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# BOWATER

## LABOR AGREEMENT

by and between the

**BOWATER NEWSPRINT**  
a division of Bowater Incorporated  
**CALHOUN OPERATIONS**

and the

**PAPER, ALLIED-INDUSTRIAL, CHEMICAL AND ENERGY  
WORKERS  
INTERNATIONAL UNION**

and

**LOCAL UNION 175**

of the

**INTERNATIONAL BROTHERHOOD OF  
ELECTRICAL WORKERS**

July 3, 2002 – July 3, 2008



52 pages

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**LABOR AGREEMENT****July 3, 2002 – July 3, 2008****PREAMBLE**

By and between Bowater Newsprint, a Division of Bowater Incorporated, Calhoun Operations, hereinafter referred to as the "Company" and the Paper, Allied-Industrial, Chemical and Energy Workers International Union (PACE) and Local Union 175 of the International Brotherhood of Electrical Workers (IBEW); all affiliated with the American Federation of Labor and Congress of Industrial Organizations, and Local Unions 5-0899, 5-0790 and 175, hereinafter referred to as the "Union".

The general purpose of this Agreement is to promote the mutual interests of the Company and its employees, and to provide for the operation of the Company's mill under methods which will further to the fullest extent possible, the safety and welfare of employees, economy and efficiency of operation, quality and quantity of product, cleanliness of plant and premises, and protection of property. It is recognized by this Agreement to be the duty of the employer and the employees to cooperate fully, individually and collectively, for the advancement of these conditions, looking toward a profitable operation.

**SECTION I - RECOGNITION**

The Company recognizes the Paper, Allied-Industrial, Chemical and Energy Workers International Union (PACE) and Local Union 175 of the International Brotherhood of Electrical Workers (IBEW) jointly through their chartered Locals covering the plant as the sole Agent for the purpose of collective bargaining for all mill production and maintenance employees in the appropriate units as presently constituted, exclusive of clerical employees, supervisors, security and professional employees. Except for instructional purposes or in cases of extreme emergency, excluded personnel will not perform the work normally assigned to employees covered by this Agreement. It is understood that only under these conditions will an excluded individual be permitted to use tools to perform the work normally assigned to included employees.

The Company and the Union, individually and collectively, agree that in the application of the terms of this Agreement, they will not discriminate because of race, color, religion, national origin, sex, age, and will comply with all the requirements of the Americans With Disabilities Act (ADA) and the Family Medical Leave Act (FMLA) as required by law and all applicable federal, state, and local laws affecting employment. The male gender herein refers to persons of either sex.

## SECTION II - CONTINUOUS OPERATION

It is agreed that there shall be no strikes, lockouts, or other interruptions of work during the term or extension of this Agreement.

In the event that a strike, slowdown, or other interruption of work occurs, there shall be no financial liability on the part of the signatory International Unions, Locals or Officers thereof, provided that the signatory International and Local Union or Unions involved immediately after the beginning of such violation shall (1) publicly declare such action a violation of this Agreement and promptly order their members to return to work; (2) take such other prompt and vigorous steps to end the work stoppage including assistance to the Management in manning the vacated jobs.

The Company may impose, at its sole discretion, disciplinary measures, including discharge, in the case of any or all of the employees who have engaged in or encouraged any of the unauthorized acts described above. Such disciplinary measures shall be final and binding upon the Union and the employees covered hereby. Any disciplinary measures the Company takes against employees who violated this provision shall not be reviewable through the grievance procedure, except on the basis that the employee, in fact, did not violate this Article.

The Company agrees that there shall be no lockout of the employees covered hereby, but nothing in this Agreement shall be deemed to restrict the Company's right to extend, limit, or curtail operations or to shut down completely when it may deem it advisable to do so. The Unions agree that the Company shall not be liable for any unauthorized lockout by representatives of the Company provided the Company after receiving notice, promptly disavows such acts and terminates such lockout.

It is agreed that the Company will not be asked to act upon any question regarding jurisdiction between the signatory Unions and that any such disputes will be settled by the Unions without interference with the efficiency or continuity of plant operations.

## SECTION III - CONTRACTUAL RELATIONSHIP

The Company agrees not to interfere in any way with the exercise by employees of their legitimate rights to join and be active in the Union. The Union agrees not to intimidate or coerce employees to join the Union. A representative of the applicable local union will be provided a block of time within the new employee orientation program.

Except as expressly qualified in this Agreement, the right of the

Company to manage its business, operations, work force, and affairs and  
to establish terms and conditions of employment shall be unimpaired. 1

The Company's failure to exercise rights hereby reserved to it,  
or its exercising them in a particular way, shall not be deemed a waiver  
of said rights or of its right to exercise them in some other way not in  
conflict with the specific terms of this Agreement and/or Memorandums  
of Agreement. 5

## SECTION IV – OUTSIDE CONTRACTORS

In those cases where it may become necessary to temporarily use  
outside contractors for the purpose of construction, or new installations or  
replacement of existing equipment with new or reconditioned equipment,  
or because of an overload of maintenance work, the Company will fully  
inform the Unions involved prior to the commencement of such work. 10

Following such advisement, the Union may request an informational  
meeting for further discussion of the work. If a grievance is then processed,  
it may be initiated at the 3rd stage of the grievance procedure. 15

In the event it becomes necessary to use outside personnel it is agreed  
that any overtime incurred by outside personnel during the performance  
of maintenance work requiring five-hundred (500) total man-hours or less  
will be subject to equalization on a man for man basis. It is understood  
that the calculation of total man-hours will be based only on the work  
that is integral to the project involved. This overtime will be offered and  
worked on a man-hour for man-hour basis. Four employees are excluded  
from the opportunity to equalize overtime. This provision will operate  
separately for Mechanical Maintenance and EI Maintenance. 20 25

The Company agrees that the contract work of the types referred to  
above will at all times be held to a minimum and will be carried out only  
in those cases where the Company does not have available the necessary  
equipment and/or personnel to perform the required work. It is not the  
intent of the Company to utilize contractor personnel for the purpose of  
reducing the size of the Maintenance work force. 30

## SECTION V - FLEXIBILITY

The ability of the Calhoun facility to remain a viable operation  
depends on the ability to better utilize the skills of employees to improve  
efficiencies and reduce costs. 35

Employees will be asked to work to the limit of their skills and  
capabilities, to perform any work within their abilities to do so safely.  
Operators may perform maintenance work they are capable of doing

1 and will assist maintenance employees. Maintenance employees may be  
required to assist operators. It is not the intent to train IBEW represented  
employees to be journeymen in areas represented by PACE; to train  
operations employees to be journeymen in either PACE or the IBEW; or to  
5 train PACE maintenance department employees to be journeymen in areas  
represented by the IBEW. However, it is the intent to train all three (3)  
groups in skill areas that will utilize their abilities to comply with the first  
sentence of this paragraph.

10 All EI and Mechanical Maintenance Department employees may  
be trained in the fundamentals of: Pneumatics, Welding and Burning,  
Mechanical Alignment, PPM and Lubrication, Rigging, Bearings,  
Machine Shop, Basic Electricity, Basic Instrumentation, HVAC and Fluid  
Power.

15 The Company is committed to maintaining approximately the same  
ratio of IBEW and PACE maintenance employees as that in effect on the  
date this agreement is ratified.

20 The Company may utilize bargaining unit employees to perform  
work that may not be considered as bargaining unit work such as, but not  
limited to, the development and conduct of training and planning. These  
examples are not intended to be limits on the types of work that may be  
assigned. These assignments will be voluntary.

Employees may be assigned Crew Leader responsibilities as needed.  
They will not be asked to make hire/fire decisions or to take disciplinary  
actions.

25 Nothing contained in this section will affect the bargaining  
unit descriptions, or the union representation of particular work. No  
classification or bargaining unit has exclusive jurisdiction of any task, job,  
equipment or vehicles.

30 This Flexibility provision supercedes any contract provision or  
agreement with which there may be a conflict, replaces the 1987 Flexibility  
Agreement between Mechanical and EI Maintenance, the Mechanical  
Technician System Memorandum of Agreement, and the EI Technician  
System Memorandum of Agreement.

## **SECTION VI- EMPLOYEE HEALTH AND SAFETY**

35 The Company will earnestly continue its efforts in behalf of the  
health, sanitation, and safety of employees during the hours of their  
employment. The Company and the Unions agree to cooperate in achieving  
this. The Unions will cooperate in encouraging compliance with the rules  
regarding health, safety, sanitation and the negotiated Random Drug

Testing policy, which is contained in a separate document.

1

Employees will be reimbursed for the difference between the cost of ordinary glasses and prescription safety glasses for those employees who require glasses and who normally perform work where it is determined by a representative of the Company that work safety requires them. When such prescription glasses are broken in the performance of the employee's job, the Company will pay for their replacement.

5

If an employee has been absent because of an accident or sickness, the Company may require a physical check of the employee by a physician licensed to practice medicine of the Company's choice. Following such an examination, if it is decided that such sickness or accident may subject the employee to other or continued sickness or accidents, he will not be allowed to return to work.

10

In the event that an employee is dissatisfied with this decision, he may be examined by a physician licensed to practice medicine of his own choosing, provided he notifies the Company of his intent within five (5) calendar days after he has been denied the right to return to work. It is understood that any costs incurred by this physician will be borne by the employee.

15

If, in the opinion of the employee's doctor, the employee is capable of returning to work, the physician making the determination will notify the Company in writing. Such notification must be given to the Company not later than thirty (30) days from the date the employee has been notified that he has been denied the right to return to work.

20

If the matter cannot otherwise be resolved at this point, the two physicians will select a third physician licensed to practice medicine and will submit their finding to him. The third physician may examine the employee and will make a determination concerning the status of the employee. It is understood that any expense incurred by the third physician will be shared equally by the Company and the employee involved.

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In each case where the Company authorizes specific physical examinations or authorizes re-examinations, it is understood that a doctor designated by the Company will make such examinations and the Company will pay the cost of such authorized examinations.

The Company has an Employee Group Insurance Plan and an Employee Retirement Plan, both of which will be maintained during the life of this Agreement. Participation is available to all employees covered by this Agreement, subject to the terms and conditions contained in the Plans.

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## SECTION VII - SENIORITY

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Date of hire will be used to settle questions regarding relative mill seniority. When two (2) or more employees have the same mill seniority date, the order of their seniority on that date will be determined by age with the oldest employee being the most senior.

