Labor Agreement

Between

Rock-Tenn Services Inc., St. Paul

And

International Union of Operating Engineers, Local No. 70, AFL-CIO

May 15, 2014 through May 15, 2020
Table of Contents

Article 1 – Purpose of Agreement ...................................................................................... 4
Article 2 – Contract Period ............................................................................................... 4
Article 3 – Non-Discrimination ....................................................................................... 4
Article 4 – Recognition .................................................................................................... 4
Article 5 – Management Rights ...................................................................................... 5
Article 6 – Wage Scales & Shift Differential .................................................................. 6
Article 7 – Hours of Work & Overtime ............................................................................ 7
Article 8 – Holidays ........................................................................................................ 9
Article 9 – Vacations ...................................................................................................... 11
Article 10 – Funeral Leave ............................................................................................. 14
Article 11 – Medical/Dental Plan, Disability Plan, Life Insurance Plan, And Rock-Tenn Company Savings Plan & Safety Shoes .................................................................................................................. 15
Article 12 – Pension Plan ............................................................................................... 17
Article 13 – Displaced Employees ................................................................................... 17
Article 14 – Grievance and Arbitration ......................................................................... 18
Article 15 – Seniority ..................................................................................................... 19
Article 16 – Severance Pay ............................................................................................. 24
Article 17 – Strikes & Lockouts ..................................................................................... 25
Article 18 – Jury Duty .................................................................................................... 25
Article 19 – Leave of Absence ....................................................................................... 25
Article 20 – Miscellaneous.......................................................... 25
Article 21 – Conflict of Law......................................................... 26
Exhibit A – Wage Rates................................................................. 28
Exhibit B – House Rules............................................................... 30
RockTenn Substance Abuse Policy.............................................. 31
RockTenn Anti-Harassment Policy............................................... 31
Agreement

This Agreement entered into this 3rd day of April, 2015, by and between Rock-Tenn Services Inc., St. Paul Plant, 2250 Wabash Avenue, St. Paul, Minnesota, its successors and assigns, hereinafter called the Company; and the International Union of Operating Engineers, Local No. 70, hereinafter called the Union, whereby these parties do mutually agree that the stipulations herein set forth shall be in effect at the times hereinafter specified and for such employees only in the bargaining unit hereinafter specifically delimited.

Article 1 – Purpose of Agreement

The general purpose of this Agreement is to facilitate the peaceful adjustment of differences, to provide for the operation of the plant in a peaceful and harmonious manner which will further the safety, health and welfare of the employees, economy of operation, quality and quantity of output, cleanliness of the plant, and protection of property. It is agreed that the Company and the Union and the employees shall cooperate fully, individually and collectively for the advancement of said conditions. And all other conditions set forth in this contract relating to the wages and working conditions provided herein.

Article 2 – Contract Period

This Agreement and all its provisions shall take effect and be binding upon the signatories from 7:00 a.m., May 15, 2014 to 7:00 a.m., May 15, 2020, and shall continue in full force and effect from year to year thereafter unless written notice of desire to change, modify, or terminate is given by either party hereto, to the other, ninety (90) days prior to the expiration of May 15, 2020, or May 15th of any subsequent year. At any time after May 15, 2020, if no agreement has been reached, either party may given written notice to the other party of intent to terminate the agreement is not less than fifteen (15) days after receipt of notice. All provisions of the agreement shall remain in full force and effect until the time set forth has elapsed. During this period, attempts to reach an agreement shall be continued. It is understood that all past practice is null and void before July 17, 1985.

Article 3 – Non-Discrimination

Section 1. The Company and the Union agree there shall be no discrimination against any employee or applicant as prohibited by local, state, or federal laws.

Section 2. Male nouns and pronouns as used in this agreement are construed to include the female.

Article 4 – Recognition

Section 1. The International Union of Operating Engineers, Local No. 70, shall be the collective bargaining agency for employees in the Power Plant, Boiler Room and Instrument Shop of the Company’s St. Paul Plant other than those employees otherwise certified heretofore and recognized by the parties.

Section 2. All employees within the above unit shall be required as a condition of employment, to be members of the Union thirty-one (31) days after the beginning of their employment, or alternately shall pay the portion of the standard initiation fees and dues that apply uniformly to all members covered by this agreement that relate to the Union’s representation function. Employees within the unit shall thereafter maintain membership in good standing as defined by the National Labor Relations
Act or alternately shall continue to pay the portion of the standard initiation fees and dues that apply to the Union’s representation function as a condition of continued employment. Members or employees who choose to pay the portion of the dues that relate to the Union’s representation function who become delinquent in the payment of their dues or representation fees for more than sixty (60) days after the month for which such dues or representation fees become payable shall be considered not in good standing in the Union. When an employee is not in good standing, the Financial Secretary of the Union shall notify the member in writing and provide a copy of such notice to the Company. The employee shall be removed from the Company’s payroll not later than fourteen (14) days from the receipt of such notice, unless the Company is notified before the expiration of that time that the employee has been restored to good standing in the Union. The probationary period of permanent employees shall be sixty (60) days. The probationary period may be extended for another sixty (60) days if deemed necessary.

Section 3. During the life of this Collective Bargaining Agreement (herein CBA), if this facility is sold, leased, transferred or assigned, the Company shall make the sale, lease, transfer or assignment conditional upon the purchaser, lessee, transferee or assignee, assuming all the obligations of this CBA until its expiration date and treating the affected employees of the Bargaining Unit in accordance with the terms of the applicable CBA. All contractual agreements regarding seniority, including provisions for layoff and recall, shall be complied with by the purchaser (it being understood that the applicable purchase agreement shall require the purchaser to make its hiring decisions with respect to Bargaining Unit positions according to the contractual rules that would apply as though such hiring were a decision to recall or layoff Bargaining Unit employees), it is understood and agreed (a) that the purchaser will not be required to have the same number of employees in the applicable bargaining unit as the Company does at the time of the transaction, and (b) that the applicable purchase agreement may permit the purchaser to make changes in the benefit programs required by this Agreement provided that the benefits in all events continue to be substantially equivalent in the aggregate to those provided under the applicable CBA. It is agreed that the Company shall have no liability whatsoever of any kind or nature in any forum or court of competent jurisdiction so long as the purchaser agrees to those commitments set forth in Paragraphs Nos. 1 and 2, above, and the Union shall be considered the third party beneficiary of RockTenn’s right to insure the purchaser’s successor commitments in the event the purchaser engages in a breach of this CBA and/or this provision of the labor agreement.

Section 4. Nothing in this agreement, or intent of either party, is intended to weaken or eliminate the previous practice or pre-existing IUOE work jurisdiction at this mill.

Article 5 – Management Rights

It is desirable to maintain the cooperative relationship existing during the pay years between the Employer and the employees represented by the Union. It is therefore, the mutual purpose of both parties to maintain and promote sound and harmonious labor relations with the express understanding that in doing so, the right and authority of the Company to manage and operate its own business is strictly the prerogative of the Company except that the exercise of such rights shall not supersede or conflict with the express provisions of this agreement. The right in accordance with the provisions of this agreement to employ, promote, discipline, and discharge employees and the management of property are reserved by and shall be exclusively vested in the Company.

The parties agree that changes in past practice must be mutually agreed, except when past practices are contrary to this agreement, or any Letters of Agreement where both parties have agreed to change past practices, or where practices are within the scope of inherent management rights.
The Company has the right to issue, amend and revised disciplinary rules, subject to prior notification and discussion with the Union, and the Union has the right to grieve the reasonableness of such rules.

The right to discharge, layoff, discipline, transfer or rehire probationary employees (regular employees with less than sixty (60) consecutive calendar days of service or, temporary, part-time, and student employees with less than one hundred fifty (150) consecutive calendar days of service) shall be vested exclusively in the Company and is not covered by the Grievance and Arbitration Article of this agreement.

**Article 6 – Wage Scales & Shift Differential**

**Section 1.** Operating Engineer will be increased to top rate after twenty-four (24) months if the employee has a first (1st) “A” license and has completed the necessary schooling.

**Section 2.** The second shift shall be a regularly scheduled shift which follows a regularly scheduled first shift of five (5) hours or greater. The third shift shall be a regularly scheduled shift which follows a regularly scheduled second shift of five (5) hours or greater.

**Section 3.** Employees on the first shift who work four (4) hours or more overtime after that shift will receive second shift differential for their overtime hours.

**Section 4.** Employees who work on the second shift will receive fifty five (55) per hour above the employee’s regular rate. Employees on the second shift who work four (4) hours or more overtime after that shift will receive third shift differential.

