

AGREEMENT

between

**BUFFALO NEWSPRESS, INC.
("Employer" or "Company")**

and

**INTERNATIONAL UNION OF PAINTERS AND ALLIED TRADES
DISTRICT COUNCIL #4
("Union")**

June 1, 2012

through

May 31, 2015

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AGREEMENT

Term of Agreement: June 1, 2012 through May 31, 2015.

ARTICLE 1 RECOGNITION

The Employer hereby recognizes the Union as the exclusive bargaining representative for the purpose of collective bargaining with respect to rates of pay, hours of employment and other conditions of employment for all employees in the collective bargaining unit.

ARTICLE 2 JURISDICTION

Section 1. The jurisdiction of the Union is all full-time and regular part-time Press Department employees, including dock workers, pressmen and machine maintenance workers employed by the Employer at its 200 Broadway Street, Buffalo, New York facility.

Section 2. The Employer shall assign bargaining unit employees to positions within the bargaining unit based on its assessment of production/workflow needs, and its assessment of the skills of employees involved. It is acknowledged that non-unit employees of the Company, including supervisors may also be assigned to work in unit positions as business needs require and that unit members may be assigned outside the unit without loss of pay or benefits. Assignment of employees from other departments of the Company shall not be made to eliminate bargaining unit work.

ARTICLE 3 SCOPE OF AGREEMENT

This Agreement sets forth the entire understanding and agreement of the parties and may not be modified in any respect except in writing subscribed to by the parties. Nothing in the Agreement shall be construed as requiring either party hereto to do or refrain from doing anything not explicitly and expressly set forth in this Agreement; nor shall either party be deemed to have agreed or promised to do or refrain from doing anything unless this Agreement explicitly and expressly sets forth such agreement or promise.

ARTICLE 4 NONDISCRIMINATION

Section 1. The parties to this Agreement agree to continue their policy of nondiscrimination by either party as required by applicable law based on sex, sexual orientation, race, creed, national origin, handicap, or age regarding employment, referral for employment, employment advancement, working conditions, rates of pay, acceptance into Union membership, or selection for apprentice openings.

Section 2. The use of the male gender in certain clauses of this contract is done for convenience purposes and does not imply any preference of male to female employees.

ARTICLE 5 MANAGEMENT RIGHTS

Section 1. Except as is expressly modified or restricted by a specific provision of this Agreement, all inherent managerial rights, prerogatives and functions are retained and vested exclusively in the Company, including, but not limited to: the rights to reprimand, suspend, discharge, or otherwise discipline employees for just cause; to determine and revise the number of employees to be employed and to staff equipment; to hire employees, determine their qualifications and assign and direct their work; to promote, demote, transfer, lay off, or recall to work; to train, retrain, cross-train, rotate employees, and to test their ability; to set and revise standards of employee productivity and work quality; to determine the products to be produced and/or the services to be rendered; to determine the placement of an employee on the pay scale upon being hired or reassigned; to maintain the efficiency of operations; to determine the personnel, methods, means, and facilities by which operations are conducted; to set and to change temporarily or permanently the starting and quitting time and the number of hours and shifts to be worked; to use independent contractors to perform work or services; to subcontract, contract out, close down, discontinue, change, or relocate the Company's operations or any part thereof; to expand, reduce, alter, combine, transfer, assign or cease any job, employee assignment, department, operation, or service; to control, regulate, delete, or change the use of machinery, facilities, equipment, and other property of the Company; to schedule and reschedule work, jobs and assignments; to add, change or delete job content or classification; to create and delete lead person positions; to introduce new or improved research, production, service, distribution and maintenance methods, materials, machinery, and equipment; to determine the number, location and operation of departments, divisions and all other units of the Company; to require job-related physical exams for employees and to require doctor's notes for sickness-related absences; to establish health and safety standards; to conduct performance reviews of employees; to require light duty work for workers' compensation claimants when available; to issue, amend and revise policies, rules, regulations, and practices not inconsistent with this Agreement; and to take whatever action is either necessary or advisable to determine, manage and fulfill the mission of the Company and to direct the Company's employees. The exercise of any management right includes the right to revise the way in which such right originally was exercised or to enforce such right if not previously exercised.

