

Agreement
Between

HOLLINGSWORTH, LLC

and

AMERICAN POSTAL WORKERS UNION, DETROIT
AREA LOCAL 295

This Collective Bargaining Agreement is entered into and between Hollingsworth Management Services, L.L.C (“Employer”), located at 7128 Industrial Drive, Temperance, Michigan, and American Postal Workers Union Detroit District Area Local 295 (“Union”).

The Company and Union hereby agree as follows:

ARTICLE 1 -- Recognition, Purpose and Agreement Effect

Section 1. Recognition. The Employer recognizes the Union as the exclusive collective bargaining representative with respect to rates of pay, wages, hours of work and other conditions of employment for all full-time Order Filler, Material Handler, Dispatcher, Forklift Operator, Mechanic, Container Repair, Welders, and Switch Driver working at the Employer’s facility located at 7128 Industrial Dr., Temperance Michigan 48182. The Company will not restructure current bargaining unit jobs for the sole purpose of reducing the size of the bargaining unit.

Section 2. Scope and Exclusions. The parties agree that the bargaining unit covered by this Agreement is limited exclusively to the Employees defined in Section 1 above and does not include any Employees working at Employer’s facility at 7128 Industrial Drive, Temperance Michigan, in classifications not listed in Section 1 such as office clerical Employees, Data Analysts, Human Resource personnel, security guards, employees of subcontractors, managerial Employees, confidential Employees, or Supervisors as defined in the National Labor Relations Act. The Agreement does not apply to any of the Employer’s facilities other than the 7128 Industrial Drive, Temperance Michigan MTESS facility.

Section 3. The Employer and the Union agree that the general purpose of this Agreement is to promote the interests of the Employees and the Employer and to provide for the efficient and cost-effective operation of the Employer’s business under methods and conditions that will promote a safe, harmonious, and productive work environment during the term of this Agreement. It is the further purpose of this Agreement to prevent strikes, slowdowns, lockouts and any other interference with production, and to promote the most efficient and economic operation of the business.

Section 4. It is the intention of the parties to so write the Agreement so as to define clearly the obligations and responsibilities of both, to the end that if, in the future, disputes arise between the Company and the Union, this Agreement, and its provisions, shall be recognized by both as the document that sets out the obligations and responsibilities of both the Company and the Union. Moreover, the waiver of any

breach or condition of this Agreement by either party shall not constitute a precedent in the future administration and enforcement of all the terms and conditions herein.

Section 5. Whenever the terms "employee" and/or "employees" are used herein, they shall apply only to an employee or employees covered by this Agreement under the provisions of Section 1 of this Article, unless otherwise specifically indicated. All personal pronouns used in this Agreement shall include the other gender whether in the masculine or the feminine or the neuter gender, and the singular shall include the plural and vice versa whenever and as often as may be appropriate.

Section 6. Persons excluded from the bargaining unit in Article 1, Section 2 may perform work normally done by employees who are covered by this Agreement, so long as it is not for the sole purpose of reducing bargaining unit work.

Section 7. Full time employees. For purposes of this Agreement a full time employee is one who is regularly scheduled to work thirty (30) hours or more per week and has completed the 90-day probationary period.

ARTICLE 2 – Management Rights

Section 1. The Company retains any and all management rights not expressly limited by the specific terms of this Agreement. Among these rights, but not intended as a wholly inclusive list, shall be the right to manage the plant and direct the workforce; to plan, direct, and control plant operations; to determine the means, methods, processes, and schedules of production; to determine the products to be manufactured or processed; to determine the location of its plants and the continuance of its operating departments; to transfer work temporarily or permanently between plants, or to temporarily or permanently close the plant or any portion thereof during the term of this labor Agreement; to decide on "make" or "buy" decisions; to determine the number of personnel needed; to determine schedules, shift assignments, and hours of work including overtime; to determine the number of shifts; to demote, discipline, suspend, or discharge employees at the Company's sole discretion; to maintain order; to hire, rehire, or recall employees; to lay off or relieve employees from duty because of the lack of work or any other legitimate reason; to make and enforce work rules and regulations; to make and enforce safety rules; to assign employees to work and designate the duties of the employees; to change, modify, eliminate, or reassign job duties; to set the wage rates for newly created jobs; to make any decisions required for efficient plant operations; to abolish work procedures which it determines are inefficient and costly; establish, administer, change, or delete bonus, incentive or merit compensation plans; establish, administer, change, or delete educational assistance.

Section 2. Subcontracted Employees:

(a) Both parties desire to minimize the effects of subcontracting on the job security of the employees and will work to that end.

(b) When subcontracting of any existing bargaining unit work becomes necessary or desirable in the sole judgment of Management, the Company will notify the Union of its contemplated decision to subcontract bargaining unit work, prior to the implementation of such decision. If the Union desires to discuss the effects on the job security of the employees, the parties will meet for that purpose.

(c) Switch driving work may be subcontracted from time to time as necessary, until such time as the position is permanently filled. Likewise, when a skilled position becomes vacant and cannot be readily filled, the Company may subcontract the job until it is permanently filled.

Section 3: Except as specifically abridged, delegated, granted or modified by this Agreement, all of the rights, powers and authority of the Employer existing prior to the signing of this Agreement are retained by the Company and remain exclusively and without limitation within the rights of management.

Section 4: Notwithstanding any other term in this Agreement, the parties expressly recognize the Employer's obligations to the United States Postal Service ("USPS"). Therefore, it shall not be deemed a violation of this Agreement if the Employer takes any action it deems necessary to comply with its obligations to the USPS.

