

CONTRACT

BETWEEN

PACIFIC MEDIA WORKERS GUILD

AND

SAN JOSE MERCURY NEWS, LLC

JULY 30, 2020

THROUGH

JULY 30, 2022

TABLE OF CONTENTS	
PREAMBLE JURISDICTION AND COVERAGE	4
ARTICLE I — GUILD SHOP	5
ARTICLE II — DUES DEDUCTION	6
ARTICLE III — EXCLUSIONS	8
ARTICLE IV — MINIMUM SALARIES	9
ARTICLE V — EXPERIENCE	14
ARTICLE VI — JOB LIMITATION	14
ARTICLE VII — NO PAY REDUCTIONS	14
ARTICLE VIII — INDIVIDUAL BARGAINING	15
ARTICLE IX — TEMPORARY and PART-TIME EMPLOYEES	15
ARTICLE X — HOURS	16
ARTICLE XI — HOLIDAYS	17
ARTICLE XII — VACATIONS	18
ARTICLE XIII — SICK LEAVE	19
ARTICLE XIV — SECURITY	20
ARTICLE XV — SEVERANCE PAY	22
ARTICLE XVI — OUTSIDE ACTIVITY	23
ARTICLE XVII — GRIEVANCE PROCEDURE AND ARBITRATION	24
ARTICLE XVIII — EXPENSES	26
ARTICLE XIX — WORK AND FAMILY ISSUES	27
ARTICLE XX — MILITARY SERVICE	29
ARTICLE XXI — HEALTH AND LIFE INSURANCE	30
ARTICLE XXII — RETIREMENT PLAN	31
ARTICLE XXIII — MISCELLANEOUS	31
ARTICLE XXIV — HAZARDOUS DUTY	32

ARTICLE XXV – JURY DUTY	33
ARTICLEXXVI – PROMOTION OPPORTUNITIES	33
ARTICLE XXVII – COMPUTER TERMINALS	33
ARTICLE XXVIII – NO STRIKE/NO LOCKOUT	34
ARTICLE XXIX – MANAGEMENT RIGHTS	34
ARTICLE XXX – DURATION AND RENEWAL	35
MEMORANDUM OF AGREEMENT - Janitorial Jurisdiction	36
MEMORANDUM OF AGREEMENT – Freelance Material	36
MEMORANDUM OF AGREEMENT - Commission only Advertising Sales Representatives	36
MEMORANDUM OF AGREEMENT – Between Conference of Newspaper Unions/Merciry News	37
MEMORANDUM OF AGREEMENT – Expense reduction	37
MEMORANDUM OF AGREEMENT - Furloughs	37
MEMORANDUM OF AGREEMENT – Finance/Circulation Consolidations	38
MEMORANDUM OF AGREEMENT – Copy Editing and Design Consolidation	38
MEMORANDUM OF AGREEMENT – Consolidation of Advertising	39
MEMORANDUM OF AGREEMENT – Consolidation of Newsrooms	40

PREAMBLE
JURISDICTION AND COVERAGE

THIS CONTRACT is entered into by and between SAN JOSE MERCURY NEWS, LLC, publisher of the San Jose Mercury News, hereinafter referred to as the Company, and the PACIFIC MEDIA WORKERS GUILD (formerly the California Media Workers Guild), a local chartered by The NewsGuild (AFL-CIO, CLC), Communications Workers of America, hereinafter referred to as the Guild, on behalf of itself and all the employees of the Company in the editorial, business and janitorial departments, including advertising, business office, inside circulation, telephone operators and clerical employees, excepting those positions and individuals specifically excluded from the terms of this contract.

It is agreed that if the title of any of the foregoing departments is changed during the life of this agreement the Guild shall continue to be recognized as the bargaining agent for the employees in such new department, except those positions and individuals specifically excluded from the terms of this contract.

Jurisdiction/subcontracting

(a) The jurisdiction of the Guild is:

The kind of work presently performed, and similar work which may be performed in the future, whether by presently used processes or equipment or by new or modified processes or equipment, by employees in the bargaining unit covered by this contract. The work set forth in the jurisdiction of the Guild shall be assigned to employees coming within the terms of this contract. Individuals filling excluded positions may perform the work they are presently performing or similar work.

(b) Notwithstanding subparagraph (a) above,

1. The Company may assign, coordinate and plan any such work presently performed, and similar types of work, to and with others not covered by this Agreement. Such editorial and advertising content may be published by the Mercury News.

2. Additionally, the Company shall have the right to create additional sales offices outside the Bay Area, and hire employees, who will not be covered by this Agreement.

3. The Company has the right to subcontract any work covered by this Agreement provided:

(i) In the event a subcontracting decision results in the layoff of any employee covered by this Agreement, the Company shall provide the Guild with two weeks' notice of its decision.

(ii) The parties agree to meet to discuss any other alternative arrangements that may be possible short of subcontracting; however, in the absence of an agreement the Company shall have the right to proceed with its decision.

(iii) The parties agree to meet to negotiate over the effects of the decision to subcontract.

(c) Notwithstanding anything contained in subparagraph (b) above,

During the term of this Agreement, the Company shall not assign the following work to any employee of Bay Area News Group-East Bay ("BANG") if it results in the layoff of an employee covered by this Agreement: (1) news coverage of events within Santa Clara County for the

Mercury News; (2) work performed by the front desk receptionist at the Mercury News' main office; and (3) work currently performed by building services employees. Should the Company assign any of the work described above to a third party and layoff an employee covered by this Agreement, then during the term of this Agreement, the Company shall not assign any such work to an employee of BANG-East Bay. The Company further agrees that it will not layoff any outside sales representatives as a result of outsourcing.

The Company, however, may assign news coverage of events occurring within Santa Clara County to individuals not covered by this Agreement if the story is regional in nature, is a features piece of general interest, and/or involves a beat regularly covered by another BANG employee or freelancer. Likewise, nothing herein shall prevent other BANG publications, including but not limited to Silicon Valley Community Newspapers, Daily News Group and Milpitas Post, from continuing to produce local content relating to events occurring within Santa Clara County and Sacramento counties, and the Company from publishing that content in any of its printed or online products.

ARTICLE I — GUILD SHOP

a) All employees of the Company covered under the terms of this Contract, except as set forth below and in Article III, who are, or who may become, members of the Guild shall remain members in good standing during the life of the Contract. In addition, the Company shall have the option of designating one (1) out of seventy-five (75) employees in the bargaining unit as exempt from the provisions of this Section. All other employees in the bargaining unit not otherwise exempt from the provisions of this Section shall be required to become and remain members of the Guild. In the event of failure to become a member within thirty (30) days of the start of his/her employment, the employee shall, upon formal notice from the Guild, be discharged.

b) This article shall be effective only to the extent permitted by law.

c) If any Guild member shall lose good standing by falling thirty (30) days in arrears in Guild dues, the Company shall, upon formal notice from the Guild, lay off said employee without pay until such obligations are paid. If obligations are not paid within thirty (30) days, the employee shall be considered automatically discharged. (See Memorandum of Agreement dated December 20, 1961.)

1. To the full extent permitted by law, the Guild shall defend, indemnify and hold the Company, its current or former officers, agents, employees, and contractors harmless against any and all claims and against any and all liabilities, demands, suits, costs, losses or damages, including legal costs and attorneys' fees, arising from any claims, demands, suits or judgments for wrongful discharge, discrimination, harassment, or any other claims, demands, suits or judgments against the Company or any of its current or former officers, agents, employees, and contractors arising out of an employee being discharged pursuant to this section.

2. If the Guild discovers within thirty (30) days after an employee has been automatically discharged as provided in section (c)1 above, that the discharge was in error, the Guild shall so advise the Company that the termination demand was in error, and the Company shall then

reinstate the employee with full seniority within three working days after being so notified by the Guild in writing. The Company, however, shall not under any circumstance be liable for any backpay liability if it reinstates an employee pursuant to this section.

(d) The Company shall furnish to the Guild in writing:

1. Within a week after their employment or transfer, the names, sex, minority group, birth dates, Social Security numbers, addresses, telephone numbers, date of hiring or transfer, contract classification (including part-time or temporary), experience rating, experience rating anniversary date and salary.

2. To the full extent permitted by law, the Guild shall defend, indemnify and hold the Company, its current or former officers, agents, employees, and contractors harmless against any and all claims and against any and all liabilities, demands, suits, costs, losses or damages, including legal costs and attorneys' fees, arising from any claims, demands, suits or judgments for violation of privacy rights, or any other claims, demands, suits or judgments against the Company or any of its current or former officers, agents, employees, and contractors arising out of the Company providing information to the Guild pursuant to this article.

3. Notice by the 10th day of each month of any merit increases granted and all changes in names, addresses, classifications and all experience rating step-ups for all persons covered by this contract.

4. Notice within one week of all terminations, including the reason therefore, i.e., resignation, dismissal, transfer, retirement or death.

(e) The Guild agrees that it will admit to membership and retain in membership any employee qualified according to the constitution of The Newspaper Guild and Communications Workers of America and by-laws of the local Guild.

(f) Any employee who is discharged under the provisions of paragraphs (a), (b), or (c) shall receive no dismissal pay.

ARTICLE II — DUES DEDUCTION

(a) Upon an employee's voluntary written assignment, the Company shall deduct weekly from the salary account of such employee and remit to the Guild weekly all membership dues levied by the Guild for the current week. Such membership dues shall be deducted from the employee's salary in accordance with a schedule furnished the Company by the Guild. An employee's voluntary written assignment shall remain effective in accordance with the terms of such assignment. All such deductions shall be made in conformity with local, state and federal legislation.

(b) Such assignment shall be made upon the following form:

UNION DUES DEDUCTION

TO: SAN JOSE MERCURY NEWS, INC.

I hereby assign to the Pacific Media Workers Guild from any salary earned or to be earned by me as your employee, an amount equal to all membership dues lawfully levied against me by the Guild for each calendar week following the date of this assignment as certified by the Treasurer of the Pacific Media Workers Guild.

I hereby authorize and request you to check-off and deduct such amounts during the week for which such dues are levied and the Guild notifies you, from any salary then standing to my credit as your employee and to remit the amount deducted to the Pacific Media Workers Guild for that week.