5

All employees hired on occupations above the starting job in any line of progression shall be regarded as having reached that position through the regular job progression.

All newly hired employees shall be considered probationary employees until they have worked ninety (90) days within a six (6) month period following their date of hire. However, if the employee is retained in the employ of the Company after the expiration of the ninety (90) days probationary period, his seniority shall revert to his date of hire. An employee once permanently promoted will be considered as having completed his probationary period.

15

Promotions shall be made in line with recognized lines of progression and/or new lines of progression (unless mutually agreed to do otherwise). In cases of promotion, Management will take into consideration seniority and ability; and when all the factors that constitute ability are relatively equal, then seniority shall prevail. In considering the factor of ability, successfully completing training, testing and demonstrating competency to perform all the work in which they have been trained shall be considered as "demonstrating the ability to perform the job in question". However, it is recognized that in making promotions to jobs higher up in a line of progression requiring supervisory qualifications, leadership must also be considered a factor of ability. In cases of promotion, other than those involving the senior employee, the Union will be notified before the promotion is made and will have an opportunity to discuss with the Company the qualifications of the employees.

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Within an established line of progression, relative seniority shall be determined in the following order:

30

- First           — Job seniority. If these are equal, then,
- Second       — Department seniority. If Job and Department Seniority are equal then,
- Third         — Mill seniority.

35

If job, department and mill seniority are equal, then relative seniority will be determined by the ages of the employees as set forth above.

- (a) **Job seniority** is defined as the length of unbroken service on a job within an established line of progression. All jobs on the same level within an established line of progression shall be considered as one job for the purpose of determining job seniority. It is agreed, however, the Company has the right to rotate employees among the various functions of a given classification or on various jobs of the same level if in Management's opinion experience on more than one job is desirable to qualify for promotion to a higher job in the line of progression. Refusal or inability to rotate within a classification will result in demotion to the next lower classification. Job seniority shall be measured from the date the employee permanently transfers into an entry level position in the applicable department, is permanently promoted or the entry level position in the applicable department was posted consistent with the provisions of SECTION XVI - TRANSFER.

An employee accrues job seniority simultaneously on his current job and on all lower jobs in the line of progression.

- (b) **Department seniority** is defined as the length of unbroken service in an established line of progression measured from the date the employee transfers into an entry-level position in the applicable department or the entry level position in the applicable department was posted consistent with the provisions of SECTION XVI - TRANSFER.
- (c) **Mill seniority** is defined as the length of unbroken service with Bowater Newsprint, a division of Bowater Incorporated, Calhoun Operations. When two (2) or more employees have the same mill seniority, for transfer and layoff purposes, the order of their seniority on that date will be determined by age with the oldest employee being the most senior.

When an employee who is in an established line of progression refuses a promotion involving a seniority setup for any reason other than a verified temporary physical disability, the individual who bypasses him shall continue to retain prior rights to current and future vacancies on the job to which promoted. Separate agreements also exist in various departments that permit employees to refuse promotions in order to select specific lines of progression from various positions within the department. These agreements and the employees who exercise their seniority consistent with these agreements are not subject to the above referenced refusing of promotion language.

1           The Company has agreements with all the Local Unions concerning seniority rights of employees who refuse promotions and of employees affected by such refusals.

5           When temporary vacancies are to be filled in TMP, Kraft Mill, Finishing and Shipping, Technical, Utilities, Chip Prep, Paper Mill, Recycle, and Purchasing and Stores Departments, such temporary vacancies that result from vacations, national guard or reserve training, on or off-duty accidents, illness, training, or vacancies created by absenteeism, exclusive of approved leaves of absence, may be filled by shift setups, subject only to the following restrictions:

- 15           1.       In filling temporary vacancies resulting from on or off-duty accidents, illness, or absenteeism, shift setups may be used for the first fourteen (14) days of the vacancy. Mutually agreeable departmental variations will be accepted. If the vacancy continues to exist beyond fourteen (14) days, or other mutually agreed upon time frame, a seniority setup will be put into effect the first Monday thereafter.
- 20           2.       When a shift setup is used for the sole purpose of providing training opportunities, such training will be for a specified period of time and the duration thereof will be made known to the individual in advance of such training. Once this period of training has begun, it will not be interrupted except for such reasons as: lack of work or emergency conditions sufficiently beyond the control of the Company.
- 25           3.       It is understood that shift setups will not be made that result in placing a junior employee more than one step above a position held at that time by a senior employee, except by mutual agreement.
- 30           4.       If a temporary vacancy cannot be filled without incurring overtime, a shift setup will not be made and the overtime will be paid in the classification where the overtime occurs.
- 35           5.       Where temporary vacancies originate in positions outside the bargaining unit, and where in the sole opinion of the Company the temporary position is to be filled by selecting someone from the bargaining unit, the following procedure will be used:
  - 40           (a)      If the Company elects to make its selection from the bargaining unit and the person selected is working other than the shift where the non-bargaining unit

temporary vacancy occurs, the necessary temporary promotions to fill in behind the selected employee will be made on the basis of promoting the most senior qualified employee that is available. 1

(b) If the Company elects to make its selection from the bargaining unit and the person selected is working on the same shift on which the temporary vacancy occurs, the Company will at its option, use either of the following three (3) methods to make the temporary promotions necessary to fill in behind the selected employee: 5 10

- (1) Promote the most senior qualified employee that is available. 15
- (2) Make the necessary temporary promotions by shift setups.
- (3) Work overtime in the classification in which the vacancy occurs.

An employee promoted to a position outside the bargaining unit covered by this Agreement may be returned to his former position within the bargaining unit with fully protected seniority including time spent on the salaried position provided that such return is made within one (1) year from the date of promotion. However, if the promotion is made outside of the department, the period of protected seniority will be limited to six (6) months. 20

Demotions shall be made in a line of progression in reverse order of promotion. 25

Demotions or layoffs shall be made in reverse order of job and department seniority. Layoff from the mill shall be by mill seniority. An employee having completed at least ninety (90) work days prior to layoff because of lack of work will be entitled to recall by mill seniority to an entry level job provided he is able to perform such job. An employee demoted from a line of progression may exercise his mill seniority to displace the most junior employee assigned to an entry level job in a line of progression provided he is qualified to perform such job. Such demotion or layoff will be put into effect as soon as practical. Laid off employees will retain but not accrue seniority and be subject to recall for two (2) years if they have less than five (5) years of seniority and for three (3) years if they have more than five (5) years' seniority. In the event the layoff is for longer than these recall rights, the employee shall be considered permanently separated from the Company. Employees recalled from a 30 35 40

1 layoff, within the time limits outlined above shall not, upon their return to  
the mill be entitled to recall rights to the department in which they were  
permanently assigned prior to their layoff when such layoff was in excess  
of ninety (90) calendar days.

5 Call-ins during a shutdown period shall be on the basis of seniority  
and qualifications. It is not the intent of the Company to work employees  
in excess of forty (40) hours per week during periods of time the Mill is  
shut down.

10 Employees demoted from a line of progression in one department to  
another department shall be entitled to recall to a job within the department  
from which they were displaced and for which their department seniority  
would qualify them. Such employees will retain but not accrue department  
seniority and be subject to recall for a period of two (2) years.

15 An employee who has exercised his seniority rights to fill a job in  
another line of progression and subsequently elects to exercise his transfer  
rights to a third line of progression will forfeit his recall rights to his  
original line of progression as well as any rate protection, if applicable,  
the employee may have resulting from his demotion from his line of  
20 progression. Temporary employees who have refused permanent vacancies  
in another line of progression may not exercise their mill seniority into  
such line of progression.

The overtime penalty, because of hours worked in excess of eight  
(8) in a twenty-four (24) hour period, shall not apply when caused by the  
application of any of the above-mentioned agreements.

25 When a permanent vacancy occurs for which a laid off employee's  
seniority may entitle him, the Company will notify the employee in person,  
by telephone, or by certified letter to his last known address. The notified  
employee shall be given fourteen (14) days after receipt of such notice to  
report to work. Employees advising the Company of their intent to recall  
30 to work within fourteen (14) calendar days of the receipt of notification to  
return to work by the means set forth above, will not be caused to suffer  
an adjustment in their relative Mill Seniority order or if applicable their  
relative Job and Department Seniority order because of their inability to  
return to work within the fourteen (14) calendar day period.

35 The failure of an employee to comply with any of the above conditions  
within the time limits specified shall void all reinstatement rights. The fact  
that a certified letter is returned to the Company because it failed to reach  
the employee at his last address on record shall be taken as proof that the  
employee has failed to keep the Company advised of his current address,  
40 and he shall, therefore, forfeit his rights for reinstatement.

**SECTION VIII – BARGAINING UNIT JURISDICTION**

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The desirability of promptly handling questions regarding Bargaining Unit jurisdiction is mutually acknowledged. To facilitate their prompt and proper handling, the following procedure will be followed:

In the event of a question regarding Bargaining Unit jurisdiction, the Shop Stewards or other proper Union officials of the Unions affected may bring the matter to the attention of the Maintenance and Engineering Manager. It will then be the duty of the Maintenance and Engineering Manager to endeavor to resolve the matter promptly. Should the Unions' representatives and the Maintenance and Engineering Manager be unsuccessful in reaching an agreement concerning the jurisdiction of the Bargaining Unit/s, the Local Unions may initiate a complaint at the 3rd step of SECTION IX – ADJUSTMENT OF COMPLAINTS.

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**SECTION IX - ADJUSTMENT OF COMPLAINTS**

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It is recognized to be to the mutual advantage of all parties to this Agreement to settle grievances as promptly as possible and at the earliest possible step in the procedure outlined below. Each signatory Local Union will furnish the Human Resources Department with a list of Stewards for each department, and a list of the members of its Grievance Committee of not more than three (3) members, where such committees are established. Prompt notice will be given of any change in Stewards or Grievance Committee members.

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Complaints arising in any department will be handled in the following manner:

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Step 1 The aggrieved employee will as promptly as possible, but not later than seven (7) days following the incident or within seven (7) days following the return to work of any employee from an excused absence if the incident occasioning the complaint occurred during the absence, endeavor to adjust the complaint with the immediate supervisor concerned. The supervisor will schedule and hold a meeting with the aggrieved employee as promptly as possible, but not later than three (3) days following a complaint by an employee and then give the employee a verbal answer no later than three (3) days after the meeting. The employee may at his option have his Shop Steward participate at this Step. Complaints involving the discharge of an employee shall be submitted in writing within seven (7) days from the date the aggrieved individual was discharged. The Company agrees that when an employee is terminated he shall be given a letter stating the reasons there for and a copy mailed

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1 to the proper Local Union no later than forty-eight (48)  
hours after the termination.

