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**AGREEMENT**

**BETWEEN**

**MEAD PAPER DIVISION  
RUMFORD MILL**



***PACE***

**Mead**

**AND**

**PAPER, ALLIED - INDUSTRIAL,  
CHEMICAL AND ENERGY WORKERS  
INTERNATIONAL UNION  
AFL-CIO, CLC LOCAL 900**

**JUNE 30, 2001  
TO  
JUNE 30, 2007**



*62 pages*

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## **SUCCESSOR CLAUSE**

In consideration of the Union's execution of this Agreement, each employer promises that its operations covered by this Agreement shall not be sold, conveyed, or otherwise transferred or assigned to any successor without first securing the agreement of the successor to assume the employer's obligations under this Agreement.

## **EMPLOYMENT SECURITY ELIGIBILITY**

Any employee whose seniority entitles them to be working on a regular basis will be considered eligible for this employment security provision of the Labor Agreement.

## **PROVISION**

Those employees represented by PACE Local 1-900 who are eligible will not be laid off from work due to application of the modernized Labor Agreement.

The following are not considered changes within the meaning of modernizing the labor agreement.

- a. Partial curtailment of operations, either permanent or temporary.
- b. Equipment failures due unforeseen events such as, but not limited to, interruption of power, acts of God, fire, etc.
- c. Installation of equipment or modification to existing equipment or process.
- d. Suspension or discharge for just cause, including performance related reasons.

This employment security provision of the Labor Agreement will terminate in its entirety on the termination date of the Labor Agreement as specified in Article XVII, Term of Agreement.

## **PARTIES TO AGREEMENT AND PREAMBLE**

This agreement made and entered into at Rumford, Maine this 14<sup>th</sup> day of May 2001 by and between Mead Corporation, Rumford Mill, Rumford, Maine, called MEAD CORPORATION (hereinafter called "Company"), and PAPER, ALLIED-INDUSTRIAL, CHEMICAL & ENERGY WORKERS INTERNATIONAL UNION, AFL-CIO, and its affiliated LOCAL 1-900 (hereinafter collectively called the "Union") for themselves and their respective successors witnesseth that the parties hereto, each in consideration of the agreements herein contained of the other, hereby agree as follows:

## **ARTICLE I**

### **Status of Company and Union**

#### **Section 1. Union Recognition**

The Company agrees to recognize and does hereby recognize PAPER, ALLIED-INDUSTRIAL, CHEMICAL & ENERGY WORKERS INTERNATIONAL UNION, AFL-CIO, Local 1-900, as the designated and selected exclusive bargaining unit which is hereby defined to include all the Company's production and maintenance employees, including spare labor pool, Stencilers, Checkers and Weighers, but excluding the following employees in the Electrical Department, Entrants, Learners, Apprentices, Helpers, Oilers, 2<sup>nd</sup> Class

Electricians, Motor Men 1<sup>st</sup> Class, 1<sup>st</sup> Class Electricians, Service Men, Elevator Inspector and Maintenance, Equipment Service and Operator, 1<sup>st</sup> Class Motor Men and Electronic Service Men and also excluding Office Janitors, employees engaged in sales, research, engineering, accounting and stenographic workers, office clerical employees, professional employees, guards and supervisors as defined in the National Labor Relations Act (all as set forth in NLRB Certification Dated July 19, 1963, Case No. 1-RC-7375) and as amended by Case No. 1-UC-347 dated October 21, 1981.

## Section 2. Status of Company and Union

All employees of the Company presently covered by the Agreement shall on the thirtieth (30<sup>th</sup>) day hereafter become and remain members of the Union in good standing as to the payment of initiation fees and periodic dues. All new employees shall become and remain members of the Union in good standing as to payment of initiation fees and periodic dues on the thirtieth (30<sup>th</sup>) calendar day immediately following their employment. The Company agrees to discharge, upon written request from the Union, any employee who does not tender to the Union the uniform initiation fees and/or periodic dues.

## Section 3. Check-off

a. Upon receipt by the Company of an individual written authorization (the form of which is hereinafter set forth in paragraph (b) of this Section 3) voluntarily executed by an employee, the Company agrees, while this authorization and this

Agreement remain in effect, to deduct monthly dues from such employee's first pay each month.

The Company will transmit the money thus deducted, together with a list of the names of the employees from whose earnings such sums were deducted, to the Financial Secretary of Local 1-900 PAPER, ALLIED-INDUSTRIAL, CHEMICAL & ENERGY WORKERS INTERNATIONAL UNION, AFL-CIO.

b. Voluntary Dues Deduction Authorization: I hereby voluntarily authorize Mead Corporation to deduct from my first pay each month Union Membership dues of \_\_\_\_\_ or such higher amount as the Financial Secretary of Local 1-900, PAPER, ALLIED-INDUSTRIAL, CHEMICAL & ENERGY WORKERS INTERNATIONAL UNION, AFL-CIO, may advise the Company in writing, and to transmit the amount, uniformly applied in said Union, so deducted to said Financial Secretary and if a new employee, I further voluntarily authorize the Company to deduct from my wages my initiation fee of ninety (\$90.00), or such higher amount, uniformly applied, as the Financial Secretary may so advise.

This authorization shall be in effect and irrevocable for a period of one (1) year or the period of the unexpired term of the Labor Agreement now in effect between the Company and the Union applicable to me, whichever period is shorter; and this authorization shall automatically renew itself for each successive period of one (1) year or period of the then unexpired term of the Labor Agreement in effect at the automatic renewal date, whichever period is shorter, unless I advise the Company by

Written notice to the Manager – Human Resources of the Company at Rumford, Maine not more than thirty (30) days or less than ten (10) days before the expiration of any such period of my desire to revoke this authorization.

I will also send a copy of such revocation to the local Union.

Employee No. \_\_\_\_\_

Date \_\_\_\_\_ Signature of Employee \_\_\_\_\_

Name (print) \_\_\_\_\_ PACE Local 1-900

Address \_\_\_\_\_ City and State \_\_\_\_\_

Employed by MEAD CORPORATION

Department \_\_\_\_\_

#### Section 4. Functions of Management

Except as herein otherwise provided the management of the work and the direction of the working forces, including the right to hire, promote, demote, suspend or discharge for proper cause, or transfer, and the right to relieve employees from duty because of lack of work or other legitimate reasons, is vested exclusively in the Company. In keeping with the above, the Company shall adopt and publish reasonable mill rules which will not be in conflict with the terms of this Labor Agreement.

The Company shall have the right to establish, change or eliminate existing jobs or job qualifications.

#### Section 5. Cooperation

a. The Company and the Union agree that they will cooperate in every way to promote harmony and efficiency among all the Company's employees, and to promote the general



economic welfare of the Company and its bargaining unit employees, economy of operation and protection of property.

b. Recognizing that a continued increase in production, efficiency of operation and improvement in the quality and quantity of the products of the mill are essential to the successful and profitable operation of the Company, the Union, the employees and the Company agree to cooperate to the fullest extent in the attainment of these objectives.

c. In accordance with the aims expressed in the above paragraphs (a) and (b) the Union, and the employees, agree to operate the mill or any part of it at any time including Sundays and holidays.

d. The Union and the Company further agree to cooperate in carrying out a program of good housekeeping in the mill.

e. The Union agrees to assist the Company in carrying out any construction and improvement program. The Company agrees that it will protect the job rights of its regular employees who may be assigned to work on the program.

It is the Company's desire to do construction work with its own crews whenever practical. The Company, however, reserves the right to contract such work as it deems necessary.

#### Section 6. Bulletin Boards

The Company shall provide suitable locations for bulletin boards for the posting of notices from the Union to its members. Nothing may be posted on said bulletin boards unless and until approved by the Manager- Human Resources of the Company or his representative. Accredited Shop Stewards shall have the

right to remove meeting or other Union notices from the bulletin boards in their respective departments the day following the meeting or event posted.

### Section 7. Representatives' Rights of Plant Visitation

Upon official request by the local Union to the Company, a reasonable number of authorized representatives of the Union shall be permitted admission to the plant of the Company during working hours for the purpose of ascertaining whether or not *this Agreement is being observed by the parties hereto, or for assisting in the adjustment of grievances.*

Admission to the plant by authorized representatives of the Union during the night (5:00 P.M. to 7:00 A.M) and on weekends (except 8:00 A.M. to 12:00 Noon on Saturday) may be obtained by checking in with the Lower Gate Watchman and reporting his presence to the supervisor of the department(s) he plans to visit in accordance with Article XII, Section 4 of the labor agreement. He may utilize the union parking area inside the gate if he has a car.

## **ARTICLE II**

### **Flexible Work Assignment**

#### Section 1.

The Flexible Work Assignment Concept is designed to maximize the efficiency of the Rumford Mill, improve productivity and protect the employment security of employees, with full regard to all safe work practices.