ARTICLE 3 – No Discrimination

Section 1. The Employer and the Union agree not to discriminate against any Employee because of race, sex, age, color, religion, national origin or other legally protected status. There also shall be no discrimination against any Employee because of membership or non-membership in, or activity on behalf of the Union, provided that an Employee's Union activities shall not interfere with the performance of the Employee's work duties for the Employer.

Section 2. The Employer and the Union are committed to maintaining a work environment that is free from sexual harassment or harassment based upon any other legally protected status.

Section 3. The parties recognize their respective obligations under Title VII, state fair employment practice laws and the Americans with Disabilities Act including the

Employer's obligation to make reasonable accommodation to qualified individuals with a disability.

Section 4. Notwithstanding any other provision of this Agreement to the contrary, the Employer may take any action that it deems necessary to comply with the Americans with Disabilities Act. The Union reserves the right to discuss any decision the Employer contends is based upon the Americans with Disabilities Act obligations if it appears to conflict with this Agreement or applicable law. Nothing in this Agreement precludes an employee from seeking settlement in another venue individually.

ARTICLE 4 – Rates of Pay

Section 1. Application of Article. This Article is intended only to describe the current normal work schedules and to establish the basis for calculating overtime payments. Nothing in this Agreement shall be construed as a guarantee of hours of work per shift, per day, or per week.

Section 2. (a) Workday and Workweek. Except for full-time employees who typically work an abnormal shift schedule or where the employer schedules mandatory overtime shift(s), the standard workday and workweek for regular, full-time employees will normally consist of eight (8) hours per day, five (5) days per week. The starting and ending time of all shifts shall be established by the employer. The employer may alter at any time the standard workday and/or workweek for some or all employees. Except where such schedule changes are for temporary or emergency circumstances, the employer will give seven (7) calendar days advance notice to the union and affected full-time employees of any planned changes to the workweek, workday, or shift schedule of a full-time employee. The workweek for payroll purposes will be 12:01 AM Monday through 12:00 Midnight Sunday unless changed by the employer where production, scheduling, or other circumstances warrant.

Section 3. Employees shall be paid weekly in accordance with the pay cycle schedule currently utilized.

Section 4. Lunch and Rest Periods. All Employees shall be given a one-half (1/2) hour unpaid lunch period per eight (8) hour shift. All Employees shall be given two (2) ten (10) minute rest periods per eight (8) hour shift. It is understood and agreed that all rest periods are to be with pay. Scheduling the time of such lunch and rest periods is within the sole discretion of the Employer.

Section 5. Overtime. The Employer will pay Employees one and one-half (1-1/2) times their regular straight time hourly rate for all hours worked in excess of forty (40)

hours in any work week. For purposes of this Article, only actual time worked will count towards hours worked. The Employer reserves the right to require overtime work at the Company's sole discretion.

Section 6: Assignment of Overtime. Employees shall be expected to perform overtime work as required by the Company, and it is understood and agreed that the Company's production requirements will be met. The Company will make a reasonable effort to distribute overtime among those who in the Company's opinion have the skill and ability to do the job in question in an efficient manner.

Where less than all employees working in an area—as outlined in Appendix A—on a shift are needed to perform overtime work, the more senior employees in the area will be permitted to decline overtime offered so long as sufficient employees and skills needed to perform the overtime work are available among the less senior employees on the shift. For purposes of this Agreement, the Company shall be the sole arbiter as to whether an employee possesses the requisite qualifications to perform the overtime work.

Except when the Company receives insufficient notice regarding the need to work additional hours, the Company will give employees 24-hour notice of the need for unscheduled overtime.

Section 7: Voluntary Overtime. Employees may sign up for unscheduled overtime for each workweek during the first day of the workweek to be entitled to overtime hours not assigned to another employee. The Company in seniority order will assign voluntary overtime to qualified employees within the needed area. Only the required number of employees will be selected for overtime. Employees that do not sign up may lose their opportunity for overtime on a voluntary basis.

Section 8: Limited Daily Work. In the event that the Company determines it does not have sufficient work available on any given day, it will release employees who have completed their assigned work. In lieu of being released, with the Company's agreement, a qualified employee who has completed their assigned work may volunteer to help another employee complete their work in the area in which the volunteer employee regularly works.

ARTICLE 5 – Seniority

Section 1: Probationary Period. All newly hired regular employees shall be regarded as probationary employees subsequent to their last date of hiring for the period of 90 calendar days. During the probationary period, the employee will be expected to

conform to all production and behavioral guidelines and may be discharged by the Company at any time for any reason. Probationary employees do not obtain seniority until they have successfully completed their probationary period. Once an employee successfully completes their probationary period, their "seniority" date will revert to their original date of hire.

Section 2: Earning Seniority.

1. Seniority shall be attained after an employee has successfully completed their probationary period from most recent date of hire.

2. Seniority shall consist of (or be governed by) the following factors:

a. Seniority, or continuous service, is hereby defined as the years, months and days an employee remains in the continuous employment of the Employer.

b. An employee's anniversary date of hire shall not be adjusted when taking a leave of absence approved by their Department Head and by the Human Resources Manager, if such a leave is for a period of nine (9) months or less.

c. When two (2) or more employees are employed on the same day, seniority shall be determined numerically using the lowest of the last four digits of the employees' Social Security Numbers.

d. The Company will provide a seniority list to the Union one time annually. The Union will have 10 calendar days from the date of service to dispute the accuracy of the seniority list. If the Union disputes the accuracy of the list, the parties will work together to resolve any issues. The list will be deemed an accurate representation of seniority, and the Union will have no authority to grieve or challenge decisions of the Company based upon the seniority contained in the list, if the Union does not dispute its accuracy within the time period herein. The Company will further notify the Union within 30 days each time it hires a new employee. The Company will also notify new hires to the bargaining unit about the existence of this Agreement and that the Union may contact them about membership.

