

**PACKAGING CORPORATION OF AMERICA**

**HARRISONBURG CONTAINER PLANT**

**UNION AGREEMENT**

**WITH**

**GENERAL TEAMSTERS, CHAUFFEURS,  
WAREHOUSEMEN,  
AND PRODUCTION WORKERS**

**LOCAL UNION NO. 29**

**AFFILIATED WITH  
INTERNATIONAL BROTHERHOOD OF TEAMSTERS**

**TERM**

**NOVEMBER 1, 2005**

**THROUGH**

**OCTOBER 31, 2011**

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**AGREEMENT**

This Agreement made and entered into by and between

Packaging Corporation of America  
Harrisonburg Container Plant  
Harrisonburg, Va., hereinafter  
called the "Company,"

and

General Teamsters, Chauffeurs,  
Warehousemen and Production  
Workers Local No. 29  
Affiliated with the International  
Brotherhood of Teamsters,  
hereinafter referred to as the "Union."

## **ARTICLE 1 RECOGNITION OF THE UNION**

The Company recognized the Union as the exclusive collective bargaining agency for all production, maintenance, shipping and receiving employees employed by the Company at its Harrisonburg, VA, plant, excluding all office clerical employees, guards, professional employees and supervisors as defined in the Act, and truck drivers.

## **ARTICLE 2 UNION SECURITY**

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

permissible.

- 2.2 The Company agrees to deduct from the pay of all employees covered by this Agreement, dues, initiation fees, and/or uniform assessments of the Union and agrees to remit to said Union all such deductions. Where laws require written authorization by the employees, the same is to be furnished in the form required. No deduction shall be made which applicable law prohibits. The Union shall certify to the Company in writing each month a list of its members working for the employer, who have furnished to the Company the required authorization together with a statement of dues and/or initiation fees and uniform assessments owed and to be deducted for such month from the pay of such member, and the Company shall deduct such amount from the first paycheck following receipt of statement of certification of the member in one lump sum and shall within seven (7) days following such deduction, remit the same to the Union.

### **ARTICLE 3 OPERATION OF THE BUSINESS**

Except to the extent explicitly abridged by the express terms of this Agreement, the Company shall operate the business and direct the working force in its discretion.

### **ARTICLE 4 STEWARDS**

- 4.1 Recognition and Authority.

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

- a. The investigation and presentation of grievances to his Company or the designated Company representative in accordance with the provisions of this Agreement.
- b. The collection of dues when authorized by appropriate Union action.
- c. The transmission of such messages and information which shall originate with, and are authorized by the Union, or its officers, provided such messages and information:
  - 1. have been reduced to writing, or
  - 2. if not reduced to writing are of a routine nature and do not involve work stoppages, slowdowns, refusal to handle goods, or any other interference with the Company's business.

4.2 Limitations and Unauthorized Actions.

- a. Job stewards have no authority to take strike action, or any other action interrupting the Company's business except as authorized by official action by the Union.
- b. The Company recognizes these limitations upon the authority of the job steward and shall not hold the Union liable for any unauthorized acts by stewards. The Company in so recognizing such limitations shall have the authority to impose proper discipline, including discharge, with recourse, in the event the job steward has taken unauthorized strike action, slowdown, or work stoppage in violation of this Agreement.

4.3 The Union shall furnish the Company a list of all stewards, and shall keep it current.

- 4.4 Notwithstanding his position on the seniority list, a steward designated by the Union as specified in paragraph 4.1 of this Article, shall, in the case of reduction in the work force necessitated by work shortage, be the last to be laid off and the first to be recalled, provided they are qualified to perform available work.

#### **ARTICLE 5 PROBATIONARY PERIOD**

- 5.1 A new employee shall work under the provisions of this Agreement, but shall be on a thirty (30) day trial basis, which trial period the Company may extend for up to an additional thirty (30) days, provided the Company advises the Union of its intent to do so. During the trial period or extension thereof, the employee may be discharged without further recourse. Upon completion of the trial period or extension thereof, the employee shall be placed on the regular seniority list, with seniority dating from his date of hire.
- 5.2 During the first thirty (30) days of probation, an employee will not be eligible for holiday pay, funeral leave pay, or be covered by the leave of absence provisions of this Agreement.

#### **ARTICLE 6 SENIORITY**

- 6.1 Definition of seniority.

For the purpose of this Article, seniority is defined as follows:

1. Job seniority - an employee's length of continuous service in a job classification to which he has been permanently assigned.
2. Departmental seniority - an employee's length of continuous service in a department to which he has been permanently assigned.

3. Plant seniority - an employee's length of continuous service in the Harrisonburg Container Plant from his last date of hire.
4. Line of progression seniority - an employee's length of continuous service on a related group of jobs within a department, such groups being as indicated in Schedule B of this Agreement. Line of progression seniority shall be cumulative.

#### 6.2 Filling of job vacancies.

Vacancies existing on a job in a line of progression will be filled by advancing employees in the line of progression, according to classification seniority. Senior employee(s) in the affected classification shall have the option to advance, but the junior employee must advance. The successful job bidder shall be assigned to the job no later than the second Monday following the award of the job.

If the junior employee desires not to advance, the Company will have the option of bidding the job or having the junior employee advance to the opening. Vacancies in the lowest classification in a line of progression will be posted for bid in accordance with the immediately following paragraph.

Other vacancies will be posted on the bulletin board for a period of three (3) working days. Each vacancy will be posted on a separate form and will show the job title and rate, and any special qualifications or requirement, which might be applicable. A copy of each job posting and the award will be furnished to the Union. If a particular job vacancy requiring special skills or experience cannot be filled from within the working force, the Company may fill such vacancy as it sees fit.

In filling any posted vacancy, the Company will select the bidder who is best qualified on the basis of seniority, ability, efficiency and merit.

When these factors are relatively equal among the bidders, the applicable type of seniority will control. First consideration will be given to employees within the department in which the vacancy occurs. The successful job bidder shall be assigned to the job no later than the second Monday following the award of the job. In the event the Company is unable to move the employee by the second Monday, the employee will receive the rate of the job they are performing or the rate of the job to which they are to be moved whichever is higher.

Employees with a plant seniority date of prior to January 1, 2002, who are in a line of progression as of November 29, 2002, shall not be required to advance for permanent openings in that line of progression. This right to freeze only applies to this line of progression and not to other line of progression jobs to which the employee may subsequently bid. Once an employee voluntarily moves to another line of progression, he loses his right to freeze even if he returns to his original line of progression.