**Section 5.** Employees who work on the third shift will receive sixty five cents ($0.65) per hour above the employee’s regular rate. Third shift employees receiving third shift differential will continue to receive the third shift differential for hours worked after the shift is over.

**Section 6.** Any work performed before the commencing of the employee’s regular shift shall be at the differential, if any, for the shift performing work at the time he or she commences work. Any employee who is regularly scheduled for the first shift and is called in not more than four (4) hours before the first shift commences will receive the regular rate for the first shift.

**Section 7.** In the event that an emergency requires scheduling two (2) twelve (12) hour shifts, the second shift differential shall be paid for the hours worked between 3:00 p.m. and 11:00 p.m.; and the third shift differential shall be paid for the hours worked between 11:00 p.m. and 7:00 a.m.

**Section 8.** Minimum allowance for reporting: Employees required to report for work either on regular work days or normal days off shall receive at least the equivalent of four (4) hours work or pay at their regular rate. In the event of emergencies such as fire, flood, breakdown of equipment or other reasons beyond the control of the Company, which make it impossible to provide intended work, no allowance for reporting shall be required. Four (4) hours shall constitute a minimum shift for extra employees.

**Section 9.** All employees will not receive the first six (6) month Operating Engineer rate when eligible unless such employee obtains at least a special license.

**Section 10.** When employees work in a lower classification the employee shall be compensated at their regular hourly rate plus an applicable shift differential.
Section 11. License Renewal Fees  The Company agrees to pay for the cost of applicable license renewal fees (for both the Instrument Shop and Power Plant).

Article 7 – Hours of Work & Overtime

Section 1. This Section applies for the purpose of qualification for overtime only and is not intended to define terms under any attendance program established. The work week will start on Monday and end on Sunday.

A. Eight (8) hours shall constitute a days’ work and all hours in excess of eight (8) in any one day shall be paid for at the rate of time and one-half (1-1/2X) the employee’s regular hourly rate.

B. Forty (40) hours shall constitute a weeks’ work. Hours worked over forty (40) in a week shall be paid at the rate of 1 1/2 times the employees hourly rate.

C. Overtime and Premium Pay: All hours worked on holidays shall be paid for at the rate of one and one half times their regular hourly rate of pay.

1. Where an employee does not work a scheduled work day within their work week due to a holiday for which they are paid holiday pay, such holiday pay hours shall be recognized for purposes of calculating overtime.

2. Hours for which employees are paid for vacation time taken.

3. Union business during an employee’s scheduled working hours.

   Workers’ Compensation situation for absence related to treating work related injury.

   Equipment breakdown/shutdown, layoff for lack of work.

4. Up to four (4) total occurrences to include absences, tardies, and leave earlies per calendar year shall be recognized for purposes of overtime (even though such absence is not paid for).

At the end of the calendar year, employees who have worked the entire calendar year with two (2) absence occurrences (consecutive days absent for the same reason count as one absence occurrence) or less will have achieved an “earned day” available for redemption in the next calendar year. The earned day will be paid in the amount of eight (8) hours pay at the employee’s regular straight time hourly rate.

The “earned” day will be available and may be used in the same manner as a floating holiday. (Redemption of the earned day does not count as an absence towards achieving the next year’s “earned” day.)

“Earned” days may not be accumulated. At the start of the calendar year each employee will have four (4) absences and possibly one (1) “earned” day.

5. An employee may be required to work on his/her scheduled day off. An employee shall be paid 1 and 1/2 time the rate of the job he/she performs on his/her scheduled day off, provided the employee works all of his/her regularly scheduled hours during the work week (Monday through Sunday).
6. Employees scheduled Monday day shift and Sunday night shift prior, shall have the non-worked hours they were scheduled on Monday count towards the weeks forty (40) hours.

Section 2. Overtime shall be figured on either the hours worked per day or the total hours per week, whichever will result in the greater overtime hours. In no circumstance shall overtime be calculated on more than one basis.

Section 3. All premium or penalty pay of any nature, except night shift differential shall be considered as overtime, and in no event shall statutory overtime be computed upon such overtime.

Section 4. Employees are required to be at their jobs and ready to start work at the hour designated as the start of their shift, and shall continue to work until the end of their shift.

Section 5. The Company may change the starting time of any employee’s shift, providing they notify the affected employee before the end of his or her last preceding shift, and providing that at least eight (8) hours will elapse between shifts.

Section 6. When an employee within a department is not properly relieved by their partner on the oncoming shift, the following method will be used to cover the vacant shift:

1. The unrelieved employee will be required to stay until relief can be obtained. The unrelieved employee will call those qualified employees, and offer the overtime in order of department seniority to employees.
2. If relief is not found, the unrelieved employee shall contact the junior qualified employee (having the least department seniority) in the department. The junior employee, on site in the department, will be required to work.
3. If the vacancy still cannot be filled, the employee who is not relieved will be required to work a double shift.

For vacations, floating holidays and birthday holidays the procedure in Article 8, Section 9 and Article 9, Section 11 will be followed.

Section 7. The Assignment of Scheduled Overtime:

A. Employees within the department where the overtime is needed will, in order to department seniority, have the opportunity to work the overtime. The senior employee will not be offered overtime if:

1. The employee is already scheduled to work the time period in which the overtime is needed.
2. When senior employee does not have the needed experience and/or knowledge to perform the overtime work.

B. The employer may, in lieu of asking employees in order of department seniority, post a sign-up sheet for employees interested in working overtime during the next calendar week. The employees who sign the list will then be asked in order of department seniority if they accept the overtime.
C. If no employee from the department wants to work the overtime, the employer may offer it to employees in the other department who the employer deems qualified and who are available, before forcing an employee to work. The employer, however, retains the right to require the available junior qualified employee in the department to work overtime.

D. Upon request, the Company will provide training to employees for the purpose of working overtime in the department within a reasonable time period.

Section 8. Call-In Pay  An employee who is notified by the Company, while at a location other than the Company's premises, to report for work at a time other than the employee's regularly scheduled start time and who reports to work on a call-in basis, shall receive four (4) hours straight time pay, or one and one-half (1-1/2) times their regular rate of pay for the time worked during the call-in period, whichever is greater.

Section 9. Selection  Employees in the Instrument Shop and the Power Plant shall have the opportunity to re-bid for a different shift within their respective departments throughout the year. When re-bid occurs, typically the last full week of the quarter, reassignments, if any will be implemented the first Monday of the new quarter. Positions within the department shall be awarded based on department seniority.

Article 8 – Holidays

Section 1. All employees shall be paid eight (8) hours pay (regular hourly rate excluding shift bonus) on the following holidays: New Year’s Day, Good Friday, Memorial Day, 4th of July, Labor Day, Thanksgiving Day, Friday after Thanksgiving, December 24th, Christmas Day, December 26th and the employee’s birthday, provided they meet the following eligibility rules:

A. The employee worked on the employee's last scheduled work day prior to the holiday and the employee's first scheduled work day following the holiday. This requirement will be waived by the Company if the employee does not qualify due to sickness or accident which can be proved by presentation of a medical certificate or qualification under the disability plan or because of an emergency involving an individual employee which may be deemed an unavoidable case by the Company. This waiver shall not apply where the absence is over thirty (30) days in duration.

B. Eligibility for holiday pay shall commence after six (6) months of Company seniority is accrued.

C. Employees may schedule their birthday holiday for any day during the calendar year January 1 to December 31, subject to Company approval.

Section 2.

A. When a holiday falls during the employee’s vacation period, the employee shall not be denied his or her holiday pay.

B. If an employee agrees to work on a holiday (signing a general overtime list does not indicate agreeing to work) and does not work, he or she shall not receive holiday pay except in cases of a bona fide reason approved by the Company.
Section 3. All work performed by an employee on any of the above holidays shall be paid for at the rate of one and one half times the employees regular rate

Section 4. Holidays shall commence at the start of the shift starting after 12:01 a.m. of the holiday and continue for twenty-four (24) hours thereafter (except in the case of the New Year holiday).

For the New Year holiday, the holiday shall commence at the start of the shift starting after 6:00 p.m. on December 31st and shall continue for twenty-four (24) hours thereafter.

Section 5. When a holiday falls on an employee’s day off, he or she will be paid for such holiday at the rate of eight (8) times his or her straight time hourly rate.