This assignment and authorization shall remain in effect until revoked by me, but shall be irrevocable for a period of one year from the date appearing below or until termination of the collective bargaining agreement between yourself and the Guild, whichever occurs sooner. I further agree and direct that this assignment and authorization shall be renewed automatically and shall be irrevocable for successive periods of one year each or for the period of each succeeding applicable collective agreement between yourself and the Guild, whichever period shall be shorter unless written notice of its revocation is given by me to yourself and to the Guild by registered mail not more than thirty (30) days and not less than fifteen (15) days prior to the expiration of each period of one year, or of each applicable collective agreement between yourself and the Guild, whichever occurs sooner. Such notice or revocation shall become effective for the calendar month following the calendar month in which you receive it.

Date: _____

Employee's Signature: _____

ARTICLE III — EXCLUSIONS

(a) The following executive positions are not to be included in the application of this contract:

1	Executive Editor	21	Local Retail Sales Manager
2	Editor (Editorial Pages)	22	Co-Op/Vendor Manager
3	Managing Editor	23	Majors Advertising Manager
4	Metro Editor	24	Retail Sales Manager
5	Sports Editor	25	Director, Majors & Targeted Delivery
6	Deputy Sports Editor	26	Director, Automotive Sales
7	Deputy City Editor	27	Director, Auto and RE Sales
8	State/National/Foreign Editor	28	Classified Other & Recruitment Sales Manager
9	Business Editor	29	Real Estate Sales Manager
10	Assistant Business Editor	30	Manager – Scene Magazine
11	Features Editor	31	Sales Training Coach
12	Online Editorial Director	32	Makeup Manager
13	Sr. Web Editor	33	Marcom Manager
14	Editorial Art Director	34	Director, Marketing
15	Director of Photography	35	Research Manager
16	Research Library Manager	36	Confidential Secretary – Publisher
17	Vice President/ Advertising	37	Confidential Secretary – Exec. Editor
18	National Advertising Director	38	Confidential Secretary – VP Advertising
19	National Advertising Manager	39	Confidential Analyst
20	Retail Advertising Director		

(b) Temporary employees hired for elections and contests shall be exempt from the application of this contract, provided their employment does not exceed fifteen (15) consecutive work days. However, the wage minima in this contract shall apply to these employees.

(c) Should the company create any new or additional positions it seeks to exclude, it shall notify the Union a minimum of 10 calendar days in advance of the date that the exclusion would occur. The notice shall state the position's title, the reason the Company proposes to exclude it, and the job description for the position. Disputes, if any, shall be resolved through the grievance and arbitration procedure, using the criteria set forth in the National Labor Relations Act.

ARTICLE IV — MINIMUM SALARIES

(a) Minimum weekly wage rates for editorial, advertising, finance and library employees (as set forth in Schedule (1) below) shall apply to the following classifications:

1. **Six-year** progression schedule:

Reporters, rewrite employees, desk employees, photographers, photo lab technicians, artists, advertising copy writers/promotion writers; advertising sales employees, preprint coordinator, marketing/advertising researchers, outside classified sales employees revenue analysts, staff accountants, procurement supervisor, accounting systems analysts, copywriter/translators, copyeditor/translators, library webmaster/researcher, library research team leader, library archive team leader.

2. **Five-year** progression schedule:

Library news researchers.

3. **Four-year** progression schedule:

Layout and production employees, inside advertising service employees, chief makeup assistant, general advertising office supervisor.

4. **Three-year** progression schedule:

Merchandising employees, chief dispatch clerk, assistant chief librarian, brand management project coordinator, advertising/circulation training coordinator, newsroom coordinator, business editorial assistant, administrative assistants-advertising.

(b) The following shall be the minimum weekly wage rates paid to employees in the respective classifications:

Effective July 31, 2016, increase all scales by 3% (for salaried employees, 3% to prior amount).

February 2017, wage opener to be negotiated jointly with all Guild/DFM units.

February 2018, wage opener to be negotiated jointly with all Guild/DFM units.

(1) Editorial, Advertising, Finance, Library	07/31/2016
Less than 1 year	\$750.39
After 1 year	\$855.08
After 2 years	\$969.24
After 3 years	\$997.80
After 4 years	\$1031.49
After 5 years	\$1119.75
After 6 years	\$1201.12

(2) Library Archivists, CAS Statistical Support, Senior Payroll Clerks	07/31/2016
Less than 1 year	\$687.95
After 1 year	\$750.66
After 2 years	\$817.10
After 3 years	\$877.18
After 4 years	\$947.73
(3) Copy Clerks	
Less than 4 months	\$509.50
After 4 months	\$532.42
After 8 months	\$534.06
After 12 months	\$551.38
After 16 months	\$561.87
(4) General Clerks, Dispatch Drivers	
Less than 6 months	\$552.02
After 6 months	\$591.03
After 1 year	\$626.77
After 2 years	\$662.38
(5) Intermediate Clerks "B" including Display Advertising Clerks, Advertising Clerk-Typists, Returns Room Clerks, Editorial/Clerk Transcribers	
Less than 6 months	\$554.89
After 6 months	\$596.78
After 1 year	\$645.67
After 2 years	\$725.88
(6) Vacant	

(7) PBX Operators	07/31/2016
Less than 6 months	\$666.30
After 6 months	\$681.16

After 1 year	\$696.22
After 2 years	\$726.13
(8) Intermediate Clerks "A" incl. Circulation Street Sales Clerks, Circulation Radio Dispatchers, Classified Support Clerks	
Less than 6 months	\$579.21
After 6 months	\$614.23
After 1 year	\$666.66
After 2 years	\$764.36
(9) Senior Accounting/Credit Clerks, including Senior book-keepers, Classified Open Supervisor, Single Copy Billing Clerks	
Less than 6 months	\$750.39
After 6 months	\$772.25
After 1 year	\$794.02
After 2 years	\$891.11
(10) Accounting/Credit Clerks	
Less than 6 months	\$593.27
After 6 months	\$666.66
After 1 year	\$729.44
After 2 years	
(11) Secretaries/Stenographers, Advertising Schedule Desk Clerks, Senior Editorial Clerk/Transcriber, Library Technicians	
Less than 6 months	\$663.01
After 6 months	\$701.53
After 1 year	\$746.90
After 2 years	\$787.76

(12) Inside Classified and Advertising Makeup Clerks	
Less than 6 months	\$639.33
After 6 months	\$686.97

After 1 year	\$743.14
After 2 years	\$808.19
After 3 years	\$875.00
After 4 years	\$938.64
(13) Vacant	
(14) Advertising Collector	
Less than 6 months	\$666.66
After 6 months	\$704.95
After 1 year	\$750.39
After 2 years	\$834.21
(15) Dispatch Clerks	
Less than 1 year	\$750.39
After 1 year	\$794.02
After 2 years	\$858.62
(16) Ad Plans Clerks, Stock Clerks	
Less than 6 months	\$704.95
After 6 months	\$750.39
After 1 year	\$834.21
After 2 years	\$905.59
(17) Janitors	\$675.96
(18) Circulation Records Clerks	
Less than 6 months	\$547.91
After 6 months	\$588.12
After 1 year	\$629.98
After 2 years	\$687.56

(19) Vacant	

(20) Intermediate Accounting/Credit Clerks, including Cash Clerks, Assistant Payroll Clerks	07/31/2016
Less than 6 months	\$663.01
After 6 months	\$701.53
After 1 year	\$746.90
After 2 years	\$788.76
(21) Vacant	
(22) Computer Operators, Editorial Assistants, Chief Copy Clerk, Circulation Customer Advocates, Marketing Assistants	
Less than 1 year	\$722.45
After 1 year	\$764.36
After 2 years	\$791.20
(23) Vacant	
(24) Vacant	

(c) An employee hired at or advanced to an experience bracket higher than he/she would normally fall will thereafter be considered to have attained that experience as of that time.

(d) Should the Company create a new job which is covered by this contract it shall notify the Guild in writing thereof. On request of the Guild, the employer shall meet with the Guild for the purpose of negotiating the minimum wage applicable thereto. Either party may submit the controversy to final and binding arbitration under Article XVII if no agreement is reached. Provided, nothing herein shall prohibit the Company from filling such job pending conclusion and final determination of such negotiations or arbitration.

(e) Employees shall be paid on a biweekly (26x per year) pay cycle.

ARTICLE V — EXPERIENCE

In the application of the foregoing schedules of minimum weekly wage rates only, experience in the advertising classifications shall include all employment in comparable work in the advertising department of a daily or weekly newspaper, or experience in space buying or preparation of copy in the advertising department of a commercial firm. Experience in the editorial classifications shall be construed to mean employment in comparable work as an editorial employee of a daily or weekly newspaper, or as an employee of a wire or picture service, news magazine, or news or feature syndicate. Experience in all other classifications covered by this contract shall include all regular employment in similar work for newspapers or other establishments. Part-time employees shall be given experience credit based on actual hours worked.

ARTICLE VI — JOB LIMITATION

(a) In no event shall the members of the editorial department perform duties outside the editorial department, nor shall employees of other departments do editorial and news work.

(b) A reporter may do the work of a photographer, and a photographer may do the work of a reporter subject to the following:

1. Employees shall not be required to be proficient in both skills, and competency shall be judged only on the designated primary skill.

2. The Company shall provide employees who regularly perform duties outside their designated primary skill with necessary and appropriate training to perform such duties.

3. The practice of cross-assignment shall not be the direct cause of layoffs of either photographers or reporters.

4. The Company shall provide all necessary equipment for employees to carry out any of the above stated work.

ARTICLE VII — NO PAY REDUCTIONS

There shall be no reduction in salaries, or rates of pay, except in the following circumstances:

a) In case of promotion which results in an increase in pay to any employee, the Company may within ninety (90) days return the employee to his/her former position and former rate of pay. After ninety (90) days, said employee shall be considered a regular employee in that classification to which he/she has been promoted; but such time limit shall not apply in cases of temporary promotions to replace absentees who are expected to return. Employees, if they so desire, shall have the option of returning to their former positions within the ninety (90) days' period.

b) In case of an employee who desires and requests an hours reduction or transfer to a lower paid classification, the employee shall be permitted to make such job change, provided there is prior agreement by the Guild and the Company.

c) In cases where an employee is promoted to a higher classification, merit pay granted in the lower classification may be reduced; provided the salary scale increase is as great or greater than the merit pay.

d) Bonus payments for special assignments or individual effort are permissible; provided they are distinguishable from merit pay and job differentials.

e) In the case of a transfer into a lower pay classification occurring after Feb. 1, 2011, the employee shall be paid the applicable scale for the new classification.