## Section 2.

While not all-inclusive, the framework of the Flexible Work Assignment Concept is provided by the guidelines discussed below and supersedes any rule, commitment, understanding, practice, etc., that may have existed in the past or as may be found elsewhere in the Agreement:

a. In order to achieve efficiency of mill operations, employees may be assigned to duties outside of their traditional job duties from time to time as operating conditions warrant. Any employee may be assigned to any task in their designated area if not needed on their occupation. Assignments may be made outside of the area to perform work of an emergency nature. Maintenance mechanics will be expected to assist production employees and vice versa throughout the mill. The designated areas shall be determined as the following:

- |                |         |
|----------------|---------|
| 1. #15 Complex | 2. Pulp |
| #4-#12         | Wood    |
| Stock Prep     | Power   |
| Finishing      | Water   |

b. Operating employees will perform equipment adjustments and minor repairs, and other work which they are capable of performing. This will allow production employees to fully utilize their capabilities and concentrate the skills of maintenance mechanics where those skills are needed.

c. It is the agreed policy that supervisors and other non-bargaining unit employees will not do work customarily performed by bargaining unit employees. It is further understood that the following will not be considered a violation of this policy:

1. Work for demonstrative purposes to assist in the training or instruction of bargaining unit employees.
2. Work of short duration to assist a bargaining unit employee for safety reasons.
3. Work of an emergency nature. Emergency is hereby defined as an unforeseen combination of circumstances which calls for immediate and initial action to prevent curtailment of production or to prevent damage of life, limb or property.
4. Work of technical nature requiring knowledge or skills not required of bargaining unit employees.
5. Work related to the installation, shake down, trouble shooting or repair of equipment or technological improvements.
6. Work performed after a reasonable effort to secure qualified bargaining unit employee(s) has failed.

### Section 3.

-In order to modernize the Maintenance Department, the Company is committing to a long-term activity that will, through a comprehensive training program, allow Maintenance employees to expand their knowledge and skills in their particular field of endeavor.

All current regular Maintenance employees will be classified either as a Mechanic or an Instrument Mechanic.

The Company will develop and adopt Standards of Apprenticeship as a vehicle for training individuals in skills associated with the above occupational areas.

Apprenticeship applicants whose qualifications and aptitude are acceptable to the Company will be selected on the basis of

Seniority. Successful completion of the program will be based upon performance. Failure to progress will be the basis for disqualification from the Mechanics Apprenticeship Program.

The first 180 days of the Apprenticeship shall be considered a probationary period. During this period, the Apprentice is expected to determine if he/she is satisfied with the occupation chosen, and the Company will determine the fitness of the Apprentice for the occupation that he/she is training in. During the probationary period either party to the agreement may cancel the agreement by merely notifying the other party. An employee removed from the Apprenticeship Program during these 180 days shall return to the job held prior to entering the Apprenticeship Program.

The Apprentice wages shall be based on the current Journeyman's rate of pay. Apprentices shall be paid a progressively increasing scale of wages throughout the term of Apprenticeship in accordance with the wage table. However, before being eligible to receive a rate increase, each Apprentice's record shall be reviewed. Unsatisfactory progress will make it necessary to repeat a specific work experience or series of work experiences at the current wage rate. Wage increases will not be withheld for more than six months. If correction of the unsatisfactory condition has not been accomplished by that time, the Apprenticeship will be canceled. Apprentices will accrue seniority within the Journeyman occupation subject to successful completion of the Apprenticeship Program.

**ARTICLE III**  
**General Wage Provisions**

**Section 1. Wage Rates and Practices**

a. Effective upon ratification, wages will be increased 3.0%. Wage rates will remain unchanged except as provided for in sub-section (c) below and in Section 2, Special Wage Adjustments of this Article. Effective July 1, 2002 a general wage increase of two and one half percent (2.5%) shall be provided to all classifications. Effective July 1, 2003 a general wage increase of two and one half percent (2.5%) shall be provided all classifications. Effective July 1, 2004 a general wage increase of two and one half percent (2.5%) shall be provided all classifications. Effective July 1, 2005 a general wage increase of two and one half percent (2.5%) shall be provided all classifications. Effective July 1, 2006 a general wage increase of three percent (3%) shall be provided all classifications.

b. All employees hired on or after July 1, 1986 will receive eighty percent (80%) of the rate of the job performed in effect for the first six months of their employment; at which time their rate shall be increased to the rate of the job being performed.

c. A joint job evaluation committee will be formed with equal representation from the Company and the Union. No adjustment in hourly wages will be requested or made during the term of this Labor Agreement except when the job evaluation committee determines there has been a substantial job content change. Any changes in the wage rate will be retroactive to the date of the request or to the date of the job content change

finalization. If no agreement is reached between the parties the Company may set the rate of pay for new or modified job(s) and the Union may carry their request for additional adjustment forward to the next negotiations.

d. In no event shall wage rates be subject to arbitration.

e. In order to develop a program designated to increase productivity in the mill and to share the resulting gains with employees, the Company shall have the right to introduce, modify or discontinue incentive plans. Plan descriptions shall be provided to all employees.

## Section 2. Payment of Wages

Payment of wages shall be made in accordance with law. Such payment may be by check at Company's option. There shall be no pay for time not worked except as provided by Article IV, Special Wage Provision; Article VI, Holidays and Article X, Vacation Plan.

## **ARTICLE IV**

### **Special Wage Provisions**

#### Section 1. Premium for Tour and Shift Work

a. Effective 7/1/2002 employees working on a tour or shift job scheduled between 3 P.M. and 12 Midnight, shall receive a shift premium of thirty-two (\$0.32) cents.

b. Effective 7/1/2002 employees working on a tour or shift job scheduled between 11 P.M. and 8 A.M. shall receive a shift premium of forty-two (\$0.42) cents.

c. Effective 7/1/2004 employees working on a tour or shift

job scheduled between 3 P.M. and 12 Midnight shall receive a shift premium of thirty-four (\$0.34) cents.

d. Effective 7/1/2004 employees working on a tour or shift job scheduled between 11 P.M. and 8 A.M. shall receive a shift premium of forty-four (\$0.44) cents.

e. Effective 7/1/2006 employees working on a tour or shift job scheduled between 3 P.M. and 12 Midnight shall receive a shift premium of thirty-five (\$0.35) cents.

f. Effective 7/1/2006 employees working on a tour or shift job scheduled between 11 P.M. and 8 A.M. shall receive a shift premium of forty-five (\$0.45) cents.

### Section 2. Payment of Overtime

An overtime rate of time and one-half the regular hourly rate of pay for the classification worked will be paid on the following basis (No hour worked qualifies as an overtime hour on more than one basis):

All hours worked in excess of forty (40) in a work week. Effective upon ratification, all hours worked on scheduled holidays will be compensated at time and one half.

All hours worked in excess of eight (8) in a work day. (This provision shall be modified to accommodate ten (10) straight time hours or twelve (12) straight time hours in the event the Company and the Union mutually agree to 4x10 or 3x12 scheduling.)

### Section 3. Failure to Provide Work

Employees reporting for regular scheduled work will be



allowed four (4) hours straight time if no work is available. If the Company has made a reasonable effort to notify employees affected at least two (2) hours before starting time that there shall be no work, then no time will be paid. No Payment shall be made under this Section for a major shutdown, affecting an entire department or the mill caused by storm, fire, flood, disaster, power failure or causes beyond the control of the Company that occur within two (2) hours prior to the scheduled day, shift, or tour. However, the Company will, if possible, make a reasonable effort to notify employees affected.

Every employee shall leave his telephone number and address with his Supervisor and advise the Supervisor of any change thereof. It shall be considered that a reasonable effort has been made if the Foreman calls the last known telephone number of the employee affected at least to (2) hours prior to starting time.

#### Section 4. Pay for Temporary Transfers

An employee shall take the rate of the occupation to which he is transferred except that an employee who is, during his regular scheduled day, shift or tour, transferred at the Company's request to a lower rated job at the same time the Company has his regularly scheduled day, shift or tour job manned by another employee, shall receive for the hours of work at the lower rated job the rate of the occupation from which he was transferred.

An employee transferred to a higher rated job for training purposes shall receive the rate of his regular occupation.

### Section 5. Emergency Response Team

Employees that are qualified active members of the Emergency Response Team will be paid at one and one half times their hourly rate for actual hours worked in response to an emergency. There will be no premium pay for training and attendance at ancillary functions unless those hours qualify as overtime under Article IV Section 2.

### Section 6. Lunch Provisions

The Company will schedule, and may revise, lunch periods.

a. Unpaid lunch period of one-half hour may be scheduled for day workers at supervisory discretion. Hours of work in this case shall be 7:00 A.M. to 3:30 P.M. In the event that no lunch period is scheduled, employees will be allowed to eat as operations permit, subject to the production and/or maintenance demands in the assigned work area. Hours of work in this case shall be 7:00 A.M. to 3:00 P.M.