Section 2. Past practice with respect to any matter concerning which this Agreement permits the Company discretion shall in no way bind the Company with respect to future practice. The Company's failure to exercise any right, prerogative or function hereby reserved to it or the Company's exercise of any such right, prerogative or function in a particular way shall not be considered a waiver of the Company's right to exercise such right, prerogative or function.

Section 3. The above-mentioned management rights are not to be interpreted as being all-inclusive, but merely illustrate the types of rights which belong to or are inherent to management.

It is understood that any right, power or authority the Company had prior to the signing of this Agreement is retained by the Company, except those specifically abridged or modified by this Agreement.

ARTICLE 6 PROBATIONARY PERIOD

Notwithstanding anything in this Agreement to the contrary, the first ninety (90) days of continuous employment shall be considered a probationary period for all employees hired after the effective date of this contract. The Company shall be free to terminate said employees during the probationary period at its sole discretion, and no contract benefits shall apply or accrue with respect to unit employees until after the completion of the probationary period.

ARTICLE 7 SUBSTANCE ABUSE

Section 1. The Union and the Employer recognize legitimate interests in preventing substance abuse in the workplace. The parties mutually acknowledge that a safe work environment necessarily includes a drug-free environment wherein employees are free from the influence of drugs or alcohol.

Section 2. Unit employees are forbidden to use or possess alcohol or illegal drugs anywhere on the Company's premises. Employees are also forbidden to engage in any sale or other transaction involving illegal drugs on the Company's premises. Violators will be immediately subject to discipline up to and including discharge. Employees who are under the influence of alcohol or drugs while on the job will likewise be subject to discipline up to and including discharge.

Section 3. The Company retains the right to search lockers, desks, and other containers which are the property of the Company at any time in the presence of the employees assigned to that locker and/or a Union Steward, whether in relation to the administration of this Article, or otherwise.

Section 4. Any violation of the employee standards of conduct set forth in this Article will be treated as gross misconduct, punishable by immediate discharge for the first offense.

Section 5. Unit employees may be required to undergo appropriate test(s) to determine whether he or she is or was under the influence of alcohol or drugs after a work-related accident, or when the Company has reasonable cause to believe that he or she is impaired while on the job. An employee who fails to submit to a required testing, shall be considered as producing a positive test result. An employee who produces a dilute or untestable sample, may be discharged. The Company may also institute a random testing program. Before instituting such a program, the Company will first meet with the Union through the labor-management committee for its input into the type of random program to be utilized, and related details of same.

Section 6. If an employee has been prescribed prescription medication by a licensed physician, is taking the prescribed dose for same and tests positive for such medication, the fact that a positive test was caused by prescribed medication will be taken into account before any discipline with respect to the employee is administered.

ARTICLE 8 NO STRIKE OR LOCKOUT

Section 1. During the term of this Agreement, including any agreed-upon extension, neither the Union nor any of its members will take part in, condone or encourage, either directly or indirectly, any strike, sympathy strike, sit-down, slow-down, stoppage of work, concerted refusal to work overtime, or any other interference with or interruption of the normal conduct of the Employer's business. The Employer will not lock out during the term of this Agreement, including any agreed upon extension. Participation in any such prohibited activity by any employee or group of employees shall be cause for disciplinary action. Neither the Employer nor the Union shall be deemed by reason of any of the provisions of this Article to have given up any rights or remedies any of them may have at law or in equity arising out of violations of the provision in this Article.

Section 2. In the event of the occurrence of any of the acts referred above as prohibited to the Union and its members, the local union agrees to repudiate such acts, both orally and in writing, with copies of the written directive provided to the Company, to direct its members to resume production promptly, and to subject such members as refuse to forego such prohibited acts to internal union disciplinary action.