Section 3: Layoff Procedure. For the purposes of this Article, "layoff" shall be defined as an Employee not being scheduled by the Employer for one full workweek or more due to lack of work. In the event of a layoff, the Company will notify the Union and thereafter lay off employees by job category in the following order:

a. Temporary employees

b. Probationary employees

c. If production needs require further reductions, the Company will continue to lay off the lowest seniority employee by job category until the required staffing levels are obtained. A non-probationary employee who is laid off may displace another less-senior employee in a job classification if the more senior employee is equally or more qualified to do the work than the less-senior employee and meets all of the requirements of Section 6(b) in this Article, relating to eligible bidders.

d. Employees laid off shall maintain recall rights for nine months from their layoff date.

Recall Procedure: Employees will be recalled back to their regular job assignment in reverse order of their layoff, provided they have remained qualified to perform the essential functions of their jobs. Upon recall, the Employer shall contact the Employee at the telephone number of record and by certified mail and first class mail to the last known address. The Employee shall be required, within five (5) calendar days of delivery or attempted delivery of the notice of recall, to notify the Employer of his intent to return to work and to return to work on the date specified for recall.

Section 4: How Seniority is Lost. Seniority and employment shall terminate for any of the following reasons:

1. Voluntary Resignation: The failure to call in or report for work (unless on an approved leave of absence) for two (2) consecutive work days shall be regarded as a voluntary quit.
2. Termination of employment.
3. Failure to notify the Company within five (5) calendar days after receipt or attempted delivery of any recall notice referenced in this Article.
4. Subject to the terms of the Company's attendance policy, failure to return to work on the scheduled return date at the end of an authorized leave of absence.
5. Upon expiration of recall rights following a layoff, as defined in this Agreement, or their continuous service, whichever is less.
6. After being off the active payroll for a period of nine (9) months, or the employee's length of service, whichever is less.
7. Transfer out of the bargaining unit.

Section 5. Solely for the purposes of calculating length of service as it relates to vacation accrual only, the Company will recognize the original hire date of any employee who was hired as a result of the settlement agreement for NLRB Case No.

07-CA-183283. For all other purposes, the seniority date of all such hires shall be October 1, 2016, as set forth in the settlement agreement.

Section 6: Job Posting:

a. All Job-bid vacancies are posted for bidding at appropriate locations within the facility. The job remains posted for three (3) calendar days and bids must be submitted within those three (3) calendar days. The job will be awarded following evaluation of all bids. All job postings shall include the job classification, department, anticipated hours of work (if known), and the position requirements. The listing of departments in this Section is not intended to establish department seniority. The Company is not required to post job bids for employee movements or transfers within the same department. This section is subordinate to the Management Rights Clause in Article 2 and is not intended to reduce the authority of the Company to manage the facility.

b. To be eligible to bid on a posted job vacancy, an employee must:

(i) Meet the requirements for the position, as established by the Company. Positions requiring prior experience and certain skills will be evaluated by the Company as to whether an employee's experience is applicable to the job posted.

(ii) Be capable of performing the essential functions of the position.

(iii) Be in their current position for a minimum of six (6) months, unless the employee is bidding on a higher paying position.

(iv) Not have an unsatisfactory attendance or disciplinary record prior to date job is posted.

(v) Not be on leave of absence.

(vi) The Company in its sole discretion will choose the most qualified employee. If the Company determines that more than one bidding employee is qualified for the position, the Company will choose the more senior employee.

(a) If there are no eligible bidders or if the only employee who submitted a bid is incapable of performing the job, the Company will be free to hire the position in any method.

(b) The Company will not give any consideration to any bid by an employee during his or her probationary period. The Company will not consider any bid for an equal or lower-rated job by an employee who has successfully bid on or received a job within the preceding six (6) month period unless there are no eligible bidders.

(vii) An employee absent from work due to vacation, illness, accident, or other reason, should notify their supervisor or Union Steward in writing and in advance of any jobs he or she would want to bid on. Those names will be added to the job posting. This section is not subject to the grievance or arbitration procedures contained in this Agreement.

(viii) All job bids are subject to a thirty (30) calendar day trial period during which the employee must demonstrate the appropriate ability and skills to be successful at the job, and must obtain any certifications/qualifications necessary for the job. The Company, at its sole discretion, may waive and/or extend the trial period beyond thirty (30) calendar days but no longer than ninety (90) calendar days. Any reason(s) for the extension will be documented. Any pay increase for the job will not be granted until and unless the employee satisfactorily completes the trial period.

(a) A successful bidder who is not capable of performing the required duties of the job, or who decides that he or she does not want the job during the trial period may, with approval from the Human Resources department, return to their former job, if available. If there is no qualified bidder who is capable of performing the required duties, the Company will be free to hire the position off the street in any method.

(b) A job-bid owner may choose to relinquish their bid position before beginning the trial period. The bid job will then be awarded to the next qualified bidder from the bid sheet, if any. If there is no qualified bidder, the Company will be free to hire the position in any method. Relinquishing a job bid, as well as disqualification, will result in the employee being locked out of bidding for six (6) months.

