute concerning interpretation, application or an alleged violation of its provisions. Initially, however, an effort shall be made by the affected employee(s), their Union representative and the employee's immediate supervisor to have any such matter resolved informally through discussion before filing a formal grievance in writing. The immediate supervisor shall reply to the written grievance within five (5) working days of its filing by the affected employee(s).
- B. <u>Step Two</u>: If the immediate supervisor's reply is not acceptable, such grievance shall be taken up by the Union Committee and the Plant Manager, upon written request filed by the Union committee within five (5) working days thereafter. The Plant Manager shall have five (5) working days after this meeting to provide a written reply to the Union.
- C. <u>Step Three</u>: Disputes that cannot be satisfactorily settled at Step Two shall be taken up by the representatives of the Union, along with the Staff Representative, and the Employer and its designated representative(s). The parties will set up a meeting within five (5) working days thereafter, upon written request filed by the Union. The Employer shall provide a written reply to the Union within five (5) working days after the parties have taken up the matter as provided herein.
- D. <u>Step Four</u>: If the dispute is not adjusted under Step Three, either party may submit the unresolved grievance, after the foregoing steps have been taken, by notifying the other party in writing within ten (10) working days thereafter that it has elected to refer the matter to arbitration by a neutral third party. The initiating party shall send a written request to the Federal Mediation and Conciliation Service which shall provide the parties a list of seven (7) qualified arbitrators for their consideration. The party requesting arbitration shall make the first strike of a name from the list unless the grievance is discipline based. Thereafter, the parties shall alternately strike another name from the list until one remains, who shall be appointed by the Federal Mediation and Conciliation Service to serve as the arbitrator for the

determination of the grievance. The arbitrator's decision shall be final and binding upon all parties, provided, however, it is understood and agreed that the arbitrator shall have no authority or power to alter, amend, change, add to or subtract from any of the terms of this Agreement, but shall determine only whether or not there has been a violation of this Agreement, as alleged in the written grievance, and if so, what the remedy shall be.

- E. The cost of arbitration under Step Four, including the arbitrator's fees and travel expenses and the rental of any facilities for a hearing, if any, under this article, shall be borne equally by the Employer and the Union. Each party shall be responsible for the costs of presenting its own case, including witnesses, materials and attorney's fees, if any.
- F. Grievances shall be processed in accordance with the above steps, time limits, and conditions herein set forth. If the Union does not present the grievance in any step within the time limits set forth, the grievance shall be considered settled. If the Company fails to answer the grievance within the time limits specified, the grievance shall immediately move to Step Three. Time limits indicated in each step may be extended by mutual consent.

<u>ARTICLE XVI - PROGRESSIVE DISCIPLINE</u>

- A. Disciplinary action may take any of the following forms:
 - 1. A documented verbal warning
 - 2. A written warning
 - 3. Disciplinary Suspension from work for one or more days
 - 4. Discharge
- B. The Employer will generally follow this progression when disciplinary action against any employee is warranted. However, depending on the severity of the misconduct or infraction, one or more steps may be skipped. The Union reserves the right to grieve any discipline given to any employee at any time. For the purpose of progressive discipline for attendance, all disciplinary actions will "roll off" after twelve (12) months. For "quality" issues, such discipline shall be removed after six (6) months. For all other violations, all disciplinary actions will "roll off" after twenty-four (24) months.

ARTICLE XVII - WAGE SCHEDULE

Wage rates shall be administered in accordance with Exhibit "A," attached hereto and made a part of this Agreement.

ARTICLE XVIII - HEALTH & WELFARE PLAN

The Company will provide adequate Hospitalization, Medical-Surgical Insurance, Major Medical, Dental, Vision coverage, Life insurance, and supplemental insurance plans for associates covered by this Agreement in accordance with the plans and related terms that cover non-bargaining unit associates at the Kirksville, MO location, including, without limitation, plan design, open enrollment time frames, associate contributions, waiting periods, and the like. For the term of the agreement, employees will not be required to pay more than 45% of the cost of the PPO medical plan (or similar option), and no more than 35% of the cost of the HRA and Select medical plans (or similar options).

In the event the Company is considering changes in group insurance coverage, the Company shall meet and discuss such changes with the union committee prior to any such change being implemented.

ARTICLE XIX - SHIFT PAY

- A. All employees who work on the second (2nd) shift shall receive thirty (\$.30) per hour over and above their rates of pay.
- B. All employees who work the third (3rd) shift shall receive thirty (\$.30) per hour over and above their rate of pay.
- C. The above shift premiums are to be included in computing all pay for hours worked only.

ARTICLE XX - FMLA

- A. Employee absences under FMLA will be administered so that:
 - 1. Employees on an approved family medical leave will maintain their seniority.
 - 2. They will return to their current job classification, shift assignment and overtime rotation.
 - 3. Employees must use up to fifty (50) percent of his/her unused-paid vacation during the term of family medical leave to care for a family member.