Section 6. a. In the event the Company decides to work the Power Plant, Boiler Room or the Instrument Shop during the New Year’s and Labor Day holidays, the employees who work during these holiday shall be granted a floating holiday, provided such employee/employees are otherwise eligible for holiday pay.

b. In the event the Company decides to work the Mill and/or Maintenance during December 26th in a year in which December 25th is on a Saturday or Sunday and the employees who work all of their scheduled hours on December 26th in a year in which December 25th is on a Saturday or Sunday shall be granted a floating holiday, provided such employee/or employees are otherwise eligible for holiday pay. It is understood that a continuation of a shift into the shutdown period shall not be considered as meeting the above requirements unless it exceeds three (3) hours.

c. It is recognized that Christmas is not a restricted holiday under the Rock-Tenn –IUOE Local 70 Collective Bargaining Agreement. If at least one (1) paper machine runs through the defined holiday period (excluding early start-up), IUOE member employees will earn one (1) floating holiday for hours worked during the defined holiday period. At least four (4) hours must be worked by the employee to be eligible for the Christmas floater. The holiday period is defined as the five (5) shift period commencing at the start of the shift starting after 12:01 p.m. of the holiday on December 24 through the start of the shift starting after 12:01 a.m. on December 26. Employees must use their Christmas floaters consistent with Section 9 of the Collective Bargaining Agreement. Also, employees who work at least four (4) hours during the holiday period will be eligible to participate in the any other incentives offered by the Company.

Section 7. The employee shall not normally be permitted to work on their floating holiday. The employee will receive eight (8) hours pay at his or her regular straight time hourly rate. The floating holiday shall be arranged in a flexible fashion and must be approved by the employee’s supervisor.

A. Seven (7) or more days’ notice: Cover with the appropriate relief person if available. If relief is not available, fill in accordance with overtime procedure.

B. Less than seven (7) days’ notice: Cover with the appropriate relief person if they are available and willing to work that shift. If the relief person is not available or willing to work the shift, the overtime will be offered to employees in accordance with overtime procedure except that no employee is forced to work. If the shift cannot be covered by a relief person or other qualified employees, the employee will not be given the day off.
The floating holiday may not be accumulated and must be used within one (1) year after the floating holiday has been earned. If the employee elects not to take a floating holiday as scheduled, or notifies his/her supervisor in writing that he/she elects not to schedule a floating holiday, such employee will receive eight (8) hours holiday pay at his or her regular straight time hourly rate, in lieu thereof and in addition to the rate of the day paid for hours worked.

In the event an employee requests a floating holiday which is then scheduled by a supervisor and the holiday is later denied due to unforeseen events the employee may reschedule the floating holiday by mutual agreement or request 8 hours of straight time pay for the day.

Section 8. When production employees who work are provided special incentives for working a scheduled holiday, employees covered by this agreement who work that same day will be given the same special incentives as production employees.

Article 9 – Vacations

Section 1. An employee, upon completion of their initial probation period, shall be allowed one (1) week of vacation. An employee who has taken a week of vacation prior to their one (1) year anniversary and subsequently terminates their employment prior to their first anniversary shall have a pro-rated portion of the vacation deducted from their final paycheck.

An employee with one (1) year of seniority will be eligible for one (1) week vacation anytime after their first anniversary (first year only). After the first year, vacation eligibility will remain as is. An employee with one (1) year, but less than three (3) years seniority shall be entitled to a paid vacation of one (1) week. Employees will have such one (1) week of vacation paid for at the rate of forty-two (42) times the employee’s regular hourly rate.

Section 2. An employee shall be entitled to a paid vacation of two (2) weeks as of the third anniversary date of his or her employment. Each week of vacation shall be paid for at the rate of forty-four (44) times the employee’s regular hourly rate. (This paragraph applies to third year employees only.)

Section 3. An employee with eight (8) year or more seniority during the current year shall be entitled to a paid vacation of three (3) weeks. Each week of vacation shall be paid for at the rate of forty-six (46) times the employee’s regular hourly rate.

Section 4. An employee with twelve (12) years or more seniority during the current year shall be entitled to a paid vacation of four (4) weeks. Each week of vacation shall be paid for at the rate of forty-eight (48) times the employee’s regular hourly rate.

Section 5. An employee with eighteen (18) years or more seniority during the current year shall be entitled to a paid vacation of five (5) weeks. Each week of vacation shall be paid for at the rate of forty-eight (48) times the employee’s regular hourly rate.

Section 6. An employee with twenty-five (25) years or more seniority during the current year shall be entitled to a paid vacation of six (6) weeks. Each week of vacation shall be paid for at the rate of forty-eight (48) times the employee’s regular hourly rate.

Section 7. An employee must work a minimum of nine hundred (900) hours in the previous calendar year in order to qualify in the following year for vacation pay.
Section 8. In the event it is necessary to shut down a department or the plant for an appreciable period because of emergency, the Company may use such period of shut down as the period for vacations, provided the proposal to do so is accepted by the Union.

Section 9. It is understood that an increase that is in effect on May 15th of any given year will be reflected in the vacation pay for all employees who take their vacation after May 15th.

Section 10. Power Plant and Instrument Shop Vacations

A. The vacation will be arranged by the department supervisor giving preference to department seniority, in accordance with the procedure outlined below. Vacation sign up for full weeks, single days, and half (1/2) days for the upcoming calendar year will be completed in three steps.

Step 1. From October 15 through November 10 employees may sign up for as many full weeks of vacation as have been earned; however, only one week may be scheduled during June, July and August.

Step 2. From November 15 through December 10 employees may sign up for as many full weeks, single days, or half (1/2) days of vacation as have been earned without restriction.

Vacation signed up for in Steps 1 and 2 above will be awarded by department seniority, subject to Section 11.0.C, below.

Step 3. Vacation weeks, single days, and or half (1/2) days requested after December 11 will be awarded on a first come first serve basis, subject to Section 10.B, below.

B. All vacation requests, whether made pursuant to Step 1, 2 or 3, are subject to the following two provisions. First, an employee who, at least ten days in advance of the vacation, signs up for a full week of vacation shall be given scheduling precedence over any employees who have signed up for whole or half day at a time vacations. Second, an employee who, at least ten days in advance of the vacation, signs up for a whole day at a time vacation shall be given scheduling precedence over any employees who have signed up for a half day at a time vacations.

C. Where two (2) employees in the same department have respective vacation scheduled that overlap and the Company is unable to cover both employees vacation on the same day, the employee who last scheduled and created the overlap will be required to work during the period of overlap. Any such overlapping vacation coverage time worked by an employee who created the overlap will be considered vacation time used by such employee, and such employee will receive vacation pay for such overlapping time in addition to pay for the time worked.

Prior to requiring any employee to work the overlap days under C, of this Section, the Company will, if possible, make arrangements to cover the overlapping time with the mutual acceptance of the employee causing such overlap and a qualified coworker, through split shifts, prolonged shifts, or an employee on his/her day off. Coworkers would be asked in order of department seniority.

Section 11. Employees in the Power Plant and Instrument Shop shall be permitted to schedule four (4) weeks of their vacation time each year, one (1) day at a time subject to the following conditions.

For purposes of this section, employees may schedule up to six (6) days off per vacation week to a maximum of twenty-four (24) days. An employee shall be paid one-sixth (1/6) of their weekly
vacation pay for each vacation day scheduled one (1) day at a time. Employees may schedule up to six consecutive days in this manner as well.

Employees may take two of their day-at-a-time vacation days at one half day at a time and will be paid one-twelfth (1/12) of their weekly vacation pay for hours for such half day.

Employees wishing to schedule one (1) day or a half day of vacation at a time must pre-schedule each vacation day with their supervisor:

Seven (7) or more days’ notice: Cover with the appropriate relief person if available. If the Relief has worked a regular shift, the overtime procedure will be followed. If no relief is available, fill in accordance with overtime procedure.

The individual in the relief position may indicate their preference to decline the shift, in the event the relief declines the shift the shift must be offered immediately in accordance with the overtime procedure, if no individual signs for the shift, cover with the appropriate relief person.

Less than seven (7) days’ notice: Cover with the appropriate relief person if they are available and willing to work that shift. If the relief has worked a regular shift, the overtime procedure will be followed. If the relief person is not available or willing to work the shift, offer to employees in accordance with overtime procedure except that no employee will be forced to work. If the shift cannot be covered by a relief person or other qualified employees, the employee will not be given the day off.

Employees who schedule full weeks of vacation shall receive preference over employees scheduling day at a time or one-half day at a time.

If two (2) or more employees request the same vacation day off during the sign up procedure, than the supervisor can permit, the employee(s) with greater department seniority shall be scheduled off providing in doing so it does not violate the junior employee’s right to one week or tour vacation during the prime vacation season and providing the preference for week or tour vacations over day at a time is maintained.

Section 12. An employee will receive a vacation payment for vacation hours they have not used at the time of their termination of employment. An employee shall also receive a pro-rated vacation payment for vacation earned during the current year to the date of their termination.

