

**Agreement Between
Skagit Valley Herald and
Pacific Northwest Newspaper Guild, CWA Local 37082**

Introduction/Joint Mission

The joint mission of the Skagit Valley Herald (the “Employer”) and the Pacific Northwest Newspaper Guild, CWA Local 37082 (the “Guild”) is to prepare the corporation, its employees, and its owners for successful competition in the newspaper industry. The economic health of the newspaper, and thus the security and well being of everyone involved depends on the success of the parties’ commitment to prepare for the future.

The principal goal for this partnership is that the parties together will learn to manage beneficially the inevitable issues of change. This partnership embraces a dynamic relationship, recognizing the need for employee involvement in adapting to change. The method chosen to pursue these goals is an employee-management partnership — a relationship of mutual respect, open communication, shared success, mutual aid and innovative problem solving.

Article 1 — Recognition

The Employer recognizes the Guild as the bargaining representative for all editorial department employees employed by the Employer at its Mount Vernon, Washington, location; excluding all circulation employees, advertising employees, classified employees, office clerical employees, confidential employees, editors (including news, sports, city, photo, publications, and feature), assistant city editor, all other employees, and guards and supervisors as defined in the Act.

Article 2 — Management

(a) Management will define, communicate and implement the objectives and goals of the corporation. It will lead and direct the employees through the exercise of all the rights and prerogatives associated with management, and exercised by it.

This section does not abrogate other provisions of this Agreement. The Guild recognizes that the Employer has the obligation of serving its subscribers with the highest quality services, efficiently and economically. The Guild further recognizes the right of the Employer to operate and manage its operations including, but not limited to, requiring standards of performance, to maintain order and efficiency, to direct the employees and determine job assignments and working schedules; to determine the materials, equipment and procedures which will be used; to determine staffing requirements; to reassign or subcontract work (except as provided in Article 2(c) below); to determine the kind and location of facilities; to select and hire employees; and to

promulgate rules, regulations and personnel policies, including but not limited to such matters as conduct, performance, dress and attendance, provided that such rights shall not be exercised so as to violate any of the specific provisions of this Agreement. The parties recognize that the above statement of management responsibilities is for illustrative purposes only, and should not be construed as restrictive or interpreted so as to exclude those prerogatives not mentioned which are inherent to the management function. All matters not covered by the language of this Agreement shall be administered by the Employer on a unilateral basis in accordance with such policies and procedures as it from time to time shall determine.

(b) It is recognized that work presently performed by employees with the bargaining unit may from time to time be subject to reassignment and/or elimination because of new or modified processes or equipment employed by the Employer. Where the Employer plans such a reassignment and/or elimination, it shall advise the Guild at least thirty (30) days in advance of the change in order to provide opportunity for discussion prior to implementation.

(c) If the Employer decides to contract out bargaining unit work not previously contracted out, the Employer will comply with the following procedures. The Employer shall inform the Guild of its intention to contract out. The Guild will give the Employer notification within ten (10) working days of its desire to negotiate the effects of contracting out. Thereafter, the Guild and the Employer shall negotiate in good faith on the issues. If thirty (30) calendar days after the request from the Guild, the Employer still decides to go ahead with the decision to contract out the work, it may do so. The parties shall continue to negotiate and seek resolution of any effects issues which have not been resolved at that time. This clause shall not apply to contracting consistent with current or historical practices.

(d) Training. Training is critical to the maintenance of an efficient, competitive and quality workforce, and to employee advancement. Employees will be assigned by skill and experience to a variety of functions and services, consistent with the overall needs of the Employer. The parties are committed to encouraging and allowing employees the opportunity to voluntarily gain additional skills.

Article 3 — Guild Activities and Membership

(a) The Guild shall provide the Employer a list of Guild Officers and Shop Stewards, and maintain such a list in a current status.

(b) There shall be no discrimination in wages, working conditions or benefits because of Guild membership or lack of Guild membership. It is agreed there will be no solicitation of employees, or other Guild activity, during working time. Working time does not include meal periods or established break time (assuming all involved employees are on break).

(c) All current employees who are members of the Guild as of the effective date of this Agreement shall remain members as a condition of continued employment. All current employees who are not members of the Guild shall have the right to determine whether they wish to join the Guild. All new employees must decide within sixty (60) days of employment whether they wish to join the Guild, and all such employees who choose to join the Guild must remain members through the duration of the Agreement.