If an employee is on vacation during the time in which a job is bid, he may bid on this job after his return to work provided he informs the Company of his intention to do so within three working days of his return to work. It is the responsibility of the employee to ascertain if bids were posted during his absence.

An employee who is permanently transferred to another job shall forfeit his seniority on the job he leaves, unless such jobs are in the same line of progression, or unless he is returned to his former job under the provisions of Section 3 of this Article (Trial Periods).

### 6.3 Trial Periods.

An employee who is awarded a posted job, or who advances in a line of progression will be granted a trial period of up to thirty (30) days to determine if he can successfully perform said job. The Company may extend the trial period for up to and additional thirty (30) days. If at

any time during the above period, it appears to the Company the employee is incapable of performing the job, or is causing production difficulties, he shall be returned to his former job without loss of his applicable seniority. An employee who is awarded the job who has no working knowledge of it shall have five (5) working days in which to decide if he wants to keep it. The employee has the right to return to his former job only within these five (5) working days. An employee who has working knowledge of a job shall have no right of return to his former job as of the moment he accepts the bid. Working knowledge of a job is acquired by working in the classification for a total of five (5) days within the last two (2) years of the date of the bid.

6.4 Voluntary transfers or downgrading.

An employee shall not be permitted to bid upon or transfer to a job which pays the same as, or lower than his present regular hourly rate more than once every twelve (12) months.

6.5 Layoff and recalls.

The Company may elect to temporarily reduce the work week, or make layoffs, or both as schedules may require. If the hours of work are reduced, the Company will attempt to keep the work week at not less than thirty-two (32) hours, but these hours cannot be guaranteed. If the reduced work week schedule exceed four (4) weeks during any period of eight consecutive weeks, the Company will meet with the Union to discuss the effects of the work week reduction.

In case of layoffs in excess of three (3) days, the following procedure shall be followed.

- a. The last employee permanently assigned in the department affected will be laid off first, provided that the employees who remain are presently qualified to perform the available work.

- b. An employee who is laid off from his department may exercise his plant seniority to displace the least senior employee in the plant, provided that the employee is presently qualified to perform the work and is willing to accept the rate of pay for such available work.
  - c. Where qualifications of employees to perform the job are equal seniority shall prevail.
  - d. In the application of seniority in this Article, an employee shall be permitted to use his seniority to obtain only an equal or lower rated job than he had before he was laid off.
- 6.6 Employees will be recalled in the reverse order of layoff.
- 6.7 The Company shall post a plantwide seniority list twice yearly.

**ARTICLE 7  
LOSS OF SENIORITY**

Seniority shall be terminated and the employer-employee relationship shall be severed by any of the following:

- a. Discharge.
- b. Voluntary quit.
- c. One (1) year layoff or absence without regaining full-time status.
- d. Unauthorized absence for three (3) successive scheduled working days.
- e. Failure to report for work within five (5) days after notification to return to work following a layoff by telegram

or certified letter mailed to the last address furnished to the Company by the employee. The employee shall have the responsibility of notifying the Company of any change of address and telephone number.

- f. Failure to obtain or comply with leave-of-absence provisions as set forth in this Agreement.
- g. Retirement.

#### **ARTICLE 8 ESTABLISHMENT OF NEW JOB CLASSIFICATIONS**

Should the Company establish a new job, the Company may set a rate for the job. Should the Union feel the rate is unsatisfactory, the Company and the Union will then negotiate a rate on such job. If the Company and the Union are unable to agree on a rate, the matter will be referred to arbitration, under the terms of this Agreement.

#### **ARTICLE 9 REST PERIODS**

- 9.1 All employees not on continuous operations shall be entitled to two twenty-minute breaks during their regular shift. Rest periods may be staggered so that production may continue uninterrupted.
- 9.2 Employees who are scheduled and work ten (10) hours or beyond shall receive another ten (10) minute rest period.

#### **ARTICLE 10 WAGES**

- 10.1 The Company, in order to properly utilize employees' productive capacities and maximize production efficiency, may assign employees

temporarily between shifts, jobs, or departments in order to fulfill training purposes, to fill temporary vacancies, to utilize available employees, or to meet production requirements. In such cases, where a rate change is required, the following provisions will apply:

- a. Except in cases of partial shutdown in excess of three (3) days, an employee who is temporarily assigned to work during his scheduled hours in a lower rated classification shall continue to receive his regular classified rate.
- b. If an employee is temporarily assigned to a higher rated classification, he shall receive the minimum rate of the job or his regular rate, whichever is higher, for all hours worked in the higher rated classification.

10.2 Schedules of the regular straight time hourly base rates which shall be in effect for the term of this Agreement, are attached hereto as Schedule "A".

10.3 As of 1/1/99, the Company reserves the right to pay employees covered by this Agreement on a bi-weekly basis. As of 1/1/01, the Company further reserves the right to require employees to receive their pay in the form of a direct deposit from the Company to the employee's bank account. The Company shall provide employees with thirty days advance notice of any change in payroll methods.

## **ARTICLE 11 HOURS OF WORK AND OVERTIME**

11.1 Normal workweek.

The normal workweek shall be forty (40) hours Monday through Friday, inclusive, except that the normal workweek for the third shift shall begin Sunday night and end Friday morning. This shall not preclude the scheduling of shifts or operations at different times, or the scheduling of work on Saturdays and Sundays as required.

11.2 Normal workday.

The normal workday will be eight (8) hours. The normal starting time of the first shift will be 7:00 a.m. and the normal starting time of the second shift will be 3:00 p.m. The normal hours for corrugator crews will be 7:00 a.m. to 3:00 p.m. on the first shift, and 3:00 p.m. to 11:00 p.m. on the second shift. Exceptions to these hours may be made, particularly in the case of classifications such as maintenance, corrugator start up, or other start up.

11.3 Time and one-half pay.

The Company agrees to pay one and one-half times the regular hourly rate of pay for hours worked as follows:

- a. For all hours worked in excess of eight (8) hours in any one day, exclusive of lunch periods, or
- b. All hours worked in excess of forty (40) hours in any one week, exclusive of lunch periods, or
- c. All hours worked on Saturday or such other twenty-four (24) hour period as may be applicable, provided that the employee has worked all hours made available to him by the Company during the preceding five (5) days of the workweek. Contractually paid hours such as; Holidays, Jury Duty, etc. shall count as hours worked for overtime purposes. Justifiable excuse as defined in Article 27 shall not be applicable.
- d. Employees who work on a holiday shall receive eight (8) hours holiday pay at straight time plus one and one-half the straight time rate for all hours worked.

11.4 No duplication

There shall be no duplication of overtime pay.