Section 3. In the event of the occurrence of any of the acts referred above as prohibited to the Employer, the employer agrees to repudiate such acts both orally and in writing with copies of the written directive provided to the union, to direct its workers to resume production.

ARTICLE 9 FACILITY SECURITY

In furtherance of its interests in maintaining the security of its premises and general monitoring of the workplace, the Employer may install and maintain security systems, including video monitoring systems in its facility, including bargaining unit areas.

ARTICLE 10 UNION SECURITY

It shall be a condition of employment that each employee shall obtain membership in the Union on or within one week after the completion of the employee's probationary period or the effective date of this Agreement, whichever is later. Each employee must tender the Union initiation fees, dues, and assessments which are regularly required for Union membership.

ARTICLE 11 DUES DEDUCTION/CHECKOFF

Section 1. The Employer agrees to make deductions from the pay of all bargaining unit employees covered by this Agreement, who authorize it in writing, the initiation fees, dues, and/or assessments of the Union. The Company agrees to remit to the Union all such deductions prior to the end of the month for which the deductions are made. No deductions shall be made which are prohibited by applicable law. Dues and fees deductions will begin as soon as possible after receipt of the signed authorization card in accordance with the Employer's normal payroll procedures. The request for dues and fees deductions may be revoked by the employee at any time upon his written request to the Employer. Changes in the amount of the initiation fee, dues and assessments will be certified to the Employer thirty (30) calendar days prior to the effective date of the change.

Section 2. At the Union's request, the Employer agrees to furnish the Union the following information about each employee covered by this Agreement on a monthly basis in some reasonable manner agreeable to both Employer and Union: Name, social security number, payroll/employee number, sex, job title of employee, amount of time worked during the covered month, hourly rate, seniority date, residence address (including zip code), and amount of dues deducted and amount of initiation fees deducted by the Employer for the prior month.

The information listed above will be taken from Employer records and will be sent to the Union with the dues and fees collected prior to the end of the month for which the dues and fees are being paid.

Section 3. The Union agrees to indemnify and hold harmless the Company against any and all claims, demands, lawsuits, or other litigation that may arise out of or by reason of any such action taken or not taken by the Company pursuant to the provisions of this Article.

ARTICLE 12 HEALTH & WELFARE PLAN

Section 1. Continue the enriched disability policy (on assumption that monthly premium for bargaining unit is less than \$500/month) (i.e., total \$500 monthly for the unit). Should the cost of the policy exceed \$500/month, employees shall pay the remaining cost, administered by the company through payroll deduction.

Section 2. The Employer may, but is not obligated to, offer more than one health insurance alternative to bargaining unit employees. Notwithstanding, the Employer shall contribute 65% of the premium cost for the plan alternative it identifies as its base plan. The Employee shall be responsible for the remaining premium cost of the plan alternative selected during open enrollment or any other permissible enrollment period. In the event health care plan changes are mandated by law, (coverage and/or costs) no changes will be made by the Employer without prior discussion with the Union.

Same percentage contributions will be applied to Dental Plan. The Employer will not change the schedule of covered services for the Plan until other available options have been explored and without prior discussion with the Union as to the reason for the change.

Continue weekly deductions to administer above.

Section 3. Subject to the terms of this Agreement, the Employer confirms that it has no present plans to modify its base Plan, Univera PPO-D upon ratification of this Agreement. The Employer will discuss any change to its base plan with the union beforehand and endeavor to reach its agreement regarding same. In addition, and so long as not a result of responding to changes in the health care law (which will be addressed as set forth in Section 2 above), the Employer agrees that it will not, for the life of this Agreement, reduce its contribution to health benefit premiums below that which it pays at the time of ratification of this Agreement (Single: \$234.44/month; Family: \$623.17/month).

Section 4. Company will meet at Union's request with a pension representative to discuss the details of the International Plan. Representative shall be from the Administrators Office.