(d) The Employer shall be held harmless by the Guild of any action resulting from the termination of any employee under this Article.

Article 4 — Information

Within one month after the hiring of a new employee, the Employer shall furnish the Guild the employee's name, address, date of hire, classification and salary. When providing such notice, the Employer shall also inform the Guild of any employees who have left the bargaining unit.

Article 5 — Employee Security

(a) The Employer may discharge employees for just cause. While embracing the concept of progressive discipline, the parties recognize that some conduct requires immediate, severe discipline, up to and including termination.

(b) The Employer may lay off employees, provided that employees and the Guild are given at least two (2) weeks notice in advance of the layoff. The Employer may pay two (2) weeks' salary in lieu of such notice.

(c) New employees shall be considered introductory employees during the first six months of their employment. The introductory period may be extended by mutual agreement with the Guild when the Employer has not had the opportunity to fairly determine the capabilities of the introductory employee. Discipline and discharges occurring during the introductory period are at the Employer's discretion, and may not be challenged under the grievance procedure.

(d) In the event of a layoff, seniority will be determinative when competence, qualifications and ability to do available work are equal. The Employer shall have reasonable discretion to make the determination as to competence, qualifications and ability, but such determination shall be subject to the grievance procedure.

(e) Seniority means continuous length of service with the Employer, uninterrupted by either voluntary quit, dismissal for cause, layoff of one year or more, or refusal to accept an offer of substantially equivalent employment while on layoff.

Article 6 — No Discrimination

There shall be no unlawful discrimination by the Employer or the Guild against any employee or applicant from employment because of race, creed, sex, color, national origin, disability, sexual orientation or age, as provided by law.

Article 7 — Hours and Overtime

(a) The regular workweek for full-time employees shall be five days, 40 hours.

(b) The parties recognize that overtime work is costly for the Employer and disruptive for employees. The Employer will make a good faith effort to minimize overtime work. The parties recognize the value of flex time, and encourage the Employer to utilize flex time during a work week as a mechanism for keeping an employee's work week at forty hours. All work performed in excess of forty (40) hours per week shall be paid at the overtime rate of time and one half. When overtime is necessary, employees will be expected to obtain prior authorization, the employee shall minimize overtime to the greatest possible extent, and shall report the incurred overtime to his or her supervisor the following work day.

(c) The regular work week shall not be changed without the consent of the Guild. Such consent will not be unreasonably withheld.

(d) There shall be no duplication or pyramiding of overtime or premiums.

(e) The Employer shall keep a record of all overtime. Copies of such records shall be given to the Guild upon reasonable request.

(f) Meal periods and rest periods shall be provided as required by State law. Employees shall be allowed a meal period of 30 minutes which commences no less than two hours nor more than five hours from the beginning of the shift. Employees shall be allowed a rest period of 10 minutes, on the Employer's time, for each four hours of working time. Rest periods shall be scheduled as near as possible to the midpoint of the work period. No employee shall be required to work more than three hours without a rest period. Where the nature of the work allows employees to take intermittent rest periods equivalent to 10 minutes for each four hours worked, scheduled rest periods are not required.

(g) The Employer shall make a good-faith effort to schedule work with a minimum of twelve (12) hours between shifts, except where mutually agreed or in unusual situations.

(h) Work schedules of days shall be posted no later than the Monday preceding the week for which the schedules apply. Insofar as practical, the posted schedule shall include start times, recognizing that occasional changes may be required.

(i) The Employer will make a good-faith effort to avoid split shifts. It is mutually understood, however, that community events and/or other circumstances may make such scheduling impractical.

(j) When an Employee finishes a shift and leaves the workplace and is called back to the workplace to perform additional work, the Employer will pay for the actual callback time worked or a guaranteed minimum of three (3) hours. The Employer agrees to hold all callbacks to an absolute minimum consistent with operational needs. This provision also applies when employees are called to return to the workplace in order to do work on their days off.

Article 8 — Transfers and Promotions

(a) Bargaining unit job vacancies shall either be posted or announced in the company bulletin.