**ARTICLE 12**  
**OVERTIME ASSIGNMENT AND DISTRIBUTION**

- 12.1 When as a result of operating requirements, unscheduled daily overtime is necessary, the Company will make every effort to notify employees required to work such overtime no later than four (4) hours after the start of their shifts or, in the case of weekend work, by 3:00 p.m. Wednesday. Should changes need to be made, these changes will be made by 12:00 noon Friday.
- 12.2 When plant operations require it, employees shall work reasonable amounts of daily overtime unless excused by the Company for good cause. The Company will administer unscheduled daily overtime in the following order:
- b. The employee or employees working on the machine or operation involved on the same shift in order of seniority.
  - c. The volunteer overtime sheet will be reviewed for qualified individuals, and the appropriate individual selected.
    - 1. Other employees with the same job classification, in job seniority order, on the same shift.
    - 2. Other qualified employees in the department, on the same shift in department seniority order. First consideration will be given to employees who have successfully held the job classification involved.
    - 3. Other qualified employees in the plant, on the same shift in plant seniority order. First consideration will be given to employees who have successfully held the job classification involved.

- d. If the unscheduled daily overtime work is not filled through the above sequence, the qualified junior employee available in the department shall perform the work.
- 12.3 To the extent weekend work is required; the Company will offer weekend work in the following order:
- a. The employee or employees working on the machine or operation involved on the same shift in order of seniority
    - b. The volunteer overtime sheet will be reviewed for qualified individuals, and the appropriate individual selected.
  - c. Other qualified employees in the department, on the same shift in department seniority order
  - d. Other qualified employees in the plant, on the same shift in plant seniority
  - e. Employees on other shifts in order of plant seniority, who are qualified to perform the work
  - f. If the weekend work is not filled through the above sequence, the qualified junior employee available in the department shall perform the work.

The Company's policy is to keep overtime to a minimum, consistent with customer requirements, and production assignments are made to effectuate this policy.

Employees will be assured at least one (1) weekend off per month, however this does not prevent an employee from making the Company aware of his/her wish to forgo this right in order to maximize their earning opportunity. Those weekends when work is not required because a holiday falls on Friday or Monday under

Article 19 satisfy this assurance of a weekend off per month in the month in which they fall.

- 12.4 Employees assigned to the work involved are required to work regularly scheduled overtime. The Company agrees to schedule the overtime work for the Maintenance department employees.
- 12.5 The Company will not increase the regularly scheduled overtime hours on a shift without informing the employees of such increase on their prior scheduled shift. The weekend overtime will be posted for the third shift by 11:00 p.m. on Wednesday. The weekend overtime will be posted for the first and second shift on Thursday.
- 12.6 The Company will make every effort not to schedule Sunday work for non-maintenance employees.

### **ARTICLE 13 PRODUCTION WORK BY SUPERVISORS**

Supervisors will not perform production work on any machine or operation covered by this Agreement, except under the following conditions:

- a. For the purpose of giving instructions or training.
- b. Necessary work under emergency conditions.

### **ARTICLE 14 DUTY TO REPORT**

Employees who are ill or otherwise unable to report for work shall, on each such day, notify the designated representative of the Company of their absence as far in advance as possible, but at least one hour prior to his scheduled shift starting time. Employees shall notify the Company of their intention to return to work.

**ARTICLE 15**  
**RULES**

The Company will not adopt any rules or regulations in conflict with this Agreement.

**ARTICLE 16**  
**SHIFT DIFFERENTIAL**

Employees assigned to the second shift will receive fifteen cents (15¢) per hour in addition to their regular hourly rate of pay for hours worked on the second shift. Employees assigned to the third shift will receive twenty-five cents (25¢) per hour in addition to their regular hourly rate of pay for hours worked on the third shift. Any shift employee that works at least one (1) hour in a shift that provides a higher shift differential shall receive the higher shift differential for the hours worked on that shift.

**ARTICLE 17**  
**REPORTING PAY**

- 17.1 An employee reporting for work at his scheduled starting time who finds no work or insufficient work available will be provided the equivalent of four (4) hours available work at his regular rate at straight time. Employees who report for work on Saturday at their scheduled starting time will be provided with eight (8) hours work at the applicable straight time or overtime rate. This does not apply if an employee has been notified not to report to work. Nor does it apply if the Company's failure to provide work is due to fire, floods, acts of God, equipment breakdown, labor disputes, civil commotion or riots, or other causes beyond the control of the Company.
- 17.2 Except in those cases provided for in Paragraph 17.1 of this Article, where the obligation for reporting pay is not applicable, the company

shall be deemed to have notified an employee not to report for work if it has posted a notice on the bulletin board prior to the expiration of his workday; contacted him personally; placed such notification on local radio; or it attempts to call him by telephone or notify him by telegram or letter at the employee's address last recorded with the Company, provided such attempt is made at least two (2) hours before the employee is scheduled to report.

**ARTICLE 18**  
**CALL BACK PAY**

If an employee is called back for work after he has finished his regular shift and has left the premises of the plant, he shall be paid for the work performed at the rate of one and one-half times his regular rate for the hours worked, with a guarantee of four (4) hours of pay at his regular classified rate.

**ARTICLE 19**  
**HOLIDAYS**

19.1 The following are recognized as paid holidays:

New Year's Day	Day after Thanksgiving
Good Friday	First Day of Hunting Season
Memorial Day	Christmas Eve
Fourth of July	Christmas Day
Labor Day	Employee's Birthday
Thanksgiving Day	

19.2 Employees will be paid eight (8) hours at their regular hourly base rate for each of the above holidays, subject to the following:

- a. He has worked his entire scheduled workday before and his entire scheduled workday after the holiday, and on the holiday if requested to do so, unless failure to work all of the above scheduled hours is due to a justifiable excuse as defined in Article 27.

- b. In cases of an employee's extended absence due to an accident or injury, an employee shall be eligible for holiday pay if the holiday falls within the first thirty (30) days of absence due to illness or non-occupational injury or within the first six months of absence due to occupational injury.
- 19.3 If the holiday falls outside of an employee's regularly scheduled workweek, such employee shall receive holiday pay in addition to his weekly earning but the holiday shall not be considered as time worked for the purpose of weekly overtime.
- 19.4 Should any of the above named holidays fall on Friday or Monday of the workweek, the Company will not require employees to work on that weekend. These weekends will count as the one weekend off per month provided for in Article 12. This will not prevent the Company from working employees who wish to forgo this assurance to maximize their earning opportunity.