Step 2 If the complaint cannot be resolved with the immediate  
supervisor within seven (7) days, it may be referred in  
5 writing to the Department Superintendent, and/or Manager,  
or their designee, provided such referral is made within  
seven (7) days following the answer from the immediate  
supervisor. The Company will then schedule and hold  
within seven (7) days, a meeting to attempt to settle the  
10 grievance. The Company will then furnish the Union a  
written answer within seven (7) days after the meeting.

Step 3 In the event a complaint is not settled within seven (7) days  
of receipt of the Step 2 Answer, it may be referred to the Vice  
President and Resident Manager or his delegate, provided  
15 such referral is made within seven (7) days. The Company  
and Union will meet within seven (7) days in an effort to  
settle the issue. Failing to reach a satisfactory settlement at  
this step within thirty (30) days of the meeting, either party  
may elect to carry the dispute to arbitration by notifying the  
20 other party in writing of such intention.

Grievances arising from the involuntary termination of a bargaining  
unit employee will be initiated at Step 3 of the Grievance Procedure,  
provided the affected Local provides the Company with timely written  
notice of the grievance and the basis on which it is filed.

25 Grievances not answered or scheduled within thirty (30) days of  
the answer deadline set forth in each step of the grievance procedure, will  
automatically be advanced to the next step of the grievance procedure.  
This time limit may be extended by mutual agreement.

30 The Federal Mediation and Conciliation Service will be asked to  
submit a panel of arbitrators from which the Company and the Union will  
select an impartial arbitrator to hear the complaint.

The Arbitration will convene as promptly as possible to render a  
decision within thirty (30) days. This decision shall be final and binding  
upon all parties to this Agreement.

35 Unless otherwise mutually agreed, the submission to the Arbitrator  
shall consist of the original written grievance. The functions of the  
Arbitrator shall be to interpret and apply the terms of this Agreement. The  
Arbitrator shall have no authority to add to, subtract from, or to extend the  
duration thereof. The matter of wages is not a subject of arbitration.

Each party shall bear the expenses of preparing and presenting its own case and witnesses. The parties shall share equally the fees and expenses of the Arbitrator.

In the procedure for the adjustment of complaints as set forth in this Section, it is agreed that a complaint shall be considered to be settled if it is not carried forward to the next step within seven (7) days. This time limit may be extended by mutual agreement.

Where the number of days is specified in this Section, it is understood that Saturday, Sunday, and holidays are excluded.

## **SECTION X — HOURS OF WORK**

The workweek shall begin on Monday at 8:00 a.m. unless a different starting time is designated. The workday shall begin at 8:00 a.m. (or other designated starting time) and shall end at 8:00 a.m.

Under present operating conditions, Tour Workers are organized into three (3) shifts and work eight (8) consecutive hours upon each shift as follows:

8:00 a.m. to 4:00 p.m.  
4:00 p.m. to 12 Midnight  
12 Midnight to 8:00 a.m.

Under present operating conditions, in those departments normally scheduled to work twelve (12) hour shifts, Tour Workers are organized into two (2) shifts and work twelve (12) consecutive hours upon each shift as follows:

8:00 a.m. to 8:00 p.m.  
8:00 p.m. to 8:00 a.m.

It is recognized that daily and weekly schedules are based on operating requirements and subject to change based on operating requirements, shutdown schedules, fluctuations in the demand for products, or to meet other conditions beyond the control of Management. Mutually agreeable departmental variations to the starting times are accepted.

So far as operating conditions permit, the Company will arrange the schedule of Day Workers for five (5) consecutive days of eight (8) consecutive hours, thirty (30) minute lunch period excepted. Every effort will be made to post changes in the work schedule on the bulletin board no later than 12:00 noon on Friday for the following week. Only a minimum number of Day Maintenance Workers will be scheduled to work on Saturday and no such employees will be scheduled to work on Sunday.



1 Overtime and extra work shall be divided as equally as practicable  
between the qualified men of a given classification.

Management has the right to require employees to work in excess of  
such daily and weekly periods. Employees who may be aggrieved because  
5 of the exercise of such right may take up their complaints under SECTION  
IX - ADJUSTMENT OF COMPLAINTS of this Agreement.

Each employee shall be at his place ready to begin work at the  
scheduled starting time.

At the end of a shift, no Tour or Shift Worker shall leave his place  
10 to wash up and dress until his relief has reported at the work place and  
properly accepted the responsibility of the position. If the relieving  
partner does not report for his regular shift, his mate shall notify the Lead  
Employee, Team Leader, immediate Foreman, Department Supervisor,  
or Superintendent, and he shall continue working until properly relieved.  
15 Should the Company determine that it is necessary to fill this temporary  
vacancy on an overtime basis, the relieving sequence to fill the first day  
of the vacancy will be: 1) Unrelieved employee, 2) The on-coming shift  
employee, 3) The off-duty shift employee. Should the vacancy continue  
to exist on succeeding days, the vacancy will, wherever possible, be filled  
20 by the off-duty man in the classification concerned. Should a shift change  
occur and the vacancy continues to exist, this relieving sequence will be  
repeated. Mutually agreeable departmental variations to the above stated  
relieving sequence will be accepted.

In an effort to preserve the health and safety of employees, efforts  
25 will be made to insure that an employee is not permitted to work double  
shifts on two (2) consecutive days. Mutually agreeable departmental  
variations will be accepted.

Men reporting late for a scheduled shift may not relieve a working  
partner without the consent of that partner.

30 Tour Workers may, with the prior consent of their supervisors,  
exchange shifts within any one (1) workweek. Maintenance Department  
employees will be permitted to exchange shifts within any one (1)  
workweek, between day (8-4:30) and tour and shift employees, provided  
the employees are of the same skill group and meet all the qualifications  
35 required to work on tour. The rates of pay for employees who exchange  
shifts in the Maintenance Department are contained in the Maintenance  
Technician System Memorandum of Agreement. In cases of such  
authorized exchanges, overtime for work in excess of eight (8) hours shall  
not be payable. Exchanges may be authorized for periods of one (1) hour  
40 or more.

(15)

Any employee denied a request for shift exchange is entitled to receive from the supervisor, on request, the reason in writing. 1

A Tour Worker's schedule will not be changed during a workweek, which results in the employee receiving less than his normally scheduled hours unless he is permanently promoted to a job higher in the line of progression. 5

Tour and Day Workers of the same classification may twice each year, on March 1st and September 1st, exercise their applicable seniority to claim either a day or tour job provided they are qualified to perform the required duties of the job. However, to avoid a temporary layoff of one (1) or more days' duration due to a mill shutdown, the senior employee may exercise this privilege irrespective of the above-mentioned dates. Whenever a vacancy occurs in a tour or day job in the Maintenance Department the vacancy will be posted for a period of three (3) work days provided that, in the case of vacancies resulting from resignation, the resigning employee has given written notice of intent to resign at least fourteen (14) days prior to his last working day to Management. The senior employee having submitted a letter of request on a form provided by the Company prior to midnight of the third (3<sup>rd</sup>) day will be assigned the vacancy, provided the employee is of the same skill group and meets all the qualifications required to work on tour. The vacancy may be filled on a temporary basis during the time lapse necessitated by the above provisions. 10  
15  
20

It is further agreed that the daily overtime pay provisions of this Agreement will not apply to any daily overtime incurred as a result of the exercise of the privileges provided in the two (2) paragraphs immediately preceding this one. These provisions do not conflict with the application of seniority as defined in SECTION VII - SENIORITY. 25

Employees are expected to report for work at the designated starting time unless they have obtained the prior approval of Management or their designee to be absent. If unavoidably prevented from reporting, he shall notify his Departmental Lead Person, Supervisor, Relieving Partner, if applicable or the Main Entrance EMS/Security Technician at least two (2) hours before his designated starting time and give the cause and probable duration of his absence. If an employee is prevented from giving such notice by reason of a bona fide emergency, notice shall be given as soon as possible thereafter. 30  
35

It is understood that the giving of such notice does not constitute permission for an excused absence, and the reasons given for the absence may be reviewed with the employee by Management upon his return to work. 40

An employee returning to work after an absence shall notify

- 1 appropriate management or their designee, the supervisor on duty or the  
Main Entrance EMS/Security Technician at least four (4) hours before the  
beginning of the period in which he intends to resume duty. An employee  
absent for two (2) or more shifts shall give at least fifteen (15) hours' notice  
5 before returning to work.

An absentee who reports for work without giving the required notice may be sent home and will not be eligible for Reporting Time pay allowance.

## SECTION XI - OVERTIME

### 10 1. Daily and Weekly Overtime

- Employees who work in excess of eight (8) hours in any twenty-four  
(24) hour period beginning with the start of a designated shift or in excess  
of forty (40) hours in any work week shall be paid time and one-half for  
the hours worked in excess of eight (8) on a daily basis or in excess of forty  
15 (40) on a weekly basis whichever is greater but not both.

Separate agreements covering the payment of Daily and Weekly Overtime exists within the departments normally scheduled to work twelve (12) hour shifts.

### 2. Call Time

- 20 An employee, who has completed his regular shift or day and enters  
the Facilities Building and is called in to work at a time other than his next  
designated starting time without sixteen (16) hours' notice of change of  
shift or schedule, shall be allowed a minimum of four (4) hours' straight  
time or time and one-half the actual hours worked, whichever is greater.  
25 An employee will be excused as soon as the work for which he has been  
called is completed. However, should an emergency develop while he is  
still in the mill, he may be required to perform emergency work on the  
same call. Such emergency work is defined as work that can be neither  
anticipated nor postponed. A separate agreement exists for Maintenance  
30 Department personnel whereby in the event it is necessary to request  
an employee to actually perform work prior to the beginning of his/her  
scheduled shift, the employee will be paid call time consistent with this  
provision. However, the application of this provision is not applicable  
to the time at which a job assignment is made nor does it relieve the  
35 employee of his/her obligation to comply with SECTION XXVI – MILL  
RULES AND MILL SAFETY RULES; SECTION I. MILL RULES; 1.  
Attendance; paragraphs (a) and (b).