All other employees will eat as operations permit.

b. Any employee having begun his normal or assigned unpaid lunch period will have the entire lunch period counted as time worked in computing the total hours worked for the day when requested by a supervisor to work during any portion of that lunch period.

### Section 7. Time Allowed Employees Leaving Mill on Business

#### a. Company Business

Employees shall be paid for the time shown on the irregular pass slip.

b. Personal Business

No time shall be paid except in the following cases:

1. Voting

One hour's time shall be paid if the polling time is such that the employee cannot vote outside of working hours.

2. Funerals for Members of Own Department

Reasonable time shall be paid for a reasonable number of representatives to attend.

3. Upon request through the Company's Medical Department, an employee who can be relieved of his duties by his supervisor will be paid for a reasonable time from scheduled working hours to donate blood. It is understood that every reasonable effort will be made to donate blood outside of working hours.

c. Accidents

An employee because of a mill accident who receives written permission from the Company physician, nurse or supervisor to leave the mill on the day of the accident shall be paid for the remaining hours of such day, and such remaining hours shall be deemed hours worked.

Section 8. Funeral Provisions

An employee who is absent from work because of death in his immediate family shall receive, provided he attends the funeral, (except that a funeral of a child need not be attended) up to, but no more than, three days pay at his standard rate of pay (eight (8) hours per day) for time lost because of such reason from regularly scheduled work from the date of such death to

the date of the day after the funeral, both dates inclusive. The term immediate family shall include spouse, child, mother, father, guardian, mother-in-law, father-in-law, brother, sister, stepmother, stepfather, stepchildren, grandchildren, grandmother, and grandfather. The employee shall furnish the Company with satisfactory proof of death, relationship and attendance at the funeral.

#### Section 9. National Guard or Armed Forces Reserve Training

Any employee required to be absent from work to attend the regular annual National Guard training encampment or any Armed Forces Reserve training period shall be paid the excess of forty (40) hours at his standard rate of pay over his total National Guard or any Armed Forces Reserve training pay and allowances for each week of attendance up to the maximum of two (2) weeks.

#### Section 10. Jury Pay

An employee losing time because of Jury Duty on any day will be reimbursed for the difference between the payment received for such Jury Duty and his standard hourly rate for eight (8) hours, provided he would have been working such day except for such Jury Duty.

#### Section 11. Call-in Pay

An employee who is called in to work at a time other than his regular reporting time with less than sixteen (16) hours notice shall be paid four (4) hours at his regular straight time rate of

pay of for hours actually worked, whichever is greater.

## **ARTICLE V**

### **Hours of Work**

Both parties to this Labor Agreement are committed to maintain the principle of the basic work week of forty (40) hours, but agree that longer or shorter hours of work than eight (8) hours in a day or forty (40) hours in a workweek or changes in the starting and ending times may be scheduled to meet operational needs. Nothing in this Agreement provides a guarantee to any employee of any number of hours of work in any week.

#### Section 1. Regular Hours

a. **Workday-** The standard workday shall consist of eight (8) hours.

b. **Workweek-** The standard workweek shall consist of forty (40) hours. The workweek shall start on Monday at 7:00 A.M.

c. **Distribution of work-** Days of work may be distributed over the workweek at the discretion of the Company. Hours worked by an employee in excess of his scheduled hours shall not be deducted from his scheduled workweek

d. **Working Schedule-** It is recognized that flexibility in working schedules is sometimes necessary to meet the production and order requirements of the Company.

e. **Notice of Absence-** It is an employee's obligation to report for his scheduled shift unless he has already arranged with his supervisor to be absent. If unavoidably prevented from

reporting, it is the employee's responsibility to ensure notice is given the Company Report Center at least three (3) hours before his or her shift starts (two hours before the day shift), or if the employee is unable to give three (3) hours notice because of a sudden illness or an emergency, notice shall be provided the Company Report Center as soon as possible.

f. Return to Work- Any employee who has been absent from a scheduled tour, shift or day for any reason will be required to notify the Company Report Center before his intended return to work as follows:

At least 15 hours before 7 A.M. or 8 A.M.

At least 4 hours before 3 P.M. or 4 P. M.

At least 7 hours before 11 P.M. or 12 Midnight.

At least 4 hours before any other shift.

g. In all cases the employee on the job will continue to cover the job until relieved or otherwise instructed by his Supervisor.

h. Any employee will be expected to work overtime when requested. However, in no event may the Company require an employee to work for a continuous period of more than sixteen (16) hours duration except that the employee will continue to cover the job for an additional hour if the Company needs such additional hour in order to obtain a replacement.

## Section 2. Substitution for Mate

Trading tours or shifts or days off, including holidays, shall be permitted on occasion if it will not cause overtime and shall be done only when permission of the Supervisor involved has

been obtained in advance.

### Section 3. Tour, Shift and Day Workers- Definitions

Any occupation not otherwise specifically designated, which is a twenty-four (24) hour continuous operation scheduled in advance shall be considered tour work. Any occupation involving rotation but not on a continuous twenty-four (24) hour basis shall be considered shift work. All employees other than tour workers or shift workers are day workers.

## **ARTICLE VI**

### **Holidays**

#### Section 1. Payment for Holidays

For the purpose of this Agreement only the following twelve holidays will be recognized:

- New Year's Day
- Memorial Day
- Third or Fifth of July
- Fourth of July
- Labor Day
- Veteran's Day (November 11)
- Thanksgiving
- December 24
- Christmas
- Floater (3)

The beginning of the normal workday shall be regarded as the beginning hour of holidays; thus holidays will commence at 7 A. M. on the days specified and run until 7 A.M. on the day

following.

If a holiday falls on a Sunday the following day, Monday (and not such Sunday) will be observed as that holiday, except that (a) in any year that December 24 falls on a Sunday- Sunday, December 24, and Monday, December 25, will constitute the two recognized holidays called for above. There are no restrictions on the Company's scheduling any work on any of the above recognized holidays.

Employees may continue to work in lieu of taking a floating holiday.

### Section 2. Schedules

A work schedule for a holiday week shall be posted as early as practical showing each employee's days to work for the ensuing week. Every effort will be made to post this schedule before 12:00 Noon on the preceding Friday. Any objections to the schedule should be immediately presented to the department head.

### Section 3. Paid Holidays

In addition to the time and one half rate for work performed on any recognized holiday, each employee shall be paid eight (8) hours pay at his standard rate (which is exclusive to overtime and shift premium) in effect during the workweek in which each such holiday occurs, if

a. Such employee is on the active payroll and has been in the employment of the Company for at least one hundred and eighty (180) days and



b. Such employee has actually worked during the last thirty (30) days prior to a recognized holiday and

c. Such employee works his or her scheduled day, shift or tour on his or her last scheduled workday preceding and the first scheduled workday following each such holiday respectively unless such absence is due to provable illness or unless permission for absence on such days is granted by his or her Supervisor.

d. After competing the 180 day probationary period, an employee will be eligible for holiday pay for any occurring 30 days after their date of hire provided that the conditions for holiday pay in paragraphs (b) and (c) are met.

PROVIDED ALWAYS that unworked holidays shall not be counted as working time for any purpose whatsoever.

## **ARTICLE VII**

### **Leaves of Absence**

#### Section 1. Definition

Leaves of Absence may be granted by the Company and shall be understood to mean authorized absence from work with Mead Corporation.

#### Section 2. Seniority Standing

All leaves of absence shall be granted without loss of seniority, it being understood, however, that seniority shall not continue to accrue during leave of absence of more than ninety (90) days except as provided elsewhere in this Article. However, if an unusual emergency arises which might prevent the employee

on leave from returning at the end of the leave, he may apply to the Company for extension which, if granted, will continue his accrual of seniority. A leave of absence may not be terminated before the originally agreed date without mutual consent of the Company and the employee. All leaves of absence shall be granted in writing with a copy to the Union.

### Section 3. Union Officials

The Company agrees to grant to any two (2) employees taking full-time employment with the Union a leave of absence, *without pay, not exceeding two (2) years, except by mutual agreement, for the period of such employment.* Any employee thus employed shall not lose his seniority and upon terminating such employment shall be reinstated to the same occupation with accrued seniority, provided that such employee applies for reinstatement with the Company within ten (10) days after the termination of his said employment with the Union. A reasonable number of employees, not to exceed twenty-five (25) duly elected as delegates or alternates, will, upon written request of leave, without pay not exceed forty-five (45) days in the aggregate during the term of this agreement, may attend Union functions.

### Section 4. Selective Service

The application provisions of military training and service acts shall be compiled with in leaves of absence granted to any employee entering service in the Armed forces of the United States. If the physical condition of any veteran applying for reemployment, who has reemployment rights under said acts,

has been impaired as a result of military service, the Company will endeavor to place him in some other suitable position.