## **ARTICLE 20 VACATIONS**

- 20.1 An employee covered by this Agreement, and who is actively employed on his anniversary date of continuous employment, shall be eligible for a vacation. Eligibility for vacation time and vacation pay shall be computed as follows:
- a. Any employee who has completed one (1) year but less than three (3) years of continuous service may qualify for one (1) week of vacation, with his vacation pay computed at two percent (2%) of gross W-2 earnings for the previous year, or his regular hourly base rate times forty (40) hours, whichever is greater.
  - b. Any employee who has completed three (3) but less than eight

(8) years of continuous service may qualify for two (2) weeks of vacation, with vacation pay computed at four percent (4%) of his gross W-2 earnings for the previous year, or his regular hourly base rate times eighty (80) hours, whichever is greater.

- c. An employee who has completed eight (8) or more years of continuous service may qualify for three (3) weeks of vacation, with vacation pay computed at six percent (6%) of his gross W-2 earnings for the previous year, or his regular hourly base rate times one hundred twenty (120) hours, whichever is the greater.
- d. An employee who has completed fifteen (15) or more years of continuous service may qualify for four (4) weeks of vacation, with vacation pay computed at eight percent (8%) of his gross W-2 earnings for the previous year, or his regular hourly base rate times one hundred sixty (160) hours, whichever is the greater.
- e. An employee who has completed twenty-two (22) or more years of continuous service may qualify for five (5) weeks of vacation, with vacation pay computed at ten percent (10%) of his gross W-2 earning for the previous year, or his regular hourly base rate time two hundred (200) hours, whichever is the greater.
- f. In order to qualify for vacation pay, an employee must have worked at least 1,248 hours for the year preceding his anniversary date. An employee who has worked at least 624 but less than 1,248 hours during the year preceding his anniversary date shall be paid vacation pay computed at one-half (1/2) of the amount indicated in paragraphs a and b.
- g. If an employee's paid vacation period accrues or is payable during a period in which he is otherwise entitled to unemployment compensation, the employee's right to, and payment for, such vacation shall be deferred until after

termination of the unemployment benefit period.

- h. Holiday pay shall be paid in addition to vacation pay when a holiday specified in this Agreement occurs during a selected vacation period.
- i. An employee scheduled for vacation M-F shall not be scheduled to work on the following Saturday.

20.2 The right to determine the time when an eligible employee will take his vacation is at the discretion of the Company, so that the Company may insure the continuous and proper operation of the plant. The company will grant, when practical, and when, in its judgment it is operationally sound, vacations at a time convenient to the employees, except that an employee may not accumulate time off for a vacation from one year to the next. Consistent with plant operating requirement, employees within their departments will be given consideration by order of their plant wide seniority in scheduling vacations. Notwithstanding the provisions of the immediately preceding paragraph, the Company may shut down all or any part of the plant during vacation time.

If an employee desires to receive vacation pay other than in a lump sum, he must inform the Company in writing during the month of December, but not later than December 15th. The employee must designate the weeks, excluding January 1 to when the lump sum vacations are paid, in which he is to receive his vacation pay. It is not necessary that the employee be scheduled for vacation during the week in which he receives pay. Vacation pay not designated to a specific week by December 15th shall be paid in a lump sum during February.

## **ARTICLE 21 GROUP INSURANCE**

- 21.1 The Company agrees to provide during the term of this Agreement, a program of Life Insurance with Accidental Death and Disability provisions, Sickness and Accident Insurance, and Hospital and Surgical Insurance, which program shall provide those benefits and contributions, if any, therefore, as agreed upon in the negotiations preceding this Agreement. Eligibility and benefits for each employee and his eligible dependents will be as set out in the insurance certificates issued to each covered employ. In no case will the Company be responsible for providing insurance benefits. The Company is to receive any dividends from any insurance Company underwriting any such plan if such dividends are paid.

Regardless of plan or carrier, employees otherwise on inactive status shall have their medical insurance coverage extended only as follows: 1) Layoffs or Personal Leave: Until month-end following the month beginning inactive status. 2) Illness or Injury: Until month-end of the sixth month following the month beginning inactive status.

- 21.2 If any state or federal law is adopted in the field of health and accident and/or hospitalization insurance, the Company may, at its option, discontinue the above plan or plans in favor of such state or federal provisions to the extent that the benefits thereunder are partially or totally duplications of the benefits provided under the above plans. If there is but a partial duplication only insurance carrying the benefits provided in the above plans and not covered under the state or federal plan shall continue to be carried.

- 21.3 The Company shall pay 80% of the cost of the plans and employees shall pay 20% of the cost on a pre-tax basis through weekly payroll deductions. The medical premium cap for employee contributions effective January 1, 2002 shall be \$28.20 and shall be increased by 18% compounded each January for the term of the agreement that expired November 1, 2005. The medical premium cap for employee contributions effective January 1, 2005 shall be increased by 13% compounded each January for the term of this agreement plus

the January immediately following the expiration date of this contract.

**ARTICLE 22  
FUNERAL LEAVE**

- 22.1 An employee who loses time on a day which he is scheduled to work, as the result of the death of a member of his immediate family, will be paid at his regular straight time hourly rate for such scheduled hours lost up to a maximum of eight (8) hours per day for up to three (3) days, ending on the day after the funeral. In order to qualify for such payment, the employee must attend the funeral and may be required by the Company to furnish reasonable proof of such attendance. For the purpose of this paragraph, "immediate family" shall mean father or father-in-law, mother or mother-in-law, brother, sister, spouse, son or daughter.
- 22.2 An employee who loses time on a day which he is scheduled to work as the result of the death of his natural grandparent or the employee's current brother-in-law, or the employee's current sister-in-law will be paid at his regular straight time hourly rate for such scheduled hours lost on the day of the funeral for up to a maximum of eight (8) hours. In order to qualify for such payment, the employee must attend the funeral and may be required by the Company to furnish reasonable proof of such attendance.

**ARTICLE 23  
JURY DUTY**

The Company will reimburse a regular employee serving on a jury, the difference between fees paid to him by public authority for such service and his straight time hourly base rate for the time which such service forces him to lose from his regularly scheduled hours of work, up to a maximum of eighty (80) hours. The time of such jury service shall not be counted as time worked in computing overtime. In order to qualify for this provision, an employee must provide advance written notice of requirement to serve on a jury. Employees released from jury duty for a day or more must report to

work for that day or those days.