### 3. Sunday Premium

1

Time and one-half shall be paid for work performed during the twenty-four (24) hour period on Sunday, provided that such hours shall not be paid for again at premium rates under any other pay policy. **THE ONLY EXCEPTION TO THIS SUNDAY PREMIUM POLICY WILL BE THAT SUNDAY PREMIUM WILL NOT BE OFFSET AGAINST WEEKLY OVERTIME DUE UNDER THE PROVISIONS OF THE FAIR LABOR STANDARDS ACT. TWELVE (12) HOUR SHIFTS EXCEPTED AS SET FORTH IN EACH RESPECTIVE MEMORANDUM OF AGREEMENT.**

5

10

### 4. Extended Work Schedules

No employee shall be allowed to work more than sixteen (16) consecutive hours except in cases of extreme emergency.

### 5. General

All overtime shall be classed as emergency work and not subject to loss of time to keep within the established workweek regulations.

15

Only the time actually worked during an employee's designated unpaid meal period shall be counted as hours worked for purposes of computing daily or weekly overtime.

Except as specifically provided in this Section, overtime shall not be pyramided, nor shall more than one (1) basis for calculating overtime or premium pay be used to cover the same hours.

20

### 6. Reporting Time

Employees reporting for work at their regularly designated starting time shall be entitled to no less than two (2) hours' pay if no work is provided except in cases of accidents, power breakdowns, and other causes beyond the control of the Company, unless notified by messenger or telephone at his place of residence as listed on Company records at least two (2) hours prior to the beginning of their regular work period, or by notice posted on the bulletin board at least eighteen (18) hours before the start of such work period.

25

30

Employees reporting and actually starting work shall be allowed to work at least four (4) hours.

Employees scheduled to work at a time other than their regular scheduled work period will receive not less than four (4) hours of pay at their regular straight-time rate.

35

1                   **SECTION XII - SHIFT DIFFERENTIALS**

          Tour workers shall receive a shift differential of twenty (20) cents per hour for hours worked from 4:00 p.m. to 12 midnight and twenty-five (25) cents per hour for hours worked between 12 midnight and 8:00 a.m.  
5   The shift differential will apply to hours actually worked on the applicable shifts between the hours of 4:00 p.m. and 8:00 a.m.

          Overtime hours applicable to work on the second (4-12) and third (12-8) shifts shall be computed on the job rate plus the applicable shift differentials.

10           Day and shift workers and those employees working regularly scheduled twelve (12) hour shifts will only be eligible for shift differentials when working during the designated hours of the 4-12 and 12-8 shifts or when day and shift workers work beyond the designated quitting time of their scheduled shift into the 4-12 and/or 12-8 shifts.

15           Tour workers whose hours of work may be changed during mill shutdowns will continue to be eligible for shift differential pay for work performed during the designated hours of the second and third shifts.

**SECTION XIII- HOLIDAYS**

          The following will be recognized as Holidays:

20                   **New Year's Day (January 1)**

          8:00 A.M. January 1 to 8:00 A.M. January 2

**Employee's Birthday**

          8:00 A.M. to 8:00 A.M. Following Day

**Floating Holiday**

25           8:00 A.M. to 8:00 A.M. Following Day

**Good Friday**

          8:00 A.M. to 8:00 A.M. Following Day

**Memorial Day**

          8:00 A.M. to 8:00 A.M. Following Day

30                   **July 3**

          8:00 A.M. to 8:00 A.M. Following Day

**Fourth of July**

          8:00 A.M. July 4 to 8:00 A.M. July 5

(19)

**Labor Day**

8:00 A.M. to 8:00 A.M. Following Day

1

**Thanksgiving Day**

8:00 A.M. to 8:00 A.M. Following Day

**Day After Thanksgiving**

8:00 A.M. to 8:00 A.M. Following Day

5

**Christmas Eve Day**

8:00 A.M. December 24 to 8:00 A.M. December 25

**Christmas Day**

8:00 A.M. December 25 to 8:00 A.M. December 26

10

**December 26**

8:00 A.M. to 8:00 A.M. Following Day

The hours for beginning and ending each twenty-four (24) hour holiday as listed above may be varied by mutual agreement between the Company and the Union. The specified hours for beginning and ending will be adjusted to coincide with the regular hours of changing shifts.

The minimum number of employees required to operate the mill will be scheduled to work on December 24th, December 25th, and December 26th.

Hours worked on July 3rd, July 4th, Labor Day, December 24th, December 25th, December 26th, New Year's Day, and Good Friday will be paid at double the straight time hourly rate. Any employee working on his birthday or floating holiday will be paid at double the straight time hourly rate.

If an employee's birthday falls on another paid holiday recognized in the Labor Agreement, the employee may arrange to take the holiday (birthday) either the day before or the day after the other paid holiday.

Subject to operating and maintenance requirements and supervisory approval, an employee may choose to take his birthday holiday on any day of the year provided:

1. The employee notifies his supervisor by Wednesday, 4:00 P.M. of the week prior to the day of the week he chooses as his birthday holiday.
2. The employee whose date of birth is on that particular day has priority, after which seniority prevails.

35

- 1           3.       The maximum number of employees allowed off shall not exceed three (3) per day and/or shift unless there are more than three (3) employees whose date of birth actually falls on a given day or shift.
- 5           4.       Whenever an employee has been absent with supervisory permission, he may elect to have that day considered to be the birthday holiday by so indicating on the appropriate form.

10           Any employee whose birth date is February 29th will be considered as having a birthday on February 28th.

              The Management at its sole option may require any or all employees to work on the other holidays.

              A holiday allowance will be given for all recognized holidays to all employees who qualify under both of the following provisions:

- 15           1.       Employee has completed his probationary period.
2.       The employee shall have worked on his last scheduled day before the holiday, his first (1st) scheduled day after the holiday, and the holiday, if he has agreed or is required to work on that day, unless his absence on these respective days has been occasioned by the justifiable causes listed below:
- 20                               (a)       The day of absence was during his annual vacation.
- (b)       Sickness of such nature that the employee was unable to report for work which must be proven by evidence satisfactory to the Company.
- 25                               (c)       Sickness of a member of the employee's "immediate family", as defined in SECTION XX-FUNERAL LEAVE, requiring his presence, which must be similarly proved.
- 30                               (d)       Excused by his immediate supervisor.

              Qualified employees shall receive a holiday allowance equal to eight (8) times their current hourly rates. However, if an employee is set up to a higher rated job for at least four (4) hours on his last scheduled work day preceding the holiday, his holiday allowance will be at the set-up rate of pay.

35

(21)

Any employee who works on Memorial Day, Thanksgiving Day, and/or the Day after Thanksgiving shall receive pay at the rate of time and one-half (1-1/2) for the actual hours worked during each of the twenty-four (24) hour holiday periods. 1

Pay for time worked on any of these thirteen (13) holidays will be in addition to the holiday allowance payable to employees who qualify under 1. and 2. above, and such premium pay will be in addition to premium earned during the work week for hours in excess of forty (40). 5

If holidays occur during a period when an employee, who is otherwise qualified for holiday allowance, is temporarily laid off, he shall receive pay for such holidays when he returns to work provided the entire period of his layoff has not exceeded ninety (90) calendar days. 10

Holidays not worked, but which fall on a day that an employee who is eligible for holiday allowance would otherwise have been scheduled to work, shall be counted (to a maximum of eight (8) hours) as time worked for the purpose of computing weekly overtime. 15

Subject to operating and maintenance requirements and supervisory approval, an employee may choose to take his Floating Holiday provided:

1. The employee notified his supervisor by Wednesday, 4:00 P.M., of the week prior to his Floating Holiday of his choice of day. 20
2. The maximum number of employees allowed off shall not exceed three (3) per day and/or shift.
3. Actual Birthday Holidays shall have priority over Floating Holidays. 25
4. Whenever an employee has been absent with supervisory permission, he may elect to have that day considered the Floating Holiday by so indicating on the appropriate form.

## SECTION XIV- VACATIONS

Employees will become eligible for vacations with pay on the following basis: 30

### 1. Eligibility

- (a) After completing one (1) year (12 months) of continuous service: One (1) week's paid vacation.



(22)

- 1 (b) After completing two (2) years of continuous service: Two (2) weeks' paid vacation.
- (c) After completing eight (8) years of continuous service: Three (3) weeks' paid vacation.
- 5 (d) After completing twelve (12) years of continuous service: Four (4) weeks' paid vacation.
- (e) After completing twenty (20) years of continuous service: Five (5) weeks' paid vacation.
- 10 (f) After completing twenty-five (25) years of continuous service: Six (6) weeks' paid vacation.

## 2. Continuous Employment

- (a) Time lost, as a direct result of illness or accident shall not constitute a break in continuous employment.
- 15 (b) Absences due to layoff or leave of absence, which do not exceed three (3) months, shall not constitute a break in continuous employment; however, that period of absence from these causes in excess of one (1) month shall not be counted in computing eligibility for vacations.
- 20 (c) Voluntary separation or discharge for cause shall constitute a complete break of continuous employment and no past service shall be credited in the event of re-employment.

## 25 3. Vacation Qualifications and Pay

- (a) Employees will qualify for their first (1st) week of vacation on the first (1st) day of January following the completion of at least 500 hours of work in the previous year. In such instances, vacation pay will be an amount equal to two (2) percent of the employee's total wages including overtime earned by the employee during the previous calendar year worked by the employee or forty (40) hours' pay whichever is greater. In the event such new employee has not qualified for vacation due to working less than 500 hours in his first calendar year, he will receive two (2) percent of his first
- 30
- 35

calendar year's wages.