Section 13. Employees have the option of working or taking time off for any of their weeks of vacation. Employees who do not take time off for week one or week two of their vacation shall request payment for these weeks the last pay period of the calendar year. For weeks three through six, employees may request payment for these weeks either after they have taken time off for week one and week two, or the last pay period in the calendar year. Exception to this provision may be made in a case of extreme hardship, if mutually agreed upon.

Section 14. The current FMLA practice and agreement will remain unchanged in 2015. FMLA leave is unpaid. Beginning 1/1/16 Employees are required to use at least one (1) week of accrued vacation for FMLA unpaid leave. On 1/1/17 and thereafter, employees will have to use one half of their vacation entitlement when using unpaid FMLA. Example: an employee has 3 weeks of vacation in 2017; they will have to use 1.5 weeks of vacation, or one day of vacation for every two days of FMLA. FMLA leave taken after employees' paid time off is exhausted is unpaid. Approved Workers Compensation and Short Term Disability leave shall exempt the unpaid waiting period. Employees'
on short-term disability leave or workers' compensation leave shall have this time designated as FMLA and it will be counted toward the maximum FMLA time off in the 12 month period. The tracking of FMLA twelve (12) week leave shall be on a rolling twelve (12) month basis.

Section 15. Staffing During Vacation, Training, Floating/Birthday Holiday and Leave of Absence

A. Within the Power Plant:

1. The Relief Operating Engineer will provide relief coverage for the Operating Engineer as a first priority and will be scheduled to provide relief coverage for the Utility Position only after the Operating Engineer positions are covered.

2. If the Relief Operating Engineer is not available to provide relief coverage for the Shift Operating Engineer, the shift will be filled by overtime in accordance with Article 7, Section 7.

3. If relief coverage is needed for the Group Leader, the Relief Lead will provide the coverage.

B. Within the Instrument Shop:

1. The Relief Instrument Technician will provide relief coverage for the Shift Instrument Technician.

2. If the Relief Instrument Technician is not available to provide relief coverage for the Shift Instrument Technician, the shift will be filled by overtime in accordance with Article 7, Section 7.

3. If relief coverage is needed for the Group Leader, the Relief Lead will provide the coverage.

Section 16. Relief Methods for Vacation, Training, Floating Holiday and Leave of Absence

A. Power Plant: Relief for the Operating Engineers will be provided for by the Relief Operating Engineer.

Article 10 – Funeral Leave

When death occurs to a member of an employee's immediate family (defined as spouse, mother, mother-in-law, father, father-in-law, or stepparents, grandparents, brothers, brothers-in-law, sisters, sisters-in-law, sons and daughters, stepchildren (defined as actually dependent on the employee for support and resides with the parent (employee) in a permanent parent-child relationship), the employee shall be allowed the necessary time to attend the funeral not to exceed three (3) days (five (5) days for present spouse, children, step children, mother and father) up to and including the day after the funeral. The Company may ask the employee to provide written evidence of death. He or she will be paid for such lost time at the rate of eight (8) times his or her regular straight time hourly rate. No pay will be due for any day on which: (1) a holiday occurs; (2) vacation pay is paid; or (3) the employee would not have been scheduled to work.
The above applies to all employees who have been on the payroll for six (6) months. Employees on the payroll for less than six (6) months would be eligible for the time off only under this Section without pay.

**Article 11 – Medical and Dental Plan, Disability Plan, Life Insurance Plan, Rock-Tenn Company Savings Plan & Safety Shoes**

On 1/1/16 all struck language will no longer be valid.

**Section 1. Medical/Dental Plan—** Employees covered by this collective bargaining agreement will be eligible for the Company-provided Medical/Dental Plan. The terms and conditions of the plan are those set forth in the written documents submitted to the Union negotiating committee during the course of negotiations, which will be defined in the Summary Plan Description. Withholding of the employee contributions will be done on a pre-tax basis.

1. CoPay PPO plan and Consumer Choice plan. Employee contributions will be as follows:

   - **Effective 1/1/11**—20% for CoPay plan and 12% for Consumer Choice
   - **Effective 1/1/12**—20% for CoPay plan and 12% for Consumer Choice
   - **Effective 1/1/13**—20% for CoPay plan and 12% for Consumer Choice
   - **Effective 1/1/14**—21% for CoPay plan and 13% for Consumer Choice

2. Spouse surcharge—**Effective 1/1/12**—$90, 1/1/13—$100, 1/1/14—$110.

3. Traditional and Traditional Dental Plus plans are offered. The Dental Plus Plan will be cost neutral to the company.

4. A Voluntary Life Insurance plan is available. If elected, the employee pays the full cost of the plan.

**EFFECTIVE 1/1/16 Health Coverage**

The Union has agreed to the Company's Consumer Choice Plan – U ("CCP-U Plan") for all employees effective 1-1-16. The employee contribution for healthcare coverage will be 18.5% effective 1-1-16, 19.5% in 2017, and 20% in 2018 and in 2019, subject to the following reopener. The employee contribution for years 2018 and 2019 will be capped at 20%, however if the trend at renewal for 2018 (determined the summer of 2017) or 2019 (determined the summer of 2018) exceeds 6.5% in either year the parties agree to modify the plan so that the employer contribution does not exceed 80% of the Company's salaried and nonunion hourly standard CCP Plan and allows the Union's contribution to not exceed 20% of the CCP-U Plan. The annual deductible in the CCP-U Plan shall be the minimum required each year by the IRS for the plan to be eligible for Health Savings Accounts. For employees enrolled in the CCP-U Plan on 1-1-16, the health savings account will be “seeded” with a one-time $650 for single tier enrollment and $1,300 for other tier enrollments to assist in the transition from the PPO. Effective 1-1-16, the Company's annual health savings account contribution shall be the higher of (1) $500/$1,000 or (2) 38% of the deductible. Company contributions to the health savings account are generally available by mid-January. The Company contribution is pro-rated for employees enrolling in CCP-U Plan during the calendar year. Generic preventive drugs (as determined by the Pharmacy Benefit Manager and in accordance with the health savings account regulations) will not be subject to the deductible if purchased in-network. If an employee is not eligible for a health savings account (i.e. the employee is also covered by any other health plan that is not a high deductible plan, or they are age 65 and covered by Social Security and Medicare Part A Benefits), then the annual contribution will be deposited into a health reimbursement arrangement which will roll over from year to year but is not portable upon termination. Otherwise, an employee
must open a Health Savings Account at the bank arranged for by the Company in order to be eligible for Company contributions.

The same Wellness Program that currently exists for salaried/non-union locations will be implemented effective September 16, 2015. Beginning January 1, 2016, in connection with the Wellness Program, then existing employee contributions to the CCP-U plan will increase by $600 annually (or the amount of the annual wellness incentive which shall not exceed $1,000 during the course of the contract and would only be changed if changed for the Company's standard program as well). Effective 9-16-15 employees who are not in the Company health insurance plan will be incented with an opportunity to earn $150 per year through wellness participation. Effective 1-1-16 spouse surcharge will be changed to $90 per month at all locations. Increase spouse surcharge by $10 on January 1, 2017. The current "Opt Out" program will be continued for employees currently enrolled in the program consistent with the language previously used to close and grandfather the program, including an annual review. The Company and the Union have agreed that under no circumstances will the Company be placed in a position that would require payment of excise taxes, or a similar fee or penalty, under the Affordable Care Act provisions and the parties agree to implement changes necessary to ensure that such cost is not triggered. If provisions of the Affordable Care Act are amended or repealed, the Company shall have the right to modify the benefit plan design and costs to enable the Company to obtain the benefit of, or to comply with, such changes.

**Dental Insurance**

Traditional and Traditional Plus 2 (plans will be implemented for all employees (Traditional Plus 2 plan design changes 1-1-16 to amend the coinsurance for major services to 80%, hence the name change), with both options effective 1-1-16. The benefit levels can be adjusted annually as long as the adjustments are identical to salaried/non-union plans. Effective on 1-1-16 the company will pay for 50% of the premium for the Traditional Plan to either option. The terms and conditions of the plan will be defined in the Summary Plan Description.

**Miscellaneous Health and Welfare itemized below effective 1-1-16:**

- IUOE shall be eligible for the standard Company Vision, EAP, Voluntary Life, and Flexible Spending Accounts.
- If an employee is disabled they shall be able to continue medical, dental, life and vision for remainder of month disability begins plus 12 months at active employee rates.
- Payments for benefit continuation for any reason will be per Company administrative procedures and subject to change.

**Section 1. Disability Plan** Employees covered by this collective bargaining agreement will be eligible to participate in the Company provided Disability Plan. Benefit paid at 26 wks/60% of ASTHR. The terms and conditions of the plan will be defined in the Summary Plan Description.