## ARTICLE VIII

### Seniority

#### Section 1. Promotion, Demotion, Lay-Off, Reemployment

a. Seniority will be considered as the length of time accrued on any job in the department, and in the mill. Seniority shall govern when employees are awarded job bids, promoted, or recalled provided the employees involved are qualified to perform the job in a normal manner. When an employee is not considered qualified for a job bid award, the matter will be discussed with such employee and his Shop Steward before making the award.

In the event that seniority dates are equal (mill, department and job), seniority shall be determined alphabetically: A-Z; last name, first name, middle name

b. LIFO -Seniority shall govern when employees are laid off, and as set forth in Section 6, promotion charts will be followed in making layoffs. An entrance job on a promotion chart is defined as one which is not connected to a job lower in a line of promotion.

When the Company expects a layoff to result in employees being laid off out of the mill, and this layoff lasts or is expected to last for more than thirty (30) days, the LIFO concept will be applied as follows:

**1. Unless otherwise noted on the promotion chart, the junior employee (job seniority) will be laid off his job to the**

**next lower job in the line of promotion.**

2. The laid off employee will carry with him the job seniority he had on the job from which he was laid off. This job seniority will be added to any job seniority he may have previously held on the job to which he is laid off.

3. Job seniorities will be compared at this level of the line of promotion and the junior employee (job seniority) will be laid off to the next lower job in the line of promotion.

4. Steps 2 and 3 will be repeated through the lower jobs in the line of promotion until the employee with the least job seniority is laid off from the lowest job in the line of promotion.

5. Departmental seniority of the employee who is laid off in the line of promotion will be compared with the department seniority of other employees on entrance jobs in the department.

6. Vacancies created above the department entry positions will be filled by upgrading qualified employees from within the line of promotion.

7. Subsequent vacancies caused by this layoff will be filled by the regressed employees based upon their respective mill seniority and qualifications.

8. Employees that have been laid off from their job as well as employees that have been laid off out of the mill will retain recall rights to their previous job or line of progression whichever is applicable for a period of one, two or three years as outlined under VIII, Section 9 (h), (i), (j).

9. Employees who have been previously laid off from a regular job and are still working in the mill and still retain recall rights to said job will be contacted by the company to exercise

their recall if a regular vacancy has existed on said job for a period of ten (10) calendar days, or if a regular vacancy occurs on said job and the Company expects that the vacancy will last for a period in excess of ten (10) calendar days. This Paragraph is in no way intended to limit the Company's right to determine the size of the work force or its right not to fill a vacancy.

10. Employees that are on layoff out of the mill, will only return to work in the mill by use of mill seniority to entrance jobs in the mill after those jobs have been posted millwide and those avenues exhausted.

11. Employees that have returned to work in the mill may exercise their recall rights as in paragraph 9. Employees that are out of the mill on lay off status may not bid.

12. Employees who have specialized skills that cannot be replaced by qualified employees within the bargaining unit will not be impacted by this provision.

13. The Company and the Union have agreed to a total of one-month training period for regressed employees and junior employees shall only be used for these purposes. Whenever practical, the trainer shall be the most senior employee that is to be laid off in any occupation. During the training period, the Company shall not be liable for lost wages for other employees that are laid off out of seniority order directly as a result of some junior employees retained for training purposes. This waiver of seniority will only apply to the group of employees that will be laid off from the mill during this LIFO layoff during this one-month period. The Company and the Union will cooperate to facilitate the training to minimize the training period and allow

for the junior employees to regress out as quickly as operationally feasible.

### Section 2. Job Seniority

a. In the case of a job bid award, job seniority starts on the day after the job bid closed. In the case of job assignment, job seniority starts on the day the employee starts work on the job.

b. Job seniority in layoffs shall be held as of the final date of employment and shall remain as such for a period of one (1) year (in some cases two (2) years- Refer to Section 9 (h), (l) and (j) of this Article) during which it shall be reapplied if the laid off employee is returned to the payroll on the same occupation; otherwise it will be canceled on the expiration of the aforementioned year.

c. Floaters shall accumulate seniority only in the classification which they are assigned on the payroll.

d. No employee shall refuse a temporary promotion without a permanent waiver to promote. Permanent waivers to promote must be requested in writing and presented to the Human Resources Department. The Company will discuss each request with the Union prior to making a decision on the request. Inability to progress may cause a loss in job or department seniority if the efficiency of the operation is affected.

### Section 3. Departmental Seniority

Seniority in a department starts on the day after the job bid closes or on the day of assignment in the department on a regular

basis. If two (2) or more employees have the same departmental seniority then Mill Seniority will prevail.

#### Section 4. Mill Seniority

Mill seniority starts with the last date of hire.

#### Section 5. Transfers

Employees may be transferred from one occupation to another.

e. Whenever an employee is moved from his regular job to a higher paid job he shall receive the higher rate. An employee shall be deemed transferred to a higher paid job when he takes over the duties and responsibilities of that job without guidance. While an employee is being trained on the job he shall receive the hourly rate of his regular job.

f. Whenever, for the convenience of the Company, an employee is assigned to a lower paid job for a temporary period and his regular job is being performed the employee shall receive his regular rate during that period.

#### Section 6. Steps of Promotion

a. The charts showing the steps of promotion in various departments will be kept current and posted, and followed in making promotions, demotions and layoffs.

b. The Company and the Union commit to using the interest based process for the purpose of reviewing proposed modifications to a line of progression. The parties have agreed to provide two attempts to resolve disputes regarding

modification. The process will involve input from the employee who will potentially be impacted by any proposed change. If successful conclusion is not achieved through the process, the Company shall have the right to initiate the proposed change. The parties have agreed that the utilization of this process will not exceed six months.

c. The Company will identify the minimum job qualifications required under the revised promotional charts. As referenced in Article VII, Section 6 (b), the Company is obligated to meet and discuss any changes in minimum qualifications prior to implementing said changes.

#### Section 7. Filling Vacancies

a. Filling Permanent Vacancies- When it is determined by management that a vacancy is permanent, the principles set forth under Article VIII, Section 1, shall govern.

When promotion is to occur and there is a question of the senior employee having the qualifications to perform the job, the Company will discuss the matter with the individual and the Shop Steward prior to the promotion.

b. Filling Temporary Vacancies- The Company shall determine whether to fill a temporary vacancy and if so, shall have the unrestricted right to decide how to fill the vacancy. If a vacancy exists and there is cause to believe that it will last more than 90 days, the Company will proceed to fill that vacancy as a permanent vacancy.

#### Section 8. Seniority Lists



Up-to-date Seniority Lists shall be made available to employees for their inspection within the department by posting on Company bulletin boards in the department. A copy of these lists will be furnished the Union monthly.

### Section 9. Loss of Seniority

Seniority shall be broken for the following reasons:

- a. When an employee resigns.
- b. When an employee is discharged.
- c. When an employee is absent for five (5) working days without previously notifying the Company, except for reasonable cause.
- d. When an employee is laid off and (a) fails to return to work within ten (10) calendar days after being notified in writing by certified mail to report to work and does not give a satisfactory reason or (b) while still on the payroll refuses to accept a recall to his former occupation within twenty-four (24) hours.
- e. When an employee has been laid off from his regular job, and has not worked in for the Company for one (1) year after the date of lay-off.
- f. When an employee is absent by reason of Union employment for a period of two (2) year and such absence has not been extended by mutual agreement of the Company and the Union.
- g. When an employee is absent on an approved leave of absence and fails to return at the expiration date of such leave.
- h. When an employee with less than five (5) years of seniority becomes absent of sickness or disability and such

absence continues for one (1) year.

i. When an employee with five (5) or more, but less than ten (10) years of seniority becomes absent because of sickness or disability and such absence continues for two (2) years.

j. When an employee with ten (10) years or more of seniority becomes absent because of sickness or disability and such absence continues for three (3) years; provided, however, that if such an employee is receiving disability retirement benefits under any pension plan of this Company at the end of said three (3) years, his seniority shall not be broken until such time as he shall cease to receive such benefits and shall not, upon such cessation, be immediately reemployed by the Company.

k. When any employee who is absent because of sickness or disability fails to report to the Company for work promptly upon recovery from sickness or disability.

l. When an employee becomes absent because of sickness or disability and thereafter goes to work for an employer other than the Company without the written approval from the Company.