(b) When filling such a job vacancy, the Employer will give preference to internal applicants over outside applicants. As between bargaining unit employees, the Employer shall give seniority first consideration when factors such as competence, qualifications and ability to perform the work are equal. The Employer shall have reasonable discretion to make this determination, although it is subject to the grievance procedure.

(c) An employee promoted under this Article shall be given an evaluation period of 90 days, which may be extended by mutual agreement between the Employer and the Guild. During the evaluation period, a promoted employee shall receive the lowest salary in the new classification which is higher than the employee's old salary.

(d) Employees who fail to meet the requirements of the new position during the evaluation period shall be returned to their former job classification and pay.

(e) An employee who is demoted or returned by the Employer to a bargaining unit job classification from a position outside of the bargaining unit, will retain the seniority they accrued while in the unit.

Article 9 — Grievance Procedure

(a) All disputes involving an alleged violation of the terms of this agreement shall be subject to the following grievance procedure.

(b) All grievances shall be submitted in writing, setting forth the facts giving rise to the grievance, the grounds of complaint, the section that this Agreement violated, and the action sought. All grievances shall be submitted in writing to the Employer within thirty (30) calendar days from the date the employee knew, or reasonably should have known, of the event giving rise to the grievance.

(c) Initially, the employee and his/her supervisor and/or his/her editor shall meet to discuss the grievance.

(d) If the employee is dissatisfied with the determination of the supervisor and/or editor, he/she may, within seven (7) days of receiving the supervisor's response, forward the grievance to the Publisher. Unless otherwise mutually agreed, the Publisher shall meet with the employee and his/her Guild representative to discuss the grievance, and will respond to the grievance in writing.

(e) If the Employer and Guild fail to agree within thirty (30) calendar days after the matter has been submitted to the Publisher, the dispute may be submitted for binding arbitration. The written request for arbitration must be made within seven (7) days from receipt of the answer from the Publisher, or the expiration of the thirty (30) day calendar period, whichever occurs first. If the parties are unable to mutually agree upon an arbitrator, a list shall be requested from the Federal Mediation and Conciliation Service of nine Washington and Oregon arbitrators. Either party may reject the initial panel and request a second panel. After a toss of the coin, the parties shall alternately select a name from the list until one remains as the arbitrator chosen by the parties.

(f) The arbitrator's decision shall be final and binding. The arbitrator shall have no power to add to, subtract from, alter or vary in any way the express terms of this agreement, or to imply any restriction or burden against either party that has not been assumed by the express language of the agreement.

(g) Each party shall bear one-half of the joint expense of arbitration and all of its own expenses, including the cost of representation.

(h) The time limits specified in this Article are mandatory, and may be extended or waived only by mutual agreement of the parties.

Article 10 — Employment

(a) A full-time employee is one who is regularly scheduled to work thirty (30) hours or more per week.

(b) A part-time employee is one who is regularly scheduled to work less than thirty (30) hours per week.

(c) Temporary employees are those employees who are not regularly scheduled to work for any set period of time, or are hired to work for a period of set duration on a special project not to exceed six months.

(d) Full-time and part-time employees are members of the bargaining unit. Temporary employees are excluded from the bargaining unit.

(e) Except as otherwise provided herein, part-time employees shall not receive any benefits under this agreement.

Article 11 — Wages

(a) Employees shall be paid twice a month. The Employer may change the payroll dates so long as such dates are consistent with those of other employees of the Employer.

(b) The Employer retains the right to grant and withdraw merit increases.

(c) Employees may bargain individually for pay increases above established minimum salaries.

(d) The Employer shall provide the Guild with a description of any bonus and/or incentive plan the Employer introduces.

(e) Should the Employer create a new job classification, it shall notify, and upon request, discuss with the Guild the assigned salary for the classification.

(f) All employees shall receive an additional 50 cents per hour when they are required by the Employer to work between 7 p.m. and 6 a.m. The differential shall apply only to the time worked between 7 p.m. and 6 a.m.

(g) 1. Commitment to Fair Pay — Skagit Publishing Co. is committed to fair pay in relation to the job market within a relevant range, while also taking into consideration the economy in the Skagit Valley Herald circulation area.

(g) 2. Minimum pay—The minimum pay for each position shall be as follows. The minimums below will be in effect for the duration of the contract.