ARTICLE VIII — INDIVIDUAL BARGAINING

Nothing in this contract shall prevent employees, or the Guild on their behalf, from bargaining individually for pay increases in excess of the minimum established herein. The policy of the Company shall be to regard minimum wage rates as minima and to acknowledge individual merit by raises above the minima.

ARTICLE IX — TEMPORARY and PART-TIME EMPLOYEES

(a) No unpaid employee shall be allowed.

(b) A part-time employee is one who is hired to work 30 hours or less per week. A part-time employee scheduled to work 30 hours may be held over up to one hour per week.

(c) Temporary and part-time employees filling covered positions shall be compensated for all time worked at the rate provided in this contract. All part-time and temporary employees except as provided in Article III are subject to all provisions of this contract, except that Section (e) of Article XIX (Bereavement Leave) shall not apply to temporary employees during their first three months of employment nor to part-time employees who work less than a four (4) day week. No employee will be denied unpaid leave for purposes set forth in Section (e) of Article XIX. Temporary employees (including interns) shall not accrue vacation unless they are employed beyond 120 calendar days. For those employed beyond 120 calendar days, all time worked shall count for vacation accrual.

(d) No part-time employee shall work more than five (5) days within a work week without overtime pay.

(e) Part-time employees who are eligible for Health Plan benefits under Article XXI shall be entitled to the same holiday benefits as full-time employees on a pro-rata basis.

(f) A temporary employee shall be considered one who is employed on a special project or for a limited time, and in any event shall be employed for no more than six months except as provided in Article III or upon agreement between the Company and the Guild. The Guild shall be notified in writing at the time a temporary employee is hired as to the nature of such project or the duration of such employment.

(g) A temporary employee shall, if he/she possesses the necessary qualifications to meet the Company's requirements for a vacancy, be given first consideration for regular employment before new employees are hired; provided, this section shall be effective only after there has been full compliance with the conditions set forth in Article XIV (j) and Article XXVI.

(h) A “casual” employee is defined as a part-time employee who has no regularly scheduled hours or shifts, but is “on call” as needed or is scheduled in advance to replace an absent regular employee.

ARTICLE X — HOURS

(a) The five-day, thirty-seven and one-half hour week shall obtain in all departments.

(b) The working day shall consist of seven and one-half hours falling within eight and one-half hours in the commercial departments, and seven and one-half hours falling within nine hours in the editorial department.

(c) The Company shall compensate for all overtime at the rate of time and one-half in cash. Overtime shall be defined as work beyond the unit of hours in the work day, or days in the work week, as set forth in Sections (a) and (b) above. Overtime shall be worked only when authorized by the Company. Compensatory time off may be taken in lieu of cash, at the rate of time and one-half, at the option of the employee; provided that it is taken in accordance with state and federal law. If an employee opts for the time off, it shall be with approval of the Company.

(d) The Company shall cause a record of all overtime to be kept and a copy furnished the Guild upon request of the Guild president, vice president or executive officer.

(e) If an employee having once been released from duty, is called back, he/she shall be credited with two hours in addition to the actual time worked, all at the overtime rate.

(f) At least eleven (11) hours shall elapse between the end of a scheduled shift and the start of the next scheduled shift. Whenever an employee is required to start another shift within the eleven (11) hour period (if overtime was not worked within the period) it shall constitute a callback and the provisions of paragraph (e) shall apply for those hours worked within said eleven (11) hour period.

(g) Employees required to work on their day off or holiday shall receive a minimum of a full day’s pay at the overtime rate.

(h) The positions of political writer and fish and game writer are exempt from the hours provisions of this contract when out of Santa Clara County. When the political writer is inside of Santa Clara County, he/she may work his/her regular workweek divided to meet the requirements of the job. This hours waiver arrangement applies only when the political writer is assigned to political duties. Other than these special arrangements on hours, the political writer and fish and game writer are covered by all terms of this contract.

(i) Reporters who are assigned to cover a territory outside the city limits of San Jose shall be covered by all provisions of the contract except that they may work their regular work week designed to meet the requirements of their territory. This section shall not apply to those reporters from the main office who cover outlying areas nor to reporters in the Peninsula, Alameda and West offices, except the Bureau Chiefs.

(j) Stringer correspondents and freelancers are excluded from the provisions of this contract.

(k) Work Schedules.

1. Schedules of work days and starting times shall be posted no later than 1:00 p.m. on Monday for the next financial week; provided, that the starting times so posted may be revised no later than 1:00 p.m. on the intervening Friday to adjust to developments beyond the control of the Company. If a work schedule is not so posted, the previously posted work schedule shall apply. The lunch period shall not be considered as part of the hours of work. Unless requested by the employee, work schedules shall not require an employee to remain on duty more than four and one-half (4 1/2) hours after the beginning of his/her shift without a lunch period. Days off shall be consecutive insofar as practicable. The Company shall establish regular days off for all employees. Where it is necessary to shift the regular days off, either for a temporary period or indefinitely, the employee shall be notified of the change as far in advance as possible. The notice shall state whether the change is temporary or indefinite. If it is temporary, he/she will be advised of the probable date for return to the former schedule. When in the sole judgment of the department head it is feasible, employees with seniority shall have the choice of the days off.

2. Any employee's schedule of working days and starting times may be changed at anytime where an employee is required to cover a regularly scheduled position due to the absence of a regularly scheduled employee because of failure to report, sickness, or leave of absence (including jury duty and bereavement leave) granted after posting of schedule. Where an employee's schedule is changed (other than under the conditions herein set forth, or at the sole request or convenience of the employee) the overtime rate of pay shall apply up to the beginning of his/her regularly scheduled starting time or subsequent to his/her regularly scheduled finishing time and then the straight-time rate of pay shall be paid for the remaining hours of that work day.

3. Where an employee is scheduled to work more than five (5) consecutive straight time days he/she will receive a premium of one-half (1/2) day's pay. However, this premium payment shall not apply to employees who elect to exchange days off or who by mutual agreement arrange for a back-to-back schedule or who are exempt under the hours provision as provided elsewhere in this Article.

ARTICLE XI — HOLIDAYS

(a) New Year's Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day shall be holidays in all departments, granted to all full-time employees with full pay. An employee shall be entitled to a holiday on each anniversary of the employee's hire date. If in the judgment of Management, production requirements dictate that the employee not take the holiday on the anniversary date of hire then a different date will be arranged by mutual agreement as near to the anniversary date as possible. If an employee's anniversary date of hire falls on one of the holidays enumerated in this Article, said employee shall receive an additional day off with pay; the day off to be selected by mutual agreement. If an employee's anniversary date of hire falls on his/her regularly scheduled day off, or during a vacation period, it shall be treated as any other holiday is treated under such circumstances.

(b) In addition to the holidays enumerated in (a) above, the birthday of each employee with one year or more of service shall be considered as a holiday for such employee and shall be

governed by the applicable terms and conditions of this Article. The holiday may be taken by the employee, at the employee's option, on the birthday, or, by mutual agreement, any time within the calendar year. When such birthday falls on one of the holidays enumerated in the Article, said employee shall receive an additional day off with pay; the day off to be selected by mutual agreement and taken within the calendar year.

(c) Any employee whose regular day off falls on a holiday, or whose vacation time includes a holiday, shall receive an additional day off at a date mutually agreeable to the employee and Management; provided, that if no mutual agreement can be reached, the employee may add the day(s) to his/her next vacation. The additional day(s) off may be carried over into the next calendar year but not beyond. The foregoing shall also apply to part-time employees who regularly work five (5) days a week.

(d) A full-time employee required to work on any holiday shall receive a minimum of a full day's pay at the overtime rate, in addition to his/her regular weekly salary. A part-time employee who regularly works five (5) days a week (or is eligible for Health Plan benefits under Article XXI) and who is required to work on any holiday shall receive a minimum of a full day's pay (prorata, but with a minimum of 4 hours' pay) at the overtime rate, in addition to the employee's regular weekly salary.

(e) All other part-time employees who work holidays shall be paid at the overtime rate for the hours worked, with a minimum of four (4) hours' pay at the overtime rate.

(f) The weekly earnings of scheduled part-time employees who are ineligible for Health Plan benefits under Article XXI shall not be reduced in a holiday week. If a holiday falls during the employee's regular weekly schedule and the employee is not scheduled to work it, the employee shall be offered another day of work that week unless given the holiday off with pay. If the employee works on the holiday, Section (e) above shall apply.

(g) Individual employees may substitute any birthday or anniversary date holiday for a religious or government holiday of his/her choice as long as it is approved by the department head in advance and is not one of the holidays already enumerated in the contract.

ARTICLE XII — VACATIONS

(a) Employees will accrue vacation on an "earn as you go" basis, to be taken in the year the vacation is accrued. Vacation shall accrue according to the following schedules:

Less than 2 years:	0.0385 vacation hours earned for each straight time hour worked to a maximum of 15 days.
2 yrs. but less than 9 year:	0.0577 vacation hours earned for each straight time hour worked to a maximum of 15 days.
9 years or more:	0.0769 vacation hours earned for each straight time hour worked to a maximum of 20 days.

The above-stated accrual levels apply to existing employees and new hires, but no existing employee shall have his or her annual vacation accrual reduced by more than one week as a result of the implementation of these new vacation accruals.

(b) Accrued vacation pay shall be paid to an employee whose employment is terminated for any reason. Vacation credit shall begin with the date of employment.

(c) Vacations shall be arranged between January 1 and December 31. Vacation weeks shall be consecutive unless the employee elects to split his/her vacation into two or more parts.

(d) Leaves of absence and sick leave shall not count as breaks in continuous service in computing vacation entitlement nor shall time on such leave be considered service time in computing vacation entitlement.

(e) Vacations shall in all cases be taken in the calendar year within which the right to them shall have accrued, unless an employee shall agree in writing with the head of his/her department or the Company that the time of taking the vacation shall be delayed. Any vacation carried over by written agreement into a subsequent calendar year shall be taken no later than April 1 of that year. Unless otherwise specified by agreement between the Company and an employee, any unused and unscheduled vacation as of July 1 shall be subject to scheduling by the Company without the employee's consent.