## **ARTICLE 24 CONTROVERSIES**

- 24.1 A grievance is defined as any complaint, which may arise between the Company and the Union pertaining to the interpretation or application of, or compliance with, the specific terms and provisions of this Agreement.  
Any grievance as herein defined shall be handled through the grievance procedure.
- 24.2 Should grievances arise, there shall be no suspension or interruption of work on account thereof and a diligent effort shall be made to settle such grievance as speedily as possible in the following manner:
- a. The grievance shall be taken up within two (2) working days of its alleged occurrence by the aggrieved employee or employees or the Union steward (if the aggrieved employee desires his presence) with the foreman of the employee or employees involved. If, within five (5) working days from the time of the occurrence of the alleged grievance no satisfactory settlement is reached, then
  - b. The grievance shall be reduced to writing, signed by the aggrieved employee, and shall be submitted by the employee or the Union steward, or both, to the production manager or his representative. If, within ten (10) day, no mutually satisfactory settlement is reached, then
  - c. The grievance shall be referred to the general manager of the Company or his representative and a representative of the Union. If, after ten (10) days, no mutually satisfactory settlement is reached, then,

- d. The matter shall be referred to an International Representative of the Union and a corporate representative of the Company. If the two representatives reach a decision it shall be reduced to writing and such decision shall be final and binding on the parties.
- e. Upon receipt of notice of intent to arbitrate, within 30 days of the general manager's response (or longer if mutually agreed upon), the Company and the Union shall endeavor to select an impartial arbitrator by mutual agreement. In the event the parties are unable to agree upon an arbitrator, either party may request the Federal Mediation and Conciliation Service to furnish each of them with an identical list of seven (7) persons eligible to serve as arbitrators. After receipt of the list, the parties shall select the arbitrator by alternately striking a name from the list, the first strike to be determined by lot. The last remaining on the list shall be the designated arbitrator. The same arbitrator shall not arbitrate multiple grievances unless the parties agree thereto.
- f. The arbitrator shall render his decision within ten (10) days or as soon as possible after hearing on the matter in dispute have been concluded. The arbitrator shall not have the authority to modify, add to, subtract from or otherwise alter the provisions of this Agreement. His decision shall be final and binding upon the parties and without appeal. The expenses of the arbitrator shall be equally divided between the Company and the Union.

**ARTICLE 25**  
**DISCHARGE AND DISCIPLINARY ACTION**

- 25.1 The Company shall not discharge nor suspend any employee without just cause, but in respect to discharge shall give at least one (1) warning notice of the complaint against such employee to the employee, in writing, and a copy of the same to the Union excepting

that no warning notice need to be given to an employee before discharge, if discharge is for such reasons as:

- a. Dishonesty.
- b. Insubordination.
- c. Fighting on Company premises involving bodily contact or disorderly conduct.
- d. Destroying or defacing property.
- e. Drinking of alcoholic beverages or intoxication on Company property or while on duty, including breaks or lunch periods.
- f. Possession of, or use of hallucinogenic drugs or narcotics (as described by the Controlled Substances Act).

25.2 Discharge or suspension must be by proper written notice to the employee and the Union affected. All warning notices shall be issued within ten (10) working days from the date of the Company's discovery of the infraction. Warning notices shall have no force or effect after twelve (12) months from the date thereof. Any employee may request an investigation as to his discharge or suspension. Should such investigation prove that an injustice has been done an employee, he shall be reinstated and compensated at his usual rate of pay while he has been out of work, or such other settlements as may be agreed to by the parties of this Agreement.

25 The Attendance Policy is set forth in the Letter of Understanding attached to this Agreement.

25.4 Appeal from discharge must be taken up by written grievance as provided in Article 24 - Controversies.

**ARTICLE 26**  
**LEAVES OF ABSENCE**

- 26.1 A leave of absence will be extended to any employee whose absence is the result of illness or injury, upon presentation of such proof of incapacity as the Company may require. Such leave of absence may be extended up to one (1) year and the Company may, from time to time, require proof to its satisfaction of the employee's incapacity. Seniority shall accumulate up to one (1) year. No other benefits of this Agreement will extend to an employee on this kind of leave of absence. If the absence extends beyond one (1) year, seniority will be lost. However, inability to work because of proven occupational sickness or injury shall not result in the loss of seniority rights.

In those cases where the nature of the employee's injury or illness is such that it is known or becomes known that he cannot return to the job he occupied at the time of his injury, such job may be filled as any other permanent vacancy.

- 26.2 Employees desiring a leave of absence without pay for personal compelling reasons shall set forth such reasons in writing and submit the request to the Company.

The employee will then be notified in writing whether the leave is granted or denied provided, however, that the Company approval shall not unreasonably be withheld. Leaves shall be of no more than thirty (30) days' duration unless extended by the Company in writing.

**ARTICLE 27**  
**DEFINITION OF JUSTIFIABLE CAUSE**

- 27.1 When an employee is absent from work and when a question arises as to whether an employee is entitled to holiday pay under Article 19,

Section 19.2, such an employee shall be considered as being absent with a justifiable excuse only if he is:

- a. On his vacation or absent on a paid funeral leave.
- b. So sick that he is unable to report for work and is able to prove such sickness if the Company requests proof. This does not cover illness or injury resulting directly or indirectly from the use of intoxicants, hallucinogenic or illegal drugs, marijuana, or narcotics.
- c. Advised by his supervisor that his services are not required because of breakdown or lack of work for a period not to exceed ten (10) calendar days prior to the holiday, or is otherwise absent because of direct action initiated by the Company, except that an employee who is absent for disciplinary reasons shall not be considered as having a justifiable excuse.
- d. Absent because of the occurrence of acts of God, such as fires, floods, earthquakes or tornadoes, which make it impossible for the employee to report for work.

27.2 For the purpose of this Article, when an employee is absent from work under circumstances where the reasons therefore are known only by him, the employee shall have the burden of proving "Justifiable Cause" as herein defined. Waiver of proof by the Company in any particular instance will constitute waiver in no other instance.

## **ARTICLE 28 SEPARATION OF EMPLOYMENT**

Upon termination of an employee, the Company shall pay all money due on the next regular payday on which such money would normally be paid.

**ARTICLE 29**  
**PHYSICAL AND MENTAL EXAMINATIONS**

Any required physical or mental examinations, including drug testing, shall be promptly complied with by all employees, provided however, the Company shall pay for all such physical or mental examinations. The Company reserves the right to select its own medical examiner or physician, and the Union may, if in its opinion an injustice has been done an employee, have said employee re-examined at the Union's expense. If the two physicians disagree, they shall mutually agree on the third physician whose decision shall be final and binding. The expense of the third physician shall be equally divided between the Company and the Union.