ARTICLE XXI - JURY DUTY

In the event an employee is required to be absent from work as a result of having to serve on a jury, as evidenced by a summons from either federal or state court, the Employer shall pay the difference between the amount received from such service, as evidenced by the court's disbursement voucher, and the amount the employee would have received from his daily straight time pay. Employees are required to provide the Employer notification, within three (3) working days of receipt of summons to appear for Jury Duty, in order to qualify for this provision. The eligible jury duty pay period shall not exceed one hundred and twenty (120) hours in any calendar year for each employee.

An employee serving on a jury during a day when he is scheduled to work will be excused from working such shift and will be reimbursed in accordance with the above. An employee working the third shift and required to report for jury selection the next morning shall be excused from working such shift and reimbursed in accordance with the above.

If an employee is excused by the court from jury duty for a full day during the course of service, he or she must report for work at the usual starting time. Further, if an employee is released from jury duty more than four (4) hours before the usual quitting time, he or she must report to the plant by telephone to determine whether his or her services are required for the balance of the shift.

<u>ARTICLE XXII – BEREAVEMENT LEAVE</u>

All employees shall be granted up to three (3) consecutive days off work with pay for eight (8) hours per day at their straight-time rate for a death in the immediate family. Members of the immediate family are limited to the following: husband, wife, children, stepchildren, son-in-law, daughter-in-law, parents, stepparents, parents-in-law, brothers, sisters, step brothers, step sisters, brothers-in-law, sisters-in-law, grandparents, grandparents-in-law and grandchildren. It will include a more distant relative who is a member of the employee's household. Further, the Employer may require reasonable evidence of the employee's attendance at such funeral to qualify for time off with pay due to the death of an immediate family member. In addition, all employees shall be granted one (1) day of work with pay for eight (8) hours at their straight time rate for the death of nieces, nephews, uncles and aunts. Should an employee request more time off without pay, not to exceed three (3) additional work days, the request shall be granted.

<u>ARTICLE XXIII – TERM OF AGREEMENT</u>

- A. This Agreement shall be effective from March 14th, 2016 and shall continue in full force and effect without reopening up to and including March 17th, 2019.
- B. This Agreement shall automatically renew itself from year to year thereafter, on its anniversary hereof, unless either party gives to the other party herein at least sixty (60) days written notice (by registered mail, addressed to the respective parties at their addresses set forth herein) prior to the expiration date of this Agreement, or of any yearly renewal thereof, as above mentioned, of its desire to modify or to terminate this Agreement on any yearly renewal thereof, as the case may be, on such present or any yearly renewal expiration date, in accordance with the foregoing. The giving of notice provided above shall constitute an obligation upon both parties to negotiate in good faith all questions at issue with the intent of reaching written agreement prior to the anniversary date.
- C. If the parties have not reached agreement on or before the anniversary date, all the provisions of the agreement shall remain in effect unless specifically terminated in accordance with the provisions outlined below.

<u>ARTICLE XXIV - TERMINATION OF AGREEMENT</u>

- A. If the parties have not reached agreement on or before the anniversary date, all the provisions of the agreement shall remain in effect unless specifically terminated in accordance with the provisions outlined below.
- B. This Agreement shall not, however, become effective until countersigned by a duly authorized representative of the International Union. When so countersigned, the Agreement shall be deemed to have become effective as of the date set forth in the first paragraph of this Agreement.

ARTICLE XXV - DRUG AND ALCOHOL POLICY

The Cenveo Drug and Alcohol Policy is included and made part of this agreement as an Appendix and will remain in force as a work rule for the term of this Agreement.

ARTICLE XXVI - AMENDMENTS TO AGREEMENT

No amendments, changes, or modifications, except as otherwise provided for in this Agreement, shall be made, except by an instrument in writing duly signed by the parties hereto.

ARTICLE XXVII - LEAVES OF ABSENCE

- A. Leave of absence from active employment in the Employer will be granted, at the sole discretion of the Employer, to employees for non-medical reasons not to exceed thirty (30) days unless mutually extended by the Employer and employee.
- B. Employees desiring leaves of absences shall make written requests on application blanks furnished by the Employer.

Employees shall continue to accumulate seniority during an authorized leave of absence for a reasonable period of time, provided further that the employee reports for work promptly upon expiration of their leave. Employees entering military service will accumulate Plant seniority in accordance with the USERRA as amended.

ARTICLE XXVIII - EMPLOYEE MEDICAL LEAVE

A. The Employer will upon timely written application therefore grant written medical leave of absence without pay to regular employees for pregnancy or recovery from bona fide incapacitation due to non-occupational or occupational illness or injury resulting from a serious health condition lasting longer than three (3) consecutive days as evidenced by satisfactory medical proof. Such leave shall be granted for up to ninety (90) days and shall medically justifiable reasons. During any such period of unpaid medical leave of absence, the employee will be eligible to maintain existing health care plan coverage, provided he contributes the amounts required of other employees actively at work during the same period.