(f) Vacation preference shall be based upon seniority. Vacation sign-up sheets shall be posted no later than December 1 prior to the vacation year. Requests for vacation made after January 1 shall be granted on a first-come, first-served basis, without reference to seniority. In accordance with past practice, the department head may limit, within the department or sub-department, the number of employees on vacation at any one time.

(g) The Company shall not block out vacation periods except for sound business reasons, as circumscribed in the decisions of arbitrators Durham and Letter (dated 7/12/73 and 1/8/85, respectively). If any departmental vacation schedule contains blocked out periods, a copy shall be sent to the Guild in December (preceding the vacation year) so that the Guild may consult with the Company.

ARTICLE XIII — SICK LEAVE

(a) Employees shall accumulate paid sick leave at the rate of one week for each completed six months of service. Paid sick leave shall be capped at a total of one hundred thirty (130) days, and once employees reach the one hundred thirty day cap, they shall not accrue any further sick leave. Employees employed prior to the execution of this Agreement with sick banks in excess of one hundred thirty days shall not accrue any further sick leave until their sick leave balance falls below one hundred thirty days.

(b) The following policy shall govern in the case of employees absent as a result of sickness or injury:

Policy: Employees shall accumulate credit for sick leave at full pay at the rate of one week of credit for each completed six months of service, subject to the caps set forth in subparagraph (a) above. Amounts received by an employee under local, state, or federal law in lieu of earnings do not reduce his/her credit for sick leave at full pay as accumulated in the above manner. Paid sick leave in excess of the minimum entitlement above may be granted by the Company in cases where length of service, the employee's sick leave history, the nature of his/her illness, the degree of hardship and similar factors indicate additional paid sick leave is warranted.

(c) Sick leave credits shall be accumulated on a calendar year basis or a pro-rata thereof.

(d) A joint committee consisting of the Guild and two representatives of the Company shall be established to consider all issues arising from the application and operation of this Article.

(e) No deductions for sick leave shall be made from overtime or vacation credited or to be credited to the employee.

(f) Pregnancy/Maternity Sick Pay. An employee becoming ill or disabled related to pregnancy or maternity shall be entitled to receive regular pay for the period of illness or disability to the extent of the total accumulated sick leave credit standing to the employee's account at the time of such illness or disability. When an employee is unable to work due to normal childbirth but no illness or other disability is present, the employee shall receive regular pay, less any amounts received under state law, to the extent of total accumulated sick leave credit or to the maximum allowable under state law (but in no event less than 7 weeks if sick leave is available) whichever is less; provided, to qualify for such pay there must be a medical verification of the pregnancy.

ARTICLE XIV — SECURITY

(a) There shall be no dismissals as a result of putting this contract into effect.

(b) Discharge may be either (1) for good and sufficient cause, or (2) to reduce the force. The term "reduce the force" as used herein shall be construed as synonymous with discharge for economy. The Company agrees to notify the Guild two weeks in advance of the effective date of any contemplated discharge so that the Guild may consult with the Company on the case, excepting in cases of gross misconduct or repeated drunkenness after warning.

(c) Upon dismissal an employee shall receive in writing from the Company or his/her representative a statement of the cause of his/her discharge.

(d) In the event that an employee who is a replacement for an employee in military or related service is dismissed upon the return of the other from military service, then should a vacancy occur within one year which he/she is qualified to fill, the employee shall be given first preference in filling the vacancy.

(e) New employees shall be considered probationary employees during the first 60 days of their employment, which period may be extended by mutual agreement. During the first 60 days of their employment they may be discharged without notice.

(f) Computation of the probationary period shall be exclusive of the requirement for two weeks' notice of termination.

(g) There shall be no discrimination against any employee because of his/her membership or activity in the Guild. Nor shall there be any discrimination, by either the Company or the Guild, against any employee because of age, sex, race, creed, color, national origin, marital or parental status, sexual orientation, or those disabilities defined and covered by the Americans with Disabilities Act. In this regard there shall be no discrimination in hiring by the Company nor in admittance into membership by the Guild.

(h) Any employee forced to leave his/her job as a result of the application of any governmental wartime regulation shall have a guarantee that he/she can return to his/her job with severance pay

rating and other rights unimpaired, within ninety days of termination of hostilities or any other development which makes it possible for the employee to return.

(i) Upon the issuance of any such governmental regulations, the Company shall immediately confer with the Guild upon the application of such order to the Mercury News.

(j) Reductions in Force.

1. The Company shall notify the Guild in writing of the intention to effect any dismissals for economy reasons, stating the number, classifications and departments of jobs affected, and providing, in such notice, seniority lists showing the employees in the classifications and departments affected, their length of service with the Company and their length of service in the classification and department. The Company shall in making discharges for economy reasons, give due consideration to such factors as general competence, qualifications, and ability to do the available work, and consideration will be given to the factor of length of service.
2. When it is necessary to reduce the force for economy reasons, the Company shall accept retirements in accordance with the Retirement Plan, or voluntary resignations from employees in the classifications involved; provided that after retirements the number of resignations by employees with less than five (5) years' service in each classification shall not exceed the number of jobs reduced in such classification. Such employees with less than five (5) years' service shall be paid the amount of severance pay provided by Article XV. The number of employees dismissed shall be reduced to the extent that the necessary payroll saving has been achieved by retirements and/or resignations. Employees dismissed for economy reasons shall be placed on a rehiring list for six (6) months. The Company shall fill all vacancies with persons on the rehiring list; except that if the Company needs someone with special qualifications not possessed by any person on the rehiring list (in the opinion of the Company), the Company may go outside the list upon notification to the Guild. Disputes, if any, on this point are to be adjudicated by arbitration as provided in Article XVII. In rehiring from the list, the Company shall give due consideration to the factors of length of service, general competency, qualifications, ability to do the work assigned, and general health. Time spent on the rehiring list shall not constitute a break in continuity of service, but need not be counted as service time. When a person is rehired from the rehiring list, he/she shall be credited with his/her former length of service for all purposes except severance pay, but if the employee refunds his/her severance pay he/she shall also be credited with his/her former length of service for severance pay purposes. It is the responsibility of persons on the rehiring list to notify the Company of their current addresses, and telephone number, if available. Persons on the rehiring list shall be notified by registered letter, return receipt requested, when offered re-employment. Such persons shall have forty-eight (48) hours from receipt of letter, exclusive of Saturdays and Sundays, to accept or reject rehiring. Any person who is offered comparable employment and refused same may be removed from the rehiring list.
3. Employees placed on the rehire list shall continue to have full health and welfare coverage, provided by the Company, for up to two (2) months after the month in which the layoff occurs.

4. There shall be no economic layoffs (reductions in force) within the bargaining unit through May 22, 2011.

(k) **Transfers.** No employee shall be transferred by the Company to another city (except the West bureau) without the employee's consent, except as set forth below.

1. Employees hired after November 22, 1983 to work in the Peninsula or Alameda offices may be transferred to the Main Plant without the employee's consent.
2. Employees hired after January 1, 1991 may be transferred during their first five years of employment between the Main Plant and the Peninsula, and Alameda offices.
3. Employees hired after the signing of this contract may be transferred upon 60 days notice between those offices in subsection 2 above.
4. No transfer shall be for punitive reasons nor create an undue hardship.
5. The Company shall pay all transportation and other moving expenses of the transferred employee and his/her family — except when the transfer occurs totally within an area consisting of Santa Clara County and Southern Alameda County (the latter defined as south of the southern city limits of Hayward and west of the eastern city limits of Fremont).
6. There shall be no reduction in salary or impairment of other benefits as a result of such transfer.
7. Employees assigned to any bureau outside of a 40-mile radius of the main plant may be transferred back to the main plant without the employee's consent under the terms set forth in this section. Employees shall be given 90 days notice of such transfer.

(l) The Guild shall be given 120 days' notice of intent to introduce new or changed equipment. No employee shall be dismissed as a result of the introduction of new or changed equipment.

(m) The Company shall in no way interfere or attempt to interfere with operation of the Guild.

(n) There shall be no imposition of unreasonable duties upon any employee.

(o) Except as modified in and by this contract, the Company has the authority to select employees from any source, be the judge of competency and the number of employees required.

ARTICLE XV — SEVERANCE PAY

(a) Upon termination of employment by dismissal, except dismissal for gross misconduct or provoked by the employee's own action to collect severance pay, an employee who was not vested in The San Jose Mercury News, Inc. Amended Retirement Plan Covering Employees Represented by the San Jose Newspaper Guild (hereinafter referred to as "the Mercury News Pension Plan") as of December 31, 2005, shall receive cash severance pay in a lump sum equal to one week's pay for each six months' service, or major fraction thereof, up to fourteen (14) weeks.

(b) Upon termination of employment by dismissal, except dismissal for gross misconduct or provoked by the employee's own action to collect severance pay, any employees who were vested in the Mercury News Pension Plan effective December 31, 2005, shall receive their Part A benefit

under the Mercury News Pension Plan in lieu of a severance payment pursuant to this provision, unless their Part A pension benefit amounts to less than the equivalent of fourteen weeks pay. In such cases, employees will receive their Part A pension for service prior to December 31, 2005, and for service on or after January 1, 2006, receive cash severance pay in a lump sum equal to one week's pay for each six months' service, or major fraction thereof, up to a maximum of fourteen (14) weeks when combining the Part A pension benefit and the cash severance payment pursuant to this subparagraph.

(c) Nothing herein is intended to reduce, or has the effect of reducing, any vested pension benefit earned under the Mercury News Pension Plan.

(d) Severance pay shall be computed at the highest weekly rate received by an employee during his/her last six months with the Company. Service time is understood to be time served continuously as an employee of the Company except where a leave of absence has been granted under Article XIV, Section (i); Article XX, Section (a); or Article XIX, Sections (b), (c), (d), and (h).

(e) In the event of the death of any employee with six or more months of service, the Company agrees that the beneficiaries of the deceased, designated by the employee in writing in advance, shall be paid a sum equivalent to that which the deceased would have been paid had he/she been discharged under the terms of this contract, less any legal costs or expenses caused the Company in making said payments.