1

- (b) Employees will qualify for two (2) weeks of vacation on the second anniversary of the date from which their employment is continuous provided they have worked a minimum of 500 hours in the previous year. In such instances, vacation pay will be an amount equal to four (4) percent of the employee's total wages including overtime earned by the employee during the calendar year immediately preceding the year of his current eligibility date or eighty (80) hours' pay whichever is greater. 5 10
- (c) Employees will qualify for three (3) weeks of vacation on the eighth (8th) anniversary of the date from which their employment is continuous provided they have worked a minimum of 500 hours in the previous year. In such instances, vacation pay will be an amount equal to six (6) per cent of the employee's total wages including overtime earned by the employee during the calendar year immediately preceding the year of his current eligibility date or one hundred twenty (120) hours' pay whichever is greater. 15 20
- (d) Employees will qualify for four (4) weeks of vacation on the twelfth (12th) anniversary of the date from which their employment is continuous provided they have worked a minimum of 500 hours in the previous year. In such instances, pay will be an amount equal to eight (8) per cent of the employee's total wages including overtime earned by the employee during the calendar year immediately preceding the year of his current eligibility date or one hundred sixty (160) hours' pay whichever is greater. 25 30
- (e) Employees will qualify for five (5) weeks of vacation on the twentieth (20th) anniversary of the date from which their employment is continuous provided they have worked a minimum of 500 hours in the previous year. In such instances, pay will be an amount equal to ten (10) per cent of the employee's total wages including overtime earned by the employee during the calendar year immediately preceding the year of his current eligibility date or two hundred (200) hours' pay 35 40



the 500 hours worked requirement set forth in this section. 1

#### 4. **Vacation Period**

- (a) In a vacation, one (1) week is defined as seven (7) consecutive days starting on Monday at 8:00 a.m. Two (2) weeks is defined as fourteen (14) consecutive days starting on Monday at 8:00 a.m. Three (3) weeks will consist of two (2) weeks as defined above and one (1) week as defined above. Four (4) weeks will consist of two (2) week periods as defined above, or four (4) weeks consecutively, beginning on Monday at 8:00 a.m., providing operating conditions are such that an employee can be relieved for four (4) consecutive weeks. Five (5) weeks will consist of two (2), two (2) week periods and one (1), one (1) week period as defined above, or five (5) weeks consecutively, beginning on Monday at 8:00 a.m., providing operating conditions are such that an employee can be relieved for five (5) consecutive weeks. Six (6) weeks will consist of three (3), two (2) week periods as defined above, or six (6) weeks consecutively, beginning on Monday at 8:00 a.m., providing operating conditions are such that an employee can be relieved for six (6) consecutive weeks. 5  
10  
15  
20  
25
- (b) Vacations must be taken during the twelve (12) month period following the date on which the employee has qualified. Vacation periods are not accumulative and are not transferable.
- (c) The Company reserves the right to schedule the vacation period for each employee, as well as to generally administer the vacation plan. Insofar as is possible, sincere consideration will be given to individual employee preference in scheduling vacations on the basis of mill seniority. 30  
35

#### 5. **Vacation Eligibility Adjustments and Advance Payments**

Employees, who have not taken all vacation earned in 1973, by December 31, 1973, will have their vacation eligibility date changed to January 1 by receiving pro rata vacation pay. This vacation pay will be equal to the number of full 40

1 weeks since the employee's existing vacation eligibility  
date divided by fifty-two (52), times two (2) percent per  
week of unused vacation, times the appropriate earnings  
5 as prescribed in Section 3, Vacation Qualification and  
Pay. This pro rata payment will be made one (1) time and  
these employees' vacation anniversary dates will thereafter  
remain at January 1.

10 Employees, who have taken all vacation earned in 1973,  
will schedule and receive their future vacation as if their  
anniversary date was January 1. Should such employees  
receive vacation payment in advance of their anniversary  
date in the year of termination of employment, they will be  
required to reimburse the Company any advance vacation  
15 pay to which the employee is not entitled. New employees  
will have January 1 established as their vacation eligibility  
date. Qualifications and pay for the employee's first (1st)  
week of vacation are described under Paragraph 3, Vacation  
Qualification and Pay.

#### 6. Scheduling of Vacations

- 20 (a) Not later than November 1st, each employee will  
be provided a form upon which he may make  
application for his first (1st) and an alternate choice  
of vacation periods. These forms should be filled  
25 in and returned to the Department Superintendent  
or their designee not later than December 15th.  
Vacation requests received during this period will  
be granted to the extent possible, consistent with  
operating requirements, it being understood that in  
cases of conflicting requests, the senior employee  
30 shall be given preference.
- (b) Vacation preference for employees who make  
application or who change their original application,  
after December 15th, will be considered on a first  
come, first served basis and will not take preference  
35 over those submitted by December 15th.
- (c) After December 15th, Management may schedule  
vacations for employees who have not made  
application as provided for in items (a) and (b)  
above, (or who desire to change dates) to best suit  
40 operating requirements.
- (d) Management reserves the right to re-schedule

(27)

vacations consistent with mill operating requirements, as well as to generally administer the vacation plan. 1

- (e) To assist employees in making their vacation selection, a running tentative vacation schedule will be posted from time to time in the department from November 1st to December 15th. 5

After employees have been contacted in order of seniority and have been given an opportunity to express their vacation preference, they will not be permitted the privilege of bumping less senior employees' vacation requests. 10

## SECTION XV- MILITARY SERVICE

Employees entering the armed forces of the United States shall be re-employed in accordance with the provisions of the Selective Service Act of 1948, as amended. The Company will grant leaves of absence for military training in accordance with the Universal Military Training Act and the Selective Service Act. The Company agrees to supplement up to fourteen (14) days of military training pay to a total of an amount equal to eighty-six (86) hours pay at the regular hourly rate on the basis of forty-three (43) hours pay per seven (7) days of training pay. All benefits will continue and the employee's contribution to the applicable benefits will be deducted upon the employee's return from training. 15 20

Employees who are members of the Reserves or National Guard, who have been called to serve on active duty (Not training as set forth above) shall remain covered by health care for three (3) months following the month in which the employee is called to active duty provided the employee continues to pay his/her portion of the premium contribution. The Company agrees to supplement, if applicable, up to three (3) months (twelve 12 weeks) of military pay to any member of the Reserves or National Guard who has been called to serve on active duty, using the employee's classified rate and normal work schedule. 25 30

Time spent by employees called to active duty shall count toward the 500 hour vacation requirement at forty (40) hours per week of leave for the first ninety (90) calendar days of the call-up.

## SECTION XVI- TRANSFER

When entry-level jobs are to be filled in a department, notice of these vacancies will be posted on appropriate bulletin boards for a period of seven (7) calendar days. Employees who have completed their probationary period may make application for such posted vacancies in the Human Resources Department. 35 40

1 Employees who apply will be accepted or rejected on the basis of their qualifications (meeting an accepted measure of skills assessment) and seniority.

5 An employee who requests transfer in accordance with the above, may at the option of the Company or himself be returned to his former job with protected seniority rights, provided such request is made within thirty (30) calendar days. With effect from November 9, 1992, the date of a job posting will be the date a successful bidder's department and job seniority begins. An employee returning to his former job within thirty  
10 (30) calendar days will be considered as having been transferred with regard to the restrictions of the following paragraph.

15 An employee will be entitled to only one (1) transfer under this provision during any six (6) month period. Once an employee has exercised his rights under this provision on two (2) occasions, he will not be considered eligible for transfer for two (2) years.

## **SECTION XVII - LEAVE OF ABSENCE**

Department Superintendents are authorized to grant leaves of absence for periods not to exceed two (2) weeks.

20 Upon receipt of a written request from the International Union to the Mill Manager, a leave of absence, not to exceed six (6) months, will be granted to an employee to perform work solely for the Union. Such leave may be extended one time for an additional period not to exceed six (6) months provided a written request from the International Union is received not less than two (2) weeks prior to the termination date of the  
25 original leave. Not more than one (1) employee from each Local Union will be granted such leave at the same time. Seniority will be accumulated during these approved leaves of absence for Union business.

30 Leaves of absence in excess of two (2) weeks will be requested in writing through the Department Superintendent to the Vice President and Resident Manager or designee. If such a request is approved, an appropriate Company official will make authorization in writing and a copy of such authorization will be forwarded to the Secretary of the Local Union to which the employee is eligible to belong.

35 Any employee having been granted a leave of absence for a reason other than military service shall have his seniority accumulated during the approved leave for a period not to exceed thirty (30) days, except by mutual agreement between the Union and the Company.

During an approved leave of absence, employee(s) shall not be

permitted to sell or otherwise gainfully dispose of their services without the advanced written consent of the Company to specifically do so. Such activities shall be limited solely to those permissive activities and during the dates and hours specified in the Company's written consent.

## **SECTION XVIII- UNION SECURITY AND DEDUCTION AUTHORIZATIONS**

Subject to the applicable laws of the State of Tennessee, employees covered by this Agreement who, on the date of signing of this Agreement, are members of the Union or who after such date become or are reinstated as members of the Union shall as a condition of continued employment maintain such membership in the Union by the payment of monthly dues for the life of this Agreement.

Employees who are hired after the date of signing of this Agreement for jobs within the certified bargaining unit set forth and described in Section I - RECOGNITION, other than those hired as temporary employees, shall become members of the Union within thirty (30) calendar days after the completion of their probationary period as provided in SECTION VII - SENIORITY, and shall retain their membership as a condition of continued employment.

The failure of any Union member to tender his initiation fees and monthly dues, after having ample time to do so, shall constitute the only cause for discharge under this provision.

The Union shall, within fifteen (15) days after the signing of this Agreement, furnish the Company with a notarized list of its members in good standing on the date of the signing of the Agreement.

The Company shall not be required to discriminate against any employee for non-membership in the Union, if:

- (a) It has grounds to believe that membership was not available on the same terms and conditions generally applicable to other members, or
- (b) It has grounds to believe that membership was denied or terminated for reasons other than failure to tender and/or pay initiation fees and dues uniformly required as a condition of retaining membership.

Any dispute arising in connection with this section shall be settled in accordance with the procedure for adjustment of complaints as described in SECTION IX - ADJUSTMENT OF COMPLAINTS.



1 The parties agree to a voluntary union membership dues and initiation fees deduction plan, and the Company will deduct dues and initiation fees from the pay of all employees who have signed and delivered to the Company written authorization to make such deductions. The form of the deduction authorization shall be as follows:

5 **DEDUCTION AUTHORIZATION**

I request and authorize the Bowater Newsprint, a Division of Bowater Incorporated, Calhoun Operations to deduct from my pay each month, commencing the month following receipt of this notice, the current monthly dues and to forward this amount to the Financial Secretary of  
10 Local No. \_\_\_\_\_ Paper, Allied-Industrial, Chemical and Energy Workers International Union /Local Union 175 of the International Brotherhood of Electrical Workers \_\_\_\_\_  
Initiation fee authorized for deduction once \_\_\_\_\_.