**Section 2. Life Insurance Plan and AD&D** All employees covered by this collective bargaining agreement will be eligible to participate in the Life Insurance Plan. The terms and conditions of the plan will be defined in the Summary Plan Description.

<table>
<thead>
<tr>
<th>Date</th>
<th>Amount</th>
<th>Date</th>
<th>Amount</th>
<th>Date</th>
<th>Amount</th>
<th>Date</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/1/16</td>
<td>$52,000</td>
<td>1/1/17</td>
<td>TBD</td>
<td>1/1/18</td>
<td>TBD</td>
<td>1/1/19</td>
<td>TBD</td>
</tr>
</tbody>
</table>

**Section 3. Rock-Tenn Savings Plan** All employees covered by this collective bargaining agreement will be eligible to participate in the Rock-Tenn Savings Plan. Matching will occur on up to forty (40) hours of regular pay per week. Effective 1-1-16 new hires will be eligible for participation and match
in 401K plan upon completion of ninety (90) day eligibility waiting period. The terms and conditions of the plan will be defined in the Summary Plan Description.

Section 4. Benefit plans negotiated between the Company and the Union may not unilaterally amended or terminated during the term of this agreement. The Company may, after providing notification to the Union, unilaterally change providers as long as benefit levels remain equal to those negotiated with the Union, including changing to one provider.

Section 5. Any employee who has been absent due to illness or injury for three (3) days or more must give reasonable notice to his or her supervisor or the Personnel Department of his or her intention to return to work, or he or she will not be eligible to receive call pay.

Section 6. Safety Shoes  Rock-Tenn employees working in the Power Plant and Instrument Shop departments where safety shoes are required shall be reimbursed the cost of safety shoes by the Company, subject to the following guidelines:

A. The Company shall determine the basic style/type of shoe to be provided consistent with the work performed. The Company may specify different styles/types as between departments. Such shoes shall be made available from a supplier/source as determined by the Company.
B. Should employees desire to buy a style/type of shoe other than the basic style/type of shoe provided, they may do so; however, employees shall be reimbursed a maximum of $140.00.
C. Under normal circumstances, employees will be reimbursed for one (1) pair of shoes per calendar year. If in the judgment of the Company, an employee has higher than normal shoe wear, a second pair of shoes may be reimbursed by the Company if there is a demonstrated need. Since the Company is providing safety shoes at the Company’s expense it is expected that an employee’s safety shoes will be used for Rock-Tenn work purposes only.

Article 12 – Pension Plan

All employees covered by this collective bargaining unit will be eligible to participate in the Company provided Pension Plan. The terms and conditions of the plan will be defined in the Summary Plan Description.

Article 13 – Displaced Employees

When an employee covered by this agreement cannot perform the essential functions of their position with or without reasonable accommodations, the employee will be given reasonable notice prior to being removed from their position.

Section 1. An employee removed from a job in accordance with the above will be given a thirty (30) day trial period on any vacancy, under this contract, provided the employee can satisfactorily perform with our without reasonable accommodations the essential functions of the position. In the event more than one (1) displaced employee qualifies to fill a vacancy, length of continuous service in the bargaining unit will determine which employee shall be given preference.

Section 2. In the event the employee cannot obtain a job under the provisions of 13.1 above within sixty (60) calendar days from the date they were unable to perform the essential functions of their position, the employee will then be permitted to fill any vacant job the employee can satisfactorily perform the essential functions of the position with or without reasonable accommodations in the following sequence:
A. A position in their own department covered by this agreement, in accordance with continuous department seniority;

B. If there is no job within their own department, any vacant job, under this contract, in accordance with continuous bargaining unit seniority;

C. If there is no job they can perform under this contract, the Company will make reasonable attempts to find the employee a vacant position, which the employee can perform with or without reasonable accommodations. When more than one (1) employee from the bargaining unit is so affected, their Company seniority will be considered in making placements under this provision. Unusual cases will be discussed by the Company and the Union.

Section 3. The displaced employee shall receive the rate of the job he or she is performing.

**Article 14 – Grievance and Arbitration**

Section 1. The Union shall have the right to designate from among the employees covered by this agreement a shop steward. The Union agrees that no Union business will be transacted during working hours except that necessary for the presentation of grievances. All grievances must be presented within fourteen (14) calendar days of their occurrence.

Section 2. In the event differences arise affecting the provisions of this agreement, the employee involved shall continue to work (except in case of discharge or discipline) under the conditions prevailing at the time of the difference; and such differences shall be taken up in the following steps:

**Step 1** When an employee, the shop steward, and/or the Union have a grievance, they shall present it to the department supervisor (with his or her shop steward present if he or she so desires) within fourteen (14) calendar days of its occurrence. No grievance shall be handled at this step unless it is in writing. The Union and grievant shall notify the Company in writing of their acceptance or refusal of any written Company proposed grievance resolution. If a settlement proposal is made in this step, the Labor Relations Consultant and Union Business Representative will be sent a copy of the written proposed settlement for approval. If the proposed settlement is not approved within the review time period by either party or if no satisfactory settlement can be reached within fourteen (14) calendar days, the grievance shall be referred to Step 2.

**Step 2** Within fourteen (14) days of the grievance moving to Step 2, a Grievance Committee will meet and discuss the grievance. The Grievance Committee, will consist of the Labor Relations Consultant, the Business Representative of the Local union, the grievant, shop steward (if so desired), the Power Plant and/or Maintenance Superintendent or representative, and, if agreed by the parties, other individuals needed to resolve the grievance. The Union and the grievant shall notify the Company in writing of their acceptance or refusal of any written Company proposed grievance resolution. If no satisfactory settlement is made within fourteen (14) calendar days, the grievance shall be referred to Step 3.

**Step 3** The Maintenance Manager or Representative, the Human Resources Manager, the grievant, the shop steward (if so desired), the Union Business Representative, and/or Business Manager (or representative) will meet within fourteen (14) calendar days of the grievance moving to Step 3. If no satisfactory settlement is reached within fourteen (14) calendar days of the Step 3 meeting, either party may refer the matter to arbitration within thirty (30) days
unless the Company and the Union have agreed to grievance mediation. The Union shall notify the Company in writing of their acceptance or refusal of any written Company proposed grievance resolution.

Unless a grievance is presented by the procedure set forth in this Section, it shall be deemed null and void. However, variation from the process may be made upon written request of one party and acceptance of the other. If no agreement is reached, either party may refer the matter to arbitration within thirty (30) days of the third step meeting.

Any grievances which cannot be satisfactorily settled by representatives of the Company and the Union in the manner herein before provided may be pursued in a mutually agreed upon mediation forum within fourteen (14) calendar days after presentation in the final grievance step before submission in writing to arbitration. If no agreement is reached, either party may refer the matter to arbitration within thirty (30) days of the third step meeting.

Section 3. In the event the representative of the Union and the Company are unable to agree on the selection of an arbitrator, either party may request the Federal Mediation and Conciliation Service (FMCS) to nominate seven (7) individuals as prospective arbitrators. The arbitrator shall be selected by the Union and the employer. The parties shall alternately strike names from the panel of seven (7) arbitrators. For arbitration panels from Region 40, the Company will strike the first name and for panels from Region 50, the Union shall strike the first name. The decision of the arbitrator shall be final and binding upon both parties.

Section 4. The arbitrator may modify the discipline or discharge if it is determined that such penalty is improper or too severe as would be determined by a reasonable person under all the circumstances of the situation. In the event such discipline or discharge is modified, and if the arbitrator orders reinstatement, the arbitrator may do so with or without pay for time lost as a result of such discharge.

Section 5. Grievances within the meaning of the grievance procedure and of this arbitration clause shall consist of disputes about the interpretation or application of the particular clauses of this agreement, about alleged violation of letters of understanding and/or signed negotiation memos. The arbitrator shall have no power to add to or subtract from or modify any of the terms of this agreement, nor shall the arbitrator substitute their judgment for the intent of the parties, for such discretion has been retained by the Company or the Union; nor shall the arbitrator exercise any responsibility or function of the Company or the Union. No questions affecting a change in the wage structure of the Company shall be considered applicable.

Section 6. Each party to the arbitration shall bear the cost of expense of their representatives and witnesses. The expense of the arbitrator and other agreed to expenses shall be paid equally by the parties to the arbitration.

**Article 15 – Seniority**

Seniority shall be established and employees placed on the seniority list (as of their first day of employment) after having been employed for the time period(s) specified in Section 2 of this Article. A seniority list will be posted and kept up to date.

Section 1. Definitions

A. Company Seniority: Company seniority will be defined by the employee’s length of service, from their most recent date of hire by Rock-Tenn or its predecessor.
B. Bargaining Unit Seniority: Bargaining unit seniority will be defined by the employee’s continuous length of service in positions covered by this agreement.