#### Section 10. Posting Vacancies

A. As vacancies occur in entrance jobs in any department the Company shall post the bid within one (1) week. The job is to remain posted for a period of five (5) days (not including Saturdays, Sundays and Holidays). A reasonable effort will be made to fill all vacancies within fourteen (14) days in accordance with the steps of promotion shown in the promotional charts and in accordance with the seniority clause of this Agreement,

except as otherwise provided in this Agreement.

a) New jobs or additional vacancies on existing jobs will be posted for bid after thirty (30) days. Job bid notices will be posted in the following areas: Lower Gate, Upper Gate, North Mill Finishing Area, North Mill Machine Area, Shipping, ETP, Utilities, Power Station, Groundwood, Mobile Garage, Stores, Woodprocessing, 15 Machine, Pulp Mill, and Long Log.

b) Job bid books for the use of any employee wishing to bid for a posted job will be available at the lower and upper time offices. An employee will be furnished a copy of his job bid.

c) Posted vacancies on all entrance jobs will be awarded on the basis of qualification, mill seniority considered. In the case of vacancies in new jobs, unless otherwise agreed between the Company and the Union, employees with seniority in the department bidding for the job will be given first consideration, but in the event the job is not filled by anyone with seniority in the department, the job will be awarded on the basis of Mill Seniority.

d) The Company will notify the senior qualified employee that he is eligible to receive the job bid award. The employee must accept or decline the job bid at the time of the notification. If the employee declines the job bid, it will not count as a job bid award. Employees who are not at work due to scheduled days off, vacation, leaves of absence or holidays are required to notify the company of their intent to accept the bid within 24 hours (not including weekends or holidays) of the closing date of the job bid notice. These employees may also notify the

Company prior to the closing of the bid notice. The 24 hour notice period begins at midnight on the date of the bid closing. Failure to notify the Company within the 24 hour notice period of the intent to accept or decline the bid will be deemed a bid refusal.

e) Employees who are on vacation or absent due to sickness will be permitted to bid for vacancies in person at the Lower Time Office between the hours of 7 A.M. and 3 P.M. The Company is under no obligation to advise these employees of any vacancies which may exist. Such employees will be eligible to receive an award if they are qualified, physically fit, and ready to work at the time the job bid is made. In case the successful bidder is absent sick when the job bid is awarded, he shall be entitled to a period of three weeks (21 calendar days or the Monday following 21 calendar days, whichever is later) from the date of the award of the job bid to become physically fit and ready to work, and if he isn't the bid will be awarded to the next eligible bidder.

f) A list of applicants bidding for each posted job shall be furnished to the Union promptly after the expiration of the posting period on each job.

g) Awards of job bids shall be made within one (1) week after the expiration of the job posting period. Said award shall be posted in the department concerned and shall include the mill seniority of the awardee. When a job bid is canceled, the reason for such cancellation shall be stated on the job bid.

h) In any twelve (12) month period, employees will be permitted a maximum of one (1) transfer between departments

as a result of a job bid award or placement on a closed job bid. An award on an additional job bid will be permitted, if the employee is laid off or his job goes on curtailed operation for four (4) or more consecutive weeks. Bids posted in the Maintenance, Color Plant, Effluent Treatment, Stores, Mobile Garage, Unloading, Salvage or Utilities Department(s) shall be considered preferred positions. When a job bid posting occurs in one of these departments, employees shall have one additional bid.

i) An employee who is transferred as a result of a job bid award shall be considered on probationary status for not less than one (1) week nor more than ninety (90) days. If such employee is found unsatisfactory by the Company, during such period he may be returned to his former occupation with no loss of seniority. Other employees affected will return to their former occupations with no loss of seniority. The decision to return an employee to his former occupation during the probationary period shall not be subject to the grievance procedure. The Company will consult with the Union prior to returning an employee to his former occupation. . If the Company elects to return the employee to their previous occupation, the employee will retain their rights under section (h) above. The employee may give up the job at any time during the probationary period and he will be returned to his former occupation with no loss of seniority. Other employees affected will return to their former occupations with no loss of seniority. If the employee elects to return to his former occupation during the probationary period, the employee will be deemed to have exercised a bid award

under section (h).

### Section 11. Promotion to Salary

Employees who are promoted to a salaried job shall accrue seniority up to a period of one (1) year. Such employees may be returned to their former job at their own request or at the request of the Company at any time during said period. Other employees affected will return to their former occupations with no loss of seniority.

## **ARTICLE IX**

### **Discharge and Discipline**

#### Section 1. Provisions for:

Any employee may be discharged or disciplined for reporting to work under the influence of liquor, bringing liquor into the plant, theft, or smoking in unauthorized areas.

It is agreed the Company has the right to discharge or discipline employees for just cause.

If an employee is discharged or is disciplined, he or she may demand a hearing, but the request for such a hearing must be made within ten days from the date of discharge or disciplinary action.

It is agreed that when an employee is wrongfully discharged or disciplined and is proven so, he or she shall be reinstated and the amount of compensation for time lost from date of discharge or discipline to reinstate shall be determined within the Grievance and Arbitration Procedure.

Discharge and discipline cases shall be disposed of in

accordance with the Grievance and Arbitration Procedure provided for in this Agreement.

## Section 2. Record of Discipline

Reprimands will not be considered a part of an individual's permanent record after five (5) years with no additional issues of discipline. Reprimands will be removed when the employee has had no incidents of discipline within the subsequent five year period.

## **ARTICLE X Vacation Plan**

1. An employee's right to a vacation with pay shall be determined by the employee's length of service from their most recent date of hire applied to the following schedule:

(A)	(B)	(C)
Years	Years	Weeks
1 less than	3	1
3 less than	10	2
10 less than	15	3
15 less than	20	4
20 less than	25	5
25 and over		6

Vacation pay will be computed at 40 hours or 2% of prior year gross earnings whichever is greater for day workers.

Vacation pay will be computed at forty-four (44) hours or 2% of prior year gross earnings whichever is greater for shift workers.

Vacation pay shall be computed at the employee's regular straight time rate (exclusive of overtime and shift premium) in effect as of the date of the commencement of his vacation, provided however, that if a negotiated wage increase becomes effective during his vacation period his pay will be adjusted effective as of the date of change. Payments for such vacations shall be made on the pay day immediately preceding the beginning of his vacation. For the purposes hereof, the regular straight time rate of any employee who regularly works at more than one job having different rates of pay shall be weighted average of said rates (exclusive of overtime and shift premium.)

2. In order to qualify for a week(s) vacation, an employee must have worked a minimum of one thousand (1000) hours in the preceding calendar (anniversary) year. Failure to qualify for a vacation in any year will not affect an employee's right to vacation in a subsequent year for which they qualify.

a. An employee who is on a work related disability leave of absence shall not receive credit for time lost for the purpose of accumulating vacation pay.

b. An employee who has suffered a work related injury or illness shall receive eight (8) hours credit for vacation eligibility purposes for each period of two (2) or more hours worked in a 24 hour period.

c. An employee who has been on a work related disability for over a period of one (1) year (or beyond December 31 of the current year) shall not be eligible to receive vacation pay except according to the pro rata time table for credited hours worked.



Pro rata time table for credited hours worked:

Hours Credited	Impact on Weeks Earned
1000+	0
830-999	Reduced by 1 Week
660-829	Reduced by 2 Weeks
490-659	Reduced by 3 Weeks
320-489	Reduced by 4 Weeks
160-319	Reduced by 5 Weeks
0-159	Reduced by 6 Weeks

3. An employee may, if initially agreed to by the Company, take pay in lieu of time off for any week(s) of vacation over two (2)

4. The vacation week shall begin on Monday and end on Sunday unless the employee, Union and Company agree otherwise. Shift workers shall exercise vacation rights from shift to shift. Any exception to shift to shift must be prearranged when vacations are scheduled.

5. Vacation weeks will not be held over from one calendar year to another unless approved by the Company.

6. The scheduling of vacation time off is to be decided by the Company.

a. Vacation schedules will be arranged for the time most suitable to the department involved, and in a way that will cause the least interruption to production. Every reasonable attempt will be made to arrange the vacation schedule to suit the employee. No employee may take more than two (2) weeks vacation (must be consecutive without consideration to scheduled

time off) during the period July 1 to August 31 and no employee entitled to three (3) or more weeks vacation shall take more than two (2) weeks during the period June 15 to September 15 if it interferes with the vacation schedule of another employee. The right to assign vacation periods shall be considered a function of management.

b. When conflict arises over vacation periods, seniority in the department will govern. However, an employee who has not signified his choice of vacation dates for the following year prior to noon on December 15, may be limited to available periods regardless of his seniority.

c. The Company reserves the right to shut down any department or the whole plant for the vacation period. If the Company posts a notice of such vacation shutdown at least thirty (30) days in advance, then the affected employees shall be required to take their vacations during the shutdown. The Company has the right to cancel scheduled vacations in the Maintenance Department with 30 days notice in the event of a shutdown.

7. An employee who retires on pension shall be entitled, on date of retirement, to vacation pay for the following calendar year prorated on the basis of one-twelfth ( $1/12^{\text{th}}$ ) normal vacation pay for each full month completed on the active payroll by the employee during the year in which he retires.

8. The estate of an employee who dies while on the active payroll shall be entitled, as of the date of death, to vacation pay for the following calendar year prorated on the basis of one-twelfth ( $1/12^{\text{th}}$ ) normal vacation pay for each full month

completed on the active payroll by the employee during the year in which he dies.

9. No employee shall be denied a vacation due to the set up of another employee to cover for a salaried position. An employee must provide at least a two week notice in order to schedule a vacation for a vacation period in which there are conflicts.