ARTICLE XXIX – SEVERANCE

In the event of a permanent plant closing for economic reasons or due to relocation or liquidation, but not for reasons such as labor disputes, disasters, war, etc., the Employer recognizes the right of the Union to bargain over severance benefits for employees covered by this Agreement who are thereby affected.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto and they have affixed their respective seals and signatures by their duly authorized officers as of the day and year first above written.

United Steelworkers AFL-CIO, CLC
Leo W. Gerard, International President
Sta, walk
Stanley W. Johnson, International Sec/Treasurer
Thomas Coman
Thomas Conway, Vice President, Administration
Tarliel D. Fellowal
Fred Redmond, Int'l Vice President
Jesse Miller, Staff Representative, District 11
Jesse Miller, Staff Representative, District 11
frila e
Mike Johnson, Unit President
Bellie Mous
Billie Morris, Committee
Ham Mats
Pam Mathews, Committee
Cuil Ranny
Emil Ramírez, Director, District 11

Commercial Envelope Manufacturing Co.

Jerry Smith, Plant Manager

Paul Garcia, Vice President, Labor Relations & H.R

APPENDIX A									
	2016		2017		2018				
	START MINIMUM	<u>TOP</u>	START MINIMUM	<u>TOP</u>	START MINIMUM	<u>TOP</u>			
Folding Machine Operator	\$10.00	\$11.50	\$10.00	\$11.75	\$10.00	\$12.00			
Lead Folding Machine Operator		\$12.00		\$12.25		\$12.50			
Folding Machine Adjuster "A"	\$16.00	\$18.75	\$16.25	\$19.00	\$16.50	\$19.25			
Folding Machine Adjuster "B"	\$14.50	\$15.75	\$14.75	\$16.00	\$15.25	\$16.25			
Folding Machine Adjuster "C"	\$12.00	\$14.25	\$12.00	\$14.50	\$12.00	\$15.00			
Pre-Press/Inventory	\$10.50	\$15.25	\$10.50	\$15.50	\$10.50	\$15.75			
Baler Machine Operator, Material Handler, General Help, Shipping and									
Receiving Department	\$10.50	\$13.25	\$10.50	\$13.50	\$10.50	\$13.75			
Maintenance/Electrical	\$14.50	\$18.75	\$14.50	\$19.00	\$14.50	\$19.25			
Quality Control	\$10.50	\$12.75	\$10.50	\$13.00	\$10.50	\$13.25			
Utility Operator – Plates, Ink, Loads	\$10.00	\$11.50	\$10.00	\$11.75	\$10.00	\$12.00			

^{*} New Adjusters will be given an immediate fifty (\$.50) per hour increase upon entering into the training program. Additional fifty (\$.50) per hour increases will be provided every ninety (90) working days thereafter until the minimum adjuster training rate has been reached, provided the trainee is meeting minimum performance standards as determined by management.

New hires or employees below the top rate shall receive progression increases of fifty (\$.50) per hour every six (6) months until they have reached the top rate of their job classification within the contractual calendar year. The progression increase may be withheld if the employee is not meeting minimum performance, quality or behavioral standards as determined by management. This progression schedule may be accelerated if the employee becomes qualified at a faster pace per management's discretion.

Lead Adjuster(s), as assigned by management, will receive and additional \$1.50/hr above their contractual scale rate.

Upon ratification of this agreement, all current day shift Folding Machine Operators shall receive a one-time equity pay adjustment of ten (10) cents per hour.

New Adjuster Progression - Kirksville, MO

ADJUSTER "C"

To attain a "C" rating the Adjuster must demonstrate the skill and ability to keep machine clean, producing quality product and achieve a minimum of 85% of budgeted production and must also learn to do a complete size change.

ADJUSTER "B"

To attain a "B" rating the Adjuster must demonstrate skill and ability to tend a second (2nd) equipment type, keep machines clean, maintain equipment, do a complete size change in a 6 to 10 hour period, including non-enhanced print, run machine at designated speed, achieve 90% of budgeted production per month and assist other Adjusters to keep other machines in that group producing. Trouble shooting skills are required. Duties will also include training others.

ADJUSTER "A"

To attain an "A" rating the Adjuster must be capable of performing all requirements of "B" and "C" above and efficiently adjust two (2) or more different machine types and other duties needed to keep machines in good repair and clean. Must also be considered to be a Subject Matter Expert on one (1) machine type. The adjuster will also have the skill and knowledge to perform major repairs including rebuilding of sub-assemblies and installation of parts in accordance with manufacturers guidelines and practices. Must possess advanced trouble shooting skills including the ability to adjust for large windows, non-standard paper substrates, embossing, etc. Training others is a required duty for this position.