ARTICLE 6 – No Strike/No Lock-Out

Section 1: No Strikes. The Union and the employees covered by this Agreement agree that there will be no strikes, slowdowns, boycotts, work stoppages, sympathy strikes and/or picketing or any other economic actions or other interruption of work, regardless of the basis for such action, including, but not limited to, economic, health, safety or security issues, during the term of this Agreement. Any employee who engages in any of the above conduct in violation of this provision may be subject to immediate discharge, which shall be deemed for cause. Union Officers, Union Stewards and employee Union Representatives employed by the Company have an affirmative duty to uphold and support the terms of this Agreement, including the obligation to use their best efforts to discourage violations of this provision. Best efforts shall include an obligation to advise the employees that it is the Union's position that all disputes are to be resolved through the grievance provisions, and that all employees are expected to abide by this provision. Best efforts shall also include an affirmative duty by Union Officers and appointees, including Union Stewards, if applicable, to continue working, and not to participate in any conduct in violation of this provision. Failure to make best efforts will result in individual disciplinary action, up to and including discharge.

Section 2: No Lockouts. The Company agrees that neither it nor its representatives will put into effect any lockout during the term of this Agreement.

Section 3: Remedies. A strike, or other economic action as described in Section 1 above, or lockout, during the term of this Agreement shall be deemed to be a violation thereof, and either party may seek such legal relief as may be available to it without first invoking any remedy specific to this Agreement. The Union agrees that the Employer shall be entitled to an injunction ordering cessation of the violation and full return to work, pending a final decision of a court or administrative agency for any alleged violation of this Article.

ARTICLE 7 – Safety and Health

Section 1. The Company retains the right to establish reasonable safety regulations in order to protect the health and safety of its employees at the plant during the hours of their employment.

Section 2. Any work-related injury, minor or otherwise, must and shall be reported immediately by the employee involved to his immediate supervisor. Timely reporting of an injury is essential to ensure any hazardous situation is addressed quickly so as to

prevent injury to others. Accordingly, employees who do not report an injury timely may be disciplined at Employer's sole discretion.

Section 3. All accidents involving Company equipment, machinery or vehicles regardless of whether or not they involve injury to persons, shall be reported to the Company when it occurs, but not later than the end of the shift when the incident occurred. Failure to report an accident under this Section constitutes grounds for discharge as per the Company's policy.

Section 4: Safety Equipment. The Employer will reimburse those Employees required to wear Company-approved safety boots up to \$20.00 per year; such Employees must provide the original receipt of the safety boot purchase and complete the appropriate form to receive the reimbursement. The Employer will provide Employees with gloves and safety glasses. Such gloves and safety glasses will be replaced as needed if worn out or damaged. Employees will return to the Employer the worn out or damaged gloves or safety glasses. Employees are expected to take reasonable care of such gloves and safety glasses. The Employer will replace an Employee's lost gloves or safety glasses as needed, with no cost to the Employee.

ARTICLE 8 – Attendance

Section 1. Each employee is expected to maintain a positive attendance record. Excessive absenteeism results in lost time, lost productivity, and increased costs. Therefore, it is the employee's responsibility to arrange his or her schedule to insure regular, prompt and dependable attendance.

Section 2. Employees may be disciplined for being absent or tardy in accordance with the Company's work rules.

ARTICLE 9 -- Vacation

Section 1: Eligibility. Employees with less than one full year of continuous service shall not be eligible for any vacation. Upon completion of each full year of continuous service, Employees shall be credited with vacation days on the Employee's anniversary date in accordance with the following:

Anniversary	Vacation Credit
1 st to 5 th	10 days
5 th to 15 th	15 days

15 th or more	20 days
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Employees who are paid for fewer than 1,800 hours during a one (1) year period of continuous service, shall be entitled to paid vacation time on a pro rata basis determined by the ratio of hours paid to 1,800 hours rounded to the nearest whole day.

Section 2: Scheduling of Vacations. Vacation leave must be earned before it can be taken. Vacation is earned on the Employee's anniversary date. Vacations shall be bid in full week increments by classification seniority and shift between January 1 and February 15 for the period March 1 of the current year to February 28 of next year subject to this Article. Once a vacation has been bid, it may be changed only with consent of the Employer. An Employee may bid his entire vacation entitlement in week increments at one time; provided that if the week selected is a week with a holiday he may also take the last scheduled work day in the week immediately preceding or the first scheduled work day in the week immediately following the week selected. If an Employee bids in less than full week increments, he may only bid two selections. After February 15, vacations shall be granted on a first come, first served basis; provided the Employee gives the Employer at least two weeks prior written notice of his request for vacation leave. Employees who earn fifteen (15) vacation days per year will be encouraged to take at least five (5) vacation days in a full week increment. The Employer reserves the right not to approve a vacation request if it will interfere with Company operations or adversely affect coverage of job and staff requirements. Whenever possible, employees' requests for vacation will be accommodated, but where scheduling conflicts arise, seniority will prevail.

Section 3: Vacation Utilization. The Employer understands the importance of time off from work, and, encourages Employees to utilize their vacation time to ensure a balance between work and family. Accordingly, employees may not substitute pay for vacation.

Section 4. An employee must complete 1 year of service before any paid vacation time may be taken. Employees will not be eligible for (future) accrued vacation payout at termination. Employees with 12 months of service at the time of termination will be paid for all unused accrued vacation on a prorated basis (1/12 for each full month worked, provided, however, that an employee who voluntarily quits his or her employment has notified the Company of termination two weeks prior to termination), except in the case of emergency. For the purposes of this Section, "emergency" shall mean one of the following events that requires the employee's immediate and permanent departure from the workplace: military deployment; death of a relative (as defined by the Bereavement Article); care of self due to medical infirmity; and care of a parent, child, spouse, or other dependent.