10. In the event an employee is assigned to a special project and has not been replaced on the crew, it may be necessary for that employee to return to his normal occupation (if that employee is on site) in order to prevent interference with scheduled vacation(s). Scheduled vacation refers to those vacations scheduled by noon on December 15.

11. Vacations must be taken, banked or paid in lieu of time off within the vacation year (January 1 to December 31). Vacations may be allotted from either year for the week commencing with the last Monday in December, even though the week may extend in part beyond December 31.

Current-year vacations take priority over previous-year vacations. An employee may bank the third (3<sup>rd</sup>), fourth (4<sup>th</sup>) and fifth (5<sup>th</sup>) week of vacation as follows:

a. An employee may bank a week or more of vacation to a maximum of six (6) weeks upon written application and shall be given written confirmation of the amount of vacation banked:

b. Banked vacation shall remain at the vacation pay rate and hours applicable at the time of banking and will be paid in the order it was banked;

c. Banked vacation may be withdrawn only in the event of

retirement, layoff, or termination from the Company.

## **ARTICLE XI**

### **Employee Benefit Plans**

#### **Section 1. Group Benefits**

The Company shall provide a program of Group Benefits to eligible employees and their eligible dependents. The terms and conditions of these programs are subject to group policies and/or plan documents held by the Company.

The Company shall have the sole responsibility: to self-administer to, self-insure and/or select the carriers for Group Term Life, Accidental Death and Dismemberment, Sickness and Accident, Health Care and Dental Benefit Plans.

The Specific programs and benefits provided are described in the Summary Plan Description Booklet, a copy of which is given to each employee.

#### **Section 2. Retirement Benefits**

a. All employees shall be eligible to participate in Mead's Pension Plan for Hourly Employees at Rumford, Maine. Provisions of the plan are contained in the plan document. Each employee shall be given a copy of the plan's, Summary Plan Description.

b. Employees who retire and apply for benefits under the Company's Pension Plan will be eligible for the Company's Retiree Life Insurance and Health Care Plan. Provisions of the plan are included in a Summary Plan Description Booklet, a copy of which is given to each retiree.

## **Article XII**

### **Collective Bargaining Adjustment of Grievances**

#### **Section 1. Union Committee**

The Union shall select a committee of not to exceed twenty (20) from the employees represented by it for the purposes of bargaining collectively with the Company, which committee shall be known as the Union Committee. The Union shall furnish the Company with a list of the members of this committee and shall give twenty-four (24) hours' notice of any changes therein.

#### **Section 2. Field Representative**

The Union may appoint a representative at any time to serve in conjunction with the Union Committee and to call in a representative of the District on any case at any time.

#### **Section 3. Shop Stewards**

The Union may designate a Shop Steward for each shift in a department. No person shall hold the office of Shop Steward unless he is a regular employee of the Company and is regularly assigned to the department which he represents.

No person shall have or exercise any of the authorities, powers or duties of a Shop Steward, Committeeman, or Field Representative in dealing with the Company unless and until written notice of his appointment signed by the Union, revoking a prior appointment, if any, shall have been filed with the Human Resources Department.

No employee of the Company shall collect dues or carry on any Union organizational activities on Company property during

working time.

#### Section 4. Grievance Procedure

Shop Stewards and members of the Union Committee shall be permitted to adjust grievances or complaints during working hours without loss of pay, provided, however, that no Shop Steward or member of the Union Committee shall leave his regular work for the purpose of adjusting grievances or complaints without first reporting to and obtaining the permission of his Supervisor. Such permission will normally be granted unless it interferes with productions or any important operation in progress at that time. Upon entering a department other than his own, a Shop Steward or member of the Union Committee must first report to the Supervisor of such department stating his reason for being there. Time spent in handling grievances or complaints shall not be unreasonable or excessive.

a. Should any difference or grievance arise between the Company and the Union or any employee in the unit, as to the meaning and/or application of this Agreement, the procedure of settlement shall be in the following order and manner:

First: Between the Division Vice President, Chief Steward, Shop Steward and aggrieved employee and the Supervisor and/or Supervisor of the department involved and/or his representative; failing and adjustment in this manner.

Second: Between the International Representative or Representatives and the Union Committee and the aggrieved and the Labor Relations Manager and/or his representatives; failing an adjustment in this manner

Third: Between the Union Committee and a representative or representatives of the International Union and the Manager-Human Resources and/or his designated representative or representatives.

b. It is the intention of both parties to expedite the handling and settling of grievances. Neither party shall deliberately delay the settling of grievances in any stage of the procedure.

No grievance shall be considered (1) unless the cause thereof shall have occurred within twenty (20) calendar days next preceding the date the grievance is submitted to the Supervisor or (2) unless the cause thereof occurs during the aggrieved's absence due to vacation or sickness and the grievance is submitted within twenty (20) calendar days after his return to work.

The grievance shall be heard in the first step within three (3) days from the time the grievance is called to the attention of the Supervisor of the department involved. The Company shall give its first step answer within three (3) days of the hearing. The Union shall have three (3) days to appeal the Company's answer in the first step.

The grievance shall be heard in the second step within a period of ten (10) days from the time of the Union's appeal. The Company shall give its second step answer within three (3) days of the hearing. The Union shall have seven (7) days to appeal the Company's answer in the second step. The grievance shall be heard in the third step within a period of thirty (30) days from the time of the Union's appeal. The Company shall give its third step answer within three (3) days of the hearing.

The Union shall have thirty (30) days to appeal the Company's answer in the third step. Except by mutual agreement none of the foregoing steps in the grievance procedure shall be extended or by-passed. The grievance shall be reduced to writing by the aggrieved employee or Shop Steward before it is submitted and considered in the first step.

A grievance shall be settled on the basis of the Company's last answer unless, in the case of the first two (2) steps, it is appealed by the Union to a subsequent step within the time limits above set forth after receiving the Company's answer and unless in the case of third step it is appealed by the Union to arbitration within thirty (30) days after receiving the Company's answer.

#### Section 5. Arbitration

If a grievance shall not have been settled through the foregoing procedure, then either party may within thirty (30) days give the other party notice of its desire to submit the grievance to Arbitration. The parties shall select the Arbitrator within ten (10) days of such notice but if the parties are unable to agree on a selection, the Arbitrator shall be selected through the American Arbitration Association. The Arbitrator will follow and be bound by the rules of procedure adopted by the American Arbitration Association.

The Arbitrator shall fix a time, and a place in Rumford, Maine for a hearing upon reasonable notice to each party. After such hearing the Arbitrator shall promptly render a decision which shall be binding upon both parties but the Arbitrator shall have no power to render a decision which adds to, subtracts



from or modifies this Agreement; the decision shall be confined to the meaning of the contract provision which gave rise to the dispute. The Arbitrator cannot order pay for time not worked except in cases of unwarranted suspensions or discharges or improper layoff, promotion or demotion. (Article VIII issues) The Arbitrator cannot order pay for time not worked due to the utilization of flexible work practices.

The parties to the arbitration shall bear equally the expenses of the Arbitrator and the rental, if any, of the place of arbitration. All other expenses attendant to arbitration will be borne by the party incurring them, including the expenses of any witnesses called by such party.

Neither party shall be required to arbitrate more than one issue at a single hearing.

In the event of a postponement of an arbitration, the party requesting the postponement shall be responsible for the full amount of the administrative costs.

## **ARTICLE XIII**

### **Lockouts and Strikes**

#### Section 1.

The Union agrees that there shall be no strikes, walkouts, slowdowns or other interference with plant operations or with the flow of materials in or out of the plant. The Company agrees that there shall be no lockouts.

#### Section 2.

Provided the Union or any officer or authorized agent thereof

shall not have caused or participated (directly or indirectly) in any strike, walkout, slowdown, or other interference, then the Company agrees that it will not bring any court or other legal or administrative action against the Union by reason of a violation of Section 1 until the violation shall have been brought by written notice to the attention of the Union and unless the Union shall have failed within a reasonable time after such notice to take such action or measure, in good faith, as will correct such violation.

#### **ARTICLE XIV**

##### **Health and Safety**

The Company and the Union will cooperate in carrying out a program for safety and health.

In recognition of the interest and obligation of both the Company and the Union regarding safety and health, the parties hereby agree to improve and expand the effectiveness of the Central Safety Committee. The Central Safety Committee shall hold meetings as often as necessary but not less than once each month at a regularly scheduled time and place. The purpose of the Committee is to consider, investigate and review safety and health conditions and practices and to jointly and effectively make constructive recommendations with respect thereto. Time lost from regularly scheduled work for attendance at meetings shall be compensated for at the employee's regular rate of pay. The Safety Supervisor will act as Chairman and Secretary of the Committee, and will schedule meetings and keep the minutes.