**ARTICLE 30**  
**SAFETY**

- 30.1 The employees are to comply with all safety rules as established by the Company.
- 30.2 Employees shall report promptly to the Company in writing all defects in equipment and all accidents, regardless of their severity, and names and addresses of all witnesses to accidents.

**ARTICLE 31**  
**CONFLICT WITH STATE OR FEDERAL LAW**

- 31.1 Where any provision hereof shall conflict with any state or federal law operative or hereafter to become operative, the latter shall take precedence hereunder; provided however, all other provisions of this Agreement shall continue in full force and effect.
- 31.2 The parties hereto agree that the Company will comply with the Selective Service and Training Act and Amendments thereto.

**ARTICLE 32  
NO DISCRIMINATION**

The parties agree that there shall be no discrimination against any employee or applicant because of race, color, creed, religion, national origin, sex, age, or disability. Notwithstanding any other provision of the Agreement, the Company may take any action it deems necessary to comply with the Americans With Disabilities Act. Such actions shall not be used as evidence of precedent or past practice in any subsequent situation.

**ARTICLE 33  
BULLETIN BOARD**

The Company shall supply a bulletin board for the use of the Union for the posting of officially signed bulletins or notices or announcement by an official of the Union. Any other bulletin board postings shall be prohibited.

**ARTICLE 34  
EXTRA CONTRACT AGREEMENTS**

The Company agrees not to enter into any other Agreement or contract with the employees covered by this Agreement, individually or collectively, which in any way conflicts with the terms and provisions of this Agreement.

**ARTICLE 35  
STRIKES AND LOCKOUTS**

- 35.1 There shall be no strikes, stoppage, slowdowns, or lockouts during the term of this Agreement, it being the intention of the parties that in lieu thereof they shall resort to and exhaust the grievance and arbitration procedure provided for by Article 24 of this Agreement.
- 35.2 The Union agrees that the Company shall have the absolute right to

discharge or otherwise discipline the instigators of, and participants in, such strike, stoppage of work, or slowdown.

- 35.3 The Union will, within two (2) weeks of the date of the signing of this Agreement, serve upon the Company a written notice, which notice will list the Union's authorized representatives who will deal with the Company, make commitments for the Union generally, and in particular, have the sole authority to act for the Union in calling or instituting strikes or any stoppage of work.
- 35.4 It shall not be just cause for disciplinary action if any employee refuses to go through a legal picket line established by the General Teamsters Union, Local 29, and the Company has been advised of the establishment of such picket line.

#### **ARTICLE 36 UNION REPRESENTATIVE**

36.1 Company Visits.

The authorized representative of the local Union, upon the presentation of identification, shall be permitted to enter the plant during working hours for the purpose of representing employees covered by this Agreement, provided there shall be no interference with work.

36.2 Examination of Records.

The Union shall have the right to examine time sheets and any other records pertaining to the computation of compensation of any individual or individuals whose pay is in dispute.

#### **ARTICLE 37 ENTIRE AGREEMENT**

Neither party shall have the right to require the other to enter into any negotiations or to entertain any demands on any subject, whether or not

expressly referred to in this Agreement, but nothing in this Agreement shall prohibit the Company and the Union from mutually agreeing upon supplements or riders to this Agreement, during the life thereof.

### **ARTICLE 38 RETIREMENT PLAN**

- 38.1 The Company has established a Pension Plan effective as of January 1, 1975, subject to the approval of the appropriate district office of the Internal Revenue Service. Eligibility requirement of such plan, and the benefits provided thereby, will be outlined in the plan known as Pension Plan II, the features of which will be contained in a Pension Agreement to be signed by the parties. The plan is to be administered by, and the entire cost thereof paid by the Company. The Company reserves the right to alter, amend, or revoke the Plan, provided however, no amendment, alteration, or revocation shall adversely affect the rights of employees with respect to retirement benefits purchased before the effect date of such amendment, alteration, or revocation. For the duration of this Agreement, there will be no changes in the Pension Plan, which adversely affects the employees.
- 38.2 Any employee who retires or is retired under the provisions of this Agreement shall not be entitled to reemployment thereafter, and if and to the extent this provision is inconsistent with the seniority provisions of the existing labor contract, this provision shall prevail.
- 38.3 The Company agrees to establish a 401(k) Plan, for employees covered by this agreement. The Plan shall be described in the Plan Description as provided by the Company. The Company agrees to match at a rate of 50% of the first 4% of the employee contribution.

### **ARTICLE 39 TERMINATION**

- 39.1 This Agreement shall be in full force and effect from November 1, 2005 to November 1, 2011 and shall continue in full force and effect from year to year thereafter unless written notice of desire to cancel or terminate the Agreement is served by either party upon the other at least sixty (60) days prior to the date of expiration.
- 39.2 It is further provided that where no such cancellation or termination notice is served and the parties desire to continue said Agreement, but also desire to negotiate changes or revisions in this Agreement, either party may serve upon the other notice, at least sixty (60) days prior to November 1, 2011, advising that such party desires to revise or change terms or conditions of such Agreement or continuation thereof.
- 39.3 The Union agrees to give the Company written notice not less than ten (10) days before any authorized strike or stoppage of work, on the expiration of this Agreement, extension thereof, if an Agreement has not been reached between the parties on such expiration date.

IN WITNESS WHEREOF, the parties hereto have set their hands and seal  
this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

**PACKAGING CORPORATION OF AMERICA  
HARRISONBURG CONTAINER PLANT**

By \_\_\_\_\_ By \_\_\_\_\_

By \_\_\_\_\_ By \_\_\_\_\_

By \_\_\_\_\_ By \_\_\_\_\_

**GENERAL TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN AND  
PRODUCTION WORKERS LOCAL UNION NO. 29 AFFILIATED  
WITH INTERNATIONAL BROTHERHOOD OF TEAMSTERS**

By \_\_\_\_\_ By \_\_\_\_\_

By \_\_\_\_\_ By \_\_\_\_\_

By \_\_\_\_\_ By \_\_\_\_\_

By \_\_\_\_\_ By \_\_\_\_\_

**SCHEDULE "A"**

**PACKAGING CORPORATION OF AMERICA  
HOURLY CLASSIFICATION AND WAGE RATES**

	<b>Eff</b>	<b>Eff</b>	<b>Eff</b>	<b>Eff</b>	<b>Eff</b>	<b>Eff</b>
	<b>11/1/05</b>	<b>11/1/06</b>	<b>11/1/07</b>	<b>11/1/08</b>	<b>11/1/09</b>	<b>11/1/10</b>