Job Title	Minimum Hourly	Maximum Hourly	Minimum Salary	Maximum Salary
Reporter/Copy Editor/Photojournalist	\$14.50	\$16.74	\$30,276.00	\$34,953.12
Senior Reporter/Senior Copy Editor/ Senior Photojournalist	\$16.75	\$23.00	\$34,974.00	\$48,024.00

(g) 3. Employees shall be slotted into the appropriate classifications and pay levels based on their current skill level and amount of experience. Greater emphasis is placed on the achievement of skills rather than the passage of time. The Publisher and the editors will determine which pay level is appropriate for employees.

(g) 3a. New hires will be slotted into the appropriate pay classifications based on discussions between the employee and the Employer at the time of hire. The Publisher or his representative has final discretion.

(g) 3b. Advancement to the Senior pay level in an employee's classification shall take place upon five (5) years of continuous service at the Skagit Valley Herald, as long as the employee meets or exceeds expectations in the most recent performance review. An employee on a performance evaluation plan will not be eligible for promotion until the plan is successfully completed. Employees may be advance earlier based on skill level or credit for other experience. The Employer agrees that it will not arbitrarily refuse to advance employees on the pay scale. The Publisher or its representative has final discretion regarding advancement.

(g) 4. "Fair raises" means that raises are linked to performance and to the job market.

a. Annual raise — April 11, 2014 – 3% increase for employees currently above the new Senior minimum pay level for their classification.

b. Annual wage adjustments – Each member in the bargaining unit will receive the following wage adjustments:

April 11, 2015 – 1% increase

April 11, 2016 – 2% increase

c. Performance evaluations are done by the employee's direct supervisor, reviewed by the Editor and based on performance criteria from the job description. Current job descriptions for all positions will be provided to all employees and to the Guild. Employees who believe their performance evaluations do not accurately reflect their performance may appeal the evaluations to the Editor for review. Employees that are not satisfied with the decision of the Editor may appeal to the Publisher for review. The determination of the Publisher is final.

As used in Article 11, "final" decisions made by the Employer or its representative are not subject to the grievance procedure.

Article 12 — Expenses

(a) The Employer shall reimburse employees for the approved use of an automobile, in the service of the Employer. The reimbursement rate is calculated every other month based on the sum of two components. The first component is \$0.195 per mile for maintenance and depreciation. The second component is for gas and it is calculated based on the price of gas divided by 20 miles per gallon.

For example, the current mileage rate (as of August 2011) was calculated as follows:

Median price of gasoline per gallon	\$3.85
Divided by average miles per gallon	20 mpg
Equals gas allowance	\$0.1925
Plus maintenance and depreciation factor	\$0.195
Equals mileage reimbursement for the quarter	\$0.39 (rounded)

On the first business day of even-numbered months (beginning with April 2012), the mileage rate will be updated by checking the median gas price for Mount Vernon, WA, at the gas price report on <http://autos.msn.com>.

(b) The Employer shall continue to provide the same level of insurance coverage for photographic equipment and laptop computers, if required by the Employer, used in the service of the Employer. Each employee shall provide the Employer with a list of all such equipment, and keep such list up to date.

Article 13 — Holidays

(a) All full-time employees shall have the following holidays with pay: New Year's Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas. In addition, employees who are full-time as of July 1 shall receive one floating holiday for use during the following calendar year, with scheduling of the holiday subject to mutual agreement between the employee and Employer.

(b) The holiday shall begin at 12:00 midnight on the eve of the holiday, and continue for the next twenty-four (24) hours. All full time employees required to work on a holiday shall receive straight-time pay for hours worked in addition to their holiday pay, except that employees who work on Thanksgiving and Christmas shall receive the overtime rate for all time worked on those days in addition to their holiday pay. Full-time and part-time employees who work on a holiday shall receive a minimum of three-(3) hours' pay at the straight-time rate.

(c) Any full-time employee whose day off falls on a holiday shall receive an additional day off with pay at another date to be determined by mutual agreement between the employee and the Employer.

(d) Employees who are on leaves of absence, including sick leave, must work either the last scheduled day preceding the holiday or the first scheduled day following the holiday to receive holiday pay.