Safety Shoes

A safety shoe allowance of \$120/year will be paid employees upon ratification. This allowance will be paid through the normal payroll and will be grossed up 24% to allow for approximate taxes in that employees will receive approximately \$120. Effective 7/1/2003 the safety shoe-allowance will increase to \$140/year. The Union agrees that the intent of the safety shoe allowance is to provide a supplement for safety shoes. The Union will educate its members on their obligation of wearing and maintaining safety shoes according to the safety shoe policy.

## **ARTICLE XV**

### **Employment of Handicapped Persons**

#### **Section 1. Disabled Employees**

Any employee who has been permanently or temporarily disabled by an occupational or non-occupational injury or illness and is unable to continue his regular work may be transferred by the Company to other work in the mill which he can do (and where a vacancy occurs in entrance occupations unless otherwise mutually agreed by the Company and the Union), without regard to the job posting provision of this Agreement. The Temporarily disabled employee will be returned to his regular job when able to perform his duties.

The Company shall notify the Union of such temporary transfers.

#### **Section 2. Eligibility to Upgrade**

An employee returning to work from an injury or illness will be eligible to upgrade into vacancies which occurred during

the absence, for which the employee is qualified, according to the following time limitations:

- a. Up to five years seniority- one year from first day of absence from regular position.
- b. More than five, less than- two years from first day of absence ten years seniority from regular position.
- c. More than ten years- three years from first day of absence seniority from regular position.

### Section 3. Medical Bids

Employees that have been assigned to a medical bid will retain seniority to their regular occupation for a period of one, two, or three years depending on seniority as outlined above. At the end of the period, the employee will lose seniority in their previous occupation and will only continue to accrue seniority in the medical bid assignment.

## **ARTICLE XVI**

### **Miscellaneous Provisions**

#### Section 1. Smoking Regulations

The Rumford Mill is a no smoking facility. During the period of this agreement Mead will commit to continue providing smoking cessation support.

#### Section 2.

Masculine references in this agreement shall be deemed to include feminine, whenever appropriate.

**ARTICLE XVII**  
**Compliance With Laws**

**Section 1. Coverage**

All agreements existing between the parties are covered in this Agreement, incorporated herein by reference or listed on a list signed by the parties hereto and dated as of the date hereof; there are no other agreements either written or oral. All future interpretive agreements made under the terms of this Agreement shall be in writing signed by both parties.

**Section 2. Separability**

Any present or future law contrary to any provision hereof shall supersede such provision and the invalidation by law of any provision hereof shall not affect the remainder of this Agreement.

**Section 3.**

The parties intend that this Agreement shall conform to the provisions of all State and Federal legislation. If any provision herein is held to be in contravention of such statutory provisions by a court or agency of competent jurisdiction such provisions shall be inoperative and unenforceable.

It is the policy of The Mead Corporation to fill a position without regard to age, sex, race, color, creed, disability or national origin. The parties agree to recognize their obligation under and/or to abide by the American With Disabilities Act of 1993.

#### Section 4. Savings Clause

The failure of the Union to enforce any of the provisions of this Agreement, or the failure of the Company to exercise any rights reserved to it or its exercise of any such right in a particular way, shall not be deemed a waiver of any such right or waiver of its authority to exercise any such right in some other way not in conflict with the terms of this Agreement.

### **ARTICLE XVIII**

#### **Letter of Understanding between Mead Corporation and PACE Union Local 1-900**

1. The Union has requested that bargaining unit employees be provided the opportunity as salaried employees to serve in the state legislature. The Company has committed to make it's employees who serve in the state legislature whole based on a 40 hour schedule.

2. The Company has utilized a Safety Voucher Program over the last three years to recognize its employees efforts in relation to safe work milestones. The Company depends on area merchants to support the Safety Voucher Program. The Company intends to continue to recognize safe work milestones in some format in the future. The Company reserves the right to determine the form of recognition at the time of the event.

3. The Company will use the Factor Analysis Comparison Method of job evaluation with joint participation from the Union when evaluating requests for wage rate adjustments. There will be equal participation in all job content review comparisons. It is expected that 3 people will participate in the process from

each party. Each party will select individuals to be trained and the evaluators will be selected by each party from their groups. When a job has been evaluated and it is determined that the rate of the job exceeds the evaluated level, the rate shall be "red circled." When a rate has been red circled, that rate will not receive any increase until such time as the evaluated rate exceeds the regression line.

The initial training session will include 12 representatives from Local 1-900. It is further agreed that the benchmark positions will not result in either an increase or red circling of wage rates. Employees involved in the factor analysis process will be compensated from lost time.

4. The Company has agreed to provide the Union with updated miscellaneous deduction information and seniority lists on a monthly basis. When the respective software systems are compatible, the Company will provide the Union with this information electronically or on disk.

5. Each department of the mill will develop guidelines to promote consistency in the way vacations are administered. The formula for determining the minimal number of people out in a given week is to divide the total number of weeks of vacation in the department by the number of vacation periods in the schedule and round up to the nearest whole number.

6. The Company and the Union have agreed to an MTI (Maintenance Training Incentive) program as defined by the MTI agreement.

7. This will clarify Company's intent in Article II- Flexible Work Assignment Section 2 (a): "In the event that a vacancy

occurs, the Company shall have the right to leave the position vacant, to perform certain functions of the position utilizing flexible work practices or to fill the vacancy. If operating conditions are such that only certain tasks of the vacant position need to be performed during the shift, the duties may be completed utilizing qualified employees in the work area and flexible work practices. In utilizing flexible work practices, qualified employees may be required to leave their assigned position to assist in or perform the necessary duties of the vacant position. Full regard will be given to all safety aspects."

In addition, the Company has, again, supplied the Union with examples of flexible practices. [This sentence is a carryover from the 1995 contract negotiations.]

8. The Company has agreed that it will provide the programming resources to allow the Union to have 4 additional deduction categories.

These categories shall be payroll deductions for the following items:

1. A&S Insurance Program (Union offered)
2. Scholarship Fund
3. United Way
4. Ongoing Donations

It was requested that the deductions include the following characteristics:

- Deductions be treated like current union dues deduction
- If the deduction is not taken, resubmit the following pay period
- Provide weekly documentation for deductions taken



- At the end of the payroll month, provide a list of the deductions not taken for the period.

The Company has agreed that it would provide the funding to establish the deduction categories. The Union has agreed that it will pay the annual system maintenance fees in relation to the new deduction categories. It is expected that these fees will be approximately \$325 annually. This amount will vary depending on requested modifications once the categories are established.

9. The Company is willing to try another experiment in relation to maintenance employees eating on the fly and its impact on productivity.

- Maintenance would modify their regular work schedule from five 8 hour days to four 10 hour days (subject to the Alternative Work Week proposal). Shift maintenance employees would have the option to remain on the current shift schedule or they could elect to go to an alternate schedule.

- The Company will confer with the Union in determining what the appropriate maintenance productivity measures are to determine the impact of eating on the fly. The goal of the experiment is to demonstrate that eating on the fly would not have a negative impact on the maintenance productivity measures.

- There will be no predetermined time or place for maintenance employees to eat. They will eat on the fly as operating and maintenance conditions permit. A reasonable effort will be made to allow people to eat.

- A negative impact in the maintenance productivity

measurement numbers will be just cause for returning to the 5 eight our days schedule with a half hour unpaid lunch period. However, the option will be available to allow the continuation of 10 hour shifts with a one half hour lunch (subject to the conditions of the Alternate Work Week proposal).

- This opportunity is subject to market conditions. A market downturn will be considered reason to revisit the scheduled work week.

10. Each area/department of the mill will develop a procedure to fill overtime vacancies that is mutually acceptable to the area, the Union and Management.

11. Clarification of Article VII, Section 9 (k)

In an effort to enhance cooperation between the Company and Local 1-900, the Company is willing to provide the Union with a 48 hour opportunity to resolve the issue of the employee not reporting full duty. This shall not excuse the employee from discipline for failing to report. This shall not prevent the Company from breaking an employee's seniority as described in Article VII, Section 9 (I).