C. Department Seniority: Department seniority will be defined as the employee’s continuous length of service in a department covered by this agreement. For the purpose of this provision there are two (2) departments: (1) Power Plant; and (2) Instrument Shop.

Section 2. Seniority Rights Employees covered by this agreement (except temporary, part-time, and student employees) will accrue seniority as defined in Section 1 once employees have completed a sixty (60) calendar day probationary period of continuous employment with the Company. Temporary, part-time and student employees will begin to accrue seniority as defined in Section 1 once the employee has completed one hundred fifty (150) days of continuous employment. Benefit eligibility will be based on the employee’s service with the Company in accordance with the provisions of the benefit plans and/or this agreement, even if their original position was not covered by this agreement.

Section 3. Vacancies and Promotion

A. Posting: Job vacancies (regular openings) for positions covered by this agreement shall be posted first within the department (Power Plant/Instrument Shop) where the vacancy occurs for a period of not less than forty-eight (48) hours. Employees may indicate their desire to fill the vacancy by signing the posted notice of vacancy. Power Plant openings not filled within the Power Plant will be posted in the Instrument Shop for not less than forty-eight (48) hours. Likewise, Instrument Shop openings, which are not filled within the Instrument Shop, will be posted for not less than forty-eight (48) hours in the Power Plant.

B. Employees who are absent due to vacation, jury duty, scheduled days off or funeral leave will be given forty-eight (48) hours after they return to sign the posting. Postings will be entered into the log book in the Power Plant and in the planner in the Instrument Shop.

Section 4. Filling Vacancies

A. In the event the Company determines that qualified or fully qualified replacements are necessary, and no qualified Rock-Tenn Local 70 bargaining unit member employees bid on the job for selection, the Company may fill the position from outside the Rock-Tenn Local 70 Bargaining Unit. When qualified or fully qualified replacements are necessary, the Company will have this noted on the vacancy posting. If the Company hires outside the bargaining unit, the outside candidate must have qualifications as outlined in the position vacancy requirements.

B. From among candidates within the department the employee with the greatest department seniority who signs for the posting, provided they have the required licenses/certification, will be selected to fill the vacancy. If none of the employees in the department, who sign the vacancy posting, have the required licenses/certification, and the Company determines there are other available qualified employees to fill the vacancy on an interim basis, the candidate closest to attainment of the required licenses/certification will be selected and, once qualified, will fill the position vacancy.

C. From among candidates outside the department the qualified employee with the greatest bargaining unit seniority who signs for the posting will be selected.
D. Rock-Tenn Local 70 bargaining unit member employees who are selected for a vacancy will be given a period of up to thirty (30) work days to try the position vacancy and determine whether they wish to return to their former position without forfeiting any rights which they held in their former position.

E. If no one who signs the posting is qualified and if the Company determines that fully qualified replacement are not necessary, the Company will select from amongst the employees who signed the posting the employee who is further in achievement or possession of, the qualifications for the position vacancy. When candidates are substantially equal on the selection criteria, the employee with the greatest bargaining unit seniority will be selected to fill the vacancy.

F. The initial qualifying period (not to exceed six (6) months in length unless the Union and the Company agree to a non-precedent setting extension) will be related to the length of time during which an informed decision can be made on an employee’s initial ability to handle the training for, and the tasks and responsibilities of the position.

G. If the employee does not pass the initial qualifying period, the employee shall return to their former position without forfeiting any rights the employee had in their former classification or the employee may opt to fill a bargaining unit opening for which they are qualified providing such vacancy is filled through the normal job vacancy procedure according to the provisions of this Article.

H. When an employee accepts a vacancy where such a vacancy requires additional training, said employee must be willing to train. The Company shall provide said employee with additional training.

1. If an employee cannot qualify for higher levels within 60 days, or demonstrates that he/she no longer has the needed qualifications, the employee shall exercise their department seniority to displace the employee with the least department seniority filling another job classification position within their department for which they are qualified. Unusual cases will be reviewed by the Company and the Union to determine the appropriate placement options provided such placement does not involve taking away rights the employee has.

2. If a qualified applicant cannot be selected and assigned within one week of the vacancy, the Company may assign the junior qualified employee to the position on a temporary basis until the position can be filled. The temporarily assigned employee will not forfeit any rights, which the employee held in their former position.

Section 5. Determination of Most Qualified/Equivalent Experience and/or Training among Internal Candidates

A. The Company will determine the knowledge, skills, abilities and other relevant characteristics that are needed to fill a vacant position. Preferred knowledge, skill, ability and other characteristics will be related to the vacant position. When filling a vacancy with internal candidates who are not qualified, the Company will use appropriate selection or determination devises, including but not limited to panel interviews with subject matter experts.
B. If interviews are conducted on paid time for one internal candidate, the same opportunity will be afforded to all other bargaining unit member candidates. Bargaining unit member candidates will be notified not less than five (5) calendar days in advance of the interview date and time. Employees in the bargaining unit will be informed in writing at the time of the posting or in advance of the posting of the desired knowledge, skill, ability and other characteristics being used in determining who is most qualified.

C. The Union will have the right to review the selection process and grieve the resulting Company selection decision when the Company fails to select a senior employee who is substantially equal or better qualified, than the candidate selected.

Section 6. Employees shall be paid the rate within the range of the new classification to which they have been assigned based on their progress in the training program for that position or the rate they received in their former position, whichever is higher. Employees who receive the rate for former position will be red-circled and will not receive a pay increase until they are eligible based on their progress in the new position.

For employees transferred to the Instrument Shop during the course of restructuring, contractual wage increases will be subject to satisfactory progress in the training program according to agreed upon standards.

Section 7. Temporary Layoff – Power Plant Only. This Section is applicable to the Power Plant only. In the event that the Power Plant will be scheduled down not to exceed seven (7) continuous calendar days, and limited work is available, senior qualified employees by classification will be assigned in the following manner:

A. An employee is not eligible for shut down work if the work falls on a day when the employee is regularly scheduled off, or if the employee has already accrued forty (40) hours pay for that Sunday through Saturday work week.

B. There will be at least eight (8) hours in between regular shift work and the starting of shut down work. Call-ins and voluntary overtime will be considered as time off for purposes of figuring time off between shifts.

C. No one will be assigned shut down work if the work falls on the day that his or her regular scheduled shift starts up again.

D. The day helper employee will not be assigned shift work if a rotating employee is available.

E. Repair work will be done by the senior qualified employee without regard to classification.

Any apparent error should be brought to the attention of management to avoid any problems.

Section 8. Layoffs/Recalls

A. In the event the Employer chooses to reduce the number of employees in a department, the employee with the least department seniority shall be layed off. The qualified layed off employee shall be allowed to displace an employee in the other department that has less bargaining unit seniority.
B. This section is not intended to apply to layoffs for periods of less than one (1) week when it affects employees in the other department. Bumping across departments is restricted to layoffs of more than one week.

C. Recalls will be implemented in the reverse order that layoffs will be implemented.

Section 9. Position Reinstatement

A. In the event a job is eliminated, or the number of positions within a job classification in a department are permanently reduced, and such job(s) is/are subsequently reinstated, employees within the bargaining unit whose jobs were eliminated/reduced, shall be given the first opportunity, before employees who may be eligible under Sections 3 and 4 of this Article.

1. The following method will be used:

a. The reinstated positions will be posted in accordance with Section 3 of this agreement.

b. Employees who have been displaced due to crew reduction/job elimination must sign the posting for such reduced/eliminated positions and notify the Company of their intent to return to their previous position.

c. If more than one employee is eligible to return to their previous position under this provision, the senior (bargaining unit seniority) eligible employee shall be selected for the opening.

d. In the event an otherwise eligible employee under this provision declines an opportunity to return to their previous position, said employee shall not be eligible to return to subsequent openings for said positions under the provisions of this Article. They may exercise their rights under Sections 3 and 4 of this Article.

e. Employees who were only assigned to a position on a temporary basis who were then affected by the elimination or reduction of that position are not eligible to exercise any rights under this provision.

Section 10. An employee transferred to a position outside the bargaining unit within the Company shall maintain his or her rights for one (1) year to return to his or her former position within the bargaining unit. If an employee desires to return to the bargaining unit after the one (1) year period, he or she may do so provided an opening exists that is to be filled outside the bargaining unit. An employee who returns within two (2) years will be entitled to bargaining unit seniority. Unusual cases will be settled by negotiations between the Company and the Union.

Section 11. Student, part-time or temporary employees shall have seniority for continuous service with the Company, in accordance with the provision in the first paragraph of Article 15.