Article 14 — Vacations

(a) Full-time and part-time employees are eligible for paid vacation time. Employees accrue vacation time in each pay period. They are able to take it as it is earned, subject to their supervisor's approval regarding scheduling. There are four

levels of vacation accrual, based on length of service to the company. Each of these levels is based on a full-time 40 hour work week. Vacation time is prorated for employees working fewer than 40 hours per week.

Level 0: Employees with 0-90 days of service are not eligible for vacation. They do not accrue vacation time, nor will they be paid any vacation time if they terminate during the first 90 days of employment.

Level 1: Employees will receive 20 hours of vacation time upon reaching 91 days of continuous employment. Thereafter, they will accrue additional vacation time at the rate of 0.0385 hours per hour paid (2 weeks/year).

Level 2: Employees with over five years of continuous service will earn 0.0578 hours of vacation time per hour paid (3 weeks/year).

Level 3: Employees with over 10 years of continuous service will earn 0.0769 hours of vacation time per hour paid (4 weeks/year).

(b) Vacation accrual is capped at 150 percent of available vacation time, based on level. For example, a seven-year employee will have vacation time capped at 180 hours. Upon reaching 180 hours, if no vacation is taken, he/she will stop accruing vacation time until he/she uses some vacation time. Unless otherwise restricted by law, you stop accruing vacation when you reach your cap. You are responsible for tracking your available vacation and making sure you use it before it caps out.

Level	Length of Service	Rate of Earning	Vacation Time Totals	Ongoing Cap 150%
0	0-90 days	None	0	N/A
1	91 days or more	20 hours upon reaching 91 days, 0.0385 per hour paid	80 hours/yr (2 weeks)	120 hours
2	5 yrs or more	0.0578 per hour paid	120 hours/yr (3 weeks)	180 hours
3	10 yrs or more	0.0769 per hour paid	160 hours/yr (4 weeks)	240 hours

c) 1. All vacation requests must be scheduled in advance and approved by the appropriate supervisor. By Nov. 1 of each year, managers shall post vacation schedules covering the period from Jan. 1 until the last day of December of the following year. On those posted schedules, department supervisors may limit the number of staffers who can be gone in a given vacation week, according to reasonable departmental needs. Employees shall have until Jan. 1 to request vacation weeks. In the case of conflicts over specific available vacation weeks, employees with the most company seniority

shall be granted the requested week. Those denied a vacation week shall be given the opportunity to request a different available week. By Dec. 15, managers shall post a schedule of the upcoming year's vacation schedules. Between the end of the signup period and the beginning of the next year's signup, remaining vacation shall be granted on a first-come, first-served basis.

2. While every effort will be made to accommodate employees' desired vacation schedules and approval will not be withheld unreasonably, there are certain times during the year when vacations will be restricted. Examples include, but are not limited to, elections and important sporting events that need coverage by staff.

3. When vacation requests are denied, supervisors shall provide upon request the operational reason for such denial in writing.

4. Unless otherwise approved, vacations may not exceed three (3) consecutive weeks.

5. Starting Dec. 31, 2012, employees may not carry over more than 80 hours of the previous year's vacation accrual into the following year.

a. If an employee wishes to carry over additional vacation for an anticipated need in the following year (extended vacation, pregnancy, etc.), the employee may request an exception to this cap from the Publisher. The final decision will be made by the Publisher.

b. Upon termination, an employee will be paid for any vacation accrued but not used from the current calendar year plus up to a maximum of eighty (80) hours of vacation carried over from the previous year. Employees may have vacation accrual in excess of the cap, but no payment will be made for hours over this amount.

(d) Part-time employees will accrue vacation time using the same formulas used for full-time employees.

(e) Vacation accrual rates will change on your fifth- and 10-year anniversary dates.

(f) Employees continue to accrue vacation time and sick leave while out on vacation. Employees on short- or long-term disability do not continue to accrue vacation time.

(e) Upon termination of employment, an employee (or the employee's estate in case of death) shall receive pay for all accrued and unused vacation.

Article 15 — Sick Leave

(a) Full-time and part-time employees are eligible for paid sick leave. There are three levels of sick leave. Length of service is calculated from date of hire.

Level 0: Employees with 0-90 days of service are not eligible for sick leave.

Level 1: Employees will receive 10 hours of sick leave upon reaching 91 days of continuous employment. Thereafter, they will earn additional sick leave at the rate of 0.0193 hours per hour paid (1week/year).