Section 5. Vacation pay is at the employees' regular straight time rate excluding shift differentials, overtime, or any other premium pay or bonus. Vacation days shall not count as time worked for purposes of calculating overtime.

ARTICLE 10—Holidays

Section 1. The Company observes the following holidays:

- New Year's Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Christmas Day

Holidays that fall on a weekend will result in a floating holiday to be used at company discretion. Due to business needs, some employees may be required to work on company holidays. A supervisor or manager will notify each employee to whom this term applies. [L] [SEP]

Section 2: Paid Working Holidays. [L] [SEP] The Company observes the following paid working holidays:

- Martin Luther King, Jr. Day
- Presidents Day
- Columbus Day
- Veterans Day

Employees will be permitted to “bank” the eight hours for these floating holidays to use within the next 12 month rolling period once the day has passed. Employees must use the earned floating holidays within said period above or they will forfeit the day. Floating Holidays must be preapproved with a Company manager prior to using them. [L] [SEP] The Company will be open for business on these floating holidays. [L] [SEP]

Section 3: Pay for Holiday Worked. An employee otherwise eligible for holiday pay who works on the holiday will be paid holiday pay, in addition to their base rate of pay, for all hours actually worked on that holiday. However, if an employee fails to report to work or fails to work the hours as ordered on a holiday, he/she shall receive no pay for not working on that holiday. Employees will be called to work on holidays in departments other than their own when necessitated by production demands.

Section 4: Holiday Pay Not Hours Worked. Hours paid but not worked on a holiday shall not be considered as work time in computing overtime.

ARTICLE 11—Unpaid Leave

Section 1. The Employer may grant Employees a leave of absence without pay of up to twelve (12) weeks for bona fide serious health condition, in accordance with the Family Medical Leave Act (“FMLA”).

Section 2: Eligibility. Employees will be eligible for a leave of absence after they have completed 12 months of employment with Employer and worked 1,250 hours during the previous year. Employees being laid off are not eligible for leaves of absence.

Section 3: Procedure. Employees must submit a written request for leave of absence to Human Resources with thirty (30) days notice where possible. The written request must include the start and end date requested, and the reason for the leave. The Employer may require Employees requesting leave due to illness or injury or medical reasons to provide documentation from a health care provider regarding the need for and duration of the leave prior to the leave of absence being approved. Failure to provide sufficient documentation may result in the leave being delayed or denied.

Section 4: Benefits. The Employer will continue to provide health insurance coverage for eligible Employees in accordance with the requirements of the FMLA. Except to the extent required by law, Employees will not accrue any benefits or be eligible for holiday pay while on an unpaid leave of absence.

Section 5: Work While on Leave Prohibited. Engaging in full-time employment for any other Employer while on a leave of absence, unless specifically approved by the Employer in writing, will be deemed just cause for termination of employment.

Section 6: Return to Work. Employees on leave of absence due to their own illness, injury or serious health condition may, prior to returning to work, be required to provide documentation from a health care provider certifying their fitness for duty and ability to perform the essential functions of their job. An Employee returning from a leave of absence will be returned, where possible, to his or her regular job classification and shift without a loss of seniority. Employees will be returned to work at the same disciplinary status as when they commenced the leave, unless agreed otherwise in writing by the parties to this Agreement or modified by law. Any such agreement to modify discipline shall not set precedent for future discipline for any employee or constitute grounds for a claim of discrimination. Health insurance benefits will be restored effective the first day

of the first month following return to work. Failure to return to work upon expiration of an approved leave of absence will be deemed just cause for termination of employment.

Section 7: Military Leave. The Employer will comply with all provisions of the Uniformed Services Employment and Reemployment Rights Act ("USERRA") and shall be privileged to take all steps necessary to satisfy its compliance obligations.

Section 8: Extension. The Employer may grant an extension of a leave of absence in its sole discretion. The Employee may be required to submit written documentation to support need for an extension. Any granted extensions must be approved in writing by the Employer. Upon request, the Employer will provide the Union with written notice of any such extension approved or denied by the Employer.

ARTICLE 12—Jury Duty

Section 1. An Employee required to perform jury duty receives his or her straight time rate of pay, less jury fees received for up to two (2) weeks per year. If the court pays an employee a mileage fee separate from the jury service fee, then the employee may retain the specific mileage reimbursement. Compensation for jury duty is based on the number of hours the Employee would regularly have worked on those days up to eight (8) hours per day.

Section 2: To receive pay under this Article, Employees receiving a jury summons must present the summons and a leave request to Human Resources immediately and must furnish Human Resources with proper written documentation of performed jury duty and fees received.

Section 3: An Employee is required to work on a regularly scheduled workday if he is not required for jury duty on a particular day or if he is dismissed early enough to work two (2) hours or more of their shift.

ARTICLE 13—Bereavement Leave

Section 1. Full-time employees who have worked at the Company for at least 90 days are permitted up to three (3) consecutive days with pay to attend the funeral of an immediate family member, which includes a spouse, child, brother, sister, parent, step-parent or grandparent.

Section 2. Eligible employees may be permitted one (1) day with pay for the death of a relative who is not an immediate member--including an aunt, uncle, nephew, niece, brother-in-law, sister-in-law, parent-in-law, or daughter/son in-law.

Section 3. A supervisor must approve all bereavement time, and the Company may request verification of the facts surrounding the leave and grant or deny the leave as deemed appropriate. Bereavement leave will not be paid if it occurs when the employee is on vacation or leave of absence, absent due to illness or injury, or not working due to a paid holiday.