Section 12. Reasons for termination shall be by any one of the following specified acts:

A. A proper discharge.

B. When an employee voluntarily quits work.
C. Retirement.

D. Two (2) consecutive scheduled working days absence without notice to the foreman or personnel.

E. When an employee fails to report after a leave of absence.

F. Absence because of layoff, for a period of two (2) years, or until the layed off employee receives severance pay if such payment is made earlier.

G. Absence from work for a period of one (1) year for a non-job connected illness or injury for employees with three (3) years or less seniority. Absence from work in excess of two (2) years for an employee with more than three (3) years seniority. The Company may, at its discretion, rehire an employee after the stated period and reinstate him or her with full seniority.

Article 16 – Severance Pay

Section 1. Remove the following language on 1/1/16. The Company agrees that in the event an employee is permanently laid off because of reduction in crews, contracting work out, or moving the plant to another location, than severance pay will be paid according to the following schedule after one (1) year of employment:

<table>
<thead>
<tr>
<th>Years of Employment</th>
<th>Weeks</th>
</tr>
</thead>
<tbody>
<tr>
<td>From 1 to 3 years</td>
<td>1 week</td>
</tr>
<tr>
<td>From 3 to 5 years</td>
<td>2 weeks</td>
</tr>
<tr>
<td>From 5 to 7 years</td>
<td>3 weeks</td>
</tr>
<tr>
<td>From 7 to 9 years</td>
<td>4 weeks</td>
</tr>
<tr>
<td>From 9 to 11 years</td>
<td>5 weeks</td>
</tr>
<tr>
<td>From 11 to 13 years</td>
<td>6 weeks</td>
</tr>
<tr>
<td>From 13 to 15 years</td>
<td>7 weeks</td>
</tr>
<tr>
<td>From 15 to 17 years</td>
<td>8 weeks</td>
</tr>
<tr>
<td>From 17 to 19 years</td>
<td>9 weeks</td>
</tr>
<tr>
<td>From 19 to 21 years</td>
<td>10 weeks</td>
</tr>
<tr>
<td>From 21 to 23 years</td>
<td>11 weeks</td>
</tr>
<tr>
<td>From 23 to 25 years</td>
<td>12 weeks</td>
</tr>
<tr>
<td>After 25 years</td>
<td>13 weeks</td>
</tr>
</tbody>
</table>

On 1/1/16 the following language goes into effect: The Company agrees that in the event an employee is permanently laid off because of reduction in crews, contracting work out or moving the plant to another location, that severance pay will be paid according to the following schedule after one (1) year of employment with Rock-Tenn Services Inc. and predecessors.

The Company’s formula for severance will be one week for each year of service up to twenty weeks maximum, with unemployment offset, for all locations covered by this Agreement, effective 1-1-16.

Section 2. For the purpose of this Section, a permanent layoff is a person who has been continuously layed off for a period of six (6) months for whom the Company has no work that he or she is physically able to do. Severance pay will be paid under the conditions as limited and outlined in Article 16 if such layoff is not due to business or any other circumstances beyond the control of the Company.
Section 3. The amount shall be based on a weekly salary, which means the hourly day rate times forty (40) hours. Payment shall be in lump sum and shall not be construed to include vacation pay.

Section 4. When an employee receives severance pay, he or she loses all seniority rights; and, in the event he or she was rehired, he or she would be considered the same as a new employee.

Article 17 – Strikes & Lockouts

The Company and the Union agree that there shall be no strike or lockout, including sympathy strike, during the period of this agreement.

Article 18 – Jury Duty

When an employee receives a summons for jury duty, he or she must notify his or her supervisor immediately. He or she will be given leave for such jury duty and be paid at his or her regular straight time hourly rate (shift differential) for any time lost due to jury service. An employee called for jury duty shall be released from work and not suffer a loss in wages.

Article 19 – Leave of Absence

The Company may grant leave of absence to employees who request same. In the event a leave of absence is granted, the employee and the shop committee shall both be provided with a copy of such leave of absence notice. Employees selected by the Union to attend conventions or serve the Union on official Union business shall be granted the necessary time off without pay when such absence does not unduly interfere with the operation of the Company’s business. In each case of desired absence, permission must be first obtained from the Company. Medical leaves of absence may be granted employees where such leaves are deserving and for such periods as are reasonable.

Section 1. Military Leave  When any employee on the seniority list is inducted into the Armed Forces of the United States, he or she will re-employed in accordance with the provisions of the Military Service Act of 1967, as amended or subsequent laws pertaining to veteran’s re-employment.

Section 2. Parental Leave  If requested, parental leave will be granted in accordance with the applicable statutory requirements.

Article 20 – Miscellaneous

An employee’s outside activities, including part-time work, must not interfere with the employee’s performance and availability to their job at Rock-Tenn Services Inc., provided that the Company provides forty (40) hours work per week. Any employee found violating this Article may be discharged by the employer.

Section 1.

A. Upon completion of the probationary period, disciplinary action may be imposed for just cause.

B. The normal disciplinary process shall be as follows:
1. Oral reprimand (which shall be documented).
2. Written reprimand.
3. Suspension – without pay – notification to the Union.
4. Demotion and/or discharge – notification to the Union.

This section shall not be interpreted to prevent the employer from discharging an employee immediately for just cause, or preventing the employer from changing the above sequence consistent with the severity of the actions for which discipline is being administered and/or due to the employee’s overall employment record.

Section 2. Bulletin boards shall be provided in the department for the posting of notices of interest to employees. All notices shall require Company approval before posting.

Article 21 – Conflict of Law

In the event any provision of this agreement is invalidated either by existing state or federal legislation, by the future passage of state or federal legislation or by any award of a court of competent jurisdiction, such invalidation shall apply only to those provisions thus invalidated; and all remaining provisions not invalidated shall remain in full force and effect in accordance with the terms thereof.

Section 1. When any such conflict becomes apparent, the Union and the Company agree to discuss the interpretations of such legislation or regulation and the application thereof.
Signed this _____ day of ____________________, 2015.

Rock-Tenn Services Inc.
St. Paul Mill Operations

Robert B. Carpenter, General Manager

Chris Wood, Mill Manager

Jackie Lauzon, HR Manager

Steve Hess, Corp Labor Rel Mgr

Robert McIntosh, EVP, Gen Counsel & Secy

International Union of Operating Engineers, Local No. 70

David Monsour, Business Manager

Michael Dowdle, President

Linda Powers, Recording Secretary

Drew Brodeen, Business Representative

Josh Anderson, Committee Person

Chris Knick, Committee Person

Jennifer Lisko, Committee Person

Matt Ozpen, Committee Person
### Exhibit A – Wage Rates

Summer students shall be paid according to the following rates indicated for the first six (6) months of continuous employment; however once Summer Students are eligible for the after two (2) months wage rate, they may be re-employed and will be paid at the after two (2) months wage rate for their subsequent terms of employment.

<table>
<thead>
<tr>
<th></th>
<th>5/15/14</th>
<th>5/15/15</th>
<th>5/15/16</th>
<th>5/15/17</th>
<th>5/15/18</th>
<th>5/15/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>2%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Summer Students</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>After one (1) month</td>
<td>13.28</td>
<td>13.57</td>
<td>13.84</td>
<td>14.19</td>
<td>14.54</td>
<td>14.83</td>
</tr>
<tr>
<td>After two (2) months</td>
<td>14.13</td>
<td>14.43</td>
<td>14.72</td>
<td>15.09</td>
<td>15.47</td>
<td>15.78</td>
</tr>
<tr>
<td>Instrument Tech</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Instrument Control Technician</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 – 3 months</td>
<td>25.17</td>
<td>25.69</td>
<td>26.20</td>
<td>26.86</td>
<td>27.53</td>
<td>28.08</td>
</tr>
<tr>
<td>4 – 6 months</td>
<td>25.51</td>
<td>26.04</td>
<td>26.56</td>
<td>27.22</td>
<td>27.90</td>
<td>28.46</td>
</tr>
<tr>
<td>13 – 18 months</td>
<td>26.15</td>
<td>26.69</td>
<td>27.22</td>
<td>27.90</td>
<td>28.60</td>
<td>29.17</td>
</tr>
<tr>
<td>19 – 24 months</td>
<td>26.50</td>
<td>27.05</td>
<td>27.59</td>
<td>28.28</td>
<td>28.99</td>
<td>29.57</td>
</tr>
<tr>
<td>25 – 30 months</td>
<td>26.82</td>
<td>27.38</td>
<td>27.93</td>
<td>28.63</td>
<td>29.35</td>
<td>29.94</td>
</tr>
<tr>
<td>31 – 36 months</td>
<td>27.18</td>
<td>27.74</td>
<td>28.29</td>
<td>29.00</td>
<td>29.73</td>
<td>30.32</td>
</tr>
<tr>
<td>37 – 42 months</td>
<td>28.02</td>
<td>28.60</td>
<td>29.17</td>
<td>29.90</td>
<td>30.65</td>
<td>31.26</td>
</tr>
<tr>
<td>43 – 48 months</td>
<td>28.54</td>
<td>29.13</td>
<td>29.71</td>
<td>30.45</td>
<td>31.21</td>
<td>31.83</td>
</tr>
<tr>
<td>After 48 months</td>
<td>31.73</td>
<td>32.38</td>
<td>33.03</td>
<td>33.86</td>
<td>34.71</td>
<td>35.40</td>
</tr>
<tr>
<td><strong>Primary Instrument Tech</strong></td>
<td>32.96</td>
<td>33.64</td>
<td>34.31</td>
<td>35.17</td>
<td>36.05</td>
<td>36.77</td>
</tr>
</tbody>
</table>