ARTICLE XVI — OUTSIDE ACTIVITY

(a) Without permission in writing from the Company, no employee shall use the name of the Company or his/her connection with the Company or any featured title or other material of the Company to exploit in any way his/her outside endeavor. In cases of employees using the name of the Company for identification purposes in freelance work for non-competing media, employees need only notify their immediate supervisor.

(b) Without permission in writing, employees may not work for media in direct competition with the Company. This includes any regular (as opposed to guest) appearances on the same radio or television show.

(c) The parties acknowledge and agree that maintaining and enforcing the Editorial Ethics Policy is an "essential enterprise related interest" of the Company and that all editorial employees shall sign an acknowledgment that they have received and understand the Editorial Ethics Policy.

ARTICLE XVII — GRIEVANCE PROCEDURE and ARBITRATION

(a) The Guild shall designate a committee of its own choosing to take up with the Company or its authorized agent any matter arising from the application of this agreement or affecting the relation of the employees and the Company.

(b) The Company, or its authorized agent, agrees to meet with the Guild Grievance Committee within ten (10) days after request for such meeting, and the Guild Grievance Committee agrees to meet with the Company or its authorized representative within ten (10) days after request for such meeting.

(c) Any such matter (except renewal of this contract) not satisfactorily resolved may be submitted to final and binding arbitration by either party as set forth below. Costs of such arbitration shall be borne equally by the parties, except that no party shall be obligated to pay any part of the cost of a stenographic transcript without express consent.

(d) A grievance raised under (b) above may be moved to arbitration by either party at any time more than ten (10) calendar days after its first consideration, but in no event later than sixty (60) calendar days after its first consideration in the case of a discharge grievance (this time may be extended by mutual agreement). The motion for arbitration shall be by written notice from the moving party to the other party. The parties then shall take the issue to arbitration according to the procedures hereinafter set forth.

1. The parties shall request a panel of eleven (11) arbitrators from the Federal Mediation and Conciliation Service who reside in California.
2. Within five (5) days after receipt of the written notice of arbitration the parties shall meet and select an arbitrator from such panel. In the event there is disagreement as to which of these arbitrators shall serve, he/she shall be selected by the elimination process.
3. The party seeking arbitration shall state in the written notice of arbitration whether the procedure in paragraph 5 or 6 of Section (d) shall be followed.
4. Informal Hearing: The hearing shall be without transcript and without formalities normally attendant upon a formal arbitration. The arbitrator shall in such cases as he/she deems possible issue his/her decision and remedies at the conclusion of the hearing. Otherwise he/she shall issue his/her decision and remedies as soon as possible. In either instance he/she shall reduce his/her decision and remedies to writing and at his/her option may or may not include an opinion.
5. Formal Hearing: The hearings shall be with a transcript and the normal formalities attendant upon a formal arbitration. The arbitrator shall issue his/her opinion, decision and remedy as soon as possible after receipt of the transcript and briefs if they are filed. The arbitrator may at his/her option issue a Bench Award upon the conclusion of the hearing.
6. The "Informal Hearing" procedure should be limited to cases where there is no substantial differences between the parties as to the facts of the grievance and where a large number of witnesses would not be required in the presentation of the case; otherwise the "Formal Hearing" procedure should be invoked. If dispute arises as to which procedure to follow, then such dispute will be presented to the arbitrator to be decided before the arbitration begins.
7. The decisions including remedies issued by the arbitrator shall be final and binding. All issues concerning arbitrability shall be submitted only to the arbitrator for decision and such decision shall be final and binding.
8. The arbitrator shall follow rules of procedure agreed to by the parties, but in the absence of agreement thereon, the rules of the voluntary labor arbitration tribunal of the American Arbitration Association shall govern.

(e) Conditions prevailing prior to an action or circumstance, except in case of discharge, which results in a grievance shall be maintained unchanged pending final settlement of the grievance as provided herein.

(f) Notwithstanding any of the above provisions, The parties agree that for a two year trial period following the execution of this Agreement, all discipline and discharge cases will be resolved in the manner set forth below:

1. For all discipline and discharge grievances, the parties agree that the case will be heard by a neutral arbitrator, selected consistent with the procedure outlined below.
2. Upon execution of this Agreement, the parties shall request a panel of thirteen (13) arbitrators from the FMCS. Using the alternate strike method, the parties shall select three (3) arbitrators from the panel. At the end of one year following the selection of the three member panel, the parties shall request a new thirteen member panel from the FMCS, and select a new three arbitrator panel using the same alternate strike method.
3. If any discharge or disciplinary grievance is not resolved within sixty (60) days of the discharge or discipline, the parties will select an arbitrator from the three member panel using the alternate strike method. However, if the selected arbitrator is not available to hear the case within thirty (30) days, the parties shall contact each of the three arbitrators, and select the arbitrator who is available to hear the case at the earliest date agreeable to the parties.
4. A hearing shall take place in which the parties shall present evidence consistent with the rules of a normal arbitration. The arbitrator shall issue a final and binding decision immediately upon hearing all evidence presented. The parties, per mutual agreement, may grant the arbitrator additional time to deliberate on the issue(s) presented.
5. Each decision by the arbitrator shall be made in writing with a copy of each decision provided to the Guild and the Company.
6. This expedited arbitration procedure shall be limited to discharge and discipline cases. Contract interpretation cases shall be resolved using the grievance/arbitration procedures outlined above.
7. This clause shall expire two (2) years following the execution of this Agreement. This two year trial period shall be continued by mutual agreement of the parties.

ARTICLE XVIII — EXPENSES

(a) The Company shall pay all legitimate expenses incurred by the employees in the service of the Company.

(b) Any employee (excepting photographers) required and designated by the Company to use his/her automobile in the service of the Company shall be compensated for such use at a minimum of \$45.00 per week or 55.5 cents per mile, whichever is higher. Reports of such use shall be made on blanks supplied by the Company and shall be approved by the Company. The rate of 55.5 cents per mile where it appears herein shall be increased or decreased to the nearest half-cent on July 1 and January 1 each year (beginning July 1, 2011) as may be indicated by applying to the 55.5 cents the percentage increase or decrease in the Private Transportation Index (or average of the two

PTI's if two are issued) of the Consumer Price Index for the San Francisco-Oakland-San Jose area for the month immediately preceding each such date over or under the same Index for the average of the December 2010 and January 2011 figures..

(c) Photographers shall be supplied company automobiles for all work performed on company time for the duration of this contract.

(d) Photographers shall be compensated at a monthly pro-rata of their average annual expenditures for purchase and maintenance of photographic equipment used in the Company's business.

(e) Guaranteed car allowances set forth in (b) above shall not be reduced in a holiday week solely due to the holiday.

(f) The Company shall make parking arrangements for those employees who are required to keep an automobile in constant readiness for the Company's business.

(g) Except by mutual agreement between the Company and the Guild, an employee required to use his/her automobile on a weekly car allowance basis in the service of the Company shall be given six (6) months' notice of discontinuance of the use of such automobile with a copy to the Guild, except in case of resignation or discharge, where no such notice is required. When the Company desires to reinstate the use of an employee's car, the effective date on such change shall be by agreement between the Company and the Guild.

(h) If an employee is required to use his/her automobile regularly on the business of the Company, such automobile shall be covered by liability insurance, and the Company agrees to pay one-half of the amount which will purchase a liability insurance policy for such automobile in the amount of \$100,000 each person and \$300,000 each accident and \$25,000 property damage issued by a company licensed to do business in the State of California. A certificate of insurance shall be supplied to the Company showing the limits and coverage. Such liability coverage shall not be required in the case of an employee hired prior to June 18, 1966, where such employee is unable to obtain such coverage.

(i) Employees on hazardous assignment will be covered by \$100,000 death and dismemberment insurance. Employees traveling by aircraft for the Company will be covered by \$100,000 death and dismemberment insurance. Hazardous duty and air travel insurance shall be in addition to disability, life and other insurance benefits already provided in this contract and/or by state and federal law.

(j) Any employee who is employed or based at the Main Plant and who is subject to section (b) above may give notice that thirty (30) days hence he/she will no longer use his/her personally owned automobile in the service of the Company, provided that not more than five (5) such notices may be served in any thirty (30) day period.

ARTICLE XIX — WORK and FAMILY ISSUES

(a) **Leaves of Absence.** Leaves shall not constitute breaks in the continuity of service or the computation of severance pay, sick leave, vacation and other benefits of this contract, but severance pay will not be paid for periods of unpaid leave.

(b) **Personal Leave.** By consent of the Company, employees may be granted leaves of absence.

(c) **Guild Leave.** In the event an employee is elected or appointed to any AFL-CIO office or office of The Newspaper Guild or Communications Workers of America, or office in a local of The Newspaper Guild, such employee shall be given a leave of absence if requested. The number of employees on Guild leave shall be limited to seven (7) at any one time (but no more than four (4) from any one department), except by mutual agreement. The period of leave may be extended by mutual agreement between the employee and the Company. The foregoing shall also apply to delegates elected to The Newspaper Guild, Communications Workers of America or AFL-CIO conventions.

(d) **Academic Leave.** Unpaid leaves of absence will be granted employees receiving professional and journalistic fellowships and scholarships.

(e) **Bereavement Leave.** Any regular employee covered by this Agreement who suffers a death in the family shall be granted three (3) consecutive work days off with full pay.

1. Employees shall receive such paid days off in addition to, and irrespective of, the employee's regular days off.
2. No payment shall be made for any part of such leave which falls within the employee's vacation period or other paid period when the employee is not covering his/her job.
3. For the purposes of this Section, "family" shall include spouse, same-sex domestic partners, parents or legal guardians, children, brother or sister, father-in-law and mother-in-law.

(f) **Family Medical Care Leave.** An employee shall be granted unpaid leave of up to 12 weeks in a 12-month period to provide care for a spouse, same-sex domestic partner, child or parent with a serious health condition. The amount of time available for such leaves is reduced in length by any such time taken in the previous 12 months under any of the Family Leave acts.

1. Such leaves are available to employees who have at least one year of employment and have worked at least 1250 hours during the 12-month period immediately preceding the leave. (Said limitation applies only to Family Leave and not to other leaves in this contract.)
2. Employees requesting such leaves are expected to provide reasonable notification and to comply with the Company's request for medical certification.
3. Such leaves shall be without pay unless all or part is charged to unused vacation, sick time or accrued compensatory time which may be elected by the employee or required by the Company.
4. It is intended that this Section shall comply with, and not conflict with, the state and federal Family Leave acts, but it may be more permissive.