**COMBINING DEPARTMENT**

008	Corrugator Operator	16.69	17.15	17.61	18.06	18.51	19.00
	Slitterman	16.06	16.52	16.98	17.43	17.88	18.34
	Doublebacker	15.70	16.16	16.62	17.07	17.52	18.00
	Stacker Operator	14.88	15.34	15.80	16.25	16.70	17.15
	Utility/Palletizer	14.07	14.53	14.99	15.44	15.89	16.34
903	Baler Operator	14.07	14.53	14.99	15.44	15.89	16.34
020	Roll Room Person	14.88	15.34	15.80	16.25	16.70	17.15
020	Roll Truck Starch Mixer	14.88	15.34	15.80	16.25	16.70	17.15
701	Lift Truck Operator	14.88	15.34	15.80	16.25	16.70	17.15
012	Asitrade	15.98	16.44	16.90	17.35	17.80	18.25

**PRINTING DEPARTMENT**

176	Printer Slotter Operator	16.05	16.51	16.97	17.42	17.87	18.34
	Printer Slotter Helper	15.23	15.69	16.15	16.60	17.05	17.50
183	Slitter Operator	14.88	15.34	15.80	16.25	16.70	17.15

274	Ward Flexo D/C Operator	16.05	16.51	16.97	17.42	17.87	1
	Ward Flexo D/C Helper	15.23	15.69	16.15	16.60	17.05	1
273	66 x 115 3C D/C Operator	16.36	16.82	17.28	17.73	18.18	1
	66 x 115 3C D/C Helper	15.42	15.88	16.34	16.79	17.24	1
283	Staley D/C Operator	16.05	16.51	16.97	17.42	17.87	1
	Staley D/C Helper	15.23	15.69	16.15	16.60	17.05	1
316	Flexo Folder Gluer Operator	16.05	16.51	16.97	17.42	17.87	1
	Flexo Folder Gluer Helper	15.23	15.69	16.15	16.60	17.05	1
	Flexo Folder Gluer Bundler	14.56	15.02	15.48	15.93	16.38	1
317	37" Flexo Folder Gluer Operator	16.36	16.82	17.28	17.73	18.18	1
	37" Flexo Folder Gluer Helper	15.42	15.88	16.34	16.79	17.24	1
320	Flexo Folder Gluer Operator	16.05	16.51	16.97	17.42	17.87	1
	Flexo Folder Gluer Helper	15.23	15.69	16.15	16.60	17.05	1
	Flexo Folder Gluer Bundler	14.56	15.02	15.48	15.93	16.38	1
323	Flexo 3 Color Operator	16.36	16.82	17.28	17.73	18.18	1
	Flexo 3 Color Helper	15.42	15.88	16.34	16.79	17.24	1
710	Die Mounter	15.23	15.69	16.15	16.60	17.05	1
700	Lift Truck Operator	14.88	15.34	15.80	16.25	16.70	1

## FINISHING DEPARTMENT

212	Bobst Operator	15.23	15.69	16.15	16.60	17.05	1
	Bobst Helper	14.88	15.34	15.80	16.25	16.70	1
216	Bobst Operator	15.23	15.69	16.15	16.60	17.05	1
	Bobst Helper	14.88	15.34	15.80	16.25	16.70	1
220	Bobst 160 Diecutter	15.23	15.69	16.15	16.60	17.05	1
	Bobst 160 Diecutter Helper	14.88	15.34	15.80	16.25	16.70	1
430	Spec. Bobst Folder Gluer Operator	15.67	16.13	16.59	17.04	17.49	1
	Spec. Bobst Folder Gluer Helper	14.51	14.97	15.43	15.88	16.33	1
432	Spec. Bobst Folder Gluer Operator	15.67	16.13	16.59	17.04	17.49	1
	Spec. Bobst Folder Gluer Helper	14.51	14.97	15.43	15.88	16.33	1
440	Taper Operator	14.56	15.02	15.48	15.93	16.38	1
	Taper Helper	13.78	14.24	14.70	15.15	15.60	1
460	Taper Operator	14.56	15.02	15.48	15.93	16.38	1
	Taper Helper	13.78	14.24	14.70	15.15	15.60	1
472	Stitcher Operator	14.56	15.02	15.48	15.93	16.38	1
	Stitcher Helper	13.78	14.24	14.70	15.15	15.60	1
473	Stitcher Operator	14.56	15.02	15.48	15.93	16.38	1
	Stitcher Helper	13.78	14.24	14.70	15.15	15.60	1
474	Stitcher Operator	14.56	15.02	15.48	15.93	16.38	1

	Stitcher Helper	13.78	14.24	14.70	15.15	15.60	1
501	Labeler Operator	14.56	15.02	15.48	15.93	16.38	1
504	Labeler Operator	14.07	14.53	14.99	15.44	15.89	1
502	Labeler Operator	14.56	15.02	15.48	15.93	16.38	1
	Labeler Helper	13.72	14.18	14.64	15.09	15.54	1
512	Curtain Coater Operator	15.23	15.69	16.15	16.60	17.05	1
	Curtain Coater Helper	14.88	15.34	15.80	16.25	16.70	1
514	Cascader Operator	15.23	15.69	16.15	16.60	17.05	1
	Cascader Helper	14.88	15.34	15.80	16.25	16.70	1
515	Cascader Operator	15.23	15.69	16.15	16.60	17.05	1
	Cascader Helper	14.88	15.34	15.80	16.25	16.70	1
602	Cascader Bander	14.88	15.34	15.80	16.25	16.70	1
700	Lift Truck Operator	14.88	15.34	15.80	16.25	16.70	1
590	General Help	12.80	13.26	13.72	14.17	14.62	1
591	Temporary	12.80	13.26	13.72	14.17	14.62	1

## SHIPPING DEPARTMENT

600	Automatic Bander	14.88	15.34	15.80	16.25	16.70	1
806	Shipping Clerk	15.23	15.69	16.15	16.60	17.05	1
800	Shipping Trucker	14.88	15.34	15.80	16.25	16.70	1
	Warehouse Person	14.88	15.34	15.80	16.25	16.70	1
730	Leadperson (All Departments)	17.28	17.74	18.20	18.65	19.10	1

### **MAINTENANCE DEPARTMENT**

883	Maintenance "AA" Mechanic	22.58	23.04	23.50	23.95	24.40	2
	Maintenance "A" Mechanic	18.82	19.28	19.74	20.19	20.64	2
	Maintenance "B" Mechanic	16.70	17.16	17.62	18.07	18.52	1
	Maintenance "C" Mechanic	15.29	15.75	16.21	16.66	17.11	1
	Maintenance Trainee	13.77	14.23	14.69	15.14	15.59	1
940	Waste Treatment/Custodian	14.56	15.02	15.48	15.93	16.38	1

### **SCHEDULE "A"**

#### **NEW HIRE**

New Hires shall be employed at not less than:

\$11.20 as of 11/01/05

\$11.66 as of 11/01/06;

\$12.12 as of 11/01/07;

\$12.57 as of 11/01/08

\$13.02 as of 11/01/09

\$13.47 as of 11/01/10.