15 Employees have the opportunity to withdraw from the union once each year during the term or extension of the Labor Agreement by insuring written notification of revocation is given to the Company and the Union by registered mail and is received by the applicable parties not more than fifteen (15) days prior to the anniversary date of their signing the dues authorization and assignment. During the year in which the Labor  
20 Agreement expires the employee may be afforded two (2) opportunities to withdraw from the union, the anniversary date of their signing the dues authorization and assignment and the expiration date of the Labor Agreement provided all notification procedures outlined in the above referenced section of the Labor Agreement are strictly followed.

25 Signed \_\_\_\_\_

Date \_\_\_\_\_

It is agreed that the Company's obligation is limited to remitting to the Union the sums actually deducted. Further, the Company shall not be obligated to deduct dues for more than one (1) Union from any one (1)  
30 employee, nor make deductions for a Union which does not represent the employee under the terms of this Agreement, and in no event shall the Company be liable for deductions prohibited by applicable law.

**SECTION XIX- WAGES**

35 The Company's basic hourly wage rate schedule will be effective the Monday closest to July 3 in each of the applicable years of the Agreement, as attached. These rates shall remain in effect throughout the life of this Agreement unless changed by mutual consent of the signatory parties at a meeting duly called on sixty (60) calendar days' written notice by either of the parties signatory to this Agreement.

If a new job is created, or the responsibilities of an existing job are substantially changed, the Management shall set a temporary rate, which will remain in effect for thirty (30) calendar days. At the completion of this period, if the Union is not satisfied with the new rate, it will make known its dissatisfaction to the Company within thirty (30) calendar days and the parties will then meet to negotiate the rate. If no satisfactory rate can thus be established, the rate proposed by Management shall continue in effect. The rate may then be deferred, at the option of the Union, to the next contract negotiation at which time a discussion separate from any other adjustment requests will be held and any rate change agreed upon at that separate discussion shall be retroactive to the date of the job change that occasioned the discussion.

An employee who works for one (1) hour or more on a covered job paying a higher rate than his own shall receive the rate of such job for the time worked thereon, provided he has qualified himself to perform the higher paid job consistent with SECTION VII - SENIORITY.

An employee requested to temporarily fill a lower-paid job shall have his regular rate maintained. However, in the case of permanent demotions, arrangements made at the request of the employee because of preference or convenience, the rate of the lower job shall apply.

Employees who in cases of emergency are required by the Company to work overtime outside their assigned shift, and without twelve (12) hours or more advance notice, shall be given time to secure and eat a meal, when the overtime or call-time work extends past the normal meal period.

Time allowed to secure and eat such meal shall be at the expense of the Company, but thirty (30) minutes shall be considered as adequate time allowance to eat a meal.

## SECTION XX - FUNERAL LEAVE

In case of death in the immediate family of an employee with ninety (90) calendar days or more Company seniority, the employee will be given an appropriate leave of absence. He shall be paid for his scheduled hours of work lost as a result of such leave of absence up to a maximum of three (3) consecutive days, one (1) day of which shall be the day of the funeral, subject to the following:

1. An employee's immediate family is defined as his spouse, mother, step-mother, father, step-father, children, step-children, sister, brother, grandparents, current mother-in-law, current father-in-law, step-grandparents, grandparents-in-law, and grandchildren. Proof of such relationship may be required.

- 1            2.        The funeral allowance will not be paid for any day for  
                      which the employee is otherwise compensated.
3.        Should more than one (1) funeral occur in the immediate  
                      family within any three (3) day period, no more than one  
5                (1) such paid funeral leave will be given.
4.        Pay for each day of funeral leave shall be computed at the  
                      rate of eight (8) times the employee's regular hourly rate,  
                      and such hours shall not be considered as hours worked for  
                      the purpose of computing overtime.
- 10            5.        Any employee found guilty of accepting payment under  
                      this provision for other than the above-stated purpose, shall  
                      be subject to immediate discharge.
6.        In departments normally scheduled for twelve (12) hour  
                      shifts, the total amount of pay for the three (3) days of  
15                Funeral Leave referenced above shall not exceed twenty-  
                      four (24) times the employee's regular hourly rate of pay for  
                      scheduled work missed as a result of such leave.

### **SECTION XXI - JURY LEAVE**

20        When an employee is required to be present for jury duty,  
the Company will reimburse him for losses in regular wages. Such  
reimbursement will be the difference between the pay received for jury  
duty and his pay for regularly scheduled hours of work, subject to the  
following conditions:

- 25            1.        It is agreed that the employee will give the Company  
                      reasonable prior notice of his intended absence.
2.        Promptly upon returning to work, the employee must  
                      apply for the supplemental pay on a form provided by the  
                      Company. Proof of jury service will be required.
- 30            3.        No supplemental jury pay will be given for a contract  
                      holiday.
4.        The supplemental pay will be given only for scheduled work  
                      time lost and will not be counted in computing overtime.
5.        If an employee works his normal schedule on a day when he  
                      also serves as a juror, he will receive no supplemental pay.
- 35            6.        An employee scheduled to work the 12 Midnight - 8:00 a.m.

shift or if applicable, the 8 p.m. – 8 a.m. shift immediately 1  
 prior to jury duty will be excused upon request and jury  
 duty allowance will be applicable for such hours.

The Company may elect to fill a vacancy caused by jury leave by 5  
 making a shift setup.

## SECTION XXII - SEVERANCE PAY

Permanent employees with two (2) years or more of Company 10  
 service will be eligible for severance pay when laid off because there is  
 no work available to which their seniority entitles them, and on which the  
 employees are qualified to perform.

1. An employee who has completed two (2) years of continuous 15  
 service but less than five (5) years of continuous service  
 shall receive an amount equal to 2% of his last twelve (12)  
 months earnings as severance pay.
2. An employee who has completed five (5) years of continuous 15  
 service but less than ten (10) years of continuous service  
 shall receive an amount equal to 4% of his last twelve (12)  
 months earnings as severance pay.
3. An employee who has completed ten (10) years or more of 20  
 continuous service shall receive 6% of his last twelve (12)  
 months earnings as severance pay.
4. An employee who has completed fifteen (15) years or more  
 of continuous service shall receive 10% of his last twelve  
 (12) months earnings as severance pay.
5. An employee who has completed twenty (20) years or more 25  
 of continuous service shall receive 12% of his last twelve  
 (12) months earnings as severance pay.
6. An employee who has completed twenty-five (25) years or 30  
 more of continuous service shall receive 14% of his last  
 twelve (12) months earnings as severance pay.
7. The twelve-month period referred to in Numbers 1, 2, 3, 4,  
 5, and 6 above is defined as the last twelve (12) months prior  
 to the actual layoff.
8. Such severance pay shall only apply to employees 35  
 permanently laid off for three (3) months or more and  
 payment will not be made until three (3) months following

1 the date of layoff.

9. An employee's recall rights will not be affected in any manner because of the payment of severance pay. However, if recall occurs before the time when a severance payment is due, no such payment will be made. Or, if an employee is offered recall, according to the applicable recall provisions in his case, and it is refused, all recall and severance pay rights are automatically canceled.

10. If an employee is recalled after having received the severance pay due him, he will begin again, as of the date of return, accumulating a new period of time as outlined in paragraphs one (1) and two (2), which will be credited toward any future layoff.

### **SECTION XXIII- RULES AND REGULATIONS**

15 Copies of Mill Rules and Mill Safety Rules are attached hereto and are understood by the Company and the signatory Unions to be a part of this Agreement.

20 These rules may be revised or supplemented with the understanding that any such revision or addition shall not conflict with the provisions of this Agreement. The Unions will be advised prior to implementation of new or changed rules.

### **SECTION XXIV- CHANGE OR MODIFICATION OF AGREEMENT**

25 This Agreement shall be in full force and effect from July 3, 2002, until July 3, 2008, and from year to year thereafter, unless terminated in accordance with the provisions of SECTION XXV-TERMINATION OF AGREEMENT.

30 If either party shall desire to change any provision of this Agreement, it shall give written notice of such desire to the other party at least sixty (60) calendar days prior to the anniversary date.

The giving of notice, as provided above, shall obligate both parties to meet and negotiate in good faith all questions at issue prior to the anniversary date.

35 If no agreement has been reached on or before the anniversary date, then all of the provisions of this Agreement shall remain in full force and effect unless specifically terminated as provided in SECTION XXV-TERMINATION OF AGREEMENT.

## **SECTION XXV- TERMINATION OF AGREEMENT**

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At any time after July 3, 2008, or July 3 of any year subsequent to 2008 during which notice to reopen has been given, if through negotiations no agreement has been reached, either party may give written notice to the other party of intent to terminate this Agreement. Termination may take place only after a lapse of at least ten (10) calendar days from the date of notification to terminate. All provisions of this Agreement shall remain in effect until the specified time has elapsed. During this period, attempts to reach agreement shall be continued.

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If no agreement is reached before the specified time has elapsed, all obligations under this Agreement are automatically cancelled.

## **SECTION XXVI - MILL RULES AND MILL SAFETY RULES**

These rules are designed to fairly and impartially regulate the actions of employees in order to assure safe, orderly, and efficient operation of the mill. Employees are expected to comply with these rules at all times and violation will not be excused because an employee was unfamiliar with any particular rule. Violation(s) of these Mill Rules and Mill Safety Rules is/are cause(s) for Discipline and/or Discharge.

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In those cases where the Company determines that a violation of Company rules should result in a penalty less severe than discharge, a written reprimand may be given to the employee. In all such cases, a copy of such reprimand will be furnished to the designated Local Union. In the event that an employee having received one (1) or more written reprimands continues in the employment of the Company for six (6) months beyond the date of the last rule violation which resulted in a written reprimand, the oldest written reprimand will be retired and dropped from the file and have no further effect in consideration of future disciplinary actions. Upon the receipt of a third (3rd) written reprimand, an employee may be discharged.

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When a written reprimand is to be issued to an employee, it will be done within ten (10) calendar days following the incident, which occasioned the need for discipline. If the employee is not available during the ten (10) calendar day period following the incident, the reprimand will be issued at the first opportunity.

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Changes or additions to these rules may be published from time to time.