(g) **Dependent Care Leave.** With verification acceptable to the Company, employees shall be granted time off up to an annual total of five days to deal with child or elder care problems. At the employee's option, such time off may be without pay, or with pay if charged to unused vacation. Such time off shall be inclusive of the Family Leave acts in Section (f) above if used for the same dependent, but need not meet the eligibility requirements of either.

(h) **Maternity Leave.** Maternity leave of up to six (6) months without pay shall be granted upon request. Any female employee shall be entitled to sufficient unpaid leave for childbirth and recovery. Requests by full-time employees on maternity leave to work a part-time schedule upon their return to the job will be given due consideration by the Company.

1. This Section shall also apply to a female adoptive parent or a male adoptive parent (including placement of a child for foster care), but is limited to a combined total of six (6) months for two employees married to each other – or two employees who are same-sex domestic partners with each other – and no more than one month may be concurrent.
2. It is intended that this Section shall not be more limiting than the state and federal Family Leave acts cited in Section (f) above.

(i) **Paternity Leave.** Paternity leave of up to one month, without pay, shall be granted upon request to a male employee whose wife has a child or to a male or female employee whose same-sex domestic partner has a child. Additional leave may be available under the Family Leave acts in Section (f) above or Maternity Leave in Section (h) above, but the total time off shall not exceed the limits set forth in these two sections.

(j) **Job Sharing.** By mutual consent of the Company, the Guild and the employees involved, any two employees will be permitted to share a full-time job. The negotiated document entitled “Job Sharing Guidelines” is incorporated into this contract by reference.

(k) **Flex Time.** By mutual agreement, employees may adjust their scheduled starting times; provided, that a full shift is worked.

(l) **Four-day Week.** Full-time employees may work a four-day week (for a regular week’s straight-time pay) consisting of a maximum of nine and one-half (9 1/2) hours a day in a 37 1/2 hour week; provided there is prior agreement between the Company, the Guild and the employee.

(m) **Domestic Partners.** The following provisions apply only to same-sex domestic partners:

1. All benefits shall apply to domestic partners of employees on the same basis as to spouses of employees.
2. A domestic partner is defined as an adult who shares a committed relationship with a Mercury News employee.
3. Children of an employee’s domestic partner shall be treated as children of the employee with regard to all benefits.
4. Employees shall not be required by the company to sign a notarized affidavit or undergo any other procedure to establish domestic partnership that is more burdensome than the procedure to establish a spousal relationship. Nor shall domestic partners of employees be subject to time limits before becoming eligible for coverage, unless such time limits apply to spouses of employees.
5. Domestic partners may be named as primary beneficiaries of all pension, 401 (k), long-term disability, life insurance and other benefit plans offered by the company.

ARTICLE XX — MILITARY SERVICE

(a) Any employee who is required to leave his/her position to serve in the United States military or related services, or who enlists for one term of enlistment, who serves in the military or related services during a national emergency or in time of war, or who has left on military service since enactment of the Selective Service and Training and National Guard Acts of 1948, shall be deemed to be an employee on leave of absence and shall be reinstated to his/her position — and title, if any — immediately upon his/her return with time spent in service counted for accrual of severance pay and with severance pay rating and other rights under this contract unimpaired. In respect to peace-time service, application for reinstatement must be made within ninety days of termination of service, plus travel time from separation center to place of employment. In respect to war service, application for reinstatement must be made within ninety days of termination of service, plus travel time, and reinstatement may be to a position other than, but similar to, and at no less salary than that held by the employee at the time he/she left his/her position.

(b) In the event an employee is incapacitated in and at the termination of service to the extent he/she is unable to resume his/her job, the Company shall make every effort to retain him/her in some other acceptable employment. If such other employment is not found, the employee shall receive his/her severance pay. In the event such employee died during his/her leave of absence, the amount of severance pay shall be paid to his/her beneficiary or estate.

(c) An employee leaving for military service as herein described shall be given the option of carrying over to his/her return service credit for vacation purposes, or of receiving the proportionate amount of vacation pay immediately.

(d) An employee promoted to take the place of one entering upon a military leave of absence may, upon reinstatement of such employee, be returned to his/her previous position and salary but at not less than the current minimum for that position. The period of such service in the higher position shall be credited to the experience rating of the employee both in respect to the stated previous position, and in respect to the higher classification in the event that he/she shall subsequently be promoted permanently to that classification.

(e) An employee hired as a replacement for one entering upon a military leave of absence hereunder shall be covered by all the provisions of this contract, except this military service clause.

(f) Employees hired as replacements or promoted to take the place of a person entering military service or on leave of absence hereunder shall be given written notice to that effect at the time of employment or promotion, and a copy of such notice shall be sent to the Guild.

(g) Leaves of absence shall be granted to employees for their annual active training or summer camp with the National Guard, Army, Navy, Marine Corps, Coast Guard and Air Force Reserve. This active duty shall be in addition to the regular vacation period to which the employee is entitled each year.

(h) Time spent in military service, as defined in Section (a) shall be considered service time with the Company in computing experience rating. This section shall apply only to employees with six months or more service with the Company before entering military service.

(i) An employee who is required to leave his/her position to serve in the United States military or related services, or who enlists for one term of enlistment, shall be paid four (4) weeks' military leave pay.

(j) This contract clause is not intended to supersede any rights provided to employees under the Uniformed Services Employment and Reemployment Rights Act of 1994 ("USERRA"). In the case where the benefits provided herein exceed those provided under USERRA, then the contract shall prevail. However, in cases where the benefits provided under USERRA exceed those provided herein, then USERRA shall prevail.

ARTICLE XXI — HEALTH and LIFE INSURANCE

(a) Employees shall be covered by the California Newspaper Partnership's ("CNP") medical, dental, vision, life, long term disability and flexible spending plans under the same terms and conditions, eligibility requirements, and at the same costs and contribution rates as apply to non-represented employees at the Company.

(b) The Company reserves the right to modify, amend or terminate the plans referred to in subparagraph (a) above, in whole or in part, at the sole discretion of the Company, including but not limited to plan design, eligibility requirements, coverage options, and the percentage and amount of the employee/Company contribution so long as any such changes are also applicable to other non-represented employees of the Company

(c) Notwithstanding anything set forth in subparagraphs (a) and (b) above, the parties agree that:

1. The employee portion of the health insurance premium shall remain the same through December 31, 2009.
2. Effective January 1, 2010, Guild-represented employees shall pay the same rates and contribution percentages as non-represented employees, but in no event shall any employee be required to pay more than thirty-five (35) percent of the premium share for the core PPO I Plan, or its equivalent, for calendar year 2010. There shall be no such cap on any other plans offered by the Company.
3. Effective January 1, 2011, Guild-represented employees shall pay the same rates and contribution percentages as non-represented employees.
4. Effective January 1, 2010, the long-term disability benefit shall be eliminated for Guild-represented employees.

ARTICLE XXII — RETIREMENT PLAN

(a) From the execution of this Agreement through February 28, 2007, the Employer shall continue in effect the pension plan for all employees covered by this contract. The terms and conditions of such plan shall remain in effect through February 28, 2007.

(b) Effective March 1, 2007, or as soon as practicable thereafter, The San Jose Mercury News, Inc. Amended Retirement Plan Covering Employees Represented by the San Jose Newspaper Guild (hereinafter referred to as "the Mercury News Pension Plan"), as restated effective January

1, 2001, and subsequently amended January 1, 2005, shall be frozen with respect to future benefit accruals and participation including, but not limited to, future benefit accruals related to service and earnings on or after March 1, 2007. Employees covered by this Agreement who are not already participants in the Mercury News Pension Plan as of February 28, 2007, shall not be eligible to participate in the Mercury News Pension Plan. Participants in the Mercury News Pension Plan shall be eligible to continue to accrue service for purposes of vesting under the Mercury News Pension Plan in accordance with the terms of the Mercury News Pension Plan. Participants in the Mercury News Pension Plan shall be eligible to receive payment of their benefits accrued prior to March 1, 2007 in accordance with the terms of the Mercury News Pension Plan.

(c) The Mercury News Pension Plan shall be responsible for providing all plan benefits to eligible employees.

(d) The Company reserves the right to modify, amend, or terminate the Pension Plan, in whole or in part at the sole discretion of the Company.

(e) The parties further agree that the calculation and payment of benefits shall be based entirely upon the terms and conditions of the Mercury News Pension Plan. The parties shall not look to or rely upon the terms and conditions of the San Francisco Media Guild Retirement Plan or any party's interpretation thereof when determining the eligibility for, or the accrual, calculation, vesting and/or payment of pension/retirement benefits.

(f) Any administrative or plan interpretation issues and/or disputes not expressly covered under the terms of the Mercury News Pension Plan shall be resolved at the sole discretion of the Mercury News Pension Plan's Administrative Committee, without resort to the grievance and arbitration procedures set forth in Article XVII of the collective bargaining agreement.

ARTICLE XXIII — MISCELLANEOUS

(a) **Byline, Credit Line.** An employee's byline or credit line shall not be used over the employee's protest. Editing changes made in bylined copy that substantially alter the meaning of the story will be brought to the attention of the employee before publication whenever practicable. An employee whose person is mentioned in a letter to the editor shall be informed of such letter before it is published, subject to the availability of the employee. No retraction or formal correction of printed material will be made without prior consultation with the employee concerned, subject to availability of that individual.

(b) **Bulletin Boards.** The Company agrees to provide bulletin boards suitably placed in all departments and the Peninsula, Alameda, West and San Francisco offices for use of the Guild.

(c) **Sale of Employee's Product.** When the Company sells for profit the product of any employee for outside publication, a mutually agreeable percentage of net return therefrom shall be paid to the employee, and such payment shall be in addition to his/her regular salary.

(d) **Vehicle Safety.** Reasonable standards of safety shall be maintained for Company vehicles used by employees. All company vehicles that an employee is required to drive in the business of the Company shall be equipped with approved seat belts for the driver and for the front seat passenger, at the Company's expense.

(e) **Residency.** There shall be no residency requirement of or for employees covered by this contract.

(f) **Office Conditions.** The Company agrees to furnish a sufficiently ventilated, properly heated/air conditioned, and well-lighted working place, in accordance with local, state and federal requirements.