**GENERAL HELP**

By the end of thirty (30) days a new hire shall be reclassified General Help and shall be paid not less than the base rate.



**SCHEDULE "B"**  
**DEPARTMENTS AND JOB LINE PROGRESSION**  
**HARRISONBURG PLANT**

**CORRUGATOR DEPARTMENT**

Corrugator Operator

Slitter Operator

Double Backer Operator

Stacker Operator

\*Corrugator Utility Person

\*Asitrade Operator

\*\*Corrugator Roll Trucker - Starch Person

\*\*Material Trucker - Corrugator/Printing Departments

\*\*Baler Operator

\*\*Roll Room Attendant

\*Denotes Start in Line of Progression

\*\*Denotes No Job Line of Progression

**SCHEDULE "B"**  
**DEPARTMENTS AND JOB LINE PROGRESSION**

**PRINTING DEPARTMENT**

Flexo Folder Gluer Operator (316, 317, 320, & 323)

Flexo Folder Gluer 1st Helper

\*Flexo Folder Gluer 2nd Helper

Large Press Operator (176)

Large Press Helper

Rotary Die-Cutter Operator (273, 274, & 283)

Rotary Die-Cutter Helper

\*\*Die Mounter

\*\*Material Trucker-Finishing/Printing

\*Denotes Start in Line of Progression

\*\*Denotes No Job Line of Progression

**SCHEDULE "B"**  
**DEPARTMENTS AND JOB LINE PROGRESSION**

**FINISHING DEPARTMENT**

Cascader Operator (514,515)	Flatbed D/C (Bobst) Operator (212, 216, 220)
Cascade Helper	* Flatbed D/C (Bobst) Helper
*Cascade Bander (#514 & 515)	Folder Gluer Operator (430, 432)
Curtain Coater Operator (512)	* Folder Gluer Helper
*Curtain Coater Helper	Labeler Operator (502)
	Labeler Helper

Stitcher Operator/Taper Operator (472/440 & 460)

\*Stitcher Helper/Taper Helper

\*\*Dual Head Stitcher Operator (474)

\*\*Labeler Operator (501-504)

\*\*Material Trucker-Finishing/Printing

\*\*General Helper

\*Denotes Start in Line of Progression

\*\*Denotes No Job Line of Progression



**SCHEDULE "B"**  
**DEPARTMENTS AND JOB LINE PROGRESSION**

**SHIPPING DEPARTMENT**

Shipping Clerk

Shipping Trucker

—

\*Automatic Bander

\*\*Warehouseperson

**MAINTENANCE DEPARTMENT**

Mechanic AA

Mechanic A

Mechanic B

Mechanic C

\*Trainee

\*\*Waste Treatment Operator

\*Denotes Start in Line of Progression

\*\*Denotes No Job Line of Progression

**Letter of Understanding**

**Attendance Policy**  
**Effective November 30, 2005 (upon Ratification)**

**INTRODUCTION**

Perfect attendance should be the goal of every Employee. Perfect attendance is defined as arriving on time for one's shift and working the entire shift, including overtime assignments.

The Company realizes that perfect attendance is not always possible. Therefore, this policy is designed to provide Employees with "leeway" between perfect attendance and an attendance record that is sufficiently poor as to warrant disciplinary action up to and including discharge.

Effective November 30, 2005 all employees will have zero (0) points.

#### NO-FAULT POINT SYSTEM

The Company attendance policy assigns points to Employees for each instance in which they are late for work, leave work early, or miss any day they are scheduled for work. Points are assigned as follows:

Late 4 hours or less	_1_ points
Excused leave early 4 hrs or less	_1_ points
Unexcused leave early	_2_ points
Absent	_2_ points
Fail to notify Company of lateness or absence prior to start of shift	_4_ points

Under a no-fault system, points are assessed without regard for the reason for the absence. Explanations for absences (e.g., Doctor's notes) are not required unless to document Short Term Disability Benefits and/or FMLA. Instead, the policy is designed to provide enough "leeway" so that the reasonable Employee will be able to live within the system. To help Employees live within the system, the following four (4) avenues are available:

- 1) Employees who are not charged with any points for a period of 90 consecutive days will have 2 points removed from their record (to a point no lower than zero).
- 2) Points will be dropped from the employees record once they are more than one (1) year old.
- 3) Employees may seek a leave of absence per the relevant collective bargaining agreement during which time no points will be charged to their record.
- 4) Employees may seek help for personal, social, familial, drug/alcohol abuse problems, etc., through the Company's Employee Assistance Plan (EAP) at 1-800-288-2422.

Further, no points will be charged for the following absences:

- 5) Paid leaves under a collective bargaining agreement (e.g., jury leave, funeral leave, leave due to industrial accident, scheduled holidays, vacation, short term disability).
- 6) Unpaid leaves under the collective bargaining agreement (e.g., authorized Union business).
- 7) Leaves mandated by law (e.g., military duty, Family and Medical Leave Act).
- 8) Plant shutdown or layoffs; time off for the Company's convenience.

#### PROGRESSIVE DISCIPLINE

The Company recognizes its obligation to deal with poor attendance of Employees in a progressive fashion. To that end, Employees will be cautioned about poor attendance in the following manner:

- \_14\_ points - Verbal Warning
- \_16\_ points - First Written Warning
- \_18\_ points - Final Written Warning
- \_20\_ points - Discharge

The Company reserves the right to revise this policy subject to mutual agreement with the Local Union.

The Company will terminate an employee that is a no-call no-show for three (3) consecutive working days or longer.

No attendance policy can foresee every possible situation or circumstance. Thus, the Company reserves the right to take into account extenuating/mitigating circumstances, as the need arises.

Nothing herein is meant to or will limit or interfere with the rights of Employees as provided under federal, state or local law.

Letter of Understanding

September 28, 2005

The Company agrees that it will make new employees available to a union representative at the end of their orientation for five (5) minutes for the purpose of the Union soliciting their membership. The union representative may remain on the clock for this meeting.

Company

Union

Letter of Agreement

September 28, 2005

For the term of the labor agreement commencing 11/1/05, the Company will utilize temporary employees when additional labor is needed as long as it maintains the General Help level of ten (10) employees.

Company

Union