ARTICLE 14 – Health Benefits

Section 1: Insurance.

Employees shall be eligible to participate in the Company's benefits plans, which currently include medical, dental, vision, supplemental life insurance and short-term disability insurance. Employees and the Company will have shared contributions as specified by the Company annually.

The Company reserves the right during the term of this Agreement to change medical benefit providers. The parties recognize that due to the frequency with which medical benefits change, it may not be possible to duplicate the exact same benefits or at the same costs. Accordingly, it shall not be deemed a violation of this Agreement if, while exercising its right to change medical providers, the Company is not able to obtain the same benefits. However, the Company will endeavor to provide reasonably similar benefits. The Company will provide a description of changed benefits and the costs thereof to the Union 45-60 days prior to enacting any change in benefits.

Section 2: Medical Benefit Claim Disputes.

No dispute over benefits arising under or relating to this Article shall be submitted for consideration under the grievance provisions of this Agreement. Benefit claims must be submitted according to the claims procedure for the applicable benefit plan.

ARTICLE 15 – Stewards

The Union may select up to two Union Stewards from among the Employees. The Union is responsible for notifying the Employer, in writing, as to the names of the Union Stewards, their jurisdictions, and keeping the Employer apprised of any changes. Union

Stewards may act as Union representatives, assist Union representatives in the administration of any rights provided the Union by this Agreement and engage in discussions with the Employer's designated representatives regarding questions or concerns relating to the Employer's practices or procedures. The Union Steward's work for the Union shall not interfere with his job responsibilities to the Employer.

A Union Steward shall not be compensated by the Employer for their duties as a Union Steward, however, the Union Steward shall be authorized to remain on Company property for a reasonable period of time following the end of his/her shift for the purpose of investigating grievances. Such investigations shall not interfere with the work of other employees. By agreement of the Company, Union Stewards may engage in grievance meetings with Company management during regular work hours.

ARTICLE 16 -- Discipline

Section 1. The Company maintains a progressive discipline policy and procedure that is designed to provide a structured corrective action process to improve and prevent a recurrence of undesirable behavior and/or performance issues. It has been designed consistent with the Company's organizational values, HR best practices and employment laws. It is the intent of the company to provide a set of guidelines that are fair, consistent, and progressive in dealing with behavior that it deems as unacceptable.

Section 2. The following forms of discipline are not intended to establish any sequence of application, but to provide guidelines for consistency. Depending upon the nature of the offense, the facts, the circumstances surrounding its occurrence, it may not be necessary or feasible to follow these guidelines in every circumstance.

- (A) Verbal Warning.
- (B) Written Warning.
- (C) Final Written Warning.
- (D) Discharge.

Section 3. A written warning will be identified on any document that is meant to be a written or final warning, except that Productivity Improvement Process forms shall be considered progressive discipline as administered by the Company. The immediate supervisor will administer warnings and discharges after a review of the warnings from the 12-month period immediately preceding the misconduct in question, and following a review of the incident with a representative from Human Resources, except there shall be no limitations period for discipline stemming from the following types of misconduct:

- Unlawful harassment in violation of law and/or Company's handbook
- Unlawful discrimination in violation of law and/or Company's handbook

- Insubordination
- Safety violations
- Falsifying reports or records, such as time statements or absence, sickness and production reports

Section 4. Consistent with applicable labor law, employees shall have the right to request Union representation during any interview that may be disciplinary in nature or lead to any discipline.

ARTICLE 17 – Grievance Procedure

Section 1. **Exclusive Remedy:** The grievance procedure provided herein shall be the exclusive means for the disposition of all grievances.

Section 2. **Grievance:** The term “grievance” shall mean any dispute between the Employer and the Union or any employee of the Company as to the meaning, application or interpretation of any provisions of this Agreement. The grievance shall set forth the following information:

- (a) Name of the grieving party, including the specific employee, if applicable.
- (b) The substance of the grievance, including the date of the alleged occurrence and specific act or omission that constitutes an alleged violation of the Agreement;
- (c) The specific section(s) of the Agreement which the grievant claims to have been violated (no allegation of a general nature will be considered valid);
- (d) The relief sought by the grievant; and
- (e) The date of the first discussion between the parties and the names of the parties’ representatives, if applicable.

Section 3. The Employer and the Union agree that Employees should attempt to resolve issues or concerns with their supervisor prior to initiating a formal grievance. The parties agree to utilize the following procedures for resolving any remaining employee grievances that are not resolved directly with the supervisor:

Step 1: Within seven (7) calendar days of the occurrence or event giving rise to the grievance, the Union will submit an employee’s grievance in writing to Human Resources. If there is unequivocal evidence that the Employer has taken steps to conceal a violation of this Agreement, a tolling period that is consistent with tolling principles accorded by the Labor Management Relations Act may apply. Federal court precedent will control the interpretation of this provision. The Employer will have five (5) calendar days to respond.

Step 2: During the term of this Agreement, the Union may file up to three arbitration demands alleging a violation of this Agreement, as raised in a timely grievance. A written request for arbitration must be submitted to the Company in writing and simultaneously filed with the Federal Mediation and Conciliation Services (FMCS) seeking a list of five (5) Arbitrators, from which list the parties shall alternately strike a name, commencing with the party seeking arbitration, and the person's name which remains shall be the Arbitrator. Provided, however, if either party finds the entire list unacceptable, the parties shall request a new list one time only. A request for the first list of Arbitrators must be made within ten (10) calendar days following the date of the answer to the grievance meeting in Step 1, and a copy of such request must be furnished to the other party. In the absence of such a request within such time, the grievance shall be deemed waived and abandoned and no further action or complaint may be had thereon. The request to a party shall be sent by certified mail to the Human Resources Manager at the post office address of the Company, return receipt requested.