(g) **Limitation of Apprentices.** Of the employees coming under the editorial and advertising wage classification, not more than twenty (20) percent shall receive wages less than the minimum for two years' experience.

(h) **401k Plan.** Effective March 1, 2007, the Company will provide Guild represented employees with a 401(k) plan with an equal Company match to that provided to non-represented employees as of the execution of this Agreement. The Company reserves the exclusive right to amend, modify or terminate the 401(k) plan, including the right to prescribe eligibility requirements for the plan, so long as the action taken is comparable to that taken with respect to the plan covering other non-bargaining unit employees. The Company further reserves the right to change the basis for and/or the amount of the contributions it makes for bargaining unit employees to the Company's 401 (k) so long as the change is comparable to that taken with respect to non-bargaining unit employees eligible to participate in the Company's plan covering such employees.

(i) **Long-Term Disability.** The Company shall continue to process the appropriate payroll deductions for employees enrolled in the Guild's Long-Term Disability Plan as long as the Guild maintains the plan.

ARTICLE XXIV — HAZARDOUS DUTY

The Company shall continue in effect, for all employees when engaged in hazardous duty for the Company, income continuation insurance that pays to an employee injured or disabled while engaged in hazardous duty for the Company 70% of his/her salary, but not exceeding \$600.00 a week, for a maximum of 52 weeks, such payment to begin with the first day of injury and to be without a waiting period. The above income continuation insurance shall be in addition to all other insurance or other benefits derived from this contract. The combined payments may not exceed the employee's salary, but will be independent of and have no effect on the employee's sick leave bank, if any.

ARTICLE XXV — JURY DUTY

(a) An employee with at least six (6) months of employment required to report for jury service on a day when he/she normally would have been scheduled to work any shift shall be paid for a maximum of thirty (30) days of such jury service in any twelve (12) month period of time at his/her regular straight-time shift's pay minus any pay received as such juror.

(b) Such employee's position need not be filled except at the option of the Company.

(c) To be eligible for such payment, the employee must inform his/her department head in writing of the call to jury service within twenty-four (24) hours of receipt of the official notification (if the notification is received on a Friday then such written notice will not be required; however,

the employee will inform his/her department head promptly on the Monday following by telephone or otherwise), and then must furnish his/her department head a statement of jury service from the Clerk of the Court.

(d) Additional jury duty pay in excess of 30 days shall be granted by the Company where economic hardship and similar factors indicate additional jury duty pay is warranted.

(e) Employees will not be required to report for work on days they are required to report for jury service. However, an employee who normally works day shifts may be required, at the supervisor's option, to complete his/her regular shift if released from further jury duty before the end of that shift.

ARTICLE XXVI — PROMOTION OPPORTUNITIES

(a) Before new employees are hired for positions covered by this contract the Company agrees to give preference in filling the vacancy to present employees who possess the necessary qualifications to meet the Company's requirements, which shall include the factor of seniority, for the job vacancy. The Company shall be the judge of qualifications, but will not be capricious in exercising that judgment.

(b) The above does not apply to lateral job moves or transfers, as stated in the 7/6/77 decision of arbitrator Morris Myers.

(c) Notice of each vacancy, with a description of the work involved, shall be posted on appropriate bulletin boards and mailed to the Guild. The notice shall be posted for not less than five (5) days excluding weekends and holidays.

(d) The Company shall at any time receive an application from present employees for promotion and transfer.

ARTICLE XXVII — COMPUTER TERMINALS

(a) **CRT Testing.** The Company shall provide the Guild with results of tests conducted at least once every six months for the purpose of (a) determining whether CRTs or other related devices are emitting harmful or potentially harmful radiation and (b) determining whether CRTs or other related devices are improperly tuned or focused to a degree directly causing undue employee eyestrain or fatigue. Such tests shall be conducted and reported after a CRT has been moved or maintained in place.

(b) **Workstations.** For persons required to use computers on a regular basis, the Company shall provide workstations that are designed to prevent injury and illness and shall provide adjustable chairs. Where needed, the Company shall also provide track balls, footrests, wrist rests, document holders, devices for height adjustment of computer equipment, and telephone headsets for jobs that require simultaneous computer and telephone use.

(c) **Room Lighting.** The Company will provide lighting conditions to accommodate computers in use.

(d) **Glare Shields.** The Company will furnish glare shields, upon request, to employees required to use CRTs on a regular basis.

(e) **Eye Glasses.** If an employee is required by his/her doctor to wear special glasses, for the sole purpose of working on a computer, the Company shall provide such glasses.

(f) **Consultation with Guild.** Before the introduction or replacement of computers, the Company shall consult with the Guild on the design of the equipment. Nothing in this subsection shall restrict or impair the right of the Company to install such new equipment, after consultation.

(g) **Training Program.** The Company shall maintain a training program designed to inform all current and new computer users of: 1) potential musculoskeletal problems associated with improper VDT use, 2) the importance of appropriately timed computer work breaks to prevent musculoskeletal problems, and 3) the proper adjustment of the workstation to prevent musculoskeletal problems including hands-on training in adjusting workstations. Upon request, a person trained in ergonomics shall visit and evaluate individual workstations and shall advise and/or train each employee on how to properly use his/her workstation.

ARTICLE XXVIII — NO STRIKE/NO LOCKOUT

The Guild and employees agree not to engage in any walk-out, strike, slow down or boycott against the Company or in sympathy to another Guild or local or aid or encourage, directly or indirectly, such practices against the Company during the life of this Agreement. The Company agrees that it will not engage in a lock-out of any employees during the term of this Agreement. This provision is not intended to nor should it be construed as waiving any rights that individual employees possess under Section 7 of the National Labor Relations Act other than that stated above.

ARTICLE XXIX – MANAGEMENT RIGHTS

(a) Except as limited by the terms of this Agreement, the Company reserves the right to manage all Company operations; the right to determine what work will be performed by employees; the right of assignment of particular employees to particular business operations; the right to assign employees to work as needed; the right to schedule hours of work; and the right to utilize the services of freelancers, stringers and independent contractors consistent with other applicable provisions of this Agreement.

(b) Additionally, the Company retains the exclusive right to expand or contract the days of publication and time of day the newspaper may be published and disseminated; and the right to take such measures and make such decisions as the Company may determine to be necessary for the safe, orderly, efficient and profitable operation of the business.

ARTICLE XXX — DURATION and RENEWAL

(a) This contract shall be effective from July 30, 2020 to and including July 30, 2022.

(b) At any time within ninety (90) days immediately prior to the termination of the contract, the Company and the Guild may initiate negotiations for the new contract, to take effect at the expiration of the present contract. The terms and conditions of this contract shall remain in effect during negotiations.

(c) Notwithstanding Article XXX (a) and (b), the parties agree to a reopener after the first year of the extension on or before July 30, 2021 concerning wages only, for the second year of the CBA.

IN WITNESS WHEREOF, the said parties by their representatives duly authorized to act have hereunto set their hands and seals this 4th day of August, 2020.

SAN JOSE MERCURY
NEWS, LLC

PACIFIC MEDIA WORKERS
GUILD

Karen Austin

Karl Mondon

Marshall Anstandig

Michael Applegate

The above affixed signatures also apply to the following attached Memorandums of Agreement entitled: Janitorial Jurisdiction, Freelance Material, Commission Only Advertising Sales Representatives, the joint union Memorandum of Understanding on drug testing, Expense reductions, Furloughs, Finance/Circulation Consolidations, Copy Editing and Design Consolidation, Consolidation of Advertising, Consolidation of Newsrooms, and Pay Freeze.

MEMORANDUM OF AGREEMENT

(Janitorial Jurisdiction)

It is hereby agreed by and between San Jose Mercury News, Inc., and the San Jose Newspaper Guild that the language in the Preamble of the contract concerning “janitorial departments” shall be interpreted as follows:

The Guild’s janitorial jurisdiction is confined to the inside of the building itself. By way of example, janitorial employees will not have jurisdiction of work to be performed in the moat. Jurisdiction will continue in the pressroom and the mailroom on the day and night shifts. This will include the operation of the baler in the pressroom on both day and night shifts.

Jurisdiction on the day shift only will continue in the composing/platemaking area, administration, the rest rooms, and the cafeteria.

The janitorial subcontractor will continue to clean the cafeteria and the rest rooms on the night shifts. The subcontractor will also be able to start at 4:00 p.m. in cleaning the pressmen shower/locker room.

**MEMORANDUM OF AGREEMENT
(Freelance Material)**

It is hereby agreed by and between San Jose Mercury News, Inc., and the San Jose Newspaper Guild that performance of bargaining unit work by bargaining unit members on a voluntary, piece-rate basis shall be permitted only in weekly sections of the newspaper. Such work may, in special circumstances, be used occasionally in other sections provided there is prior agreement in a timely manner between the Company and the Guild. Such work may consist of written material, photographs or graphics.

A bargaining unit member may not provide material on a piece-rate basis to the section or sub-department where he or she is normally assigned to work.

**MEMORANDUM OF AGREEMENT
(Commission Only Advertising Sales Representatives)**

1. The Company may hire commission-only sales representatives for the purpose of developing new business. Commission-only reps shall be allowed to call only on inactive accounts (defined as any account that has not been active for sixty (60) days or more, or without an active contract and has not been in a consistent documented call rotation by another sales representative in that same period).

2. No current employee shall be transferred to a commission-only position without the employee's consent.

3. The Company shall, in its sole discretion, determine the commission structure, and establish and/or change goals, if applicable.

4. For the purposes of establishing a weekly income for holidays, vacation, and sick leave, the pay shall not fall below the minimum nor exceed the maximum paid to outside sales representatives hired after the effective date of this Agreement, as set forth in Article IV of this Agreement.

5. Commission-only sales employees are to be covered by all provisions of the collective bargaining agreement, except Article IV (Minimum Salaries), Article V (Experience), Article IX (Temporary and Part-Time Employees), Article X (Hours), Section (e) of Article XIV, and Article XV (Severance). The probationary period for commission-only sales employees shall be 180 days from hire.

6. Notwithstanding the restrictions set forth in subparagraph (1) above, the Company may hire up to twelve (12) commission-only sales representatives to sell advertising on the same basis as

other outside sales representatives. No salaried sales representative shall be involuntarily terminated and replaced by a commission-only sales representative.