Level 2: Employees with at least five years of continuous service will earn 0.0385 hours of sick leave per hour paid (2 weeks/year).

Sick leave is capped at 150 percent of available sick time, based on level. Please see the chart below for details.

Level	Length of Service	Rate of Earning	Sick Leave Totals	Ongoing Cap (150%)
0	0-90 days	None	0	N/A
1	91 days or more	10 hours upon reaching 91 days, 0.0193 hours per hour paid thereafter	40 hours/yr (1 week)	60 hours
2	5 yrs or more	0.0385 hours per hour paid	80 hours/yr (2 weeks)	120 hours

(b) Part-time employees receive sick leave days using the same formulas.

(c) Sick Leave may be used for an employee's own illness or injury, to care for a child under the age of 18 with a health condition requiring treatment or supervision, or to care for a spouse, parent, parent-in-law or grandparent with a serious health condition. Employees are expected to provide as much notice as possible of the need to miss work because of illness or injury, and may be asked to provide a doctor's note verifying the reason for use of sick leave. Abuse of sick leave can result in disciplinary action, up to and including termination.

(d) Employees may not donate or share sick leave. Under no circumstances will an employee's sick leave be converted to cash.

(e) Employees continue to accrue sick leave and vacation time while out sick. However, they do not accrue vacation time or sick leave while on short-term disability only or long-term disability only (when there is no overlap with sick leave or vacation time).

(f) Sick leave payments will be coordinated with State Industrial Insurance Plan, such that the employee's net income is not increased during any time of illness or disability.

(g) Full-time employees will be covered under the Employer's Disability Insurance Plan.

(h) If an employee is disabled because of illness, injury or pregnancy, the employee shall be required to use available sick leave and vacation pay during the term of their leave. Disability initially must be verified by a physician, and supplemental statements may be required. The Employer shall comply with the Family Medical and Leave Act.

(i) Employees who have been with Skagit Valley Publishing Co. for at least 12 months and have worked a minimum of 1,250 hours during the 12 months prior to a requested leave are eligible for short-term Disability.

(j) Full-time employees who are absent from work for more than 30 consecutive calendar days because of illness or injury, and who have used all accrued sick leave and vacation time, may be eligible for Skagit Valley Publishing Co.'s short-term disability program. In general, the program provides benefits to eligible employees absent between 30 and 90 consecutive calendar days because of a "disability," as that term is defined and used in the Pioneer Newspapers, Inc. Long-Term Disability insurance policy. Short-term disability benefits are not available for employees whose absence is covered by workers' compensation or industrial accident insurance. The Administrator will determine any questions regarding the scope of coverage under the program.

(k) Employees do not accrue vacation time or sick leave while out on Short Term Disability only.

(l) Benefits available under the short-term disability program vary according to seniority as follows:

Level 0: Employees with less than one year of service are not eligible for short-term disability.

Level 1: Employees with at least one year of continuous service are eligible for up to three weeks at 60 percent pay and five weeks at 30 percent pay.

Level 2: Employees with at least five years of continuous service are eligible for six weeks at 60 percent pay and two weeks at 30 percent pay.

Level 3: Employees with at least 10 years of continuous service are eligible for eight weeks at 60 percent pay.

(m) The Publisher has the right to request a doctor's note or an independent medical evaluation at any time. Failure of the employee to comply with this request will result in discontinuation of short-term disability benefits, and may result in disciplinary action, up to and including termination.

(n) After 90 consecutive calendar days of absence because of illness or disability, an employee may be eligible for benefits under the Pioneer Newspapers, Inc. Long-Term Disability plan.

Article 16 — Leaves of Absence

(a) An employee with at least five (5) continuous years of service with the Employer may request an unpaid leave of absence, not to exceed three (3) months. The determination to approve such leaves shall be made by the Employer, and is not grievable. The approval of any leave request will not be precedential for any future requests. Leave requests will not be approved if another employee will be on leave during the requested period. Except for leaves of less than ten (10) work days, the employee will not receive any accruals or benefits under the Agreement during the period of the leave.

(b) Time spent on approved leaves shall not constitute a break in continuity of service, but leave time beyond a total of 240 hours in a calendar year will not count as service time in the computation of length of service benefits under this Agreement.