Section 4. Failure to submit grievances in writing within the time limits herein provided shall constitute waiver of all rights under this Agreement to file such grievances. Adhering to the terms of the Grievance Article are substantive in nature in that the Company would not otherwise agree to arbitration.

Section 5. If the Company does not give a written response within the time periods, it shall be deemed a denial of the grievance. The Union shall have the power to abandon or settle grievances, even if based upon individual claims. Should the Union and the Company reach an agreement or settlement of the grievance at any step in the grievance procedure, or after completion thereof, such agreement or settlement shall be final and binding on all parties including the employee and/or employees involved and the Union, and the matter shall end then and there.

Section 6. For any grievance submitted to arbitration:

(a) The Arbitrator shall commence hearings as soon as practical. The Arbitrator shall render his award in writing within 30 days following the close of evidence, including submission of post hearing briefs. Arbitration hearings shall be held in Temperance, Michigan or such other place as the parties may mutually agree upon. The party requesting such arbitration shall prosecute such case diligently and shall bear the burden to prove to the satisfaction of the Arbitrator that a contractual violation has occurred. The Arbitrator shall conduct a hearing at which sworn testimony will be heard and render a decision concerning only such issues as are directly raised by the written grievance submitted at Step 1 of the grievance procedure. Both the Company and the Union shall be entitled

to call sworn witnesses and submit written briefs and supplemental or reply briefs if desired. It is expressly agreed and understood that the ruling and decision of said Arbitrator on a matter properly before him within the limits of his jurisdiction shall be final and binding upon all parties, including the employee, and that any dismissal of a grievance, whether on the merits or on procedural grounds, bars further action either by way of arbitration or otherwise.

(b) The sole function of the Arbitrator shall be to determine whether there has been a failure to abide by the provisions of this Agreement. In any arbitration proceeding between the parties, the Arbitrator shall not have any authority to change, amend, modify, supplement, add to, subtract from or otherwise alter in any respect whatsoever this Agreement and/or any part hereof. The Arbitrator shall so construe this Agreement so that there will be no interference with the rights and responsibilities of either party hereto, except as they have been expressly limited by the specific provisions of this Agreement. Furthermore, the Arbitrator shall have no power to substitute his discretion for the Company's discretion in areas where such discretion is expressly reserved to the Company in this Agreement or has not been abridged by this Agreement. Any award within the above limitations shall not be retroactive to any date prior to the date of the alleged occurrence raised in a timely-filed grievance.

(c) The Arbitrator's fee and expenses and the cost of the hearing room shall be borne equally by the parties. All other costs and expenses, including witnesses, shall be borne by the party incurring them.

Section 7. Unless otherwise mutually agreed upon, only one grievance or same type of grievance, in the case of a common work group, processed through the grievance procedure to arbitration shall be subject to arbitration at any one time and grievances submitted to arbitration shall be in the order agreed by the parties.

Section 8. If a discharged employee or the Union disputes the lawfulness of the termination decision, the employee must take all possible steps to mitigate any potential damages arising from the allegedly unlawful discharge. For any such issue presented to an arbitrator or other tribunal, such trier of fact shall take into consideration whether the employee properly mitigated damages in determining whether the employee is entitled to any relief.

Section 9. It is further expressly agreed and understood by the parties hereto that in the event of an arbitrable grievance concerning a disciplinary lay off or a wrongful discharge that shall arise with respect to an alleged violation of this Agreement, the Arbitrator, in ascertaining the amount of back pay to be awarded, if any, shall deduct amounts of money received by the employee in interim earnings. Any award of back

pay shall be reported to the state unemployment division board in order that the division can ascertain whether the employee must reimburse any unemployment compensation to the State, if the employee received unemployment compensation.

Section 10. The parties may waive any time limits by mutual written agreement. The parties also may agree to follow other resolution processes, including mediation or other alternative dispute resolution strategies in lieu of litigation.

ARTICLE 18
Dues Check-Off

Section 1. The Employer, during the term of the Agreement, agrees to deduct each pay period, Union membership dues and initiation fees from the pay of those Employees who have voluntarily authorized such deductions in writing as provided in Section 2 below. Such membership dues shall be limited to amounts properly levied by the Union.

Section 2. The required authorization shall be in the following form:

PAYROLL DEDUCTION AUTHORIZATION

Date:

I, the undersigned, hereby request and voluntarily authorize the Employer to deduct from any wages or compensation due me, an amount equal to the initiation fee and the regular pay period dues uniformly applicable to members of ("Union") in accordance with the Constitution and Bylaws of the Union.

This authorization shall remain in effect and shall be irrevocable unless I revoke it by sending written notice to both the Employer and the Union by registered mail during the period commencing thirty (30) days prior to and ending five (5) days prior to the anniversary date of this authorization or of the expiration of the contract between the Employer and the Union, whichever occurs sooner, and shall be automatically renewed as an irrevocable check-off from year to year unless revoked as herein above provided.

Signed _____

Social Security No. _____

Address _____

Job Title _____

Section 3. Deductions shall be made only in accordance with the provisions of said Authorization for Check-off of Dues, together with the provisions of this Check-Off Article.

Section 4. The original or a facsimile of a properly executed form for each Employee for whom Union membership dues are to be deducted hereunder shall be delivered to the Employer before any payroll deductions are made. Deductions shall be made thereafter only under forms which have been properly executed and are in effect. Any form which is incomplete or in error will be returned to the Union by the Employer.