ARTICLE 13 GRIEVANCE AND ARBITRATION

Section 1. The grievance and arbitration provisions of this Agreement shall be applicable to an alleged breach of the terms of this Agreement, and shall have no other application. The grievance and arbitration provisions of this Agreement shall apply only to violation of specific provisions of this Agreement. It is agreed that grievances shall be taken up in the following manner:

- (a) Any employee, or a Union Shop representative on their behalf, shall first take up the matter in dispute with a responsible supervisor within five (5) working days of its occurrence, or reasonable knowledge of its occurrence.
- (b) If the matter in dispute is not satisfactorily settled within three (3) working days, the grievance shall be reduced to writing, signed by the grievant or a Union Shop representative, and discussed by a Union Shop representative and a representative of management. The written grievance shall specify, in detail, the contract section alleged to have been violated, and will set forth the specific circumstances supporting such alleged violation.
- (c) If the matter in dispute is not satisfactorily settled in step (b) within five (5) working days after receipt of the written grievance, a meeting shall be held between the Union Steward (or his appointed representative) and the President of the Company (or his appointed representative).

- (d) If the matter in dispute is not satisfactorily settled in step (c) within ten (10) days, either party may refer the matter to arbitration by utilizing the procedures of the American Arbitration Association (labor division).

Section 2. The arbitrator appointed shall not have the power to determine arbitrability, and shall not add to, subtract from, modify or amend any provision of this Agreement or expand the scope of arbitration herein. No monetary award shall be effective retroactively beyond the date on which the grievance was first presented as in (a) above pursuant to the grievance procedure, nor for any period subsequent to the termination of this Agreement during which a successor agreement between the parties is in effect.

Section 3. The expense of the arbitrator shall be borne equally by the Company and the Union.

ARTICLE 14 WORK SCHEDULES

Section 1. The parties recognize that work schedules and hours are impacted by changing customer requirements. It is also recognized that a consistent employee work schedule is in the best interests of the Company and the bargaining unit. Pressroom schedules will normally be posted by Friday at 5:00 p.m. The Company agrees that once manning schedules are posted, changes will not be made without first consulting with the affected employees, and securing their approval to any changes. Further, a voicemail call-in system will be provided to dock employees, consistent with the one used by pressroom employees.

The Company will make its best effort to provide a 40 hour work week. Should Newspress be forced, due to extreme economic business pressures, to temporarily cut back the press crews to not less than 34.5 hours, this would happen to all crews, not a select few. (Full time benefits to remain intact).

If an employee requests and is granted a personal day off for an anticipated work shift and that shift is then scheduled off by the Employer and would not have been worked by the employee, the employee will not be charged the personal day originally granted and it will be restored to the employee

The Employer will use its best efforts to post the attendance plan point status of bargaining unit employees at least every two weeks.

Section 2. The Company will normally schedule a workweek consisting of 3, 4 or 5 consecutive work shifts, consisting of 12, 10 or 8 hours per day, exclusive of overtime, it being understood that the scheduling of consecutive work shifts is not mandated in all circumstances. Overtime work will be administered in accordance with Article 16, herein, with the understanding that those employees working 8 hour shifts as their regular work week, will receive overtime after 37.5 hours worked in a week, rather than 40. Unless agreed to otherwise

by the employee, no employee will be required to report to work with less than 12 hours off between shifts.

Section 3 The three paid holidays recognized for bargaining unit employees (as determined by their individual work shifts) shall be observed as follows for the applicable shifts:

- New Years ... 12/31 at 8:00 p.m. to 1/1 at 8:00 p.m.
- Memorial Day ... Monday 8:00 a.m. through Tuesday 8:00 a.m. (Traditional Monday)
- Independence Day ... 7/4, 8:00 a.m. through 7/5, 8:00 a.m.
- Labor Day ... Monday 8:00 a.m. through Tuesday 8:00 a.m. (Traditional Monday)
- Thanksgiving ... Thursday 8:00 a.m. through Friday 8:00 a.m. (Traditional Thursday)
- Christmas ... 12/25 8:00 a.m. through 12/26 8:00 a.m.