**1 I. MILL RULES****1. Attendance**

- 5 (a) Each Day Worker must be at his station ready for work at the scheduled starting time of his work period and must remain at his assigned work area until a scheduled quitting time which may include overtime.
- 10 (b) Each Tour Worker must be at his station ready for work at the scheduled starting time of his shift and must not leave his station until his relief has taken over the responsibility of the position.
- 15 (c) Each employee must remain at his assigned work area during his work period and will not visit other parts of the plant except in the line of duty or by permission of his supervisor.
- 20 (d) An employee must not be absent without securing permission from his supervisor not later than the day before the absence.
- 25 (e) Should an emergency arise after the employee has left the mill, he must telephone his Foreman, Lead Employee, Team Leader, Department Supervisor, Superintendent, other designated personnel or the Main Entrance EMS/Security Technician not less than two (2) hours before his scheduled starting time and report the cause and probable duration of the absence.
- 30 (f) An employee absent for two (2) consecutive work periods or more without permission must secure the approval of his Foreman, Superintendent or other designated personnel before returning to work.
- 35 (g) Employees absent for more than three (3) consecutive work days for medical reasons are required to report to Health Services during normal business hours (Monday - Friday) to obtain written clearance before returning to work. If an attending physician has treated the employee, a Bowater Return to Work Form or comparable information must be completed and presented to Health Services.

Employees absent for a major illness, injury, or temporary disability should contact Health Services before returning to work. Depending on the nature of the disability and the duration of the absence, the employee may be required to be examined by the Bowater consulting Medical Advisor before reporting to work.

An employee who expects to return to work on the 8 p.m. – 8 a.m., 12:00 midnight – 8 a.m. or on any weekend shift should make advance arrangements by calling Health Services during normal business hours. EMS/Security personnel will not be permitted to accept "Return to Work Forms" that restricts work activity.

- 2. General**
- (a) Effective with the first payroll cycle beginning December 16, 2002, all payments to employees and future retirees will be made by direct deposit, the pay period will be changed to bi-weekly and Friday will be the designated payday.
  - (b) Upon request, employees must offer and/or open for inspection, all incoming and outgoing packages, purses, lunch boxes, food containers, etc. This includes removing and/or moving contents inside such containers for visual inspection as instructed by EMS/Security personnel, or others to whom this responsibility has been delegated.
  - (c) Employees may not exchange shifts except with prior approval of management or their designee.
  - (d) If an employee changes his address or telephone, he is expected to report the change promptly to the Human Resources Department.
  - (e) If an employee's marital status or his number of dependents changes, he must report the change immediately to the Human Resources Department.
  - (f) An employee who leaves the mill, leaving a piece of equipment locked out, will be required to return to the mill on his own time to remove such lock



without additional compensation.

(g) The remedy for missed work shall become a make-up opportunity.

(h) Employees who retire on or after January 1, 2003, shall have the same health care benefit plan design as active employees including any changes made to those plans in the future. Retiree health care will not be made available to employees hired on or after July 3, 2002.

(i) Employees who begin a lay-off after January 1, 2003, shall be entitled to health care coverage until the end of the second month following the month they are laid-off, provided the employee portion of the premium is paid.

**3. Housekeeping**

Each employee will be expected to keep his part of the plant and equipment clean and in good order at all times. Each employee will be held responsible for the condition of that part of the plant under his control.

**4. Other causes for Discipline and/or Discharge**

(a) Bringing intoxicants into the mill.

(b) Reporting for duty under the influence of intoxicants or narcotics.

(c) Smoking in restricted areas.

(d) Being insubordinate or disobedient.

(e) Damaging or removing the Company's or another employee's property.

(f) Neglecting duty or failing to maintain work standards.

(g) Using abusive or threatening language to anyone while on duty.

(h) Disorderly conduct or an employee who is an

- aggressor in a fight. 1
- (i) Offering or taking a bribe of any kind in connection with work.
  - (j) Deliberately sleeping on duty.
  - (k) Reading on duty except when required by work. 5
  - (l) Holding back or limiting production.
  - (m) Falsifying any Company or personnel records.
  - (n) Violating Mill Rules or Safety Rules and practices.
  - (o) Having wages garnisheed. 10
  - (p) Failure to follow Lock Out Procedure.
  - (q) Failure to comply with all posted mill parking and traffic regulations.
  - (r) Bringing or carrying firearms and/or concealed weapons on Company property. 15
  - (s) Violation of the Random Drug Testing Policy.

## II. MILL SAFETY RULES

1. Failure to wear proper clothing and specified safety equipment in the proper manner.
2. Failure to report to Health Services promptly in the event of any injury. 20
3. Failure to use or comply with safety signs.
4. Failure to report defective tools and equipment.
5. Failure to comply with vehicle speed limits.
6. Failure to comply with posted departmental safety regulations. 25
7. Engaging in the following unsafe activities:

(40)

- 1 (a) Unnecessary running on stairs or slippery floors.
- (b) Climbing onto, off of, or under vehicles in motion, including such items as trucks, rail cars, or conveying equipment.
- 5 (c) Using compressed air on person or other personnel.
- (d) Unnecessary jumping.
8. Indulging in horseplay or participating in practical jokes, which may endanger himself or other employees or Company property.
- 10 9. Glasses, goggles, or face shields must be worn when welding, grinding, chipping, handling caustic solutions, or doing any work that might cause eye injury including the operation of machine tools such as lathes, shapers, grinders, etc.
- 15 10. Failure to wear proper hearing protection in designated areas.
11. Failure to wear safety toe shoes "gate to gate".

## RATES OF PAY

20 **2002 - 2007**

The rates of pay for the various departments and classifications within those departments are set forth in the following Exhibits. The arrangement of the classifications within the departments as set forth in the Exhibits are not intended to reflect a specific line or lines of progression within the departments. It is understood that for initial training purposes only, some departments have implemented interim rates of pay that are not reflected in the Exhibits nor were the establishment of said interim rates intended to be permanent. It is further understood that upon completion of the initial training phases in the various departments, these interim rates will no longer be used. Employees must fulfill all the requirements of a classification or if applicable a level, to promote to or be paid the rate of the classification or level consistent with SECTION VII – SENIORITY of the Labor Agreement.

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**EXHIBIT A****CHIP PREP DEPARTMENT**

CLASSIFICATION	7/1/2002	6/30/2003	6/28/2004	7/4/2005	7/3/2006	7/2/2007
<b>TEAM LEADER</b>	27.33	28.01	28.65	29.51	30.32	31.23
<b>CHIP TECHNICIAN</b>	25.24	25.87	26.51	27.31	28.12	28.96
<b>UTILITY AFT. 6 MO.</b>	17.23	17.66	18.30	18.85	19.66	20.25
<b>UTILITY</b>	12.00	12.30	12.94	13.33	14.14	14.56

**EXHIBIT B****FINISHING AND SHIPPING DEPARTMENT**

CLASSIFICATION	7/1/2002	6/30/2003	6/28/2004	7/4/2005	7/3/2006	7/2/2007
<b>FINISHING</b>						
<b>FINISHER 1</b>	24.68	25.30	25.94	26.72	27.53	28.36
<b>FINISHER 2</b>	23.18	23.76	24.40	25.13	25.94	26.72
<b>FINISHER 3</b>	21.90	22.45	23.09	23.78	24.59	25.33
<b>SHIPPING</b>						
<b>SHIPPER 1</b>	24.68	25.30	25.94	26.72	27.53	28.36
<b>SHIPPER 2</b>	23.46	24.05	24.69	25.43	26.24	27.03
<b>SHIPPER 3</b>	20.31	20.82	21.46	22.10	22.91	23.60
<b>CORELINK</b>						
<b>CORELINK 1</b>	24.68	25.30	25.94	26.72	27.53	28.36
<b>CORELINK 2</b>	23.18	23.76	24.40	25.13	25.94	26.72
<b>UTILITY AFT. 6 MO.</b>	17.23	17.66	18.30	18.85	19.66	20.25
<b>UTILITY</b>	12.00	12.30	12.94	13.33	14.14	14.56

**EXHIBIT C****KRAFT MILL DEPARTMENT**

CLASSIFICATION	7/1/2002	6/30/2003	6/28/2004	7/4/2005	7/3/2006	7/2/2007
<b>FIBER LINE</b>						
<b>TECH 1</b>	28.76	29.48	30.12	31.02	31.83	32.78
<b>TECH 2</b>	25.87	26.52	27.16	27.97	28.78	29.64
<b>TECH 3</b>	23.62	24.21	24.85	25.60	26.41	27.20
<b>PULP DRYER</b>						
<b>TECH 1</b>	25.50	26.14	26.78	27.58	28.39	29.24
<b>TECH 2</b>	21.68	22.22	22.86	23.55	24.36	25.09
<b>UTILITY AFT. 6 MO.</b>	17.23	17.66	18.30	18.85	19.66	20.25
<b>UTILITY</b>	12.00	12.30	12.94	13.33	14.14	14.56

**EXHIBIT D****PAPER MILL DEPARTMENT**

CLASSIFICATION	7/1/2002	6/30/2003	6/28/2004	7/4/2005	7/3/2006	7/2/2007
<b>PAPER MACHINES NUMBER 1 -4</b>						
<b>TECH 1</b>	32.65	33.47	34.11	35.13	35.94	37.02
<b>TECH 2</b>	26.00	26.65	27.29	28.11	28.92	29.79
<b>TECH 3</b>	19.28	19.76	20.40	21.01	21.82	22.47
<b>PAPER MACHINE NUMBER 5</b>						
<b>TECH 1</b>	33.79	34.63	35.27	36.33	37.14	38.25
<b>TECH 2</b>	26.61	27.28	27.92	28.76	29.57	30.46
<b>TECH 3</b>	19.28	19.76	20.40	21.01	21.82	22.47
<b>STOCK TECH</b>						
<b>STOCK TECH</b>	24.44	25.05	25.69	26.46	27.27	28.09
<b>UTILITY AFT. 6 MO.</b>	17.23	17.66	18.30	18.85	19.66	20.25
<b>UTILITY</b>	12.00	12.30	12.94	13.33	14.14	14.56