Section 5. The Company shall withhold these deductions weekly from the paychecks of such Employees, starting the pay period following seven days after Company receipt of said certified statement.

Section 6. Payroll deductions will be remitted by Employer on a biweekly basis.

Section 7. Deductions shall not be made from Employees on authorized leave of absence or when employees have not earned sufficient wages to pay the requisite dues. The Union remains responsible for collecting any dues or fees that were not collected as a result of an event in this Section.

Section 8. Electronic transfer of deductions shall be implemented when and if feasible by Company and Union. Such transfers shall identify the employee and social security number for whom such deduction was made.

Section 9. Any Employee whose seniority is broken by death, quit, discharge or lay-off, or who is transferred to a position outside the bargaining unit, shall cease to be subject to check-off deductions beginning with the pay period immediately following that in which such death, quit, discharge, lay-off, or transfer occurred.

Section 10: The Union shall indemnify and hold harmless the Company against any and all claims, damages, suits or other forms of liability that may arise out of or by reason of action taken by the Company for the purpose of complying with this Article.

Section 11: This Article will end with the expiration of the term of this Agreement.

ARTICLE 19 – Severability, Complete Agreement and Waiver

Section 1. The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining and that the understandings and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this Agreement.

Section 2. Therefore, the Employer and the Union, for the life of this Agreement, each voluntarily and unqualifiedly waives the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter not specifically referred to or covered herein, whether such subject or matter may or may not have been within the knowledge or contemplation of either or both of the parties at the time that they negotiated or signed this Agreement.

Section 3. This Agreement constitutes the entire Agreement between the parties, and the Employer shall not be bound by any requirement whatsoever which is not specifically stated in this Agreement.

Section 4. If any right or obligation survives the termination of this Agreement, Sections 1 and 3 of Article 6 shall survive also.

Section 5. There will be no change in the written terms of this Agreement or the expressed intent of such terms as a result of grievance settlements, agreements of any kind between employees or Union representative and any member of management, or as a result of any other practice or procedure which does not conform to the specific terms of the Agreement unless: (a) the change of the Agreement or intent of any clause therein is adopted in writing in the form of a formal understanding or amendment and specifically states that it is the intent of the parties to change the specific terms or intent of the written Agreement, and (b) the formal amendment is signed by the Local Union President, and (c) it is signed by the Vice President of Human Resources of the Company.

Section 6. If any provision of this Agreement shall be held invalid or in conflict with any state or federal law, it shall be immediately void. The remainder of the Agreement shall not be affected.

ARTICLE 20 – Term of Agreement

Section 1: This Agreement shall be effective from June 14, 2021, and shall continue in full force and effect through August 31, 2023, and shall continue from year to year thereafter unless or until either party serves notice, in writing at least sixty (60) days prior to the expiration of the original or any subsequent period of a desire to change,

modify or terminate this Agreement. In the event either party serves notice with respect to changes in or modification or termination of the Agreement, it is agreed that the parties shall begin negotiations promptly. Pending the outcome of such negotiations, this Agreement shall continue in full force and effect beyond the expiration date, subject, however to the right of either party to terminate the entire Agreement upon at least seven (7) days' prior written notice to the other party.

Section 2: Notwithstanding any other terms herein, this Agreement is expressly limited to the work assigned to the Employer by USPS to perform at its Temperance Michigan facility pursuant to the contract between the Employer and USPS. If the Employer or USPS cancels, does not renew, or otherwise terminates the contract or work to be performed at 7128 Industrial Drive, Temperance Michigan 48182, all obligations on the Employer required by this Agreement shall cease.

FOR THE EMPLOYER:

FOR THE UNION:

By: _____

Its: _____

By: _____

It's: _____

APPENDIX A

Wages

Upon approval and funding by the United States Postal Service, the parties agree to increase the hourly wage rate to the amount indicated for the following positions on September 1, 2021:

- Order Fillers - \$20.12/hour
- Material Handlers - \$20.12/hour
- Forklift Operator - \$26.64/hour
- Maintenance/Container Repair - \$28.29/hour
 - Welding, when needed - \$32.23
- Dispatcher - \$20.34/hour
- Switch Driver - \$29.85

Efficiency Bonus

Area	Time	Rate	Bonus
Bags	Bags/8 Hour Shift	3,500	\$.25/Hour
Trays-All Gaylord Boxes	Trays/8 Hour Shift	8,045	\$.63/Hour
Trays-All PPGF	Trays/8 Hour Shift	13,000	\$.63/Hour
Trays-Mixed	Trays/8 Hour Shift	9,500	\$.63/Hour
Sleeves	Sleeves/8 Hour Shift	7,000	\$.63/Hour
Pallets	Pallets/1 Hour	1,476	0
Unloaders-Forklift	Trailers/8 Hour Shift	13	0
Unloaders-Double Walkie	Trailers/8 Hour Shift	16	0
Loaders-Forklift	Pallets/8 Hour Shift	480	0
Loaders-Rolling Stock	Pieces/8 Hour Shift	576	0
Cardboard	CB Pallets/1 Hour	6	0
Switch Drivers	Moves/1 Hour	13	0

* Entitlement to bonus is based on work completed during all hours worked during a workweek in a specific area. The bonus rate will be paid for all hours worked in a particular area if the efficiency standard is met in that area during the workweek. For example, if an employee works 24 hours in sleeves and 16 hours in bags, and if that employee achieves 100% of standard in bags, he or she will receive 16 hours of bonus pay for bags.