(c) Upon return of an employee from an approved leave of absence, a temporary employee hired as a substitute for such employee, may be dismissed by the Employer.

(d) Parental leave for childbirth of up to twelve (12) weeks shall be granted upon request. The employee shall notify the Employer of the intention to take such leave and inform the Employer of the specific dates the employee will return to work. After available vacation and sick leave have been used, the remainder of the leave shall be without pay. Such leaves shall apply to both natural and adoptive parents. While an employee may take up to an additional three (3) months of unpaid parental leave, the Employer shall not be required to hold open the employee's job. In such event, a returning employee shall have a preferential right to the first available opening for which he/she is qualified.

(e) An employee designated by the Guild to attend a negotiating meeting or other meeting with the Employer and the Union shall be released without pay for that purpose. The number of employees designated to attend such meetings shall not exceed two, except by mutual agreement. Meetings shall be scheduled so as not to disrupt the Employer's staffing needs or cause overtime for other employees.

(f) Bereavement Leave. In the event of a death in the immediate family of a full-time employee, a full-time employee who has completed the introductory period shall receive up to three (3) days bereavement leave with full pay. Immediate family includes spouse, domestic partner residing with the employee, parent, son, daughter, brother, sister, grandparent, grandchild, parent-in-law, step-parent, step-brother, step-sister, and stepchild or any relative who regularly resides with the employee.

Article 17 — Military Leave

(a) Employees will be granted unpaid leaves of absence to attend required military reserve training programs to the extent required by law. Vacation may be used during active duty for training periods.

(b) An employee enlisting, inducted or recalled for extended active duty will be granted an unpaid leave of absence for the period of service, to the extent required by applicable federal and state laws.

Article 18 — 401(k) Plan

The Employer shall allow employees to participate in the Employer's 401(k) Savings Plan on the same terms and conditions as other employees.

Article 19 — Medical Plan

(a) Full-time employees shall receive the same health and welfare plan, coverage, benefits, and employee premium schedule as other non-union employees of the Employer.

Article 20— Severance

Before layoffs may take place, the Employer agrees to offer the following benefits to any volunteers who step forward to resign in lieu of involuntary layoffs. Such volunteers shall be designated as "laid off" when the Employer responds to filings for unemployment claims by the affected employees. The Employer has the right to reject offers. In the case of layoffs, the Employer may choose to inform employees ahead of time whether they are eligible to volunteer.

Laid-off employees shall be eligible for severance benefits as follows, except in the case of termination for cause:

- a. **Severance Pay.** The Company agrees to pay severance pay based on years of service: 1 week of pay for every year of service with the company, or a minimum of two (2) weeks' pay and a maximum of 13 weeks' pay. Severance pay will be paid on the next regular pay day.
- b. **Health Insurance.** The Company will pay the standard COBRA benefits by paying the unpaid portion of insurance premiums for a period of one (1) month for employee and any dependents to the same extent paid by the Company just prior to the Separation Date.
- c. **Accrued Vacation.** The Company will pay the employee for vacation that the employee has accrued but not used, if any, as of the Separation Date.
- d. **Floating Holiday.** The Company will pay the employee for unused Floating Holidays that the employee has accrued but not used, if any, as of the Separation Date.

Article 21 — General Provisions

(a) Outside Activities. Employees shall not engage in any activity outside of working hours, which would in any way compete with the Employer, or conflict with the employee's ability to objectively perform his/her job duties. Employees shall not become involved in any political campaign, hold public office, nor serve on any public relations committee. Employees also shall not exploit the employee's relationship with the Employer, nor use Employer-owned equipment or facilities in the course of any outside activities, without the express permission of the Employer.

(b) Jury Duty. A full-time employee who has completed the probationary period in Article 5(c) who is called to jury duty shall receive reimbursement for loss of wages while performing such service. Such reimbursement shall not exceed the employee's regular rate of pay, less any compensation paid by the court. Compensation paid to the employee by the court shall be turned over to the Employer. Any employee released by the court prior to having spent four (4) hours on jury duty or waiting for assignment, shall report to work as scheduled and complete the remainder of an eight (8) hour shift. In the case of shifts starting after the employee is released by the court, he/she shall be required to work only the hours required to make up a combined eight (8) hour shift. Such employee shall be paid a regular day's wages, less any compensation provided by the court.