### Power Plant

Operating Engineer

<table>
<thead>
<tr>
<th></th>
<th>5/15/14</th>
<th>5/15/15</th>
<th>5/15/16</th>
<th>5/15/17</th>
<th>5/15/18</th>
<th>5/15/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 – 6 months</td>
<td>24.69</td>
<td>25.20</td>
<td>25.70</td>
<td>26.34</td>
<td>27.00</td>
<td>27.54</td>
</tr>
<tr>
<td>7 – 12 months</td>
<td>25.96</td>
<td>26.50</td>
<td>27.03</td>
<td>27.71</td>
<td>28.40</td>
<td>28.97</td>
</tr>
<tr>
<td>13 – 18 months</td>
<td>27.48</td>
<td>28.05</td>
<td>28.61</td>
<td>29.33</td>
<td>30.06</td>
<td>30.66</td>
</tr>
<tr>
<td>19 – 24 months</td>
<td>28.78</td>
<td>29.38</td>
<td>29.97</td>
<td>30.72</td>
<td>31.49</td>
<td>32.12</td>
</tr>
<tr>
<td>After 24 months</td>
<td>30.47</td>
<td>31.10</td>
<td>31.72</td>
<td>32.51</td>
<td>33.32</td>
<td>33.99</td>
</tr>
<tr>
<td>*Qualified Operating Engineer</td>
<td>31.73</td>
<td>32.38</td>
<td>33.03</td>
<td>33.86</td>
<td>34.71</td>
<td>35.40</td>
</tr>
<tr>
<td><strong>Primary Operating Engineer</strong></td>
<td>32.96</td>
<td>33.64</td>
<td>34.31</td>
<td>35.17</td>
<td>36.05</td>
<td>36.77</td>
</tr>
</tbody>
</table>

+Must have 1st Class A license or remain at 18 months pay level.

*An employee shall not move to the Qualified Operating Engineer rate of pay until deemed to meet the qualifications by the Chief Engineer.

**The following requirements are to be met in order to qualify for the position. The requirements are subject to change by the Company:

Primary Operating Engineer:
- Fully Qualified Operating Engineer, as determined by the Chief with the approval of the Employer
- Operator responsible for running their respective shift
Primary Instrument Technician:
- Boilers License: Special License, with demonstrated ability to advance License to First “A”.
- Completion of Instrument Technician Apprenticeship Program, and or Journeyman equivalent
- Upon completion of Power Plant Instrumentation Training Check Off Sheet
- Job related Electronics Coursework – an additional four (4) quarters, or equivalent, job related training and is on employees own time, eligible for Company reimbursement
- Qualified, as determined by the Chief with the approval of the Employer

1. Group Leader differential is $1.20 for the Instrument Tech and Power Plant.

2. Group Leader(s)
   Group Leader Selection:
   - Union will provide input to determine criteria. Seniority will be a factor.
   - If Company determines there is a vacancy, will post for candidates.
   - RockTenn can select Group Leader.
   - If the Union disagrees with selection, a grievance can be filed through the Union office but parties will use non-binding mediation to resolve. If unable to resolve, Company will maintain its selection.
   
   Job duties:
   - Salaried personnel will review and have the responsibility for final approval of time cards administered by group leaders for bargaining unit member employees.
   - Group leaders will assign work to employees and will plan work along with salaried personnel.
   - Directs and coordinates work of department personnel with work of trades people and outside contractors, and verifies proper completion of work.
   - Communicates with other departments regarding operational changes and shut down processes.
   - Familiarizes employees with operational procedures and rules. Performs other designated duties of a supervisor in her/his absence (specific details will be better defined with the Union on a department basis after the ratification of the Labor Agreement).

Union Membership:
- The intent of the group leader position is to be a working group leader. The expectation is that employees are assigned to group leader roles to provide leadership within process work teams.
- It is recognized that the group leaders are covered by the collective bargaining agreement.

Group Leader Work Schedule:
- Power Plant: The Group Leader will be scheduled to work all seven (7) days of the workweek if they will be on call on the weekend of that week.
- Instrument Shop: The Group Leader will be scheduled to work all seven (7) days of the workweek if they will be on call on the weekend of that week.
Exhibit 8 – House Rules

The following list comprises general Company house rules and causes for discharge which are made a part of the agreement by reference. You are responsible to the Superintendent of your department for compliance with these regulations.

General Regulations

1. Workers shall be at their respective posts ready to begin work at the time their pay starts and shall not stop work in advance of the time that their pay stops.

2. Each employee must personally register his or her own time card on the clock in the department in which he or she works. Time cards should be punched within ten (10) minutes of actually starting work and within ten (10) minutes after stopping work.

3. No employee shall punch a time card other than his or her own. When punching in, the employee shall immediately proceed to his or her department. When punching out the employee shall immediately leave the premises after punching out.

4. An employee unable to report for work on account of sickness or any other cause shall notify his/her supervisor immediately. In the event the supervisor is not available to answer the absent employee’s call such employee shall leave a message including the telephone number at which the employee may be reached, at the designated telephone extension specified by the Company.

5. Each employee shall notify his or her supervisor or Human Resource Personnel immediately of any change of address.

6. Smoking is permitted only in designated areas outdoors, and only during breaks. All buildings are smoke free. Smoking inside any buildings on company property is strictly prohibited.

7. Each employee must observe safety rules and regulations for the protection of himself or herself and those working with him or her.

8. All fire prevention and sanitary regulations must be observed and obeyed.

9. Employees must report immediately to their supervisor for treatment of every cut or injury no matter how slight. First Aid boxes in the department may be used as appropriate for treatment of cuts and scratches.

10. No employee may be in the plant or anywhere on Company property at any time other than his or her regular working hours unless he or she has specific permission from his or her supervisor.

11. Employees absent from work, due to personal injury/illness three (3) consecutive work days must bring a doctor’s slip to their supervisor documenting their injury/illness. For extended absences due to injury/illness, employees are required to keep their supervisor apprised of their status. Employees who are absent from work due to work related illness/injury are required to keep their supervisor and the Human Resources apprised of their status.
Regulations Covering Discharge

The following are considered as sufficient cause for dismissal.

1. Violation of the RockTenn Substance Abuse Policy
   A. Work Rule on Alcohol – The possession, use sale or transfer of alcoholic beverages on company property or job sites is prohibited. Furthermore, an employee is not permitted to report to work or operate company vehicles, machinery, or equipment while under the influence of alcoholic beverages. The employee will be considered to be “under the influence” when there is reasonable cause that the consumption of any alcoholic beverage has impaired or is likely to impair the employee’s job performance. Employees who violate this work rule are subject to disciplinary action up to and including discharge.

   B. Work Rule on Drugs – The possession, use, sale or transfer of controlled substances or the improper use of drugs during working hours or on company property and job sites is prohibited. The employee is not permitted to report to work or operate company vehicles, machinery, or equipment while under the influence of any drug or controlled substance that could adversely affect performance. Employees who violate this work rule are subject to disciplinary action up to and including discharge.

   C. Procedures for drug and alcohol testing under these work rules are outline in the plant wide drug and alcohol testing policy.

2. Smoking while in prohibited areas on company property including areas other than those designated smoking areas outdoors, and inside any buildings.

3. Deliberate destruction or removal of Company’s or another employee’s property.

4. Refusal to comply with safety rules and regulations and employer’s house rules.

5. Disorderly conduct.

6. Dishonesty.

7. Sleeping on duty.

8. Giving or taking a bribe of any nature as an inducement to obtaining work or retaining a position.

9. Two (2) consecutive scheduled working days absence without notice to the supervisor or Personnel.

10. Employee leaving plant premises and not punching time card out and in when returning to work.

11. Excessive absenteeism or tardiness.

12. Possession of weapons on company property.