**EXHIBIT E****PURCHASING AND STORES DEPARTMENT**

CLASSIFICATION	7/1/2002	6/30/2003	6/28/2004	7/4/2005	7/3/2006	7/2/2007
<b>STORES SPECIALIST</b>	22.09	22.64	23.28	23.98	24.79	25.53
<b>STORES CLERK 18 MO.</b>	21.02	21.55	22.19	22.86	23.67	24.38
<b>STORES CLERK 12 MO.</b>	19.96	20.46	21.10	21.73	22.54	23.22
<b>STORES CLERK 6 MO.</b>	18.26	18.72	19.36	19.94	20.75	21.37
<b>UTILITY AFT. 6 MO.</b>	17.23	17.66	18.30	18.85	19.66	20.25
<b>UTILITY</b>	12.00	12.30	12.94	13.33	14.14	14.56

**EXHIBIT F****RECYCLE DEPARTMENT**

CLASSIFICATION	7/1/2002	6/30/2003	6/28/2004	7/4/2005	7/3/2006	7/2/2007
<b>TECH 1</b>	26.81	27.48	28.12	28.96	29.77	30.66
<b>TECH 2</b>	24.15	24.75	25.39	26.15	26.96	27.77
<b>WHSE OPERATOR</b>	18.52	18.98	19.62	20.21	21.02	21.65
<b>UTILITY AFT. 6 MO.</b>	17.23	17.66	18.30	18.85	19.66	20.25
<b>UTILITY</b>	12.00	12.30	12.94	13.33	14.14	14.56

**EXHIBIT G****TECHNICAL DEPARTMENT**

CLASSIFICATION	7/1/2002	6/30/2003	6/28/2004	7/4/2005	7/3/2006	7/2/2007
<b>PAPER TESTER</b>	22.95	23.52	24.16	24.88	25.69	26.46
<b>CONTROL TECH</b>	22.95	23.52	24.16	24.88	25.69	26.46
<b>PULP TESTER "A"</b>	19.09	19.57	20.21	20.82	21.63	22.28
<b>PULP TESTER "B"</b>	18.08	18.53	19.17	19.75	20.56	21.18
<b>UTILITY AFT. 6 MO.</b>	17.23	17.66	18.30	18.85	19.66	20.25
<b>UTILITY</b>	12.00	12.30	12.94	13.33	14.14	14.56
<b>TECHNOLOGIST</b>	22.95	23.52	24.16	24.88	25.69	26.46

**EXHIBIT H****TMP DEPARTMENT**

CLASSIFICATION	7/1/2002	6/30/2003	6/28/2004	7/4/2005	7/3/2006	7/2/2007
<b>TECH 1 TEAM LEADER</b>	30.17	30.92	31.56	32.51	33.32	34.32
<b>TECH 2</b>	26.52	27.18	27.82	28.65	29.46	30.34
<b>TECH 3</b>	22.63	23.20	23.84	24.56	25.37	26.13
<b>UTILITY AFT. 6 MO.</b>	17.23	17.66	18.30	18.85	19.66	20.25
<b>UTILITY</b>	12.00	12.30	12.94	13.33	14.14	14.56

**EXHIBIT I****UTILITIES DEPARTMENT**

	<b>UTILITIES</b>					
CLASSIFICATION	7/1/2002	6/30/2003	6/28/2004	7/4/2005	7/3/2006	7/2/2007
<b>TECH 1</b>	28.76	29.48	30.12	31.02	31.83	32.78
<b>TECH 2</b>	24.76	25.38	26.02	26.80	27.61	28.44
<b>TECH 3</b>	19.12	19.60	20.24	20.85	21.66	22.31
	<b>WATER QUALITY</b>					
<b>TECH 1 CERT. - 2 TEST</b>	24.76	25.38	26.02	26.80	27.61	28.44
<b>TECH 1</b>	23.95	24.55	25.19	25.95	26.76	27.56
<b>TECH 2</b>	19.12	19.60	20.24	20.85	21.66	22.31
	<b>COAL YARD</b>					
<b>COAL YARD OPR.</b>	20.45	20.96	21.60	22.25	23.06	23.75
<b>COAL YARD HELPER</b>	19.43	19.92	20.56	21.18	21.99	22.65
<b>UTILITY AFT. 6 MO.</b>	17.23	17.66	18.30	18.85	19.66	20.25
<b>UTILITY</b>	12.00	12.30	12.94	13.33	14.14	14.56

**EXHIBIT J****MAINTENANCE**


	<b>EI &amp; MECHANICAL</b>					
CLASSIFICATION	7/1/2002	6/30/2003	6/28/2004	7/4/2005	7/3/2006	7/2/2007
<b>EI &amp; MECH DAY TECH.</b>	27.27	27.95	28.59	29.45	30.26	31.17
<b>EI &amp; MECH TOUR TECH.</b>	28.61	29.33	29.97	30.87	31.68	32.63
<b>OPERATOR TECH.</b>	20.61	21.13	21.77	22.42	23.23	23.93
<b>UTILITY AFT. 6 MO.</b>	17.23	17.66	18.30	18.85	19.66	20.25
<b>UTILITY</b>	12.00	12.30	12.94	13.33	14.14	14.56




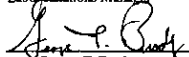
In witness whereof, the parties hereto have caused this Agreement to be executed this 16<sup>th</sup> day of December, 2003.

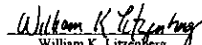
BOWATER NEWSPRINT  
A Division of Bowater Inc.  
CALHOUN OPERATIONS

  
Roger A. Losey  
V. P. & Resident Manager

  
James D. Brighlino  
Director Human Resources


  
James F. Lincoln  
Labor Relations Manager

  
George T. Brady  
Maintenance & Eng. Manager

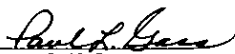
  
William K. Litzenberg  
Manufacturing Services Manager

PAPER, ALLIED-INDUSTRIAL  
CHEMICAL AND ENERGY WORKERS  
INTERNATIONAL UNION

  
Lloyd Walters  
V.P. Regional Director


  
James F. Carvin  
International Representative

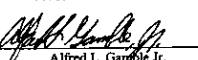
INTERNATIONAL BROTHERHOOD  
OF ELECTRICAL WORKERS

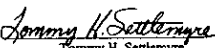
  
Paul L. Gass  
Business Mgr. & Fin. Secy.

  
Roger L. Thompson  
Assistant Business Manager

LOCAL UNION  
PRESIDENTS

  
Greg M. Davis  
PACE Local No. 5-0899

  
Alfred L. Gable Jr.  
PACE Local No. 5-0790

  
Tommy H. Settlemyre  
IBEW Local No. 175

## LETTER OF TRANSMITTAL

**JULY 3, 2002**

President, Local No. 5-0899  
Paper, Allied-Industrial, Chemical  
and Energy Workers International Union

President, Local No. 175  
International Brotherhood of  
Electrical Workers

President, Local No. 5-0790  
Paper, Allied-Industrial, Chemical  
and Energy Workers International Union

**Gentlemen:**

This letter is intended to affirm the following understandings reached during the 2002 negotiations and/or were not changed from previous negotiations and which will be in effect from July 3, 2002 to July 3, 2008.

1. For purposes of exercising rights to a tour or day job in the Technician Classification, under the provisions, of SECTION X- HOURS OF WORK, it is agreed that the applicable seniority referred to shall be the Job Seniority of the Technician employee in the Maintenance Department. In the event Job Seniority is equal, Department Seniority, Mill Seniority and Date of Birth shall be used to break the tie.
2. The Company accepts the principle of paying the cost of repairs or replacement of personal tools that are worn out or broken on the job.

An employee who meets the requirement for tool replacement may contact Maintenance Management or their designee who will arrange for the tool replacement. The Company agrees to expedite tool replacement.

Special or large-size tools, welders' masks and vests will be provided by the Company and checked out and returned to the tool crib.

Shop equipment will be made available to Maintenance Department personnel via management or their designee for sharpening or repair of personal tools that are required for the performance of their job duties.

Employees must wear safety toe shoes "Gate to Gate". The annual company paid safety toe shoe allowance shall be capped at \$100.00 per year for each year of the Labor Agreement.

Special equipment such as gloves, of the types not referred to below, protective clothing and safety equipment will be provided when the Company has determined that a safety hazard exists in the performance of a specific work assignment.

Any employee, who determines that his job requires ordinary leather work gloves, may receive a pair free of charge on the first Wednesday of each month.

Employees occupying the classification of Shipper II, Core Link I, Mill Stores Utility, or the jobs on the dry end of the Pulp Dryer, will be allowed once each week to turn in their worn-out gloves and obtain new ones free.

An employee absent on a designated glove day will be permitted to obtain a pair of gloves in accordance with the above appropriate paragraph upon his/her return to work.

3. Whenever a supervisor or other designated personnel acting in lead positions other than the employee's immediate supervisor or other designated personnel acting in lead positions may direct the employee, make modifications or changes to specific orders, it is understood that good practice would indicate that such directions should normally come to the employee through his immediate supervisor or other designated personnel acting in lead positions. However, conditions may prevail which make it acceptably expedient to deviate from such rule of thumb and the employee receive the instructions directly. Whenever such instructions are in conflict with those received by the employee from his immediate supervisor or others, the supervisor or other designated personnel acting in lead positions giving the order will assume full responsibility.
4. An employee may elect to take vacation on a shift-to-shift basis from September 15th to May 15th. It is understood that this applies only to vacations which begin after September 15th and which end before May 15th.
5. When a supervisor determines that an employee is to be given a written reprimand, a disciplinary layoff or discharge, the employee will be offered the opportunity of having Union representation.

6. If the Company retains on a permanent basis employees hired as temporary summer employees, the appropriate Local Union President will be informed of the names of any such employees.
7. The Company agrees to deduct Union dues from temporary employees such as welders who are hired on an interim basis. This does not apply to summer or probationary employees.
8. If an entry level position is filled continuously for six (6) months, the position will be posted and filled under the transfer clause of the Labor Agreement.
9. An employee temporarily promoted outside of the Bargaining Unit to an Acting Foreman position will be paid ten percent (10%) above the highest contractual rate paid in the department or line(s) of progression in the department if applicable, under the employee's Supervision. It is understood red lined or red circled rates paid to individual employees under the employee's supervision or, if applicable, rates paid to employees who may be compensated because of their tour assignment are excluded when considering the contractual rate.

Sincerely,

Bowater Newsprint  
a division of Bowater Incorporated  
Calhoun Operations

Roger A. Loney  
V. P. and Resident Manager

**THERE IS NO JOB OR TASK  
SO IMPORTANT  
WE CAN'T TAKE THE TIME  
TO DO IT SAFELY.**