MEMORANDUM OF AGREEMENT
(Between Conference of Newspaper Unions/Mercury News)

The parties agree that all applicants for employment for any position covered by any Agreement may be tested for drugs and/or alcohol.

The parties agree that the collection site will be instructed to follow the Department of Transportation (“DOT”) collection procedures (49 C.F.R. @ @ 40.27-40.31).

The parties further agree that a positive test result in a pre-employment situation is the basis for rejection of the applicant.

MEMORANDUM OF AGREEMENT
(Expense reductions)

The Guild and the Employer recognize that the Employer might be required, during the term of this Agreement, to make certain expense reductions that do not conflict with the terms of this Agreement. The Employer agrees to provide at least one week’s advance notice of any such planned expense reductions not otherwise and/or specifically provided for under the terms of this Agreement to give the Guild an opportunity to discuss alternatives to such reductions.

The parties understand that this notice clause is limited to material terms and conditions of employment covered under this Agreement.

MEMORANDUM OF AGREEMENT
(Furloughs)

During the term of this Agreement, the Company shall be permitted to require each employee to take up to five (5) days of furlough beginning January 17, 2011, through May 22, 2011, under the terms of the furlough program agreed to in February 2009. The Company may, however, exempt individual employees and/or departments from the furlough program. It is understood that the furlough only may be implemented if it is implemented for management and other non-represented employees, who shall be required to participate in the furlough to the same extent as Guild-represented employees.

MEMORANDUM OF AGREEMENT
(Finance/Circulation Consolidations)

The Guild recognizes that the Company has consolidated most work performed by employees in the business office (Finance Division) out of the bargaining unit to the Bay Area News Group

Shared Services Center (BANG SSC). Likewise, during the term of this Agreement, the Company may consolidate the remainder of the business office (Finance Division) and inside circulation departments at the BANG SSC. Any employee whose position is eliminated as a direct result of such consolidation shall receive severance equaling one week per year of service, up to a maximum of eight (8) weeks, in addition to any severance the employee may be entitled to under Article XV of the contract.

Any inside circulation positions created at BANG SSC as a result of the consolidation will be offered first to Mercury News inside circulation employees before any third party, but will only be held open for a period of fourteen (14) days following the posting of the vacant positions.

For employees who take jobs at the consolidated inside circulation operation at BANG SSC, the Company agrees to maintain their rate of pay (after the initial seven percent wage decrease to take effect after ratification of this Agreement) through January 1, 2010. Following the first payroll period after January 1, 2010, the pay for said employees may be reduced but not lower than those BANG SSC employees in the top quartile of pay for those respective positions.

MEMORANDUM OF AGREEMENT (Copy Editing and Design Consolidation)

To save production costs, the Employer shall be able to consolidate the copy editing and design functions with other BANG-EB newspapers, subject to the following limitations:

- Any consolidation of the copy editing and design functions shall not occur prior to August 1, 2009. The Employer agrees to engage in consultative discussions with the Guild before that date to address issues related to the consolidation, including, but not limited to communication, scheduling, distribution of workload, efficiency, timing of work transfer, quality control, and work flow considerations.
- Any vacant copy desk and design positions created at BANG East Bay as a result of the consolidation will be offered first to Mercury News designers and copy editors before any third party, but will only be held open for a period of fourteen (14) days following the posting of the applicable positions.
- To the extent that any employees take jobs at the consolidated news production desk at BANG East Bay, the Company agrees to maintain their rate of pay (after the initial seven percent wage decrease to take effect after ratification of this Agreement) through January 1, 2010. Following the first payroll period after January 1, 2010, said employees may be converted to the BANG East Bay range, but not lower than those BANG East Bay employees in the top quartile of pay for those respective positions.
- Subject to the language contained in the Preamble, the Guild and the Employer agree to enter into discussions about additional consolidations.
- On the condition that the Guild ratifies the new contract by June 4, 2009, the Company shall offer severance, equaling one week of pay per year of service, up to a maximum of eight (8) weeks, for employees displaced as a direct result of the consolidations noted above. This severance is in addition to any severance an employee may be entitled to under Article XV of the contract.

MEMORANDUM OF AGREEMENT
(Consolidation of Advertising)

1. The Guild acknowledges that Bay Area News Group, including the San Jose Mercury News, intends to consolidate its advertising sales, sales support, and marketing functions. This consolidation may involve the relocation of Company employees to other Bay Area News Group facilities, the relocation of non-represented employees of other Bay Area News Group entities to the Company's facilities, the creation of consolidated sales teams consisting of represented and non-represented employees that may report to Mercury News managers or managers from other Bay Area News Group entities, and joint training and sales programs (hereinafter collectively referred to as "Consolidated Sales Efforts").
2. The Company may direct its Guild represented advertising employees to participate in Consolidated Sales Efforts, alone or in combination with employees from other Bay Area News Group entities, for the purpose of generating, facilitating, processing, or supporting advertising sales for the Mercury News and/or other Bay Area News Group entities. Notwithstanding anything in this Agreement or any asserted practices to the contrary, such direction and participation in Consolidated Sales Efforts by Mercury News employees shall not be deemed an assignment of or grant of jurisdiction to the Guild over any such work. Such direction and participation in Consolidated Sales Efforts by Mercury News employees shall not be used by the Guild as evidence, directly or indirectly, in any proceeding of any kind or nature, including without limitation, any arbitration or NLRB proceeding, to advance a claim for jurisdiction over such work or job functions and/or representational rights over any employees of other Bay Area News Group entities, whether during the term of or after the expiration of any collective bargaining agreement between the Mercury News and the Guild.
3. Nothing in this Agreement grants to, assigns to or in any way gives to the Guild or recognizes the Guild as having any jurisdiction over work or job functions performed by employees of other Bay Area News Group entities or representational rights over employees of other Bay Area News Group entities. The consolidation of the Bay Area News Group advertising sales, sales support and marketing functions and/or the participation of Mercury News employees in Consolidated Sales Efforts, along with this Agreement itself, shall not be used by the Guild as evidence, directly or indirectly, in any proceeding of any kind or nature, including without limitation, any arbitration or NLRB proceeding, to advance a claim for jurisdiction over such work or job functions and/or representational rights over any employees of other Bay Area News Group entities, whether during the term of or after the expiration of any collective bargaining agreement between the Company and the Guild.
4. During the term of this Agreement, and its successor agreement, or for a period of four years, whichever is greater, the Guild agrees that it shall not petition to accrete non-represented advertising employees of other Bay Area News Group entities into the Guild bargaining unit.
5. During the term of this Agreement, and its successor agreement, or for a period of four years, whichever is greater, the Company agrees that it shall not withdraw recognition of

the Guild as the bargaining representative for non-excluded employees of the Company in its Advertising Division.

6. Nothing herein shall prevent either party from asserting any and all rights after the expiration of this Agreement, with the term of the Agreement defined in subparagraphs 4 and 5 above. However, in asserting those rights, neither party will rely on evidence of events taking place during the term of this Agreement, but will instead rely on evidence of events taking place after the expiration of this Agreement.
7. This Memorandum of Agreement shall be coterminous with the Memorandum of Agreement on Consolidation of Newsrooms.
8. Nothing herein is intended to lessen the protections afforded to employees under Article XIV(k) of this Agreement.

MEMORANDUM OF AGREEMENT (Consolidation of Newsrooms)

1. The Guild acknowledges that Bay Area News Group, including the San Jose Mercury News, intends to consolidate its editorial and news gathering functions. This consolidation may involve the relocation of Company employees to other Bay Area News Group facilities, the relocation of non-represented employees of other Bay Area News Group entities to the Company's facilities, the creation of consolidated editorial departments and teams consisting of represented and non-represented employees that may report to Mercury News managers or managers from other Bay Area News Group entities, and joint training and other consolidated initiatives (hereinafter collectively referred to as "Consolidated Editorial Efforts").
2. The Company may direct its Guild represented editorial employees to participate in Consolidated Editorial Efforts, alone or in combination with employees from other Bay Area News Group entities, for the purpose of generating editorial and other content, and facilitating, processing, or supporting editorial and news gathering functions for the Mercury News and/or other Bay Area News Group entities. Notwithstanding anything in this Agreement or any asserted practices to the contrary, such direction and participation in Consolidated Editorial Efforts by Mercury News employees shall not be deemed an assignment of or grant of jurisdiction to the Guild over any such work. Such direction and participation in Consolidated Editorial Efforts by Mercury News employees shall not be used by the Guild as evidence, directly or indirectly, in any proceeding of any kind or nature, including without limitation, any arbitration or NLRB proceeding, to advance any claim, including claims asserting (a) jurisdiction over such work or job functions and/or representational rights over any non-represented employees of other Bay Area News Group entities, (b) accretion, single employer, or alter ego status with respect to the Company and any other Bay Area News Group entity, including but not limited to Bay Area News Group East Bay, whether such claims are brought during the term of or after the expiration of any collective bargaining agreement between the Mercury News and the Guild.
3. Nothing in this Agreement grants to, assigns to or in any way gives to the Guild or recognizes the Guild as having any jurisdiction over work or job functions performed by employees of

other Bay Area News Group entities or representational rights over employees of other Bay Area News Group entities. The consolidation of the Bay Area News Group editorial and news gathering functions, and/or the participation of Mercury News employees in Consolidated Editorial Efforts, along with this Agreement itself, shall not be used by the Guild as evidence, directly or indirectly, in any proceeding of any kind or nature, including without limitation, any arbitration or NLRB proceeding, to advance any claim, including claims asserting (a) jurisdiction over such work or job functions and/or representational rights over any non-represented employees of other Bay Area News Group entities, (b) accretion, single employer, or alter ego status with respect to the Company and any other Bay Area News Group entity, including but not limited to Bay Area News Group East Bay, whether such claims are brought during the term of or after the expiration of any collective bargaining agreement between the Mercury News and the Guild.

4. Nothing herein shall prevent either party from asserting any and all rights after the expiration of this Agreement and its successor agreement, or for a period of four years, whichever is greater (“the MOA Term”). However, in asserting those rights, neither party will rely on evidence of events taking place during the MOA Term, but will instead rely on evidence of events taking place after the expiration of the MOA Term.
5. Nothing herein is intended to lessen the protections afforded to employees under Article XIV(k) of this Agreement.