Section 4. If an employee is scheduled to work on any of the aforementioned holidays, the employee will be compensated at one and one half (1½) times their regular rate of pay. In addition, if Easter is scheduled as a work day, employees scheduled will be compensated at one and one half (1½) times their regular rate of pay (8:00 a.m. Sunday through 8:00 a.m. Monday)

**ARTICLE 15
WAGE INCREASES**

Section 1.

Effective the first payroll period following ratification, each full time bargaining unit member as of the date of contract ratification, shall receive a one time lump sum payment of \$2,000.00. Probationary employees as of the date of contract ratification, shall receive this lump sum payment effective the first payroll period following successful completion of their probationary period. Part time employees shall receive a pro-rated lump sum payment based on their average hours worked the 90 days preceding ratification. There will be no other contractual wage increases for the life of this agreement.

Section 2. The night shift differential shall be .50/hour.

Section 3. Contract classifications and hourly wage rates.

<u>Contract Classification</u>	<u>Hourly Wage Rate</u>
MIC	\$22.35
1 st Pressman(100%)	\$18.22
2 nd Pressman	\$16.25
RollTender	\$14.01
Helper – 2+Years	\$11.52

Helper – 2 Years	\$11.18
Helper – 18 Months	\$10.68
Helper – 1 Year	\$10.18
Helper – 6 Months	\$9.68
Helper – Start	\$9.18

**ARTICLE 16
OVERTIME**

Overtime is recognized as being necessary to the Company and therefore a requirement of the employee's job. When overtime is required by the Employer, employees shall be notified as early as practicable, and an employee shall not refuse to work overtime when scheduled. An employee shall not engage in repeated refusals to work unscheduled overtime, nor shall there be any concerted refusal to work overtime. Overtime rates shall be on the basis of time and one-half the standard time hourly rate applicable to the job the employee is doing, but no lower than the employee's job as listed on the weekly straight time press schedule, or as otherwise communicated to dock workers and/or maintenance employees.

**ARTICLE 17
PROMOTIONS/JOB OPENINGS**

Section 1. Job openings may be filled by management by promoting an employee, hiring from outside or by posting. When posted, the opening may be filled from the inside or by hiring a new employee from the outside. When filled by posting, the job shall be posted for five (5) working days.

Section 2. Job openings which are filled by posting shall be filled by the Company on the basis of its assessment of relative skill, qualifications, ability, work record, and attitude of employees. Department seniority shall be a deciding factor only where the above factors are considered equal. Unsuccessful bidders will be notified.

Section 3. A promoted employee or successful bidder will be subject to a trial period of up to twenty-two (22) work days within which to demonstrate to the Company's satisfaction qualifications to do the job. If the employee fails the trial period or voluntarily withdraws during the twenty-two (22) work day period, the employee will be returned to his previous job, bumping the person, if any, who filled that position and shall not re-bid the same position for twelve (12) months from the time of return to his original position.

Section 4. The Company may fill vacancies from any source, including new hires, but it will give consideration to qualified employees within the bargaining unit.

ARTICLE 18 SENIORITY

Consistent with the Management Rights provision of this Agreement, selection among employees with respect to layoffs, recalls, promotions, work assignments, shift assignments, hours of work and vacation preference shall be based on the Company's assessment of skills, efficiencies, dependability, work qualifications and business needs. The Company acknowledges that employees' length of service is a factor to be considered in making such selections, and, therefore, it will continue its practice of factoring such length of service into its decision making.

ARTICLE 19 HEALTH AND SAFETY

The parties recognize that government regulations make significant demands in the interest of workplace safety and environmental health. The Employer and employees agree to make every reasonable effort to comply with the various federal and state regulations. Employees shall comply with all Company safety rules.

Section 1. The parties further agree that safety and health of the workplace are in the mutual best interests of the parties and maintaining a safe and healthy workplace is the mutual responsibility of management and bargaining unit members.