12. Employees in the E&I Specialist occupation will be considered tour employees for the purposes of vacation allowance.

PAPER, ALLIED-INDUSTRIAL,  
CHEMICAL & ENERGY  
WORKERS INTERNATIONAL UNION, AFL-CIO

*Bill Carver*

William Carver, Representative  
Local 1-900, PACE

*Gary R. Hemingway*

Gary Hemingway

*Matthew L. Bean*

Matt Bean

*Ronald M. Hemingway*

Ron Hemingway

*Raymond R. Bisson*

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*Sharon M. Burgess*

Sharon Burgess

*Ted Spydell*

Ted Spydell

*Rick Dumeny*

Rick Dumeny

*Mike Kelcourse*

Mike Kelcourse

*Pam Puiia*

Pam Puiia

MEAD CORPORATION  
RUMFORD MILL

*Susan Newman*

Susan Newman  
Director Human Resources

Ron Guay

*Colleen Hebert*

Colleen Hebert

*Kerri Baxter*

Kerri Baxter

*Glenn Poulin*

Glenn Poulin

*Randy Chicoine*

Randy Chicoine

*Steve Hudson*

Steve Hudson

*Gerry Martin*

Gerry Martin

**MEAD CORPORATION  
PAPER DIVISION  
RUMFORD MILL**

**SCHEDULE OF JOB CLASSIFICATIONS AND RATES**

	Ratification	7/1/02	7/1/03	7/1/04	7/1/05	7/1/06
<b>Wood Processing Wood</b>						
Scaler	16.45	16.86	17.28	17.71	18.15	18.69
Operator A	20.28	21.81	22.36	22.91	23.49	24.19
Operator B	16.12	16.52	16.93	17.35	17.78	18.31
Utility	14.00	14.35	14.71	15.08	15.45	15.92
<b>Groundwood/Long Log</b>						
Lead Operator Long Log	19.48	19.97	20.47	20.98	21.51	22.15
Operator B Long Log	16.92	17.34	17.77	18.22	18.67	19.23
Lead Operator Groundwood	19.68	21.30	21.83	22.38	22.94	23.63
Operator B Groundwood	17.08	18.92	19.39	19.88	20.37	20.99
Utility	14.00	14.35	14.71	15.08	15.45	15.92
<b>Kraft Mill &amp; Bleachery</b>						
LPO Kraft	24.84	25.46	26.10	26.75	27.42	28.24
Operator A Bleach		25.46	26.10	26.75	27.42	28.24
Operator A Kraft	23.28	23.86	24.46	25.07	25.69	26.47
Operator B Kraft	21.21	21.74	22.28	22.84	23.41	24.11
Operator B Bleach	21.21	21.74	22.28	22.84	23.41	24.11
Chemical Unloader	20.03	20.53	21.04	21.57	22.11	22.77
Operator C Kraft	16.04	16.44	16.85	17.27	17.70	18.23
Operator C Bleach	16.04	16.44	16.85	17.27	17.70	18.23
Operator C Floater	16.04	16.44	16.85	17.27	17.70	18.23
Utility	14.00	14.35	14.71	15.08	15.45	15.92
Pulp Dryer Op A - Level 3		20.58	21.09	21.62	22.16	22.83
Pulp Dryer Op A - Level 2		19.45	19.94	20.43	20.95	21.57
Pulp Dryer Op A - Level 1		18.31	18.77	19.24	19.72	20.31
Pulp Dryer Utility		14.35	14.71	15.08	15.45	15.92
<b>Stock Prep</b>						
N. Ctd. Beater Room Oper	21.92	22.47	23.03	23.61	24.20	24.93
N. Ctd. Beater Room Oper	16.89	20.59	21.10	21.63	22.17	22.84
Utility	14.00	14.35	14.71	15.08	15.45	15.92

**Paper Machine #10**

Operator AA	26.02	26.67	27.34	28.02	28.72	29.58
Operator A	25.39	26.54	27.20	27.88	28.58	29.44
Operator B Grandfathered	22.26	24.10	24.70	25.32	25.95	26.73
Operator B	21.12	22.93	23.50	24.09	24.69	25.43
Operator C	17.35	18.30	18.76	19.23	19.71	20.30

**Paper Machine #11**

Operator AA	24.26	25.38	26.01	26.66	27.33	28.15
Operator A	23.62	24.72	25.34	25.97	26.62	27.42
Operator B Grandfathered	21.23	21.76	22.30	22.86	23.43	24.13
Operator B	20.10	21.65	22.19	22.75	23.31	24.01
Operator C	17.01	17.44	17.88	18.33	18.79	19.35

**Paper Machine #12**

Operator AA	24.26	25.38	26.01	26.66	27.33	28.15
Operator A	23.62	24.72	25.34	25.97	26.62	27.42
Operator B Grandfathered	21.23	22.81	23.38	23.96	24.56	25.30
Operator B	20.10	21.65	22.19	22.75	23.31	24.01
Operator C	17.01	17.44	17.88	18.33	18.79	19.35

**Color Plant**

Operator A	20.15	22.96	23.53	24.12	24.73	25.47
Utility	14.00	14.35	14.71	15.08	15.45	15.92

**Supercalendars/Rewinders**

R10 Finishing Operator A R/C	19.61	21.64	22.18	22.74	23.30	24.00
R10 Finishing Operator B R/C	18.55	19.01	19.49	19.97	20.47	21.09
R11 Finishing Operator A R/C	19.61	21.64	22.18	22.74	23.30	24.00
R11 Finishing Operator B R/C	18.55	19.01	19.49	19.97	20.47	21.09
R12 Finishing Operator A R/C	19.61	21.64	22.18	22.74	23.30	24.00
R12 Finishing Operator B R/C	18.55	19.01	19.49	19.97	20.47	21.09
North Coated Finishing/Track		18.11	18.56	19.03	19.50	20.09
Operator C R/C	17.67	18.86	19.33	19.81	20.31	20.92
Operator D Cores R/C	15.70	18.71	19.18	19.66	20.15	20.75
Nellie Bell Operator R/C	18.55	19.01	19.49	19.97	20.47	21.09
Coated Paper Utility (Finishing)		14.59	14.95	15.33	15.71	16.18
Coated Paper Utility (Machines)		14.35	14.71	15.08	15.45	15.92

Operator B R/C                      18.55    19.01    19.49    19.96    20.46    21.09

<b>Shipping/Rollwrap</b>						
Lead Operator	21.63	22.17	22.72	23.29	23.87	24.59
Operator A	18.79	19.26	19.74	20.24	20.74	21.36
Utility	14.00	14.35	14.71	15.08	15.45	15.92
<b>Paper Machine #15</b>						
Operator A	27.51	28.81	29.53	30.27	31.03	31.96
Operator B	23.15	24.34	24.95	25.57	26.21	27.00
Operator C	19.22	19.70	20.19	20.70	21.21	21.85
Utility	14.00	14.35	14.71	15.08	15.45	15.92
<b>R15 Finishing</b>						
Operator A	21.63	22.89	23.46	24.05	24.65	25.39
Operator B	18.83	20.33	20.84	21.36	21.89	22.55
Utility	14.00	14.35	14.71	15.08	15.45	15.92
<b>C Recovery/Cogen</b>						
Lead Operator Recovery (A)	28.69	30.65	31.42	32.20	33.01	34.00
Lead Operator Cogen (AA)	28.69	30.65	31.42	32.20	33.01	34.00
Operator A Recovery	25.09	27.27	27.95	28.65	29.37	30.25
Operator A Cogen	25.09	27.58	28.27	28.98	29.70	30.59
Operator B Recovery	22.86	23.43	24.02	24.62	25.24	26.00
Operator B Cogen	22.86	24.97	25.59	26.23	26.89	27.70
Operator C Cogen		19.86	20.36	20.87	21.39	22.03
Utility	14.00	14.35	14.71	15.08	15.45	15.92
Water Specialist	23.68	24.27	24.88	25.50	26.14	26.92
Trap Inspector	22.66	23.23	23.81	24.41	25.02	25.77
Lime Kiln Operator A	25.09	25.72	26.36	27.02	27.70	28.53
Effl Treatment Plant Opera	19.76	21.54	22.08	22.63	23.20	23.89
Hydro Operator/Maintenan	21.60	22.14	22.69	23.26	23.84	24.56

**Maintenance**

E/I Specialist	29.74	31.51	32.30	33.11	33.93	34.95
E/I Tour	28.58	30.40	31.16	31.94	32.74	33.72
E/I Technician	25.75	27.42	28.11	28.81	29.53	30.41
Tour Journeyman Mechanic	26.34	26.60	27.27	27.95	28.65	29.50
Tour Maintenance		28.62	29.34	30.07	30.82	31.75
Journeyman Mechanic		23.07	23.65	24.24	24.84	25.60
Maintenance		25.07	25.70	26.34	27.00	27.81

**Stores**

Stores Specialist	17.60	20.62	21.14	21.66	22.21	22.87
Stores Clerk	16.37	18.29	18.75	19.22	19.70	20.29

**Mobile Equipment Garage**

Mechanic	20.15	20.65	21.17	21.70	22.24	22.91
Driver	16.63	18.07	18.52	18.98	19.46	20.04
Utility	14.00	14.35	14.71	15.08	15.45	15.92

**Unloading**

Equipment Operator	16.12	18.29	18.75	19.22	19.70	20.29
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**Salvage**

Salvage	17.61	18.05	18.50	18.96	19.43	20.01
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**Quality & Process Control**

Quality Control Tester	17.89	18.34	18.80	19.27	19.75	20.34
Quality Control Utility	14.00	14.35	14.71	15.08	15.45	15.92
Process Control Tester		18.34	18.80	19.27	19.75	20.34
Process Control Utility		14.35	14.71	15.08	15.45	15.92