(c) Personnel Files. Upon reasonable request, employees may review their personnel files. Employees may insert written corrections about records the employee believes to be in error, and comment in writing about other information in the employee's file.

(d) An employee's byline or credit line shall not be used over the employee's reasonable and legitimate protest regarding the material facts contained in the story, or unethical conduct. The right to withhold is personal to the employee involved, and may not be used in concert with other employees.

Article 22 — No Strike, No Lockout

(a) During the life of this Agreement, the Guild, its officers, agents, and members, and employees, shall neither engage in nor encourage any strikes, slowdowns, work stoppages, sitdowns, or picketing, including sympathy strikes and picketing of the Employer.

(b) Any employee who violates this Article is subject to discipline, up to and including discharge.

(c) Any suit for damages resulting from any violation of this Article shall not be subject to the arbitration provisions of this Agreement.

(d) During the life of this Agreement, the Employer shall not lock out any of the employees covered by this Agreement.

Article 23 — Code of Responsibility

(a) The following code of responsibility has been adopted by the parties, and is applicable to all employees:

As employees of the Skagit Valley Herald, we recognize that our first responsibility and obligation is to our employer, and the customer. We further recognize that decisions and policies are made through the proper structure, so that the public has full confidence in our integrity and as employees. We recognize the need to work with a positive attitude and perform in a professional manner. We will perform our assigned tasks with both quality and quantity being taken into account. Punctuality, appearance, and attitude are priorities for us as Skagit Valley Herald employees.

(b) Mutual Respect. The parties desire that the relationship between them be one of mutual respect. The parties desire regular and open communication between management and employees in such areas as safety, improving work methods, organizational objectives and goals. The parties further recognize the value of constructively and regularly evaluating employees.

Article 24 — Issue Discussion

The Guild and Management agree to establish and maintain a joint labor/management committee, consisting of two Guild representatives appointed by the Guild and two management representatives appointed by the Employer. The purpose of this committee is to provide a forum for discussing matters of interest to either party. The committee will not discuss any concerns which the members feel have not been taken through the established channels of authority but will refer these matters first to the proper place.

There is no limit to the nature of issues which may be referred to this process by employees, the Guild or management. The process will be used to advance ideas as well as to examine perceived wrongs. The only qualifications are that the affected person(s) certify the issue as a responsible one of genuine concern and thereafter participate firsthand in its resolution.

Unless otherwise agreed, the committee will meet on a monthly basis. The overriding purpose of the committee will be to address and seek resolution of those issues which are of concern. While the Employer retains the ultimate authority to run its business, the parties recognize the value of full, frank and open communication.

Article 25 — Effective Date and Duration

This agreement shall become effective April 11, 2014, and shall remain in full force and effect to and including December 31, 2016. At any time within ninety (90) days prior to the termination of this Agreement, the Employer or the Guild may initiate negotiations for a new Agreement. The terms and conditions of this Agreement shall remain in effect as long as negotiations continue, or until either party has served fifteen (15) days' written notice of termination. Such notice cannot be made prior to January 1, 2017.

Dated this 11th day of April 2014.

Pacific Northwest Newspaper Guild,
CWA Local 37082

Skagit Valley Herald
Publishing Company

By Vince R. Richardson
Vince Richardson
Guild Unit Chair

By Heather Hernandez
Heather Hernandez
Publisher

By Trevor Pyle
Trevor Pyle
Guild Shop Steward

By Darryl Sclater
Darryl Sclater
Guild Administrative Officer

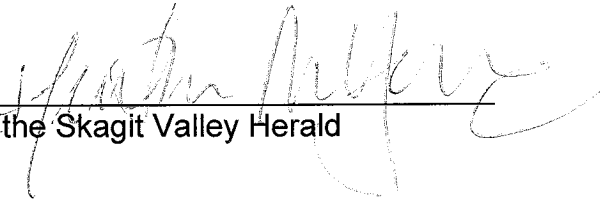
Memorandum of understanding

(Expires December 31, 2016)

If the Publisher furloughs non-bargaining-unit employees, Guild members agree to take an equivalent furlough of up to five days in the 6 months following announcement of a furlough. The Employer will notify the Union at least 10 days in advance of implementing a furlough.



For the Pacific Northwest Newspaper Guild



For the Skagit Valley Herald