Section 2. Employees will immediately report what they believe may be defects in equipment or other unsafe conditions to both the plant manager or his designee and the safety committee. This committee will be composed of one bargaining unit member from each shift (Early Week Day, Early Week Night, Late Week Day, Late Week Night) designated by the Union and the plant manager and/or his designees, but no more than four (4) total designated by management.

Either the Company or majority of its Union named members may convene a meeting to discuss a possible equipment or condition hazard. The committee shall meet not less frequently than monthly. Safety Committee members will be compensated at their regular rate of pay without regard to any overtime or holiday premium and relieved from work duty during any time actually spent at Safety Committee meetings.

Section 3. The Company agrees that it will provide employees with all legally required hazard, safety, and health training. The Union will provide the Company with all necessary information regarding all hazard, safety, and health training that it can make available to the Company and its employees.

Section 4. Labor-Management Committee to be continued:

Equal numbers of unit members selected by Union and Company representatives (4 each). Items to be considered include, but are not limited to, schedules, transfers, bump-downs,

productivity, and other matters of general concern. In addition a Health Care subcommittee will be established to explore alternatives to the current medical plan.

ARTICLE 20 PERSONNEL FILES

Section 1. All employees have the right, upon written request on a form provided by the Employer, to inspect and receive copies of documentation from their personnel files. The Employer shall provide an employee copies of documents from his/her personnel file, but only new information in the file will be provided from the time of any earlier request.

Section 2. Requests for examination of personnel files shall be reasonable as to frequency. The Employer may deny access on the basis that no material has been added to the file from the prior examination.

Section 3. Failure to comply with the disclosure provisions of this Article shall not be used as evidence in any grievance and/or arbitration not specifically related to this Article.

ARTICLE 21 TEMPORARY EMPLOYEES

Section 1. Temporary employees are those hired directly by Newspress for a limited period of time not to exceed 30 days (not immediately repeated) to fill in for vacations, or other absences or to work during peak periods. This time limitation does not apply to temporary employees obtained from a temp agency.

Section 2. Temporary employees shall not be subject to this contract and, therefore, for instance, shall not accumulate seniority nor be entitled to holiday pay, vacation pay, insurance, medical benefits, or other fringe benefits or the grievance procedure herein.

Section 3. If a temporary employee becomes a regular full-time employee, his seniority shall be that of the date as a regular full-time employee.

ARTICLE 22 COMPLETE AGREEMENT

Section 1. The parties acknowledge that during the period preceding the execution of this Agreement, they had the opportunity to make any and all such proposals as might legally be the subject of bargaining between them. This Agreement, fully and completely, sets forth all agreements or understandings that are binding to the parties.

Section 2. With respect to matters affecting or arguably affecting terms and conditions of employment which are not the subject of the express provisions of this Agreement, the Employer retains the same rights of unilateral action possessed by it prior to the time at which its duty to bargain with the Union arose. The Employer's handbook, general policies and procedures, not

specifically amended by this Agreement, are in full force and effect with respect to bargaining unit employees. The parties hereto intend that this Agreement (except as may otherwise expressly be provided for herein), for its duration, shall constitute a discharge of their duty to bargain with each other concerning both matters covered herein and matters concerning which this Agreement is silent.

Section 3. The Company's handbook, general policies and procedures, not specifically amended by this Agreement, are in full force and effect with respect to bargaining unit employees. The Company agrees that the Union will be notified of modifications to its handbook at least two weeks prior to implementation. If Newspress is forced to make temporary cutbacks to benefits, stated in the company handbook under benefits, Newspress will administer those cutbacks company wide and not only to the bargaining unit. This does not apply to Article 12, Health and Welfare.

IN WITNESS WHEREOF, we have affixed our hands this _____ day of _____, 2012.

BUFFALO NEWSPRESS, INC.

By: _____
Mark J. Korzelius, President

INTERNATIONAL UNION OF PAINTERS AND
ALLIED TRADES, DISTRICT COUNCIL #4

By: _____
Dominic Zirilli, Business Representative